

SHARE CAPITAL

AUTHORIZED AND ISSUED SHARE CAPITAL

The following is a description of the authorized and issued share capital of our Company in issue and to be issued as fully paid or credited as fully paid prior to and immediately following completion of the [REDACTED]:

As of the date of this Document

Authorized share capital

Number of Shares	Description of Shares	Aggregate Nominal Value of Shares
9,769,813,860	Ordinary shares with a par value of US\$0.000005 each	US\$48,849.0693
230,186,140	Preferred Shares with a par value of US\$0.000005 each	US\$1,150.9307
10,000,000,000	Total	US\$50,000

Issued Share Capital

Number of Shares	Description of Shares	Aggregate Nominal Value of Shares
163,229,793	Ordinary shares with a par value of US\$0.000005 each	US\$816.1490
230,186,140	Preferred Shares with a par value of US\$0.000005 each	US\$1,150.9307
393,415,933	Total	US\$1,967.0797

Immediately following the completion of the [REDACTED]

Authorized share capital

Number of Shares	Description of Shares	Aggregate Nominal Value of Shares
78,312,904	Class A Ordinary Shares with a par value of US\$0.000005 each	US\$391.5645
9,921,687,096	Class B Ordinary Shares with a par value of US\$0.000005 each	US\$49,608.4355
10,000,000,000	Total	US\$50,000

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Issued Share Capital

Assuming the [REDACTED] is not exercised

Number of Shares	Description of Shares	Aggregate Nominal Value of Shares
78,312,904	Class A Ordinary Shares with a par value of US\$0.000005 each	US\$391.5645
315,103,029	Class B Ordinary Shares with a par value of US\$0.000005 each	US\$1,575.5151
<u>[REDACTED]</u>	Class B Ordinary Shares to be issued under the [REDACTED]	<u>US\$[REDACTED]</u>
<u>[REDACTED]</u>	Total	<u>US\$[REDACTED]</u>

Assuming the [REDACTED] is fully exercised

Number of Shares	Description of Shares	Aggregate Nominal Value of Shares
78,312,904	Class A Ordinary Shares with a par value of US\$0.000005 each	US\$391.5645
315,103,029	Class B Ordinary Shares with a par value of US\$0.000005 each	US\$1,575.5151
<u>[REDACTED]</u>	Class B Ordinary Shares to be issued under the [REDACTED]	<u>US\$[REDACTED]</u>
<u>[REDACTED]</u>	Total	<u>US\$[REDACTED]</u>

The above tables assume that the [REDACTED] becomes unconditional and Shares are issued pursuant to the [REDACTED], and do not take into account (i) any Class B Ordinary Shares which may be issued under the Pre-[REDACTED] Equity Incentive Plan and (ii) any Class B Ordinary Shares which may be issued or repurchased by our Company pursuant to the general mandates granted to our Directors to issue or repurchase Class B Ordinary Shares as described below.

WEIGHTED VOTING RIGHTS STRUCTURE

The Company has adopted a WVR structure, effective upon [REDACTED]. Under our WVR structure, our share capital comprises Class A Ordinary Shares and Class B Ordinary Shares. Each Class A Ordinary Share entitles the holder to exercise ten votes, and each Class B Ordinary Share entitles the holder to exercise one vote, respectively, on matters subject to voting at general meetings of our Company, subject to Rule 8A.24 of the Listing Rules that requires the Reserved Matters to be voted on a one-vote-per-share basis.

The Reserved Matters are:

- (i) any amendment to the Memorandum and the Articles;
- (ii) the variation of the rights attached to any class of Shares;
- (iii) the appointment, election or removal of an independent non-executive Director;

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- (iv) the appointment or removal of our Company's auditors; and
- (v) the voluntary liquidation or winding-up of our Company.

In addition, Shareholders, including holders of Class B Ordinary Shares, holding not less than one-tenth of the paid-up capital of the Company that carries voting rights at general meetings (on a one-vote-per-share basis) are entitled to convene an extraordinary general meeting of our Company and add resolutions to the meeting agenda. See "Summary of the Constitution of our Company and Cayman Islands Company Law — 2. Articles of Association" in Appendix III to this Document for further details.

