

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 RMB8,405,122, comprising 8,405,122 Unlisted Shares of nominal value RMB1.0 each.

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

Immediately after the [REDACTED], the registered share capital of the Company will be RMB8,405,122 with [REDACTED] Shares in a nominal value of RMB[REDACTED] each. Assuming the [REDACTED] is not exercised, the share capital of our Company immediately following completion of the [REDACTED] (taking into account the [REDACTED]) will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the total share capital of our Company (%)
H Shares to be converted from Unlisted Shares	[REDACTED]	[REDACTED]%
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]%
Total	[REDACTED]	100%

Assuming the [REDACTED] is fully exercised, the share capital of our Company immediately following completion of the [REDACTED] (taking into account the [REDACTED]), will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the total share capital of our Company (%)
H Shares to be converted from Unlisted Shares	[REDACTED]	[REDACTED]%
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]%
Total	[REDACTED]	100.00%

RANKING

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. However, apart from certain qualified domestic institutional [REDACTED] in the PRC, the qualified PRC [REDACTED] 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.

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CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

According to the regulations issued by the CSRC, the holders of our Unlisted Shares may, at their own option, authorize the Company to apply to the CSRC for conversion of their respective Unlisted Shares to H Shares, and such converted Shares may be [REDACTED] and [REDACTED] on an overseas stock exchange provided that the required filings with the securities regulatory authorities of the State Council for the conversion, [REDACTED] and [REDACTED] of such converted Shares have been completed. 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.

If any of the Unlisted Shares are to be converted, [REDACTED] and [REDACTED] as H Shares on the Stock Exchange, the filings and approvals with the relevant PRC regulatory authorities, including the CSRC, and the approval of the Stock Exchange are necessary for such conversion. Based on the procedures for the conversion of Unlisted Shares into H Shares as set forth below, we will 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 after the [REDACTED] to ensure that the conversion process can be completed promptly upon notice to the Stock Exchange and delivery of Shares for entry on the [REDACTED]. As the [REDACTED] of additional Shares after the [REDACTED] on the Stock Exchange is ordinarily considered by the Stock Exchange to be a purely administrative matter, it does not require such prior [REDACTED] for [REDACTED] at the time of our [REDACTED] in Hong Kong. No class Shareholder voting is required for the conversion of such Shares or the [REDACTED] and [REDACTED] of such converted Shares on an overseas 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 our Shareholders and the public of any proposed conversion.

After all the requisite filings have been completed and approvals have been obtained, the relevant Unlisted Shares will be withdrawn from the Unlisted Share register, and our Company will re-register such Shares on the [REDACTED] maintained in Hong Kong and instruct the [REDACTED] to issue [REDACTED]. Registration on the [REDACTED] of our Company will be on the conditions that (i) the [REDACTED] lodges with the Stock Exchange a letter confirming the entry of the relevant H Shares on the [REDACTED] and the due dispatch of [REDACTED]; and (ii) the admission of the H Shares to be [REDACTED] on the Stock Exchange complies with the Listing Rules and the [REDACTED] and the [REDACTED] in force from time to time. Until the converted Shares are [REDACTED] on the [REDACTED] of our Company, 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 term of office shall not exceed 25% of their total respective shareholdings in our Company unless otherwise permitted by applicable laws and regulations. The Shares that the aforementioned persons hold in our Company cannot be transferred within half a year after they leave their positions as Directors and members of the senior management in our Company.

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

Pursuant to the PRC Company Law and the terms of the Articles of Association, our Company may from time to time by special resolution of shareholders, among others, increase its capital or decrease its capital or repurchase of shares. See “Summary of Articles of Association” in Appendix III to this document.

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PRE-[REDACTED] EMPLOYEE INCENTIVE SCHEME

Our Company adopted the Pre-[REDACTED] Employee Incentive Scheme. For further details, see “Statutory and General Information — D. Pre-[REDACTED] Employee Incentive Scheme” in Appendix IV to this document.

SHAREHOLDERS’ GENERAL MEETING

See “Summary of Articles of Association” in Appendix III to this document for details of circumstances under which our general meeting is required.

GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

Subject to the completion of the [REDACTED], pursuant to the Shareholders resolutions of the Company, the Board was granted with (a) a general mandate to allot and issue 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 special resolution to revoke or change such mandate, whichever is earlier, upon such terms and conditions and for such purposes and to such persons as the Board in their absolute discretion deem fit, and to make necessary amendments to the Articles of Association, provided that, the number of Shares to be issued shall not exceed 20% of the number of the H Shares in issue as at the date of the completion of the [REDACTED] (excluding additional H Shares which may be issued pursuant to the exercise of the [REDACTED] and treasury shares, if any); and (b) a general mandate to repurchase H Shares issued on the Stock Exchange with an aggregate number of not exceeding 10% of the number of the H Shares in issue as at the date of the completion of the [REDACTED] (excluding additional H Shares which may be issued pursuant to the exercise of the [REDACTED] and treasury shares, if any). For details of the general mandates to issue and repurchase Shares, see “Appendix IV – Statutory and General Information – Further Information about Our Company – Resolutions of our Shareholders.”