
SHARE CAPITAL

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

BEFORE THE COMPLETION OF THE [REDACTED]

As of the Latest Practicable Date, the issued share capital of our Company was RMB25,688,204, comprising 25,688,204 Unlisted Shares of nominal value RMB1.00 each.

Immediately prior to the [REDACTED], pursuant to the Share Subdivision, the ordinary shares of the Company will be split on a one for ten basis, and the registered share capital of our Company will be RMB25,688,204, comprising 256,882,040 Unlisted Shares in issue of nominal value RMB0.10 each.

UPON THE COMPLETION OF THE SHARE SUBDIVISION AND THE [REDACTED]

Immediately following the completion of the [REDACTED] and conversion of Unlisted Shares into H Shares (taking into account the Share Subdivision), assuming that the [REDACTED] is not exercised, the issued share capital of our Company will be as follows:

Description of Shares	Number of Shares
H Shares to be converted from Unlisted Shares	[REDACTED]
H Shares to be issued under the [REDACTED]	[REDACTED]
Total	[REDACTED]

Immediately following completion of the [REDACTED] and conversion of Unlisted Shares into H Shares (taking into account the Share Subdivision), assuming the [REDACTED] is fully exercised, the issued share capital of our Company will be as follows:

Description of Shares	Number of Shares
H Shares to be converted from Unlisted Shares	[REDACTED]
H Shares to be issued under the [REDACTED]	[REDACTED]
Total	[REDACTED]

RANKING

Upon completion of the [REDACTED], we would have only one class of Shares, i.e. the H Shares, which are ordinary Shares in the share capital of our Company. However, 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, H Shares generally cannot be subscribed for by or traded between legal or natural persons of the PRC.

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. All dividends in respect of the H Shares are to be paid by us in Hong Kong dollars or in the form of H Shares.

SHARE CAPITAL

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

The Company has filed for a “full circulation” of all the existing 256,882,040 Unlisted Shares into H Shares on a one-for-one basis, taking into account the Share Subdivision, and submitted the application reports, authorization documents of the shareholders of Unlisted Shares for which an H-share “full circulation” are 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 256,882,040 Unlisted Shares (taking into account the Share Subdivision) 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 traded on any stock exchange, the holders of our Unlisted Shares may convert their Shares into H Shares provided such conversion shall have gone through any requisite internal approval process 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 Hong Kong Stock Exchange will also require the approval of the Hong Kong Stock Exchange.

Based on the procedures for the conversion of our Unlisted Shares into H Shares as disclosed in this section, we can apply for the [REDACTED] of all or any portion of our Unlisted Shares on the Hong Kong 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 Hong Kong Stock Exchange and delivery of Shares for entry on the H Share register. As any [REDACTED] of additional Shares after our [REDACTED] on the Hong Kong Stock Exchange is ordinarily considered by the Hong Kong 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 trading of the converted Shares on the Hong Kong Stock Exchange. Any application for [REDACTED] of the converted Shares on the Hong Kong 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 Unlisted Shares will be withdrawn from the Share register and we will re-register such Shares on our H Share register maintained in Hong Kong and instruct the H Share Registrar to issue H Share certificates. Registration on our H Share register will be on the condition that (a) our H Share Registrar lodges with the Hong Kong 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 (b) the admission of the H Shares to trade on the Hong Kong Stock Exchange will comply with the Listing Rules and the General Rules of HKSCC and the HKSCC 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.

For further details, see “Risk Factors — Risks Related to the [REDACTED] — There has been no prior public market for our Shares and an active trading market may not develop.”

TRANSFER OF SHARES ISSUED PRIOR TO THE [REDACTED]

Pursuant to the Company Law, our Shares issued prior to the [REDACTED] shall not be transferred within one year from the [REDACTED].

For details of the lock-up undertaking given by the Controlling Shareholders pursuant to Rule 10.07 of the Listing Rules, see “[REDACTED].”

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

SHARE CAPITAL

SHAREHOLDERS’ GENERAL MEETING

For details of circumstances under which our Shareholders’ general meeting is required, see “Summary of Articles of Association” in Appendix III to this Document.

GENERAL MANDATE TO ALLOT AND ISSUE SHARES

Subject to the completion of the [REDACTED], pursuant to the Shareholders resolutions of the Company, the Board was granted with a general mandate to allot and issue H Shares (including the sale of treasury Shares) at any time within a period up to the date of the conclusion of the next annual general meeting of the Shareholders or the date on which the Shareholders pass a resolution to revoke or change such mandate, whichever is the earlier, provided that, the number of Shares to be allotted or issued shall not exceed 20% of the number of the H Shares in issue as of the [REDACTED].

For details of the general mandate, see “Statutory and General Information — Further Information about Our Company — Resolutions of Our Shareholders in Relation to the [REDACTED]” in Appendix IV to this Document.