

SHARE CAPITAL

As of the Latest Practicable Date, our registered capital is RMB11,815,565, comprising 11,815,565 Unlisted Shares with a nominal value of RMB1.0 per share.

In the course of the [REDACTED], all of the existing Shareholders of our Company [have applied] to the CSRC, the Stock Exchange and other relevant regulatory authorities to convert all Unlisted Shares held by them into H Shares.

Immediately prior to the [REDACTED], 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 RMB11,815,565, comprising [REDACTED] Unlisted Shares in issue of nominal value of RMB0.10 each.

UPON COMPLETION OF THE SHARE SUBDIVISION AND THE [REDACTED] AND THE CONVERSION OF DOMESTIC SHARES INTO H SHARES

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

Description of Shares	Number of Shares	% of the enlarged issued share capital after the Share Subdivision and the [REDACTED]
H Shares converted from Unlisted Shares ⁽¹⁾	[118,155,650]	[75.00]%
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]%
Total	[REDACTED]	100.0%

Immediately following completion of the Share Subdivision, the [REDACTED] and the Conversion of Domestic Shares into H Shares, assuming that the [REDACTED] is fully exercised, our registered and issued share capital will be as follows:

Description of Shares	Number of Shares	% of the enlarged issued share capital after the Share Subdivision and the [REDACTED]
H Shares converted from Unlisted Shares ⁽¹⁾	[118,155,650]	[REDACTED]%
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]%
Total	[REDACTED]	100.0%

Note:

- (1) Following the completion of the Share Subdivision and the [REDACTED], [REDACTED] Unlisted Shares held by our existing Shareholders will be converted into H Shares on a one-for-one basis and [REDACTED] on the Stock Exchange for [REDACTED]. Filing of such conversion of Unlisted Shares into H shares has been completed with the CSRC on [●].

OUR SHARES

Upon completion of the [REDACTED], depending on whether Shares are [REDACTED] on the Stock Exchange, our Company will consist of Unlisted Shares and H Shares. Unlisted Shares and H Shares are both ordinary Shares in the share capital of our Company and are

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regarded as the same class of Shares under the Articles of Association. However, the H Shares generally may not be [REDACTED] for by, or traded between, legal or natural persons of the PRC, apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors 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.

RANKING

Unlisted Shares and the H Shares carry the same rights and 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 declared in RMB and paid by our Company in Hong Kong dollars or RMB, whereas all dividends for Unlisted Shares will be paid in RMB. Other than cash, dividends could also be paid in the form of Shares or a combination of cash and Shares.

CONVERSION OF DOMESTIC 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, and 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.

Pursuant to the filing notice of the CSRC dated [●], [REDACTED] Unlisted Shares will be converted to H Shares on a one-for-one basis and be [REDACTED] for trading on the Stock Exchange upon completion of the Share Subdivision and the [REDACTED].

In accordance with the Guidelines for the “Full Circulation Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境内未上市股份申请全流通业务指引》)” announced by the CSRC, H-share listed companies which apply for the conversion of shares into H shares for listing and circulation on the Stock Exchange shall file the application with the CSRC. An unlisted domestic joint stock company may apply for “full circulation” when applying for an overseas [REDACTED].

Our Company has applied for a “full circulation” filing when applying for an overseas [REDACTED] with the CSRC on [●], and submitted the application reports, authorization documents of the shareholders of unlisted shares for which an H-share “full-circulation” was applied, undertaking about the compliance of share acquisition and other documents in accordance with the requirements of CSRC.

Our Company [has received] the filing notice from the CSRC dated [●] in relation to the filing of the overseas [REDACTED] and “Full Circulation,” pursuant to which, our Company was approved to convert a total of [REDACTED] Unlisted Shares (with a nominal value of RMB0.10 each) held by certain 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, it shall update the filing materials, and the CSRC will update the public filing information accordingly.

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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 [REDACTED] Unlisted Shares on 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 H [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] in the Shares upon completion of 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 announcement to inform the Shareholders and the public of any proposed conversion.

TRANSFER OF SHARES ISSUED PRIOR TO THE [REDACTED]

The PRC Company Law provides that in relation to the [REDACTED] of a company, the shares issued prior to the [REDACTED] shall not be transferred within a period of one year from the date on which the publicly [REDACTED] shares are [REDACTED] on any stock exchange. Accordingly, Shares issued by our Company prior to the [REDACTED] shall be subject to this statutory restriction and not be transferred within a period of one year from the [REDACTED].

REGISTRATION OF SHARES NOT LISTED ON AN OVERSEAS STOCK EXCHANGE

According to the Guidelines for the “Full Circulation” Programme 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 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.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING IS REQUIRED

For details of circumstances under which our Shareholders’ general meeting is required, see “Appendix V — Summary of the Articles of Association — II. Shareholders and General Meetings”.