Our Company is adopting the WVR structure to enable the WVR Beneficiary to exercise voting control over our Company. This will enable our Company to benefit from the continuing vision and leadership of the WVR Beneficiary who will control our Company with a view to its long-term prospects and strategy. Taking into account the WVR Beneficiary's contribution to the Group, the adoption of the WVR structure is in the best interests of the Company and its Shareholders as a whole.

Prospective [REDACTED] are advised to be aware of the potential risks of [REDACTED] in companies with weighted voting rights structures, in particular that interests of the WVR Beneficiary may not necessarily always be aligned with those of our Shareholders as a whole, and that the WVR Beneficiary will be in a position to exercise their higher voting power to influence the affairs of our Company and the outcome of Shareholders' resolutions, irrespective of how other Shareholders vote.

Prospective [REDACTED] should make the decision to [REDACTED] in our Company only after due and careful consideration. For further information about the risks associated with the WVR structure adopted by the Company, see "Risk Factors — Risks Related to the WVR Structure" in this Document. Save for the weighted voting rights attached to Class A Ordinary Shares, the rights attached to both classes of Shares are identical. For further information about the rights, preferences, privileges and restrictions of the Class A Ordinary Shares and Class B Ordinary Shares, see "Summary of the Constitution of Our Company and Cayman Islands Company Law — 2. Articles of Association" in Appendix III to this Document.

Class A Ordinary Shares may be converted into Class B Ordinary Shares on a one-to-one basis. Upon conversion of all the issued and outstanding Class A Ordinary Shares into Class B Ordinary Shares, the Company will issue 78,312,904 Class B Ordinary Shares, representing approximately [REDACTED]% of the total number of issued Class B Ordinary Shares immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and without taking into account any Class B Ordinary Shares which may be issued under the Pre-[REDACTED] Equity Incentive Plan).

The weighted voting rights attached to our Class A Ordinary Shares will cease when the WVR Beneficiary ceases to have beneficial ownership of any of our Class A Ordinary Shares, in accordance with Rule 8A.22 of the Listing Rules. This may occur:

- (i) upon the occurrence of any of the circumstances set out in Rule 8A.17 of the Listing Rule, in particular where the WVR Beneficiary is: (1) deceased; (2) no longer a member of our Board; (3) deemed by the Stock Exchange to be incapacitated for the purpose of performing his/her duties as a director; or (4) deemed by the Stock Exchange to no longer meet the requirements of a director set out in the Listing Rules;
- (ii) when the holders of Class A Ordinary Shares have transferred to another person the beneficial ownership of, or economic interest in, the Class A Ordinary Shares or the control over the voting rights attached to them, other than in the circumstances permitted by Rule 8A.18 of the Listing Rule;
- (iii) where a vehicle holding Class A Ordinary Shares on behalf of a WVR Beneficiary no longer complies with Rule 8A.18(2) of the Listing Rule; or
- (iv) when all of the Class A Ordinary Shares have been converted to Class B Ordinary Shares.

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Shareholding Structure of the WVR Beneficiary

The table below sets out the beneficial interests held by, and voting rights controlled by, the WVR Beneficiary upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised and without taking into account any Class B Ordinary Shares which may be issued under the Pre-[REDACTED] Equity Incentive Plan):

	Number of Class A Ordinary Shares held ⁽¹⁾	Approximate percentage of beneficial interests in our issued share capital	Approximate percentage of voting rights ⁽²⁾
Mr. Deng	78,312,904	[REDACTED]%	[REDACTED]%

Notes:

- (1) Mr. Deng beneficially holds Class A Ordinary Shares through Wormhole Transfer, his wholly-owned company.
- (2) On the basis that each Class A Ordinary Share entitles the Shareholder to ten votes per Share and each Class B Ordinary Share entitles the Shareholder to one vote per Share.

Pursuant to the Concert Party Agreement, Ms. Yao, Mr. Liu, Mr. Deng Xianliang (鄧先亮) and Mr. Zheng and their respective wholly-owned companies agreed to act in concert with Mr. Deng and his wholly-owned company in exercising Shareholders’ rights pertaining to our Company in accordance with Mr. Deng’s instructions, and will continue to act in concert with each other after the [REDACTED]. For details, please see the section headed “Relationship with Our Controlling Shareholders” in this Document.

