

SHARE CAPITAL

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

BEFORE THE [REDACTED]

As of the Latest Practicable Date, the registered capital of our Company was RMB340,000,000, comprising 340,000,000 Unlisted Shares of nominal value RMB1.00 each.

UPON COMPLETION OF THE [REDACTED]

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

Description of Shares	Number of Shares	Approximate Percentage of issued share capital
<i>H Shares</i>		
H Shares to be converted from Unlisted Shares ^(Note)	[REDACTED]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00%

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

Description of Shares	Number of Shares	Percentage of issued share capital
<i>H Shares</i>		
H Shares to be converted from Unlisted Shares ^(Note)	[REDACTED]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00%

Note: Subject to filings with the CSRC and the approval of the Stock Exchange, a total of [REDACTED] Unlisted Shares held by each of the existing Shareholders as at the Latest Practicable Date will be converted into H Shares and [REDACTED] on the Stock Exchange immediately upon [REDACTED]. For further details, see “— Conversion of Our Unlisted Shares into H Shares” below.

SHARE CAPITAL

SHARE CLASSES

The H Shares in issue upon completion of the [REDACTED] and the Unlisted Shares are ordinary Shares in the share capital of our Company and are considered as one class of Shares.

Our H Shares may only be [REDACTED] and [REDACTED] in Hong Kong dollars. Our Unlisted Shares, on the other hand, may only be subscribed for and traded in Renminbi. Apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and 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 [REDACTED] by or [REDACTED] between legal or natural persons of the PRC. Our Unlisted Shares, on the other hand, can be purchased or transferred between legal or natural persons of the PRC, qualified foreign institutional investors and qualified foreign strategic investors.

Unlisted Shares and H Shares are regarded as one class of Shares under our Articles of Association and 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 dividends 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.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

According to the regulations by the securities regulatory authorities of the State Council and our Articles of Association, the Unlisted Shares may be converted into H Shares, and such converted Shares may be listed and traded on an overseas stock exchange provided that the conversion, listing and trading of such converted Shares have been filed by the securities regulatory authorities of the State Council. In addition, such conversion, trading and listing shall complete any requisite 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.

If any of the Unlisted Shares are to be converted, [REDACTED] and [REDACTED] as H Shares on the Stock Exchange, such conversion, [REDACTED] and [REDACTED] will need filings with the relevant PRC regulatory authorities, including the CSRC, and the approval of the Stock Exchange. Based on the procedures for the conversion of Unlisted Shares into H Shares as described below, we may apply for the [REDACTED] of all or any portion of the 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 H Share register. 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 does not require such prior application for [REDACTED] at the time of our [REDACTED] in Hong Kong. Class shareholder voting is not required for the

SHARE CAPITAL

conversion of such Shares or the [REDACTED] and [REDACTED] of such converted Shares on an overseas stock exchange. Any application for [REDACTED] of the converted shares on the Stock Exchange after our initial [REDACTED] is subject to prior notification by way of announcement to inform our Shareholders and the public of any proposed conversion.

After all the requisite approvals have been obtained, the following procedure will need to be completed in order to effect the conversion: the relevant Unlisted Shares will be withdrawn from the Unlisted Shares register and we will re-register such Shares on our H Share register maintained in Hong Kong and instruct the [REDACTED] to issue H Share certificates. Registration on our H Share register will be conditional on (i) our [REDACTED] lodging with the Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register of members and the due dispatch of H Share certificates; and (ii) the admission of the H Shares to [REDACTED] on the Stock Exchange in compliance with the Listing Rules, the General Rules of [REDACTED] and the [REDACTED] Operational Procedures in force from time to time. Until the converted shares are re-registered on our H Share register, such Shares would not be [REDACTED] as H Shares.

RESTRICTIONS OF 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 issue of H Shares pursuant 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 H 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 of our Company.

RESTRICTIONS ON SHARES NOT LISTED ON THE OVERSEAS STOCK EXCHANGE

According to the Notice on Adjustment of Business Acceptance of Registration and Depository of Non-Overseas Listed Shares of Overseas Listed Companies (《關於境外上市公司非境外上市股份登記存管業務受理調整的通知》) and Business Guidelines for the Registration and Depository of Non-Overseas Listed Shares of Overseas Listed Companies (《境外上市公司非境外上市股份登記存管業務指南》), our Company is required to register and deposit our Shares that are not listed on the overseas stock exchange with the China Securities Depository and Clearing Corporation Limited after the [REDACTED].