
STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offer as part of the Global Offering. The Global Offering comprises:

- the Hong Kong Public Offer of initially 9,763,000 Offer Shares (subject to reallocation as mentioned below) in Hong Kong as described below in the paragraph headed “— The Hong Kong Public Offer”; and
- the International Placing of initially 87,862,000 Offer Shares (subject to reallocation and the Over-Allotment Option as described below) outside the United States (including to professional, institutional and corporate investors and other investors anticipated to have a sizeable demand for the Offer Shares in Hong Kong) in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

Of the 87,862,000 Offer Shares initially being offered under the International Placing, 4,882,000 Offer Shares will be offered under the Lesso Preferential Offering to the Lesso Qualifying Shareholder(s) as an Lesso Qualifying Shareholders’ Assured Entitlement as described in “— The Lesso Preferential Offering” in this section.

Investors may either:

- apply for the Hong Kong Offer Shares under the Hong Kong Public Offer; or
- apply for or indicate an interest for the International Placing Shares under the International Placing,

but may not do both (except that Lesso Qualifying Shareholder(s) who are eligible to apply for the Lesso Reserved Shares in the Lesso Preferential Offering may also either (i) apply for Hong Kong Offer Shares under the Hong Kong Public Offer, if eligible, or (ii) indicate an interest for International Placing Shares under the International Placing, if qualified to do so).

The 97,625,000 Offer Shares in the Global Offering will represent approximately 22% of our enlarged share capital immediately after the completion of the Global Offering and the Capitalization Issue, without taking into account the exercise of the Over-Allotment Option. If the Over-Allotment Option is exercised in full, the Offer Shares will represent approximately 25% of our enlarged share capital immediately following the completion of the Global Offering and the Capitalization Issue.

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References to applications, application monies or procedure for applications relate solely to the Hong Kong Public Offer and the Lesso Preferential Offering.

THE HONG KONG PUBLIC OFFER

Number of Offer Shares initially offered

We are initially offering for subscription by the public in Hong Kong 9,763,000 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering. Subject to the reallocation of Offer Shares between the International Placing and the Hong Kong Public Offer, the number of Offer Shares offered under the Hong Kong Public Offer will represent approximately 2.2% of our enlarged issued share capital immediately after completion of the Global Offering and the Capitalization Issue, assuming the Over-Allotment Option is not exercised.

The Hong Kong Public Offer is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities.

Completion of the Hong Kong Public Offer is subject to the conditions as set forth below in “Conditions of the Global Offering” in this section.

Allocation

Allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offer will be based on the level of valid applications received under the Hong Kong Public Offer. The basis of allocation may vary depending on the number of Hong Kong Offer Shares validly applied for by applicants. We may, if necessary, allocate the Hong Kong Offer Shares on the basis of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of Offer Shares available under the Hong Kong Public Offer is to be divided equally into two pools (with any odd lots being allocated to pool A):

- **Pool A:** The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for the Hong Kong Offer Shares with an aggregate subscription price of HK\$5 million or less (excluding brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee payable); and

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- **Pool B:** The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for the Hong Kong Offer Shares with an aggregate subscription price of more than HK\$5 million and up to the total value of pool B (excluding brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee payable).

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If the Hong Kong Offer Shares in one (but not both) of the pools are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in the pool and be allocated accordingly. For the purpose of this subsection only, the “subscription price” for the Hong Kong Offer Shares means the price payable on application therefor (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B but not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offer and any application for more than 4,881,000 Hong Kong Offer Shares will be rejected.

Reallocation

The allocation of the Offer Shares between the Hong Kong Public Offer and the International Placing is subject to reallocation at the discretion of the Sole Overall Coordinator and the Sole Global Coordinator, subject to the following:

- (a) where the International Placing Shares are fully subscribed or oversubscribed:
 - (i) if the Hong Kong Offer Shares are undersubscribed, the Sole Overall Coordinator and the Sole Global Coordinator has the authority to reallocate all or any unsubscribed Hong Kong Offer Shares to the International Placing, in such proportions as the Sole Overall Coordinator and Sole Global Coordinator deems appropriate;
 - (ii) if the number of Offer Shares validly applied for under the Hong Kong Public Offer represents less than 15 times the number of the Offer Shares initially available for subscription under the Hong Kong Public Offer, then up to 9,762,000 Offer Shares may be reallocated to the Hong Kong Public Offer from the International Placing in accordance with the Chapter 4.14 under the Guide for New Listing Applicants published by the Stock Exchange, so that the total number of the Offer Shares available under the Hong Kong Public Offer will be increased to 19,525,000 Offer Shares, representing 20% of the total number of the Offer Shares initially available under the Global Offering;

