

SHARE CAPITAL

This section presents certain information regarding our share capital before and upon completion of the [REDACTED].

BEFORE THE [REDACTED]

As of the Latest Practicable Date, the registered share capital of our Company was RMB350,000,000, comprising 350,000,000 Unlisted Shares in issue of nominal value RMB1.00 each.

UPON COMPLETION OF THE [REDACTED]

Immediately following completion of the [REDACTED] and the Conversion of Unlisted Shares into H Shares (assuming the [REDACTED] is not exercised), the share capital of our Company will be as follows:

Number of Shares	Description of Shares	Approximate percentage of total issued share capital
[REDACTED]	Unlisted Shares	[REDACTED]%
[REDACTED]	H Shares to be converted from Unlisted Shares	[REDACTED]%
[REDACTED]	H Shares to be issued under the [REDACTED]	[REDACTED]%
<u>[REDACTED]</u>		<u>100.00%</u>

Immediately after the completion of the [REDACTED] and the Conversion of Unlisted Shares into H Shares (assuming the [REDACTED] is exercised in full), the share capital of our Company will be as follows:

Number of Shares	Description of Shares	Approximate percentage of total issued share capital
[REDACTED]	Unlisted Shares	[REDACTED]%
[REDACTED]	H Shares to be converted from Unlisted Shares	[REDACTED]%
[REDACTED]	H Shares to be issued under the [REDACTED]	[REDACTED]%
<u>[REDACTED]</u>		<u>100.00%</u>

SHARE CLASSES AND RANKING

Upon the completion of the [REDACTED] and the Conversion of Unlisted Shares into H Shares, our Shares will consist of Unlisted Shares and H Shares. Unlisted Shares and H Shares are all ordinary Shares in the share capital of our Company and are regarded as the same class of Shares under the Articles of Association.

Apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and other persons who are entitled to hold the H Shares pursuant to relevant PRC laws and

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regulations or upon approvals of any competent authorities (such as our certain existing shareholders the Unlisted Shares held by whom will be converted into H Shares according to the filing with the CSRC), H Shares generally cannot be subscribed by or traded between legal or natural PRC persons.

Unlisted Shares and H Shares shall rank *pari passu* with each other in all respects and, in particular, will rank equally for dividends or distributions declared, paid or made. All dividend for H Shares will be denominated and declared in Renminbi, and paid in Hong Kong dollars or Renminbi, whereas all dividends for Unlisted Shares will be paid in Renminbi. Other than cash, dividends could also be paid in the form of shares or a combination of cash and shares.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING AND CLASS MEETING ARE REQUIRED

Pursuant to the PRC Company Law and the terms of the Articles of Association, our Company may from time to time by special resolution of shareholders, among others, increase its capital or decrease its capital. For details of circumstances under which our Shareholders’ general meetings are required, see “Appendix V—Summary of Articles of Association” in this document.

CONVERSION OF UNLISTED SHARES INTO H SHARES

Pursuant to the regulations prescribed by the securities regulatory authorities of the State Council, the Unlisted Shares may be converted into H Shares. Such converted Shares could be listed or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted Shares, any requisite internal approval process has been duly completed and all the filing procedures with the relevant regulatory authorities, including CSRC which requires administrative filing procedures for the conversion and trading of such converted Shares, have been obtained. In addition, such conversion and trading shall comply with the regulations, requirements and procedures prescribed by the relevant overseas stock exchange. If any of the Unlisted Shares are to be converted, listed and traded as H Shares on the Stock Exchange, such conversion, listing and trading will need to be filed with the relevant PRC regulatory authorities, including the CSRC, and the approval of the Stock Exchange.

Filing with the CSRC and Full Circulation Application

In accordance with the Guidelines for the “Full Circulation” Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境内未上市股份申请“全流通”业务指引》) and the Overseas Listing Trial Measures announced by the CSRC, H-share listed companies which apply for the conversion of domestic shares and unlisted foreign shares into H shares for listing and circulation on the Stock Exchange shall file the application with the CSRC according to the administrative filing procedures necessary for the Overseas Listing Trial Measures. An H-share listed company may apply for a “Full Circulation” separately or when applying for refinancing overseas. An unlisted domestic joint stock company may apply for “Full Circulation” when applying for an overseas [REDACTED].

We have filed with the CSRC for, and received the filing notice from the CSRC dated [●] in relation to the [REDACTED] and the conversion of [REDACTED] Unlisted Shares into H Shares on a one-for-one basis upon Listing.

Listing Approval by the Stock Exchange

We have applied to the Stock Exchange for the approval for the granting of listing of, and permission to deal in, the H Shares to be issued pursuant to the [REDACTED] (including any H Shares which may be issued pursuant to the exercise of the [REDACTED]) and the H Shares to be converted from [REDACTED] Unlisted Shares on the Stock Exchange, which is subject to the approval by the Stock Exchange.

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We will perform the following procedures for the Conversion of Unlisted Shares into H Shares after receiving the approval of the Stock Exchange: (a) giving instructions to our H Share Registrar regarding relevant share certificates of the converted H Shares; and (b) enabling the converted H Shares to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the CCASS.

The Conversion of Unlisted Shares into H Shares will involve an aggregate of [REDACTED] Unlisted Shares held by seven existing Shareholders, representing approximately [REDACTED]% of total issued Shares of the Company as of the Latest Practicable Date and approximately [REDACTED]% of total issued Shares of the Company upon completion of the Conversion of Unlisted Shares into H Shares and the [REDACTED] (assuming the [REDACTED] is not exercised).

TRANSFER OF SHARES ISSUED PRIOR TO [REDACTED]

The PRC Company Law provides that in relation to the [REDACTED] of a company, the shares issued prior to the [REDACTED] shall not be transferred within a period of one year from the date on which the publicly offered shares are listed on any stock exchange. Accordingly, Shares issued by our Company prior to the [REDACTED] shall be subject to such statutory restriction and not be transferred within a period of one year from the Listing Date. See “History, Development and Corporate Structure—[REDACTED] Investments—(1) Overview.”

For details of the lock-up undertaking given by our Controlling Shareholders to the Stock Exchange, see “ [REDACTED]” in this document.

REGISTRATION OF SHARES NOT LISTED ON THE OVERSEAS STOCK EXCHANGE

According to the Guidelines for the “Full Circulation” Program for Domestic Unlisted Shares of H-share Listed Companies, the domestic shareholders of unlisted shares shall handle share transfer registration in accordance with the relevant rules of China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司) (the “CSDC”), and H-share companies should submit relevant status reports to the CSRC within 15 days after the shares involved in the application completing the transfer registration in the CSDC.