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## SHARE CAPITAL

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As at the Latest Practicable Date, the total issued share capital of our Company was RMB361,963,636, divided into 361,963,636 Shares, with a nominal value of RMB1.00 each.

Assuming the [REDACTED] is not exercised, the share capital of our Company immediately after the completion of the [REDACTED] and the Conversion of Domestic Shares into H Shares will be as follows:

<b>Number of Shares</b>	<b>Description of Shares</b>	<b>Approximate percentage of total share capital</b>
[REDACTED]	Domestic Shares	[REDACTED]
[REDACTED]	H Shares to be converted from Domestic Shares	[REDACTED]
<u>[REDACTED]</u>	H Shares to be issued under the [REDACTED]	<u>[REDACTED]</u>
<u>[REDACTED]</u>		<u>[REDACTED]</u>

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

<b>Number of Shares</b>	<b>Description of Shares</b>	<b>Approximate percentage of total share capital</b>
[REDACTED]	Domestic Shares	[REDACTED]
[REDACTED]	H Shares to be converted from Domestic Shares	[REDACTED]
<u>[REDACTED]</u>	H Shares to be issued under the [REDACTED]	<u>[REDACTED]</u>
<u>[REDACTED]</u>		<u>[REDACTED]</u>

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The Conversion of Domestic Shares into H Shares will involve an aggregate of [REDACTED] Domestic Shares held by eight existing Shareholders, representing approximately [REDACTED]% of total issued Shares of the Company upon completion of the Conversion of Domestic Shares into H Shares and the [REDACTED] (assuming the [REDACTED] is not exercised). Set out below are such Shares held by our existing Shareholders and their respective shareholding upon completion of the Conversion of Domestic Shares into H Shares and the [REDACTED] (assuming the [REDACTED] is not exercised).

**Shareholding of the total issued share capital immediately after [REDACTED] (assuming the [REDACTED] is not exercised) and the Conversion of Domestic Shares into H Shares**

Name of Shareholder	Number of Converted H Shares	Approximate Percentage	Domestic Shares	Approximate Percentage
Desheng Ronghe	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Yuxin	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
CEL Maiming	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Song Fuxian	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Tang Jianyuan	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Yixing CEL	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Wang Degen	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Peng Benping	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Peng Bengang	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Zhongcheng Jinyi	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Hu Wei	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Chengdu Jiakun	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Suzhou Houqi	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Wang Dehui	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Liu Guofeng	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Chen Yuhe	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Shu Dingming	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Yao Hailong	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Changzhou Mailun	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Shanghai Xunran	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Tongchuan Deheng	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Xu Wei	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Tang Xiaoping	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
<b>Total</b>	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>

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## SHARE CAPITAL

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[REDACTED]

### OUR SHARES

Upon the completion of the [REDACTED] and the Conversion of Domestic Shares into H Shares, the Shares will consist of Domestic Shares and H Shares. Domestic Shares and H Shares are all ordinary Shares in the share capital of our Company, and are considered as one class of Shares.

Apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai-Hong Kong Stock Connect and 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 (such as our certain existing shareholders the Domestic Shares held by whom will be converted into H Shares according to the approval of the CSRC), H Shares generally cannot be subscribed for by or traded between legal or natural PRC persons.

All dividends for H Shares will be denominated and declared in Renminbi, and paid in Hong Kong dollars or Renminbi, whereas all dividends for Domestic Shares will be paid in Renminbi. Other than cash, dividends could also be paid in the form of shares.

### CONVERSION OF OUR DOMESTIC SHARES INTO H SHARES

We have one class of ordinary shares, consisting of Domestic Shares and H Shares. According to the stipulations by the State Council’s securities regulatory authority and the Articles of Association, our [REDACTED] Domestic Shares may be converted into H Shares, and such converted shares may be [REDACTED] or [REDACTED] on an overseas stock exchange, provided that prior to the conversion and [REDACTED] of such converted shares any requisite internal approval processes shall have been duly completed and the approval from the relevant PRC regulatory authorities, including the CSRC, shall have been obtained. In addition, such conversion, [REDACTED] and [REDACTED] shall in all respects comply with the regulations prescribed by the State Council’s securities regulatory authority and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

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Approval of the Stock Exchange is required for the [REDACTED] of such converted shares on the Stock Exchange. Based on the methodology and procedures for the conversion of our [REDACTED] Shares into H Shares as described in this section, we can apply for the [REDACTED] of all or any portion of our [REDACTED] Shares on the 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 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 does not require such prior application for [REDACTED] at the time of our [REDACTED] in Hong Kong.

Any application for [REDACTED] of the converted shares on the Stock Exchange after our initial [REDACTED] is subject to prior notification by way of announcement to inform Shareholders and the [REDACTED] of any proposed conversion.

### MECHANISM AND PROCEDURE FOR CONVERSION

After all the requisite approvals have been obtained, the following procedures will need to be completed in order to effect the conversion: the relevant [REDACTED] Shares will be withdrawn from the Domestic Share register and we will re-register such Shares on our H Share register maintained in Hong Kong and instruct the H Share Registrar to issue H Share certificates. Registration on our H Share register will be conditional on (a) the H Share Registrar lodging with the Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register and the due despatch of H Share certificates and (b) the [REDACTED] of the H Shares to [REDACTED] on the Stock Exchange in compliance with the Listing Rules, 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.

### TRANSFER OF SHARES ISSUED PRIOR TO [REDACTED]

The PRC Company Law provides that in relation to the [REDACTED] of a company, the shares issued prior to the [REDACTED] shall not be transferred within a period of one year from the date on which the [REDACTED] are [REDACTED] on any stock exchange. Accordingly, Shares issued by our Company prior to the [REDACTED] shall be subject to this statutory restriction and not be transferred within a period of one year from the [REDACTED].

### [REDACTED] PERIODS

Pursuant to Article 141 of the PRC Company Law, shares issued prior to any [REDACTED] of shares by a company cannot be transferred within one year from the date on which such shares are [REDACTED] and [REDACTED] on the relevant stock exchange. As such, the Shares issued by our Company prior to our issue of the H Shares will be subject to such statutory restriction on transfer within a period of one year from the [REDACTED].

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Our Directors, Supervisors and members of the senior management shall declare their shareholdings in our Company and any changes in their shareholdings. Shares transferred by our Directors, Supervisors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in our Company. The Shares that the aforementioned persons held in our Company cannot be transferred within one year from the date on which the Shares are [REDACTED] and [REDACTED] on a stock exchange, nor within half a year after they leave their positions in our Company. The Articles of Association may contain other restrictions on the transfer of our Shares held by our Directors, Supervisors and members of the senior management.

### **REGISTRATION OF SHARES NOT LISTED ON THE 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 its shares that are not listed on the overseas stock exchange with CSDCC within 15 Business Days upon the listing and provide a written report to the CSRC regarding the centralised registration and deposit of its unlisted shares as well as the current offering and listing of shares.