
SHARE CAPITAL

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Immediately before the [REDACTED]

As of the Latest Practicable Date, the registered share capital of the Company was RMB757,258,933, comprising 757,258,933 Unlisted Shares with a nominal value of [REDACTED] each.

Upon the Completion of the [REDACTED]

Immediately after the [REDACTED] and Conversion of Unlisted Shares into H Shares (assuming that the [REDACTED] is not exercised and no Shares were issued pursuant to the exercise of options which were granted under the Pre-[REDACTED] Incentive Scheme), the share capital of the Company will be as follows.

Description of Shares	Number of Shares	Approximate % of the enlarged issued share capital after the [REDACTED]
Unlisted Shares in issue	[REDACTED]	[REDACTED]
H Shares to be converted from Unlisted Shares ^{Note}	[REDACTED]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100%

Note: Please refer to “Corporate Structure Immediately Following the [REDACTED]” in “History and Development” for details of the identities of the shareholders whose Shares will be converted into H Shares upon [REDACTED].

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Immediately after the [REDACTED] and Conversion of Unlisted Shares into H Shares (assuming that the [REDACTED] is fully exercised and no Shares were issued pursuant to the exercise of options which were granted under the Pre-[REDACTED] Incentive Scheme), the share capital of the Company will be as follows.

Description of Shares	Number of Shares	Approximate % of the enlarged issued share capital after the [REDACTED]
Unlisted Shares in issue	[REDACTED]	[REDACTED]
H Shares to be converted from Unlisted Shares ^{Note}	[REDACTED]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]
Total	<u>[REDACTED]</u>	<u>100%</u>

Note: Please refer to “Corporate Structure Immediately Following the [REDACTED]” in “History and Development” for details of the identities of the shareholders whose Shares will be converted into H Shares upon [REDACTED].

CLASS OF SHARES

Upon the completion of the [REDACTED] and Conversion of Unlisted Shares into H Shares, the Shares will consist of Unlisted Shares and H Shares, both are ordinary Shares in our share capital. However, the H Shares generally may not be subscribed for by, or traded between, legal or natural persons of mainland China, apart from certain qualified domestic institutional investors in mainland China, the qualified investors in mainland China under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, and other persons who are entitled to hold the H Shares pursuant to relevant PRC Law or upon approval by any competent authorities.

Save as disclosed above, Unlisted Shares and H Shares shall rank *pari passu* with each other in all other respects and, in particular, will rank equally for dividends or distributions declared, paid or made. All dividends for H Shares will be denominated and declared in Renminbi, and paid in Hong Kong dollars. Other than cash, dividends could also be paid in the form of shares.

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CONVERSION OF UNLISTED SHARES INTO H SHARES

If any of the Unlisted Shares are to be converted, listed and traded as H Shares on the Hong Kong Stock Exchange, such conversion, listing and trading will need the approval of the relevant regulatory authorities in mainland China, including the CSRC, and the approval of the Hong Kong Stock Exchange.

Filing with the CSRC

In accordance with the Trial Measures, if a domestic company directly offers and lists its securities overseas, its shareholders holding the domestic unlisted shares who seek to convert such domestic unlisted shares to overseas listed shares and trade such overseas listed shares on a foreign exchange must comply with relevant regulations of the CSRC and authorize the domestic company to file with the CSRC.

CSRC issued the notification on completion of the filing procedures on July 3, 2023 in relation to the filing of the overseas listing and “Full Circulation”, pursuant to which, (1) the Company was approved to issue no more than [REDACTED] H Shares with a nominal value of [REDACTED] each, which are all ordinary shares, and upon this issuance the Company may be [REDACTED] on the Main Board of the Hong Kong Stock Exchange; (2) a total of [REDACTED] Unlisted Shares held by the 211 Shareholders of the Company (the “**Domestic Participating Shareholders**”) were approved to be converted into H Shares, and the relevant Shares may be [REDACTED] on the Hong Kong Stock Exchange upon completion of the conversion. The aforesaid shall remain effective within 12 months from July 3, 2023.

[REDACTED] Approval by the Hong Kong Stock Exchange

We have applied to the Listing Committee of the Hong Kong Stock Exchange for the granting of [REDACTED] of, and permission to deal in, our H Shares to be issued pursuant to the [REDACTED] (including any H Shares which may be issued pursuant to the exercise of the [REDACTED]) and the H Shares to be converted from [REDACTED] Unlisted Shares on the Hong Kong Stock Exchange, which is subject to the approval by the Hong Kong Stock Exchange.

We will perform the follow procedures for the conversion of domestic unlisted shares into H Shares after receiving the approval of the Hong Kong Stock Exchange: (1) giving instructions to our [REDACTED] regarding relevant H Share certificates of the converted H Shares; and (2) enabling the converted H Shares to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the [REDACTED]. The Domestic Participating Shareholders may only deal in the Shares upon completion of following domestic procedures.

