

SHARE CAPITAL

OVERVIEW

As of the Latest Practicable Date

As of the Latest Practicable Date, the issued share capital of our Company was RMB13,560,419, comprising 13,560,419 Unlisted Shares with a nominal value of RMB1.00 each.

Upon the Completion of the [REDACTED]

Immediately following the completion of the Share Subdivision, the [REDACTED] and the Conversion of Unlisted Shares into H Shares, the share capital of our Company will be as follows:

Assuming (i) the Share Subdivision is completed, and (ii) the [REDACTED] is not exercised:

Description of Shares	Number of Shares	Approximate percentage of issued share capital (%)
H Shares to be converted from Unlisted Shares ⁽¹⁾	271,208,380	[REDACTED]
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100%

Assuming (i) the Share Subdivision is completed, and (ii) the [REDACTED] is fully exercised:

Description of Shares	Number of Shares	Approximate percentage of issued share capital (%)
H Shares to be converted from Unlisted Shares ⁽¹⁾	271,208,380	[REDACTED]
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]
H Shares to be issued pursuant to the exercise of the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100%

Note:

(1) Upon [REDACTED], all of the Unlisted Shares held by our existing Shareholders will be converted into H Shares.

SHARES OF OUR COMPANY

Upon completion of the Share Subdivision and the [REDACTED], all the 271,208,380 Shares held by all of our existing Shareholders will be converted into H Shares, our Shares will consist of H Shares only.

Our H Shares may only be [REDACTED] and [REDACTED] in Hong Kong dollars. The H Shares generally may not be [REDACTED] by, or [REDACTED] between, legal or natural persons of the PRC, apart from certain qualified domestic institutional [REDACTED] in the PRC, the qualified PRC [REDACTED] 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 regulations or upon approval by any competent authorities.

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CONVERSION OF UNLISTED SHARES INTO H SHARES

According to the regulations issued by the securities regulatory authorities of the State Council and the Articles of Association, the Unlisted Shares may be converted into H Shares. Such converted Shares may be [REDACTED] and [REDACTED] on an overseas stock exchange provided that the conversion, [REDACTED] and [REDACTED] of such converted Shares have been filed with the CSRC. Additionally, such conversion, [REDACTED] and [REDACTED] shall meet any requirement of internal approval process and in all respects comply with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

[REDACTED] and Filing with the CSRC

We [have] applied for a “full circulation” filing when applying for an overseas [REDACTED] filing with the CSRC, and [submitted] the filing reports, authorization documents of the shareholders of Unlisted Shares for which an H-share “full circulation” filing was applied, undertaking about the compliance of share acquisition and other documents in accordance with the requirements of the CSRC.

We [have received] the filing notice from the CSRC dated [●] in relation to the filing of the overseas [REDACTED] and “full circulation,” pursuant to which:

- (a) our Company [was approved] to [REDACTED] no more than [REDACTED] H Shares (including the Shares to be issued pursuant to the full exercise of the [REDACTED]), which are all ordinary Shares, and upon this issuance our Company may be [REDACTED] on the Main Board of the Stock Exchange; and
- (b) our Company [was approved] to convert a total of 271,208,380 Unlisted Shares (as adjusted by the Share Subdivision), held by all of our existing Shareholders of our Company (the “**Full Circulation Participating Shareholders**”) into H Shares, and the relevant Shares may be [REDACTED] on the Stock Exchange upon completion of the conversion.

Where the [REDACTED] cannot be completed within one year upon receipt of the filing notice, and our Company will continue to conduct overseas [REDACTED] and [REDACTED] after that, we shall update the filing materials, and the CSRC will update the public filing information accordingly.

[REDACTED] by the Stock Exchange

We have applied to the Listing Committee for the granting of [REDACTED] of, and permission to [REDACTED], our 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 271,208,380 Unlisted Shares on the Stock Exchange, which is subject to the approval by the Stock Exchange.

We will perform the following procedures for the Conversion of Unlisted Shares into H Shares after receiving the approval of the Stock Exchange: (i) giving instructions to our [REDACTED] regarding relevant share certificates of the converted H Shares; and (ii) enabling the converted H Shares to be accepted as eligible securities by [REDACTED] for deposit, clearance and settlement in the [REDACTED]. The Full Circulation Participating Shareholders may only [REDACTED] the

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Shares upon completion of the following domestic procedures. Any application for [REDACTED] of the converted Shares on the Stock Exchange after our initial [REDACTED] is subject to prior notification by way of the announcement to inform the Shareholders and the public of any proposed conversion.

