
SHARE CAPITAL

AUTHORIZED AND ISSUED SHARE CAPITAL

The following is a description of the authorized and issued share capital of our Company upon the completion of the Introduction, assuming no additional Shares are issued under the Share Incentive Plans and between the Latest Practicable Date and the Listing:

Authorized Share Capital

<u>Number</u>	<u>Description of Shares</u>	<u>Aggregate nominal value of Shares</u>
1,800,000,000	Class A Ordinary Shares of a par value of US\$0.0001 each	US\$180,000.00
200,000,000	Class B Ordinary Shares of a par value of US\$0.0001 each	US\$20,000.00
2,000,000,000	Total Shares	US\$200,000.00

Issued, fully paid or credited to be fully paid

The issued share capital of our Company immediately following the completion of the Introduction (assuming no additional Shares are issued under the Share Incentive Plans and between the Latest Practicable Date and the Listing) will be as follows:

<u>Number</u>	<u>Description of Shares</u>	<u>Aggregate nominal value of Shares</u>
749,323,103	Class A Ordinary Share as at the date of this document	US\$74,932.31
140,830,401	Class B Ordinary Share as at the date of this document	US\$14,083.04
890,153,504	Total Shares	US\$89,015.35

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Issued and outstanding

The issued share capital of our Company immediately following the completion of the Introduction (assuming no additional Shares are issued under the Share Incentive Plans and between the Latest Practicable Date and the Listing), excluding the 28,549,000 Class A Ordinary Shares (as of the Latest Practicable Date) issued to the Depositary for bulk issuance of ADSs reserved for future issuances upon the exercise or vesting of awards granted under the Share Incentive Plans, will be as follows:

<u>Number</u>	<u>Description of Shares</u>	<u>Aggregate nominal value of Shares</u>
720,774,103	Class A Ordinary Share issued and outstanding	US\$72,077.41
140,830,401	Class B Ordinary Share in issue	US\$14,083.04
861,604,504	Total Shares	US\$86,160.45

WEIGHTED VOTING RIGHTS STRUCTURE

The Company has adopted a weighted voting rights structure. Under this structure, the Company's share capital comprises Class A Ordinary Shares and Class B Ordinary Shares; each Class A Ordinary Share entitles the holder to exercise one vote, and each Class B Ordinary Share entitles the holder to exercise fifteen votes, on any resolution tabled at the Company's general meetings. In addition, a quorum required for a meeting of shareholders consists of one or more shareholders present and holding shares which represent, in aggregate, not less than one-third of the votes attaching to the issued and outstanding voting shares in our Company entitled to vote at general meeting.

The Company have obtained shareholders' approval to amend its Articles, so that, among other things, each Class A Ordinary Share shall entitle the holder to exercise one vote, and each Class B Ordinary Share shall entitle the holder to exercise ten votes, on any resolution tabled at the Company's general meetings, except for resolutions with respect to the Reserved Matters, in relation to which each Share is entitled to one vote.

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The Reserved Matters are:

- (i) any amendment to the Memorandum or Articles, including the variation of the rights attached to any class of shares;
- (ii) the appointment, election or removal of any independent non-executive Director;
- (iii) the appointment, election or removal of the Company's auditors; and
- (iv) the voluntary liquidation or winding-up of the Company.

We are subject to: (a) certain shareholder protection measures and governance safeguards under Chapter 8A of the Hong Kong Listing Rules, including Rule 8A.44 of the Hong Kong Listing Rules, which requires our WVR Structure to give force to the requirements of certain rules under Chapter 8A of the Hong Kong Listing Rules by incorporating them into our Articles; and (b) the articles requirements set out in Appendix 3 and Appendix 13 to the Hong Kong Listing Rules (the “**Listing Rules Articles Requirements**”). The amended Articles which complies with the Listing Rules Articles Requirements will take effect upon Listing and a summary of the same is set out in “Summary of the constitution of the Company and Cayman Company Law” in Appendix III.

