

SHARE CAPITAL

As of the Latest Practicable Date, the registered share capital of our Company is RMB1,500,000,000, divided into 1,500,000,000 Domestic Shares with a nominal value of RMB1.00 each.

Assuming [REDACTED] is not exercised, the share capital of our Company immediately after [REDACTED] will be as follows:

Number of Shares	Description of Shares	Approximate percentage to total share capital
[REDACTED]	Domestic Shares in issue ⁽¹⁾	[REDACTED]%
[REDACTED]	H Shares to be converted from Domestic Shares ⁽²⁾	[REDACTED]%
[REDACTED]	H Shares to be issued under [REDACTED]	[REDACTED]%
<u>[REDACTED]</u>	Total	<u>100.00%</u>

Assuming [REDACTED] is exercised in full, the share capital of our Company immediately after [REDACTED] will be as follows:

Number of Shares	Description of Shares	Approximate percentage to total share capital
[REDACTED]	Domestic Shares in issue ⁽¹⁾	[REDACTED]%
[REDACTED]	H Shares to be converted from Domestic Shares ⁽²⁾	[REDACTED]%
[REDACTED]	H Shares to be issued under [REDACTED]	[REDACTED]%
<u>[REDACTED]</u>	Total	<u>100.00%</u>

Notes:

- (1) Including all or part of domestic shares held by Mr. Yu, Mr. Tian Jianzhang, Mr. Chen Dezhong and Mr. Li Hongwei that will not be converted into H Shares upon [REDACTED]. Mr. Yu is the Controlling Shareholder and the Director of our Company. Our Company considers that the fact Mr. Yu continues to hold domestic shares demonstrates the confidence of Mr. Yu in the development prospects of our Company and his dedication to our Company’s growth. The decision made by Mr. Tian Jianzhang, Mr. Chen Dezhong and Mr. Li Hongwei to continue to hold Domestic Shares in our Company upon [REDACTED] is out of their respective own will.
- (2) Subject to the approval of the CSRC and the Stock Exchange, those Domestic Shares shall be converted into H Shares upon [REDACTED], details of which are set out in the sub-paragraph headed “Conversion of Our Domestic Shares into H Shares — Full-circulation Application for Conversion of Certain Domestic Shares into H Shares” below.

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CLASS AND RANKING OF SHARES

After the completion of [REDACTED], we have two classes of ordinary shares, namely Domestic Shares and H Shares, and they shall rank *pari passu* with each other in all respects. Our Domestic Shares are unlisted Shares which are currently not listed or traded on any stock exchange. Domestic Shares and H Shares are regarded as different classes of Shares, further details of which are set out in the section headed “Summary of the Articles of Association” in Appendix V to this document.

According to the Articles of Association, any change or abrogation of the rights of class Shareholders shall be approved by way of a special resolution of the general meeting of our Shareholders and by a separate class meeting of class Shareholders convened by the relevant class Shareholders. Circumstances where a general meeting and/or a class meeting is required is summarized in the section headed “Summary of the Articles of Association” in Appendix V to this document. However, a class meeting is not required under circumstances set forth below:

- issue of Domestic Shares or H Shares of not more than 20% of Domestic Shares or H Shares in issue, respectively, either separately or concurrently within a period of 12 months, pursuant to approval by way of a special resolution of the general meeting of our Shareholders;
- proposed issue of Domestic Shares and H Shares at the time of the establishment of our Company, pursuant to approval of the securities regulatory authority of the State Council and provided that such proposed issue will be completed within 15 months since the date of such approval; and
- other circumstances as stipulated in relevant PRC laws, regulations and the Articles of Association.

For further details, please refer to the section headed “Summary of the Articles of Association” in Appendix V to this document.

[REDACTED]

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[REDACTED]

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[REDACTED]

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[REDACTED]

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TRANSFER OF SHARES ISSUED PRIOR TO [REDACTED]

The PRC Company Law provides that (i) where a limited liability company converted into a joint stock limited company, its shares shall not be transferred within one year from the date of its conversion, (ii) in relation to the public offering of a company, the shares issued prior to the public offering shall not be transferred within one year from the date on which the publicly offered shares are listed on any stock exchange. Accordingly, Shares issued by our Company prior to [REDACTED] shall be subject to this statutory restriction and not be transferred within one year from [REDACTED].

Directors, Supervisors and senior management shall notify the Company of the Shares they hold and any changes therein. During their respective tenure of office, any Shares transferred by any of the Company’s Directors, Supervisors and senior management in any year shall not exceed 25% of the relevant individual’s total Shares in the Company. Shares held by any Director, Supervisor or senior management shall not be transferred within one year from [REDACTED] and within six months from the date on which he or she ceases to be a Director, Supervisor or senior management of our Company.

[REDACTED]

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS AND CLASS MEETINGS ARE REQUIRED

According to our Articles of Association, general meetings are required under the following circumstances and must be passed by shareholders representing two-third or more of the voting rights: (i) increase or reduction of the share capital, repurchase of the Company’s shares and issue of shares of any class, stock warrants or other similar securities; (ii) the division, merger, dissolution, liquidation or change of corporate forms of the Company; (iii) issuance of bonds or other securities; and (iv) amendments to the Articles of Association.

For further details, please see the sub-section headed “Summary of the Articles of Association — General Meeting of Shareholders” in Appendix V to this document.