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- (iii) if the number of Offer Shares validly applied for under the Hong Kong Public Offer represents (1) 15 times or more but less than 50 times, (2) 50 times or more but less than 100 times, and (3) 100 times or more of the number of Offer Shares initially available under the Hong Kong Public Offer, the Offer Shares will be reallocated to the Hong Kong Public Offer from the International Placing in accordance with the clawback requirements set forth in paragraph 4.2 of Practice Note 18 of the Listing Rules, so that the total number of Hong Kong Offer Shares will be increased to 29,288,000 Offer Shares (in the case of (1)), 39,050,000 Offer Shares (in the case of (2)) and 48,813,000 Offer Shares (in the case of (3)), representing approximately 30%, 40% and approximately 50% of the Offer Shares initially available under the Global Offering, respectively;
- (b) where the International Placing Shares are undersubscribed:
 - (i) if the Hong Kong Offer Shares are also undersubscribed, the Global Offering will not proceed unless the Underwriters would subscribe for or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Global Offering on the terms and conditions of this prospectus and the Underwriting Agreements; and
 - (ii) if the Hong Kong Offer Shares are fully subscribed or oversubscribed (irrespective of the extent of over-subscription), then up to 9,762,000 Offer Shares may be reallocated to the Hong Kong Public Offer from the International Placing, so that the total number of the Offer Shares available under the Hong Kong Public Offer will be increased to 19,525,000 Offer Shares, representing 20% of the total number of the Offer Shares initially available under the Global Offering.

In the event of reallocation of Offer Shares from the International Placing to the Hong Kong Public Offer in the circumstances described in paragraph (a)(ii) or (b)(ii) above, the final Offer Price shall be fixed at the bottom end of the Offer Price Range (i.e. HK\$2.28 per Offer Share) according to Chapter 4.14 under the Guide for New Listing Applicants published by the Stock Exchange.

In all cases of reallocation of Offer Shares from the International Placing to the Hong Kong Public Offer, the additional Offer Shares reallocated to the Hong Kong Public Offer will be allocated between pool A and pool B in equal proportion and the number of Offer Shares allocated to the International Placing will be correspondingly reduced.

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The Lesso Reserved Shares which are offered under the Lesso Preferential Offering to Lesso Qualifying Shareholder(s) out of the Offer Shares being offered under the International Placing will not be subject to reallocation between the Hong Kong Public Offer and the International Placing.

Applications

Each applicant under the Hong Kong Public Offer will be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application has not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Placing Shares under the International Placing (except in respect of the Lesso Reserved Shares applied for pursuant to the Lesso Preferential Offering), and such applicant's application is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be) or it has been or will be placed or allocated International Placing Shares under the International Placing.

Applicants under the Hong Kong Public Offer may be required to pay, on application (subject to application channels), maximum price of HK\$3.06 per Offer Share in addition to brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565% on each Offer Share, amounting to a total of HK\$3,090.85 for one board lot of 1,000 Shares. If the Offer Price, as finally determined on the Price Determination Date in the manner as described below in the paragraph headed “— Pricing and Allocation”, is less than the maximum price of HK\$3.06 per Offer Share, appropriate refund payments (including brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants (subject to application channels), without interest. For further details, see “How to Apply for Hong Kong Offer Shares and Lesso Reserved Shares” in this prospectus.

THE LESSO PREFERENTIAL OFFERING

Basis of the Lesso Qualifying Shareholders' Assured Entitlement

In order to enable Lesso Shareholders to participate in the Global Offering on a preferential basis as to allocation only, subject to the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares on the Main Board and such approval not having been withdrawn and the Global Offering becoming unconditional, Lesso Qualifying Shareholders are being invited to apply for an aggregate of 4,882,000 Lesso Reserved Shares in the Lesso Preferential Offering, representing approximately 5.6% and approximately 5.0% of the Offer Shares initially available under the International Placing and the Global Offering, respectively, as an Assured Entitlement.

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The Lesso Reserved Shares are being offered out of the International Placing Shares under the International Placing and are not subject to reallocation as described in “— The Hong Kong Public Offer — Reallocation” in this section.

The basis of the Lesso Qualifying Shareholders’ Assured Entitlement is one Reserved Share for every integral multiple of 636 Lesso Shares held by each Lesso Qualifying Shareholder as of 4:30 p.m. on the Lesso Qualifying Shareholders’ Assured Entitlement Record Date.

