

## SHARE CAPITAL

This section presents certain information regarding our share capital before and upon completion of the [REDACTED].

### BEFORE THE [REDACTED]

As at the Latest Practicable Date, the registered capital of our Company was RMB226,000,000, comprising 226,000,000 Domestic Shares of nominal value RMB1.00 each.

### UPON COMPLETION OF THE [REDACTED]

Immediately following completion of the [REDACTED], assuming that the [REDACTED] Option is not exercised, our share capital would be categorised as follows:

<u>Description of Shares</u>	<u>Number of Shares</u>	<u>Approximate percentage of issued share capital</u>
Domestic Shares	226,000,000	[REDACTED]%
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]%
	[REDACTED]	100.00%

Immediately following completion of the [REDACTED] and assuming that the [REDACTED] is fully exercised, our share capital would be categorised as follows:

<u>Description of Shares</u>	<u>Number of Shares</u>	<u>Approximate percentage of issued share capital</u>
Domestic Shares	226,000,000	[REDACTED]%
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]%
	[REDACTED]	100.00%

### SHARE CLASSES

Upon completion of the [REDACTED], we would have two classes of Shares: Domestic Shares and H Shares. Domestic Shares and H Shares are all ordinary Shares in the share capital of our Company. However, apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai-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 or be traded between legal or natural persons of the PRC.

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Domestic Shares and H Shares are regarded as different classes of shares under our Articles of Association. The differences between the two classes of shares and provisions on class rights, the dispatch of notices and financial reports to Shareholders, dispute resolution, registration of Shares on different registers of Shareholders, the method of share transfer and appointment of dividend receiving agents are set out in the Articles of Association and summarised in "Summary of Articles of Association" as set out in Appendix VI to this document. The rights conferred on any class of Shareholders may not be varied or abrogated unless approved by a special resolution of the general meeting of Shareholders and by the holders of Shares of that class at a separate meeting. The circumstances which shall be deemed to be a variation or abrogation of the rights of a class are listed in "Summary of Articles of Association" as set out in Appendix VI to this document. However, the procedures for approval by separate classes of Shareholders shall not apply (a) where we issue, upon approval by a special resolution of the Shareholders in a general meeting, either separately or concurrently once every 12 months, not more than 20% of each of our existing issued Domestic Shares and H Shares; (b) where our plan to issue Domestic Shares and H Shares at the time of its establishment is implemented within 15 months from the date of approval by the securities regulatory authorities under the State Council; and (c) where the conversion of Domestic Shares for [REDACTED] and [REDACTED] on the Stock Exchange as H Shares has been approved by the securities authorities under the State Council.

Further information about circumstances under which general meeting and class meeting are required are set out in the Articles of Association and summarised in "Summary of Articles of Association" as set out in Appendix VI to this document.

Except for the differences above, Domestic 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 after the date of this document. All dividends in respect of the H Shares are to be declared and paid by us in Hong Kong dollars or in the form of H Shares whereas all dividends in respect of Domestic Shares are to be declared in Renminbi and paid by us in Hong Kong dollars.

### CONVERSION OF OUR DOMESTIC SHARES INTO H SHARES

All our Domestic Shares are not listed or traded on any stock exchange. The holders of Domestic Shares may convert their Domestic Shares into H Shares provided such conversion shall have gone through any requisite internal approval process and complied with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the overseas stock exchange(s) and have been approved by the securities regulatory authorities of the State Council, including the CSRC. The listing of such converted Shares on the Stock Exchange will also require the approval of the Stock Exchange.

Based on the procedures for the conversion of our Domestic Shares into H Shares as disclosed in this section, we can apply for the [REDACTED] of all or any portion of our Domestic Shares on the Stock Exchange as H Shares in advance of any proposed conversion

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to ensure that the conversion process can be completed promptly upon notice to the Stock Exchange and delivery of Shares for entry on the H Share register. As any [REDACTED] of additional Shares after our [REDACTED] on the Stock Exchange is ordinarily considered by the Stock Exchange to be a purely administrative matter, it will not require such prior application for [REDACTED] at the time of our [REDACTED] in Hong Kong.

No class Shareholder voting is required for the [REDACTED] and trading of the converted Shares on the Stock Exchange. Any application for [REDACTED] of the converted Shares on the Stock Exchange after our [REDACTED] is subject to prior notification by way of announcement to inform Shareholders and the public of such proposed conversion.

See “Risk factors – Risks relating to our business and industry – The sales or potential sales of substantial amounts of our H Shares in the [REDACTED] (including any future [REDACTED]) may affect the prevailing market price of our H Shares and our ability to raise capital in the future, and future additional issuance of securities may dilute your shareholdings” in this document for more details.

After all the requisite approvals have been obtained, the following procedures will need to be completed: the relevant Domestic Shares will be withdrawn from the Domestic Share register and we will re-register such Shares on our [REDACTED] maintained in Hong Kong and instruct the [REDACTED] to issue H Share certificates. Registration on our H Share register will be on the condition that (a) our [REDACTED] lodges with the Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register and the due dispatch of H Shares certificates and (b) the admission of the H Shares to trade on the Stock Exchange will comply with the Listing Rules and the General Rules of CCASS and the CCASS Operational Procedures in force from time to time. Until the converted Shares are re-registered on our H Share register, such Shares would not be listed as H Shares.

So far as we are aware, none of our Shareholders currently propose to convert any of their Domestic Shares into H Shares.

### REGISTRATION OF SHARES NOT LISTED ON OVERSEAS STOCK EXCHANGE

According to the Notice of Centralised Registration and Deposit of Non-overseas Listed Shares of Companies Listed on an Overseas Stock Exchange (《關於境外上市公司非境外上市股份集中登記存管有關事宜的通知》) issued by the CSRC, an overseas listed company is required to register and deposit its shares that are not listed on the overseas stock exchange with China Securities Depository and Clearing Corporation Limited within 15 working days upon [REDACTED] and provide a written report to the CSRC regarding the centralised registration and deposit of non-overseas listed shares as well as the [REDACTED] and [REDACTED] of the H Shares.