
SHARE CAPITAL

BEFORE THE GLOBAL OFFERING

As of the Latest Practicable Date, the registered capital of our Company was RMB1,247,201,704, comprising 1,247,201,704 A Shares of nominal value RMB1.00 each, which are all listed on the Shenzhen Stock Exchange.

	Number of Shares	% of issued share capital
A Shares	1,247,201,704	100%

UPON COMPLETION OF THE GLOBAL OFFERING

Immediately following completion of the Global Offering, assuming that the Over-allotment Option is not exercised, the entire share capital of our Company would be as follows:

Description of Shares	Number of Shares	Approximate % of the enlarged issued share capital
A Shares	1,247,201,704	85.00%
H Shares issued pursuant to the Global Offering	220,094,500	15.00%
Total	1,467,296,204	100%

Immediately following completion of the Global Offering and assuming that the Over-allotment Option is fully exercised, the entire share capital of our Company would be as follows:

Description of Shares	Number of Shares	Approximate % of the enlarged issued share capital
A Shares	1,247,201,704	83.13%
H Shares issued pursuant to the Global Offering	253,108,500	16.87%
Total	1,500,310,204	100%

SHARE CLASSES

The H Shares and A Shares in issue upon completion of the Global Offering will be ordinary Shares in our share capital. Shanghai-Hong Kong Stock Connect, activated on November 17, 2014, and Shenzhen-Hong Kong Stock Connect, initiated on December 5, 2016, have established a stock connect mechanism between the PRC and Hong Kong. A Shares can be subscribed for and traded by PRC investors, qualified foreign institutional investors or qualified foreign strategic investors and must be traded in Renminbi. As the A Shares of our Company are eligible securities under the Northbound Trading Link, they can also be subscribed for and traded by Hong Kong and other overseas investors pursuant to the rules and limits of Shenzhen-Hong Kong Stock Connect. H Shares can be subscribed for or traded by Hong Kong and other overseas investors and qualified domestic institutional investors. If the H Shares of the Company are eligible securities under the Southbound Trading Link, they can also be subscribed for and traded by PRC investors in accordance with the rules and limits of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

All dividends in respect of the H Shares are to be paid by us in Hong Kong dollars whereas all dividends in respect of A Shares are to be paid by us in Renminbi. In addition to cash, dividends may also be distributed in the form of Shares. Holders of H Shares will receive share dividends in the form of H Shares, and holders of A Shares will receive share dividends in the form of A Shares.

SHARE CAPITAL

In addition, A Shares and H Shares are regarded as different classes of Shares under our Articles of Association. The differences between the two classes of Shares, provisions on class rights, dispatch of notices and financial reports to Shareholders, dispute resolution, registration of Shares on different branches of the register of Shareholders, the method of Share transfer and appointment of dividend receiving agents are set out in our Articles of Association and summarized in “Appendix V—Summary of Articles of Association” to this prospectus. Further, any change or abrogation of the rights of class Shareholders should be approved by way of a special resolution of the general meeting of Shareholders and by a separate meeting of Shareholders convened by the affected class of Shareholders. See “Appendix V—Summary of Articles of Association” for the circumstances under which a general meeting of Shareholders and class meeting are required. However, the procedures for approval by separate class Shareholders shall not apply:

- (i) where the Company issues, upon the approval by a special resolution of the general meeting of Shareholders, either separately or concurrently once every 12 months, not more than 20% of each of its existing issued A Shares and H Shares;
- (ii) where the plan of the Company to issue A Shares and H Shares at the time of its establishment is carried out within 15 months from the date of approval of the securities regulatory authority under the State Council; or
- (iii) where the transfer of the A Shares held by the A Shareholders of the Company to foreign investors and the listing on overseas stock exchange are approved by the securities regulatory institution under the State Council.

A Shares and H Shares will however rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made.

A Shares and H Shares are generally neither interchangeable nor fungible, and the market prices of our A Shares and H Shares may be different after the Global Offering.

In accordance with the Guidelines on Application for “Full Circulation” of Domestic Unlisted Shares of H-share Companies (《H股公司境內未上市股份申請“全流通”業務指引》) (“**Full Circulation Guidelines**”) published and implemented by the CSRC on November 14, 2019, domestic unlisted shares of H-share companies (including domestic unlisted shares held by domestic shareholders prior to the overseas listing, domestic unlisted shares further issued in the PRC after the overseas listing and unlisted shares held by foreign shareholders) could be listed and traded on the Hong Kong Stock Exchange after application to and approval from the CSRC. The Full Circulation Guidelines are only applicable to domestic companies listed on the Hong Kong Stock Exchange only and not applicable to companies dual listed in the PRC and on the Hong Kong Stock Exchange. Up to the Latest Practicable Date, there are no relevant rules or guidelines from the CSRC providing that A shares holders may convert A shares held by them into H shares for listing and trading on the Hong Kong Stock Exchange.

SHARE CAPITAL

APPROVAL FROM HOLDERS OF A SHARES REGARDING THE GLOBAL OFFERING

Approval from holders of A Shares is required for our Company to issue H Shares and seek the listing of H Shares on the Hong Kong Stock Exchange. Such approval was obtained by us at the Shareholders' general meeting of our Company held on December 18, 2019 and is subject to the following conditions:

(1) Size of the offer

The proposed number of H Shares to be offered shall not exceed 25% of the total issued share capital enlarged by the H Shares to be issued pursuant to the Global Offering (before the exercise of the Over-allotment Option). The number of H Shares to be issued pursuant to the full exercise of the Over-allotment Option shall not exceed 15% of the total number of H Shares to be offered initially under the Global Offering.

(2) Method of offering

The method of offering shall be by way of international offering to institutional investors and public offer for subscription in Hong Kong.

(3) Target investors

The H Shares shall be issued to overseas professional institutions, enterprises, individual investors and other eligible investors.

(4) Price determination basis

The issue price of the H Shares will be determined, among others, after due consideration of the interests of existing Shareholders of our Company, acceptance of investors and the risks related to the offering, according to international practice, through the demands for orders and book building process, subject to the domestic and overseas capital market conditions and by reference to the valuation level of comparable companies in domestic and overseas markets.

(5) Validity period

The issue of H Shares and listing of H Shares on the Hong Kong Stock Exchange shall be completed within 18 months from the date when the Shareholders' meeting was held on December 18, 2019.

There is no other approved offering plans for our Shares except the Global Offering.