The Company confirms that the holding arrangement through which the WVR Beneficiary holds the Class A Ordinary Shares as described above meets the requirements in Rule 8A.18 of the Listing Rules and the holding arrangement is permitted under the “Consultation Conclusions — a listing regime for companies from emerging and innovative sectors” issued by the Stock Exchange in April 2018, namely: (a) a partnership of which the WVR Beneficiary is a partner and the terms of which must expressly specify that the voting rights attached to any and all of the Class A Ordinary Shares held by such partnership are solely dictated by the WVR Beneficiary; (b) a trust of which the WVR Beneficiary is a beneficiary and that meets the following conditions: (i) the WVR Beneficiary must in substance retain an element of control of the trust and any immediate holding companies of, or, if not permitted in the relevant tax jurisdiction, retain a beneficial interest in any and all of the Class A Ordinary Shares held by such trust; and (ii) the purpose of the trust must be for estate planning and/or tax planning purposes; or (c) a private company or other vehicle wholly owned and wholly controlled by the WVR Beneficiary or by a trust referred to in paragraph (b) above.

To ensure that there will not be any circumvention of Rule 8A.18(1), each of the Company and Mr. Deng undertakes that so long there is any weighted voting rights attached to the Shares held by Wormhole Transfer, Mr. Deng will not transfer any beneficial ownership of or economic interest in the Wormhole Transfer or the control over the voting rights attached to the Shares held by Wormhole Transfer to another person. In the event that there is any change in the beneficial ownership of or economic interest in the Shares held by the Wormhole Transfer or the control over the voting rights attached to the Shares held by the Wormhole Transfer, to another person, resulting in change of beneficial ownership of, or economic interest in, the Shares held the Wormhole Transfer or the control over the voting rights attached to such Shares, Mr. Deng will notify the Stock Exchange pursuant to Rule 8A.19 of the Listing Rules and comply with the relevant statutory obligations including obligations of disclosure of interests under the SFO, and the weighted voting rights attached to the Class A Ordinary Shares held by the Wormhole Transfer shall cease upon such transfer accordingly. The Company will also comply with Rule 8A.30 of the Listing Rules to confirm, on an annual basis, that, among others, the WVR Beneficiary has complied with Rule 8A.18 of the Listing Rules.

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Contribution of the WVR Beneficiary

As our founder, chairperson of our Board, executive Director and chief executive officer, Mr. Deng has been integral to the success of the Group and has been materially responsible for defining the Group’s mission, shaping its strategic vision and driving its rapid growth since its inception. Leveraging his profound industry insights and extensive experience in the global payments and cross-border financial services industry, Mr. Deng laid the foundation for the Company’s mission, long-term growth strategy, technology-driven business model and product architecture, and is critical to the daily operations of our Company.

Mr. Deng defined our mission of “making SME payment services simple and accessible” upon our inception, which has shaped the Group’s long-term strategic direction. Mr. Deng has played a pivotal role in shaping the Group’s technology roadmap, fostering an R&D-driven culture since our inception, establishing our technical talent team, and applying AI and blockchain-enabled technology to empower our payment solutions. As our founder, Mr. Deng also devoted substantial effort to establishing a strong founding team and attracting top-tier talent, personally sourcing and vetting key hires to ensure the Company maintains a professional, diligent, young and dynamic core team that supports its long-term development. Mr. Deng is instrumental in the Group’s innovation in business model and global financial infrastructure. Recognizing the diverse, fragmented and highly localized nature of financial systems around the world, Mr. Deng conceptualized and led the development of X-Net, the “globally unified B2B cross-border settlement network and risk management platform.”

Mr. Deng is not only the strategic architect of the Group but also a highly hands-on executor. Mr. Deng is the core decision-maker of the Group and plays a key role in all major aspects of the Company’s operations, including strategy, product planning, risk management, sales strategy and organizational development. He has been pivotal in formulating critical corporate policies and oversees all material strategic decisions of the Group. Mr. Deng personally led and facilitated the establishment of significant strategic collaborations between the Company and more than one hundred renowned global financial institutions, jointly developing X-Net’s globally unified settlement network and risk management platform. He has also been instrumental in securing investments from leading international investors, which have further accelerated and supported the Company’s development.

