

## SHARE CAPITAL

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As of the Latest Practicable Date, the registered capital of our Company was RMB406,568,674 divided into 406,568,674 Domestic Shares with a nominal value of RMB1.00 each, representing 100% of the total share capital of our Company.

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

Description of Shares	Number of Shares	Approximate percentage of total share capital
Domestic Shares . . . . .	[REDACTED]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED] . . . . .	[REDACTED]	[REDACTED]
Total . . . . .	[REDACTED]	[REDACTED]

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

Description of Shares	Number of Shares	Approximate percentage of total share capital
Domestic Shares . . . . .	[REDACTED]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED] . . . . .	[REDACTED]	[REDACTED]
Total . . . . .	[REDACTED]	[REDACTED]

The above tables assume that the [REDACTED] would become unconditional and be completed.

### PUBLIC FLOAT

Rule 8.08(1)(b) of the Listing Rules requires that there shall be an open market for the securities for which [REDACTED] is sought, and it normally means that, where an issuer has more than one class of securities apart from the class of securities for which [REDACTED] is sought, the total securities of the issuer held by the public (on all regulated market(s) including the Stock Exchange) at the time of [REDACTED] must be at least 25% of the issuer’s total issued share capital. However, the class of securities for which [REDACTED] is sought must not be less than 15% of the issuer’s total issued share capital, and must have an expected market capitalization at the time of [REDACTED] of not less than HK\$125,000,000.

It is currently expected that our Company will have a [REDACTED] of over HK\$[REDACTED] at the time of the [REDACTED]. Our Company has applied to the Stock Exchange for the Stock Exchange to exercise its discretion under Rule 8.08(1)(d) of the Listing Rules, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements under Rule 8.08(1)(b) of the Listing Rules. Therefore, the public float of our Company may fall below 25% of the total issued share capital of our Company.

### THE SHARES

The H Shares in issue following completion of the [REDACTED] and the Domestic Shares are ordinary Shares in the share capital of the Company. H Shares may only be subscribed for and traded in Hong Kong dollars. Domestic Shares may only be subscribed for and traded in RMB. Apart from certain qualified domestic institutional investors in the PRC, the qualified PRC

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investors under the Shanghai-Hong Kong Stock Connect, the Shenzhen-Hong Kong Stock Connect or 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. Domestic Shares, on the other hand, can be subscribed for by and traded between legal or natural persons of the PRC and qualified foreign institutional investors.

### RANKING

Except for the differences set out in “The Shares” above, Domestic Shares and H Shares will 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 paid by us in Hong Kong dollars whereas all dividends in respect of Domestic Shares are to be paid by us in Renminbi. In addition to cash, dividends may be distributed in the form of Shares. For holders of H Shares, dividends in the form of Shares will be distributed in the form of additional H Shares. For holders of Domestic Shares, dividends in the form of Shares will be distributed in the form of additional Domestic Shares.

### CONVERSION OF OUR DOMESTIC SHARES INTO H SHARES

If any of the Domestic Shares are to be converted, [REDACTED] and traded as H Shares on the Stock Exchange, such conversion, [REDACTED] and trading will need the approval of the relevant PRC regulatory authorities, including the CSRC, and the approval of the Stock Exchange. Following the grant of relevant approvals, the holder of Domestic Shares shall submit an application to us to deregister the Domestic Shares to be converted from the Domestic Share register, together with the relevant document(s) of title. Upon all the requisite approvals being obtained, we will instruct the [REDACTED] to issue certificate(s) of such number of H Shares to the relevant holders of H Shares. Registration on our H Share register will be on the condition that (i) our [REDACTED] lodging with 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 (ii) the admission of the H Shares to trade on the Stock Exchange will comply with the Listing Rules and the General Rules of [REDACTED] and the [REDACTED] in force from time to time. The converted Shares will not be [REDACTED] as H Shares until they are registered on our H Share register.

As a result of the conversion, the shareholding of the relevant holder of Domestic Shares in our Domestic Share capital registered shall be reduced by the number of Domestic Shares converted and the number of H Shares shall be increased by the number of converted H Shares. As of the Latest Practicable Date, our Directors were not aware of any intention of any holder of Domestic Shares to convert all or part of their Domestic Shares into H Shares.

On December 29, 2017, the CSRC issued a press release in connection with the launch of the H share full circulation pilot project (H股全流通試點項目) (the “**Pilot Project**”). A participating company, which was a H share company listed on the Stock Exchange, in the Pilot Project would be allowed to convert certain of its domestic shares into H shares, which are eligible to be listed and traded on the Stock Exchange. On November 15, 2019, the CSRC announced to fully promote its “full circulation” reform of the H shares by covering both qualified H share companies already listed on the Stock Exchange and companies planning [REDACTED] of the H shares on the Stock Exchange.

### INCREASE IN SHARE CAPITAL

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

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### REGISTRATION OF SHARES NOT [REDACTED] ON THE 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, an overseas listed company is required to register its shares that are not listed on the overseas stock exchange with China Securities Depository and Clearing Corporation Limited within 15 business days upon [REDACTED].

### CIRCUMSTANCES UNDER WHICH GENERAL MEETING IS REQUIRED

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