Lesso Qualifying Shareholder(s) should note that their Lesso Qualifying Shareholders’ Assured Entitlement to the Lesso Reserved Shares may not represent a full board lot of 1,000 Shares. Further, the Lesso Reserved Shares allocated to the Lesso Qualifying Shareholder(s) will be rounded down to the nearest whole number if required. No odd lot matching services will be provided and dealings in odd lots of the Shares may be at a price below the prevailing market price for full board lots.

Lesso Qualifying Shareholders’ Assured Entitlement of Lesso Qualifying Shareholder(s) to Lesso Reserved Shares are not transferrable. There will be no trading in nil-paid entitlements on the Stock Exchange.

Lesso Qualifying Shareholder(s) who hold less than 636 Lesso Shares on the Lesso Qualifying Shareholders’ Assured Entitlement Record Date and therefore will not have an Lesso Qualifying Shareholders’ Assured Entitlement to the Lesso Reserved Shares will still be entitled to participate in the Lesso Preferential Offering by applying only for excess Lesso Reserved Shares as further described below.

Basis of Allocation for Applications for Lesso Reserved Shares

Lesso Qualifying Shareholder(s) may apply for a number of Lesso Reserved Shares which is greater than, less than or equal to their Lesso Qualifying Shareholders’ Assured Entitlement or may apply for excess Lesso Reserved Shares under the Lesso Preferential Offering.

Where a Lesso Qualifying Shareholder applies for Lesso Reserved Shares, the Lesso Qualifying Shareholders’ Assured Entitlement portion under such application will be satisfied in full, subject to the terms and conditions set out in the **HK eIPO Blue Form** service via www.hkeipo.hk and assuming the conditions of the Lesso Preferential Offering are satisfied, but the excess portion under such application will only be satisfied to the extent that there are sufficient Available Lesso Reserved Shares (as defined below).

Lesso Qualifying Shareholders should make a payment of the corresponding amount on the designated website of the **HK eIPO Blue Form** service at www.hkeipo.hk.

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To the extent that excess applications for the Lesso Reserved Shares are:

- (a) less than the Lesso Reserved Shares not taken up by the Lesso Qualifying Shareholder(s) (the “**Available Lesso Reserved Shares**”), the Available Lesso Reserved Shares will first be allocated to satisfy such excess applications for the Lesso Reserved Shares in full and if there are any Lesso Reserved Shares remaining after satisfying the excess applications, such Lesso Reserved Shares will be reallocated, at the discretion of the Sole Overall Coordinator and Sole Global Coordinator, to the International Placing;
- (b) equal to the Available Lesso Reserved Shares, the Available Lesso Reserved Shares will be allocated to satisfy such excess applications for the Lesso Reserved Shares in full; or
- (c) more than the Available Lesso Reserved Shares, the Available Lesso Reserved Shares will be allocated on an allocation basis which will be consistent with the allocation basis commonly used in the case of over-subscriptions in public offers in Hong Kong, where a higher allocation percentage will be applied in respect of smaller applications of excess Lesso Reserved Shares.

If there are any Shares remaining after satisfying the excess applications, such Shares will be re-allocated, at the discretion of the Sole Overall Coordinator and Sole Global Coordinator, to the International Placing.

No preference will be given to any excess applications made to top up odd lot holdings to whole lot holdings of Shares.

Save for the above, the Lesso Preferential Offering will not be subject to the clawback arrangement between the International Placing and the Hong Kong Public Offer.

Lesso Beneficial Shareholder(s) (not being Lesso Non-Qualifying Shareholder(s)) whose Lesso Shares are held by a nominee company should note that our Company will regard the nominee company as a single Lesso Shareholder according to the register of members of Lesso. Accordingly, such Lesso Beneficial Shareholder(s) whose Lesso Shares are held by a nominee company should note that the arrangement under paragraph (c) above will not apply to them individually. Any Lesso Beneficial Shareholder(s) (not being Lesso Non-Qualifying Shareholder(s)) whose Lesso Shares are registered in the name of a nominee, trustee or registered holder in any other capacity should make arrangements which such nominee, trustee or registered holder in relation to the applications for Lesso Reserved Shares under the Lesso Preferential Offering. Any such person is advised to consider whether it wishes to arrange for registration of the relevant Lesso Shares in the name of the beneficial owner prior to the Lesso Qualifying Shareholders’ Assured Entitlement Record Date.

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Applications by Lesso Qualifying Shareholder(s) for Hong Kong Offer Shares

In addition to any application for Lesso Reserved Shares made either through the **HK eIPO Blue Form** service at www.hkeipo.hk, Lesso Qualifying Shareholder(s), if eligible, will be entitled to make one application for Hong Kong Offer Shares by applying through the HKSCC EIPO channel or through the **HK eIPO White Form** service. Lesso Qualifying Shareholder(s) will receive no preference as to entitlement or allocation in respect of applications for Hong Kong Offer Shares through the HKSCC EIPO channel or through the **HK eIPO White Form** service under the Hong Kong Public Offer.