Domestic Procedures

The Full Circulation Participating Shareholders may only [REDACTED] the Shares upon completion of the below arrangement procedures for the registration, deposit and transaction settlement in relation to the conversion and [REDACTED]:

- (a) we will appoint CSDC as the nominal holder to deposit the relevant securities at CSDC (Hong Kong), which will then deposit the securities at [REDACTED] in its own name. CSDC, as the nominal holder of the Full Circulation Participating Shareholders, shall handle all custody, maintenance of detailed records, cross-border settlement and corporate actions, etc. relating to the converted H Shares for the Full Circulation Participating Shareholders;
- (b) we will engage a domestic securities company (the “**Domestic Securities Company**”) to provide services such as sending orders for trading of the converted H Shares and receipt of transaction returns. The Domestic Securities Company will engage a Hong Kong securities company (the “**Hong Kong Securities Company**”) for settlement of share transactions. We will make an application to CSDC, Shenzhen Branch for the maintenance of a detailed record of the initial holding of the converted H Shares held by our Shareholders. Meanwhile, we will submit applications for a domestic transaction commission code and abbreviation, which shall be confirmed by CSDC, Shenzhen Branch as authorized by Shenzhen Stock Exchange;
- (c) the Shenzhen Stock Exchange shall authorize Shenzhen Securities Communication Co., Ltd. to provide services relating to transmission of trading orders and transaction returns in respect of the converted H Shares between the Domestic Securities Company and the Hong Kong Securities Company, and the real-time market forwarding services of the H Shares;
- (d) the Full Circulation Participating Shareholders shall complete the necessary overseas shareholding registration or filing procedure in accordance with applicable laws and regulations; and
- (e) the Full Circulation Participating Shareholders shall submit trading orders of the converted H Shares through the Domestic Securities Company. Trading orders of the Full Circulation Participating Shareholders for the relevant Shares will be submitted to the Stock Exchange through the securities trading account opened by the Domestic Securities Company at the Hong Kong Securities Company. Upon completion of the transaction, settlements between each of the Hong Kong Securities Company and CSDC (Hong Kong), CSDC (Hong Kong) and CSDC, CSDC and the Domestic Securities Company, and the Domestic Securities Company and the Full Circulation Participating Shareholders, will all be conducted separately.

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RESTRICTION ON TRANSFER OF SHARES ISSUED PRIOR TO THE [REDACTED]

The PRC Company Law provides that in relation to the public share offering of a company, the shares of the company which have been issued prior to the offering shall not be transferred within one year from the date of the listing. Accordingly, Shares issued by our Company prior to the [REDACTED] Date shall be subject to this statutory restriction and shall not be transferred for a period of one year from the [REDACTED].

Pursuant to the PRC Company Law, 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 the 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 the Company. The Articles of Association may contain other restrictions on the transfer of our Shares held by our Directors and members of senior management, a summary of which is set out in “Appendix V — Summary of Articles of Association.”

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

Subject to the [REDACTED] becoming unconditional, the Directors have been granted general unconditional mandates to issue Shares and/or sell and/or transfer of Treasury Shares. For further details, see “Appendix VI — Statutory and General Information — A. Further information about Our Group — 4. Shareholders’ Resolutions” to this document.

GENERAL MANDATE TO REPURCHASE SHARES

Subject to the [REDACTED] becoming unconditional, our Directors have been granted a general mandate to repurchase our own Shares. This repurchase mandate only relates to repurchases on the Stock Exchange or on any other stock exchange on which the securities of our Company may be [REDACTED] and which is recognized by the SFC and the Stock Exchange for this purpose, and in accordance with all applicable laws and the requirements under the Listing Rules or equivalent rules or regulations of any other stock exchange as amended from time to time. For further details, see “Appendix VI — Statutory and General Information — A. Further information about Our Group — 4. Shareholders’ Resolutions” to this document.

SHAREHOLDERS’ GENERAL MEETINGS

For details of circumstances under which our general Shareholders’ meeting required, see “Appendix IV — Summary of Principal Laws and Regulatory Provisions” and “Appendix V — Summary of Articles of Association.”