The table below sets out the ownership and voting rights to be held by the WVR Beneficiary upon the completion of the Introduction:

	Number of Shares	Approximate percentage of issued and outstanding share capital⁽¹⁾	Approximate percentage of voting rights⁽¹⁾⁽²⁾
Class B Ordinary Shares held by the WVR Beneficiary	140,830,401	16.3%	66.1%

Notes:

- (1) Assuming no additional Shares are issued under the Share Incentive Plans and between the Latest Practicable Date and the Listing and excluding the 28,549,000 Class A Ordinary Shares (as of the Latest Practicable Date) issued to the Depositary for bulk issuance of ADSs reserved for future issuances upon the exercise or vesting of awards granted under the Share Incentive Plans.
- (2) On the basis that Class A Ordinary Shares entitle the Shareholder to one vote per share and Class B Ordinary Shares entitle the Shareholder to ten votes per share.

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Class B Ordinary Shares may be converted into Class A Ordinary Shares on a one to one ratio. Upon the conversion of all the issued and outstanding Class B Ordinary Shares into Class A Ordinary Shares, the Company will issue 140,830,401 Class A Ordinary Shares, representing approximately 16.3% of the total number of issued and outstanding Class A Ordinary Shares (as enlarged by such Class A Ordinary Shares and assuming no additional Shares are issued under the Share Incentive Plans and between the Latest Practicable Date and the Listing).

The weighted voting rights attached to our Class B Ordinary Shares will cease when the WVR Beneficiary no longer has beneficial ownership of any of our Class B Ordinary Shares, in accordance with Listing Rule 8A.22. This may occur:

- (i) upon the occurrence of any of the circumstances set out in Listing Rule 8A.17, in particular where the WVR Beneficiary is: (1) deceased; (2) no longer a member of our Board; (3) deemed by the Stock Exchange to be incapacitated for the purpose of performing his duties as a director; or (4) deemed by the Stock Exchange to no longer meet the requirements of a director set out in the Listing Rules;
- (ii) when the holders of Class B Ordinary Shares have transferred to another person the beneficial ownership of, or economic interest in, all of the Class B Ordinary Shares or the voting rights attached to them, other than in the circumstances permitted by Listing Rule 8A.18;
- (iii) where a vehicle holding Class B Ordinary Shares on behalf of a WVR Beneficiary no longer complies with Listing Rule 8A.18(2); or
- (iv) when all of the Class B Ordinary Shares have been converted to Class A Ordinary Shares.

Save for the weighted voting rights attached to Class B Ordinary Shares, the rights attached to all classes of Shares are identical. For further information about the rights, preferences, privileges and restrictions of the Class A Ordinary Shares and Class B Ordinary Shares, see “Summary of the Constitution of the Company and Cayman Company Law—Articles of Association” in Appendix III for further details.

WVR Beneficiary

Immediately upon the completion of the Introduction, the WVR Beneficiary will be Mr. Peng Zhao, who will beneficially own an aggregate of 140,830,401 Class B Ordinary Shares. Assuming no additional Shares are issued under the Share Incentive Plans and between the Latest Practicable Date and the Listing and excluding the 28,549,000 Class A Ordinary Shares (as of the Latest Practicable Date) issued to the Depository for bulk issuance of ADSs reserved for future issuances upon the exercise or vesting of awards granted under the Share Incentive Plans, Mr. Zhao’s shareholding represents (a) approximately 16.3% of our issued and outstanding Shares; (b) approximately 66.1% of the voting rights in our Company with respect to shareholder resolutions relating to matters other than the Reserved Matters and (c) approximately 16.3% with respect to shareholder resolutions relating to Reserved Matters. Mr. Zhao holds his interests in our Company through TECHWOLF LIMITED. The entire interest in TECHWOLF LIMITED is held by a trust established by Mr. Peng Zhao as the settlor for the benefit of Mr. Zhao and his family.

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The Company adopted the WVR structure to enable the WVR Beneficiary to exercise voting control over the Company notwithstanding the WVR Beneficiary does not hold a majority economic interest in the share capital of the Company. This will enable the Company to benefit from the continuing vision and leadership of the WVR Beneficiary who will control the Company with a view to its long-term prospects and strategy.

