

SHARE CAPITAL

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

BEFORE THE [REDACTED]

As of the Latest Practicable Date, the registered capital of our Company was RMB445,664,533, comprising 445,664,533 Unlisted Shares of nominal value RMB1.00 each:

UPON COMPLETION OF THE [REDACTED]

Immediately following completion of the [REDACTED], assuming the [REDACTED] is not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital (%)
Unlisted Shares in issue	379,409,528	[REDACTED]
H Shares converted from Unlisted Shares	66,255,005	[REDACTED]
H Shares to be issued under the [REDACTED]	<u>[REDACTED]</u>	<u>[REDACTED]</u>
Total	<u><u>[REDACTED]</u></u>	<u><u>100.00</u></u>

Immediately following completion of the [REDACTED], assuming the [REDACTED] is fully exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital (%)
Unlisted Shares in issue	379,409,528	[REDACTED]
H Shares converted from Unlisted Shares	66,255,005	[REDACTED]
H Shares to be issued under the [REDACTED]	<u>[REDACTED]</u>	<u>[REDACTED]</u>
Total	<u><u>[REDACTED]</u></u>	<u><u>100.00</u></u>

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RANKING

Upon completion of the [REDACTED], we would have only one class of Shares. H Shares and Unlisted 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 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.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

Upon completion of the [REDACTED], all our Unlisted Shares (other than those converting to H Shares) are not listed or traded on any stock exchange. The holders of our Unlisted Shares may convert their 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 complete the filing process procedure with CSRC. The [REDACTED] of such converted Shares on the Hong Kong Stock Exchange will also require the approval of the Hong Kong Stock Exchange.

In accordance with the Guidelines on Application for “Full Circulation” of Domestic Unlisted Shares of H-share Companies (《H股公司境内未上市股份申请“全流通”业务指引》) (“**Full Circulation Guidelines**”) published and implemented by the CSRC on November 14, 2019 and the Overseas Listing Trial Measures, 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 file with the CSRC. The Full Circulation Guidelines are 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.

The Company filed for application for a “full circulation” of the unlisted shares on March 29, 2022 and submitted the application reports, authorization documents of the shareholders of unlisted shares for which an H-share “full circulation” are applied, explanation about the compliance of share acquisition and others documents in accordance with the requirements of the CSRC.

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CSRC acknowledged our application for a “full circulation of the unlisted shares” on April 6, 2022. Upon completion of the [REDACTED], 66,255,005 Unlisted Shares held by Sequoia Capital China Venture, YSC Investment I, Sinovation Fund III, Major Awesome, Value Global, MIC Capital, CPE Investment (Hong Kong) 2018 Limited, GS Asia II, Haitong International Investment, Stonebridge 2020, Growing Fame and LF Beta will be converted into H Shares on a one-for-one basis. The conversion of these Unlisted Shares into H Shares have been approved by CSRC on June 14, 2022 and an application has been made to the Listing Committee for such H Shares to be [REDACTED] on the Stock Exchange.

Based on the procedures for the conversion of our Unlisted Shares into H Shares as disclosed in this section, we can apply for the [REDACTED] of all or any portion of our Unlisted Shares on the Hong Kong Stock Exchange as H Shares in advance of any proposed conversion to ensure that the conversion process can be completed promptly upon notice to the Hong Kong Stock Exchange and delivery of Shares for entry on the H Share register. As any listing of additional Shares after our initial [REDACTED] on the Hong Kong Stock Exchange is ordinarily considered by the Hong Kong Stock Exchange to be a purely administrative matter, it will not require such prior application for [REDACTED] at the time of our initial [REDACTED] in Hong Kong.

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

After all the requisite approvals have been obtained, the following procedures will need to be completed: the relevant Unlisted Shares will be withdrawn from the Share register and we will re-register such Shares on our H Share register 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 Hong Kong Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register of members and the due dispatch of H Share certificates and (b) the admission of the H Shares to trade on the Hong Kong 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 [REDACTED] as H Shares.

Please refer to “Risk Factors – Risks Related to the [REDACTED] – Future sales or perceived sales of a substantial number of our H Shares in the public market could have a material adverse effect on the price of our H Shares and our ability to raise additional capital in the future.”

So far as we are aware, upon completion of the [REDACTED], other than the Shareholders who will convert their Unlisted Shares into H Shares as mentioned above, none of our Shareholders currently proposes to convert any of their Unlisted Shares into H Shares.

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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].

For details of the lock-up undertaking given by the Controlling Shareholder pursuant to Rule 10.07 of the Listing Rules see “[REDACTED] – [REDACTED] Arrangements and Expenses – Undertakings pursuant to the Listing Rules and the [REDACTED] – Undertakings by our Controlling Shareholders.”

REGISTRATION OF SHARES NOT LISTED ON AN OVERSEAS STOCK EXCHANGE

According to the Notice of Centralized 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, our Company is required to register and deposit our Shares that are not listed on the overseas stock exchange with the China Securities Depository and Clearing Corporation Limited within 15 business days upon the [REDACTED] and provide a written report to the CSRC regarding the centralized registration and deposit of our Shares that are not listed on the overseas stock exchange as well as the [REDACTED] and [REDACTED] of our H Shares.

SHAREHOLDERS’ GENERAL MEETING

For details of circumstances under which our general Shareholders’ meeting is required, see “Appendix IV– Summary of Principal Legal and Regulatory Provisions” and “Appendix V – Summary of Articles of Association”.