SHARE CAPITAL

As of the Latest Practicable Date, the registered capital of our Company is RMB32,082,303 divided into 32,082,303 Domestic Unlisted Shares with a nominal value of RMB1.00 each.

Assuming that the [**REDACTED**] is not exercised, the share capital of our Company immediately following the [**REDACTED**] will be increased to RMB[**REDACTED**] and set out as follows:

Number of Shares	Description of Shares	Approximate % of the Enlarged Share Capital after the [REDACTED]
[**REDACTED**]	H Shares to be converted from Domestic Unlisted Shares	[**REDACTED**]%
[**REDACTED**]	H Shares to be issued under the [**REDACTED**]	[**REDACTED**]%
[**REDACTED**]		100.00%

Assuming that the [**REDACTED**] is exercised in full, the share capital of our Company immediately following the [**REDACTED**] will be increased to RMB[**REDACTED**] and set out as follows:

Number of Shares	Description of Shares	Approximate % of the Enlarged Share Capital after the [REDACTED]
[**REDACTED**]	H Shares to be converted from Domestic Unlisted Shares	[**REDACTED**]%
[**REDACTED**]	H Shares to be issued under the [**REDACTED**]	[**REDACTED**]%
[**REDACTED**]	H Shares to be issued upon full exercise of the [**REDACTED**]	[**REDACTED**]%
[**REDACTED**]		100.00%

OUR SHARES

The H Shares in [**REDACTED**] following the completion of the [**REDACTED**] and the Domestic Unlisted Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares. However, apart from certain qualified domestic institutional investors in the PRC, qualified PRC investors under the Shanghai-Hong Kong Stock Connect, the Shenzhen-Hong Kong Stock Connect or other persons who are entitled to hold our H Shares pursuant to the relevant PRC laws and regulations or upon approvals of any competent authorities, including our existing Shareholders who may convert their Domestic Unlisted Shares into H Shares upon completion of filing with the CSRC, H Shares generally may not be subscribed for by or traded between legal or natural persons of the PRC.

The Domestic Unlisted Shares and H Shares will rank *pari passu* with each other in all respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this document. Dividends in respect of our Shares may be paid by us in Hong Kong dollars or Renminbi. In addition to cash, dividends may be distributed in the form of Shares.

CONVERSION OF OUR DOMESTIC UNLISTED SHARES INTO H SHARES

On [●], our Company [has filed] for a "full circulation" of all the existing [**REDACTED**] Domestic Unlisted Shares into H Shares on a one-for-one basis, and submitted the application reports, authorization documents of the shareholders of Domestic Unlisted Shares for which H-share "full circulation" is applied, explanation about the compliance of share acquisition and other documents in accordance with the requirements of the CSRC.

The relevant filings of the conversion of the existing [**REDACTED**] Domestic Unlisted Shares held by the existing Shareholders into H Shares on a one-for-one basis have been completed on [●].

Upon completion of the [**REDACTED**], if any of our Shares are not [**REDACTED**] or [**REDACTED**] on any stock exchange, the holders of our Domestic Unlisted Shares may convert their Shares into H Shares provided such conversion shall have gone through any requisite internal approval processes and complied with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the overseas stock exchange(s) and have completed the required filing with the securities regulatory authorities of the State Council, including the CSRC. The [**REDACTED**] of such converted Shares on the Stock Exchange will also require the approval of the Stock Exchange.

Based on the procedures for the conversion of our Domestic Unlisted Shares into H Shares as disclosed in this section, we can apply for the [**REDACTED**] of all or any portion of our Domestic Unlisted Shares on the Stock Exchange as H Shares in advance of any proposed conversion to ensure that the conversion process can be completed promptly upon notice to the Stock Exchange and delivery of Shares for entry on the [**REDACTED**]. As any [**REDACTED**] of additional Shares after our [**REDACTED**] on the Stock Exchange is ordinarily considered by the Stock Exchange to be a purely administrative matter, it will not require such prior application for [**REDACTED**] at the time of our [**REDACTED**] in Hong Kong.

No class Shareholder voting is required for the [**REDACTED**] and [**REDACTED**] of the converted Shares on the Stock Exchange. Any application for [**REDACTED**] of the converted Shares on the Stock Exchange after our [**REDACTED**] is subject to prior notification by way of announcement to inform Shareholders and the public of such proposed conversion.

After all the requisite approvals have been obtained, the following procedures will need to be completed: the relevant Domestic Unlisted Shares will be withdrawn from the Share register and we will re-register such Shares on our [**REDACTED**] maintained in Hong Kong and instruct the [**REDACTED**] to issue [**REDACTED**]. Registration on our [**REDACTED**] will be on the condition that (a) our [**REDACTED**] lodges with the Stock Exchange a letter confirming the proper entry of the relevant H Shares on the [**REDACTED**] of members and the due dispatch of [**REDACTED**] and (b) the admission of the H Shares to [**REDACTED**] on the Stock Exchange will comply with the Listing Rules and the [**REDACTED**] and the [**REDACTED**] in force from time to time. Until the converted Shares are re-registered on our [**REDACTED**], such Shares would not be [**REDACTED**] as H Shares.

RESTRICTIONS ON SHARE TRANSFER

In accordance with the PRC Company Law, the shares issued prior to any public offering of shares by a company cannot be transferred within one year from the date on which such publicly offered shares are listed and traded on the relevant stock exchange. As such, the Shares issued by our Company prior to the [**REDACTED**] will be subject to such statutory restriction on transfer within a period of one year from the [**REDACTED**].

Our Directors and members of the senior management of our Company shall declare their shareholdings in our Company and any changes in their shareholdings. Shares transferred by our Directors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in our Company. The Shares that the aforementioned persons held in our Company cannot be transferred within one year from the date on which the shares are [**REDACTED**] and [**REDACTED**], nor within half a year after they leave their positions in our Company. The Articles of Association may contain other restrictions on the transfer of the Shares held by our Directors and members of senior management and certain employees of our Company.

For more information on the lock-up undertaking given by our Controlling Shareholders pursuant to Rule 10.07 of the Listing Rules, see "[**REDACTED**]—[**REDACTED**] Arrangements and Expenses—Undertakings to the Stock Exchange Pursuant to the Listing Rules—(B) Undertakings by our Controlling Shareholders."

INCREASE IN SHARE CAPITAL

As advised by our PRC Legal Advisors, pursuant to the Articles of Association and subject to the requirements of the relevant PRC laws and regulations, our Company, upon the [**REDACTED**] of our H Shares, is eligible to enlarge its share capital by issuing either new H Shares or new Domestic Unlisted Shares on condition that such proposed issuance shall be approved by a special resolution of Shareholders in general meeting conducted in accordance with the provisions of the Articles of Association and that such issuance complies with the Listing Rules and other relevant laws and regulations of Hong Kong. To adopt a special resolution of Shareholders in general meeting, more than the two-thirds of the votes represented by the Shareholders (including proxies) present at the general meeting must be exercised in favor of the resolution.

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

For more information on circumstances under which our Shareholders' general meetings are required, see "Appendix V—Summary of Articles of Association."

DOMESTIC UNLISTED SHARE TRANSFER REGISTRATION SERVICES

According to the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies (H股公司境內未上市股份申請"全流通"業務指引) announced by the CSRC, the domestic shareholders of unlisted shares shall handle share transfer registration business in accordance with the relevant business rules of the CSDC. Further, H-share companies should submit the relevant status reports to the CSRC within 15 days after the transfer registration with the CSDC of the shares involved in the application is completed.