Prospective investors are advised to be aware of the potential risks of investing in companies with weighed voting rights structures, in particular that interests of the WVR Beneficiary may not necessarily always be aligned with those of our Shareholders as a whole, and that the WVR Beneficiary will be in a position to exert significant influence over the affairs of our Company and the outcome of shareholders' resolutions, irrespective of how other shareholders vote. Prospective investors should make the decision to invest in the Company only after due and careful consideration. For further information about the risks associated with the WVR structure adopted by the Company, please refer to sections headed "Risk Factors—Risks Relating to Our Shares and Our ADSs—The dual-class structure of our ordinary shares may adversely affect the trading market for our Class A Ordinary Shares and/or ADSs" and "Risk Factors—Risks Relating to Our Shares and Our ADSs—Our dual-class voting structure will limit your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of our Class A Ordinary Shares or ADSs may view as beneficial."

Undertakings by the WVR Beneficiary

Pursuant to Rule 8A.43 of the Listing Rules, each WVR Beneficiary is required to give a legally enforceable undertaking to the Company that he will comply with the relevant requirements as set out in Rule 8A.43, which is intended to be for the benefit of and enforceable by the Shareholders. On December 5, 2022, Mr. Zhao made an undertaking to the Company (the "**Undertaking**"), that for so long as he is a WVR Beneficiary:

1. he shall comply with (and, if the shares to which the weighted voting rights that he is beneficially interested in are attached are held through a limited partnership, trust, private company or other vehicle, use his best endeavors to procure that such limited partnership, trust, private company or other vehicle complies with) all applicable requirements under Rules 8A.09, 8A.14, 8A.15, 8A.17, 8A.18 and 8A.24 of the Listing Rules from time to time in force (the "**Requirements**"); and
2. he shall use his best endeavors to procure that the Company complies with all applicable Requirements.

For the avoidance of doubt, the Requirements are subject to Rule 2.04 of the Listing Rules. The WVR Beneficiary acknowledged and agreed that the Shareholders rely on the Undertaking in acquiring and holding their shares. The WVR Beneficiary acknowledged and agreed that the Undertaking is intended to confer a benefit on the Company and all Shareholders and may be enforced by the Company and/or any Shareholder against the WVR Beneficiary.

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The Undertaking shall automatically terminate upon the earlier of (i) the date of delisting of the Company from the Stock Exchange; and (ii) the date on which the WVR Beneficiary ceases to be a beneficiary of weighted voting rights in the Company. For the avoidance of doubt, the termination of the Undertaking shall not affect any rights, remedies, obligations or liabilities of the Company and/or any Shareholder and/or the WVR Beneficiary himself that have accrued up to the date of termination, including the right to claim damages and/or apply for any injunction in respect of any breach of the Undertaking which existed at or before the date of termination.

The Undertaking shall be governed by the laws of Hong Kong and all matters, claims or disputes arising out of the Undertaking shall be subject to the exclusive jurisdiction of the courts of Hong Kong.

RANKING

The Class A Ordinary Shares are Class A Ordinary Shares in the share capital of our Company and rank equally with all Class A Ordinary Shares currently in issue or to be issued, and will qualify and rank equally for all dividends or other distributions declared, made or paid on the Class A Ordinary Shares on a record date which falls after the date of this document.

POTENTIAL CHANGES TO SHARE CAPITAL

Circumstances under which general meeting and class meeting are required

Our Company may by ordinary resolution (i) increase its share capital by new shares of such amount as it thinks expedient; (ii) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares; (iii) subdivide its shares, or any of them, into shares of an amount smaller than that fixed by the Memorandum, provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived; and (iv) cancel any shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. In addition, our Company may by special resolution reduce its share capital and any capital redemption reserve in any manner authorized by the Companies Act.

See “Summary of the constitution of the Company and Cayman Company Law—Articles of Association—Alteration of Capital” in Appendix III for further details.

Share Incentive Plans

We have adopted the 2020 Share Incentive Plan and the 2022 Share Incentive Plan, pursuant to which further Shares may be issued. See the section headed “Statutory and general information—D. Share Incentive Plans” in Appendix IV for further details.