

SHARE CAPITAL

This section presents certain information regarding the share capital of our Company following the completion of the [REDACTED].

IMMEDIATELY BEFORE THE [REDACTED]

As of the Latest Practicable Date, the registered share capital of our Company was RMB96,085,212 divided into 192,170,424 Domestic Shares with a nominal value of RMB0.5 each.

UPON COMPLETION OF THE [REDACTED]

Immediately following the completion of the [REDACTED] and the conversion of certain Domestic Shares into H Shares, assuming that the [REDACTED] are not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the total share capital
Domestic Shares in issue	[REDACTED]	[REDACTED]%
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]%
H Shares converted from Domestic Shares	[REDACTED]	[REDACTED]%
Total	[REDACTED]	100.00%

* Any discrepancies in the table between the total shown and the sum of the amounts listed are due to rounding.

Immediately following completion of the [REDACTED] and the conversion of certain Domestic Shares into H Shares, assuming the [REDACTED] are fully exercised, the issued share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the total share capital*
Domestic Shares	[REDACTED]	[REDACTED]%
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]%
H Shares converted from Domestic Shares	[REDACTED]	[REDACTED]%
Total	[REDACTED]	100.00%

* Any discrepancies in the table between the total shown and the sum of the amounts listed are due to rounding.

RANKING

Upon completion of the [REDACTED], we would have only one class of Shares. H Shares and Domestic Shares are all 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 [REDACTED] or [REDACTED] between legal or natural persons of the PRC. Domestic 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. The Company shall distribute profits in the form of cash, shares, or a combination of cash and shares, or through other methods permitted by applicable laws, administrative regulations, departmental rules, normative documents, and securities regulatory rules of the stock exchange where the shares are listed.

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CONVERSION OF OUR DOMESTIC SHARES INTO H SHARES

The Company has filed for a “full circulation” of the existing [REDACTED] Domestic Shares into H Shares on a one-for-one basis, and submitted the application reports, authorization documents of the shareholders of Domestic 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 [REDACTED] Domestic 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 Shares (other than those to be converted to H 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 Stock Exchange will also require the approval of the Stock Exchange.

Based on the procedures for the conversion of our Domestic Shares into H Shares as disclosed in this section, we can apply for the [REDACTED] of all or any portion of our Domestic 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 initial [REDACTED] on the Stock Exchange is ordinarily considered by the Stock Exchange to be a purely administrative matter, it will not require such prior [REDACTED] for [REDACTED] at the time of our initial [REDACTED] in Hong Kong.

No class Shareholder voting is required for the [REDACTED] and [REDACTED] of the converted Shares on the Stock Exchange. Any [REDACTED] 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 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 Shares will be withdrawn from the Share register and we will re-register such Shares on our [REDACTED] 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] and the due despatch 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.

TRANSFER OF SHARES ISSUED PRIOR TO THE [REDACTED]

Pursuant to the PRC Company Law, our Shares issued prior to the [REDACTED] shall not be transferred within one year from the [REDACTED]. Shares transferred by our Directors and members of the senior management each year during their tenure determined at the time of taking office shall not exceed 25% of their total respective shareholdings in our Company. The Shares that the aforementioned persons hold in our Company cannot be transferred within one year from the [REDACTED], nor within half a year after they leave their positions as Directors or members of the senior management in our Company. For more details, please refer to “Appendix V — Summary of the Articles of Association” and “[REDACTED]” for details of the lock-up undertakings.

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SHAREHOLDERS’ MEETING

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

[REDACTED] SHARE INCENTIVE PLAN

We adopted the [REDACTED] Share Incentive Plan, details of which are set forth in “Appendix VI — Statutory and General Information — C. Further Information about our Directors and Substantial Shareholders — 4. [REDACTED] Share Incentive Plan.”

REGISTRATION OF SHARES NOT LISTED ON AN OVERSEAS STOCK EXCHANGE

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 our Shares that are not listed on the overseas stock exchange 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 such shares involved in the application is completed.