Our Company is adopting the WVR structure to enable the WVR Beneficiary to exercise voting control over our Company. This will enable our Company to benefit from the continuing vision and leadership of the WVR Beneficiary who will control our Company with a view to its long-term prospects and strategy. Taking into account the WVR Beneficiary’s contribution to the Group, it is in the best interests of the Company and its Shareholders as a whole.

Prospective [REDACTED] are advised to be aware of the potential risks of [REDACTED] in companies with weighted voting rights structures, in particular that interests of the WVR Beneficiary may not necessarily always be aligned with those of our Shareholders as a whole, and that the WVR Beneficiary will be in a position to exercise their higher voting power to influence the affairs of our Company and the outcome of Shareholders’ resolutions, irrespective of how other Shareholders vote.

Prospective [REDACTED] should make the decision to [REDACTED] in the Company only after due and careful consideration. For further information about the risks associated with the WVR structure adopted by the Company, see “Risk Factors — Risks Related to the WVR Structure.” Save for the weighted voting rights attached to Class A Ordinary Shares, the rights attached to both classes of Shares are identical. For further information about the rights, preferences, privileges and restrictions of the Class A Ordinary Shares and Class B Ordinary Shares, please see “Summary of the Constitution of our Company and Cayman Islands Company Law — 2. Articles of Association” in Appendix III to this Document for further details.

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RANKING

Save and except for the rights, preferences, privileges and restrictions set out in the Articles, the [REDACTED] will rank *pari passu* in all respects with all Class B Ordinary Shares currently in issue or to be issued as mentioned in this Document, and will qualify and rank equally for all dividends or other distributions declared, made or paid on the Shares on a record date which falls after the date of this Document.

UNDERTAKINGS BY THE WVR BENEFICIARY

Pursuant to Rule 8A.43 of the Listing Rules, the WVR Beneficiary is required to give a legally enforceable undertaking to our Company that he/she will comply with the relevant requirements as set out in Rule 8A.43 of the Listing Rules, which is intended to be for the benefit of and enforceable by the Shareholders. On [●], the WVR Beneficiary made an undertaking to our Company (the "Undertaking"), that for so long as he is a WVR Beneficiary:

- (a) he shall comply with (and, if the shares to which the weighted voting rights that he is beneficially interested in are attached are held through a limited partnership, trust, private company, or other vehicle, use his best endeavors to procure that such limited partnership, trust, private company or other vehicle complies with) all applicable requirements under Rules 8A.09, 8A.14, 8A.15, 8A.17, 8A.18 and 8A.24 of the Listing Rules from time to time in force (the "Requirements"); and
- (b) he shall use his best endeavors to procure that our Company complies with all applicable Requirements.

For the avoidance of doubt, the Requirements are subject to Rule 2.04 of the Listing Rules. The WVR Beneficiary acknowledged and agreed that the Shareholders rely on the Undertaking in acquiring and holding their Shares. The WVR Beneficiary acknowledged and agreed that the Undertaking is intended to confer a benefit on our Company and all Shareholders and may be enforced by our Company and/or any Shareholder against the WVR Beneficiary.

The Undertaking shall automatically terminate upon the earlier of (i) the date of [REDACTED] of our Company from the Stock Exchange, and (ii) the date on which the WVR Beneficiary ceases to be a beneficiary of weighted voting rights in our Company. For the avoidance of doubt, the termination of the Undertaking shall not affect any rights, remedies, obligations or liabilities of our Company, any Shareholder and the WVR Beneficiary himself that have accrued up to the date of termination, including the right to claim damages and/or apply for any injunction in respect of any breach of the Undertaking which existed at or before the date of termination.

The Undertaking shall be governed by the laws of Hong Kong and all matters, claims or disputes arising out of the Undertaking shall be subject to the exclusive jurisdiction of the courts of Hong Kong.

ALTERATION OF SHARE CAPITAL

Pursuant to the Cayman Companies Act and the terms of the Memorandum and the Articles, our Company may by ordinary resolution (a) increase its share capital by new Shares of such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into Shares of a larger amount than its existing Shares; (c) subdivide its Shares, or any of them, into Shares of an amount smaller than that fixed by the Memorandum, provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in case of the Share from which the reduced Share is derived; and (d) cancel any Shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled. In addition, our Company may by special resolution reduce its share capital or any capital redemption reserve subject to the Cayman Companies Act.