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Domestic Procedures

The Domestic Participating Shareholders may only deal in the Shares upon completion of the below arrangement procedures for the registration, deposit and transaction settlement in relation to the conversion and [REDACTED]:

- (a) We will appoint CSDC as the nominal holder to deposit the relevant securities at CSDC (Hong Kong), which will then deposit the securities at HKSCC in its own name. CSDC, as the nominal holder of the Domestic Participating Shareholders, shall handle all custody, maintenance of detailed records, cross-broader settlement and corporate actions, etc. relating to the converted H Shares for the Domestic Participating Shareholders;
- (b) We will engage a domestic securities company (the “**Domestic Securities Company**”) to provide services such as the transmission of sell orders and trading messages in respect of the converted H Shares. The Domestic Securities Company will engage a Hong Kong securities company (the “**Hong Kong Securities Company**”) for settlement of share transactions. We will make an application to CSDC, Shenzhen Branch for the maintenance of a detailed record of the initial holding of the converted H Shares held by our Shareholders. Meanwhile, we will submit applications for a domestic transaction commission code and abbreviation, which shall be confirmed by CSDC, Shenzhen Branch as authorized by SZSE;
- (c) The SZSE shall authorize Shenzhen Securities Communication Co., Ltd. to provide services relating to transmission of trading orders and trading messages in respect of the converted H Shares between the Domestic Securities Company and the Hong Kong Securities Company, and the real-time market forwarding services of the H Shares;
- (d) According to the Notice of the SAFE on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》), the Domestic Participating Shareholders shall complete the overseas shareholding registration with the local foreign exchange administration bureau before the Shares are sold, and after the overseas shareholding registration, open a specified bank account for the holding of overseas shares by domestic investors at a domestic bank with relevant qualifications and open a fund account for the H Share “Full Circulation” at the Domestic Securities Company. The Domestic Securities Company shall open a securities trading account for the H Share “Full Circulation” at the Hong Kong Securities Company; and
- (e) The Domestic Participating Shareholders shall submit trading orders of the converted H Shares through the Domestic Securities Company. Trading orders of the Domestic Participating Shareholders for the relevant Shares will be submitted to the Hong Kong Stock Exchange through the securities trading account opened by the Domestic Securities Company at the Hong Kong Securities Company. Upon completion of the transaction, settlements between each of the Hong Kong Securities Company and CSDC (Hong Kong), CSDC (Hong Kong) and CSDC, CSDC and the Domestic Securities Company, and the Domestic Securities Company and the Domestic Participating Shareholders, will all be conducted separately.

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As a result of the conversion, the shareholding of the relevant Domestic Participating Shareholders in our Domestic Share capital registered shall be reduced by the number of Unlisted Shares converted and the number of H Shares shall be increased by the number of converted H Shares.

Domestic Shareholders can work with the Company according to the Articles of Association and follow the procedures set out in this document to convert the Unlisted Shares into H Shares after the [REDACTED] if they want, provided that such conversion of Unlisted Shares into and [REDACTED] and trading of [REDACTED] will be subject to the approval or filing of the relevant regulatory authorities in mainland China, including the CSRC, the approval of the Hong Kong Stock Exchange and the satisfaction of the public float requirement under the Hong Kong Listing Rules by the Company.

TRANSFER OF SHARES ISSUED PRIOR TO THE [REDACTED]

According to the Company Law, the Shares issued by the Company prior to the [REDACTED] (including a total of [REDACTED] H Shares to be converted from Unlisted Shares held by [211] Shareholders of the Company) are restricted from [REDACTED] within one year from the [REDACTED].

The Company will work with the Domestic Securities Company to be engaged by the Company to restrict the trading of the [REDACTED] converted from Unlisted Shares technically within one year after the [REDACTED]. In the unlikely event that any Domestic Participating Shareholders trades their H Shares during such restriction period, as advised by our PRC Legal Advisor, there will be no administrative penalty on the Company under the PRC Law but there is risk that the underlying agreement for the transfer of such H Shares may be declared void pursuant to the Contract Law of the People’s Republic of China.

INCREASE IN SHARE CAPITAL

As advised by our PRC Legal Advisor, pursuant to the Articles of Association and subject to the requirements of relevant PRC Law, our Company, upon the [REDACTED] of our H Shares, is eligible to enlarge its share capital by issuing either new H Shares or new Unlisted Shares on condition that such proposed issuance shall be approved by a special resolution of Shareholders in general meeting and that such issuance is filed with the CSRC in a timely manner and complies with the Listing Rules and other relevant laws and regulations of Hong Kong (unless otherwise provided in the Articles of Association). To adopt a special resolution of Shareholders in general meeting, more than the two thirds votes represented by the Shareholders (including proxies) present at the general meeting must be exercised in favor of the resolution.

SHAREHOLDERS’ GENERAL MEETINGS

For details of circumstances under which our Shareholders’ general meeting are required, see “Appendix III — Summary of Articles of Association.”

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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, the Company is required to register the Unlisted Shares with the China Clearing within 15 business days upon the [REDACTED] and provide a written report to the CSRC regarding the results of centralized registration and deposit of the Unlisted Shares as well as the [REDACTED] and [REDACTED] of the [REDACTED].

SHAREHOLDERS’ APPROVAL FOR THE [REDACTED]

Approval from holders of the Shares is required for the Company to issue H Shares and seek the [REDACTED] of H Shares on the Hong Kong Stock Exchange. The Company has obtained such approval at the Shareholders’ general meeting held on April 8, 2022.

SHARE INCENTIVE SCHEME

We have adopted the 2020 Incentive Scheme and Pre-[REDACTED] Incentive Scheme. The principal terms of the Pre-[REDACTED] Incentive Scheme are summarized in “Statutory and General Information — D. Share Incentive Scheme” in Appendix IV.