See "Summary of the Constitution of Our Company and Cayman Islands Company Law — 2 Articles of Association" in Appendix III to this Document for further details.

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CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS AND CLASS MEETINGS ARE REQUIRED

Our Company may, by ordinary resolution, (i) increase its share capital by the creation of new shares; (ii) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares; (iii) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person; and (iv) sub-divide its shares or any of them into shares of smaller amount. In addition, our Company may, by special resolution, reduce its share capital or any capital redemption reserve subject to any conditions prescribed by the Cayman Companies Act. See “Summary of the Constitution of Our Company and Cayman Islands Company Law — 2. Articles of Association — 2.1(d) Alteration of capital” in Appendix III to this Document for further details. If at any time the share capital of our Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Cayman Companies Act, be varied or abrogated only with (in addition to a special resolution to amend the Memorandum or the Articles) the consent in writing of the holders of at least three-fourths of the issued shares of that class or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class by Shareholders holding shares representing at least three-fourths of the votes cast by the holders of the shares present and voting at such meeting. For further details, see “Summary of the Constitution of Our Company and Cayman Islands Company Law — 2. Articles of Association — 2.1(c) Variation of rights of existing shares or classes of shares” in Appendix III to this Document.

PRE-[REDACTED] EQUITY INCENTIVE PLAN

Our Company adopted the Pre-[REDACTED] Equity Incentive Plan. For further details, see “Statutory and General Information — D. Pre-[REDACTED] Equity Incentive Plan” in Appendix IV to this Document.

GENERAL MANDATE TO ISSUE SHARES AND SELL AND/OR TRANSFER TREASURY SHARES

Subject to the [REDACTED] becoming unconditional, our Directors have been granted general unconditional mandates to (i) allot, issue and deal with any Class B Ordinary Shares or securities convertible into Class B Ordinary Shares, (ii) sell and/or transfer Class B Ordinary Shares out of treasury that are held as treasury shares of not more than the sum of:

- 20% of the total number of Shares in issue immediately following completion of the [REDACTED] (excluding (i) the additional Class B Ordinary Shares which may be issued pursuant to the exercise of the [REDACTED], (ii) the Class B Ordinary Shares to be issued under the Pre-[REDACTED] Equity Incentive Plan, (iii) the Class B Ordinary Shares that are issuable upon conversion of the Class A Ordinary Shares, and (iv) treasury shares, if any); and
- the aggregate Shares repurchased by the Company under the authority referred to in the paragraph headed “— General Mandate to Repurchase Shares” in this section.

This general mandate to issue Class B Ordinary Shares and sell and/or transfer treasury shares will expire at the earliest of:

- the conclusion of the next annual general meeting of our Company unless otherwise renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions;
- the expiration of the period within which our Company’s next annual general meeting is required by the Articles of Association or any other applicable laws to be held; or
- the date on which it is varied or revoked by an ordinary resolution of our Shareholders in a general meeting.

See “Statutory and General Information — A. Further Information about Our Group — 4. Resolutions of Our Shareholders” in Appendix IV to this Document for further details.

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GENERAL MANDATE TO REPURCHASE SHARES

Subject to the [REDACTED] becoming unconditional, our Directors have been granted a general unconditional mandate, to exercise all the powers of our Company to repurchase our own securities with nominal value of up to 10% of the total number of Shares in issue immediately following the completion of the [REDACTED] (excluding (i) the additional Class B Ordinary Shares which may be issued pursuant to the exercise of the [REDACTED], (ii) the Class B Ordinary Shares to be issued under the Pre-[REDACTED] Equity Incentive Plan, (iii) the Class B Ordinary Shares that are issuable upon conversion of the Class A Ordinary Shares, and (iv) treasury shares, if any).

The repurchase mandate only relates to repurchases made on the Stock Exchange, or on any other stock exchange on which our Shares are [REDACTED] (and which are recognized by the SFC and the Stock Exchange for this purpose), and which are in accordance with the Listing Rules. A summary of the relevant Listing Rules is set out in “Statutory and General Information — A. Further Information about our Group — 5. Repurchases of Our Own Securities” in Appendix IV.