Lesso Qualifying Shareholder(s) and Lesso Non-Qualifying Shareholder(s)

Only Lesso Shareholders whose names appeared on the register of members of Lesso on the Lesso Qualifying Shareholders' Assured Entitlement Record Date and who are not Lesso Non-Qualifying Shareholder(s) are entitled to subscribe for the Lesso Reserved Shares under the Lesso Preferential Offering.

Lesso Non-Qualifying Shareholder(s) are those Lesso Shareholders with registered addresses in, or who are otherwise known by Lesso to be residents of, jurisdictions outside Hong Kong on the Lesso Qualifying Shareholders' Assured Entitlement Record Date, in respect of whom the directors of Lesso and our Company, based on the enquiries made by them, consider it necessary or expedient to exclude from the Lesso Preferential Offering on account either of the legal restrictions under the laws of the relevant jurisdiction in which the relevant Lesso Shareholder is resident or the requirements of the relevant regulatory body or stock exchange in that jurisdiction.

The directors of Lesso and our Company have made enquiries regarding the legal restrictions under the applicable securities legislation of the Specified Territories and the requirements of the relevant regulatory bodies or stock exchanges with respect to the offer of the Lesso Reserved Shares to the Lesso Shareholders in the Specified Territories. Having considered the circumstances, the directors of Lesso and our Company have formed the view that it is necessary or expedient to restrict the ability of Lesso Shareholders in the Specified Territories to take up their Lesso Qualifying Shareholders' Assured Entitlement to the Lesso Reserved Shares under the Lesso Preferential Offering due to the time and costs involved in the registration or filing of this prospectus and/or approval required by the relevant authorities in those territories and/or additional steps which our Company and the Lesso Shareholders would need to take to comply with the local legal and/or other requirements which would need to be satisfied in order to comply with the relevant local or regulatory requirements in those territories.

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Accordingly, for the purposes of the Lesso Preferential Offering, the Lesso Non-Qualifying Shareholder(s) are:

- (a) Lesso Shareholders whose names appeared in the register of members of Lesso on the Lesso Qualifying Shareholders' Assured Entitlement Record Date and whose addresses as shown in such register are in any of the Specified Territories; and
- (b) Lesso Shareholders or Lesso Beneficial Shareholder(s) on the Lesso Qualifying Shareholders' Assured Entitlement Record Date who are otherwise known by Lesso to be resident in any of the Specified Territories.

Notwithstanding any other provision in this prospectus or at www.hkeipo.hk of the **HK eIPO Blue Form** service, our Company reserves the right to permit any Lesso Shareholder to take up his/her/its Lesso Qualifying Shareholders' Assured Entitlement to the Lesso Reserved Shares if our Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions described above.

Distribution of this prospectus

Lesso Qualifying Shareholder(s) will receive a copy of this prospectus in the manner in which they have elected, or are deemed to have elected, to receive corporate communications under Lesso's corporate communications policy.

If a Lesso Qualifying Shareholder has elected to receive corporate communications from Lesso in printed form, a printed copy of this prospectus in the elected language version(s) will be despatched to such Lesso Qualifying Shareholder.

If a Lesso Qualifying Shareholder has (a) elected to receive an electronic version of corporate communications or (b) is deemed to have consented to receiving the electronic version of corporate communications from Lesso, an electronic version of this prospectus (which is identical to the printed prospectus) can be accessed and downloaded from the website of the Stock Exchange (www.hkexnews.hk) and the website of our Company (www.edayun.cn).

Distribution of this prospectus into any jurisdiction other than Hong Kong may be restricted by law. Persons into whose possession this prospectus come (including, without limitation, agents, custodians, nominees and trustees) should inform themselves of, and observe, any such restriction. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction.

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Receipt of this prospectus does not and will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this prospectus must be treated as sent for information only and should not be copied or redistributed.

Application Procedures

The procedures for application under and the terms and conditions of the Lesso Preferential Offering are set out in “How to Apply for Hong Kong Offer Shares and Lesso Reserved Shares — B. Application for Lesso Reserved Shares” in this prospectus and at www.hkeipo.hk of the **HK eIPO Blue Form** service.

The documents to be issued in connection with the Hong Kong Public Offer and the Lesso Preferential Offering will not be registered or filed under applicable securities or equivalent legislation of any jurisdiction other than Hong Kong. No action has been taken to permit an offering of the Hong Kong Offer Shares and the Lesso Reserved Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation.

THE INTERNATIONAL PLACING

Number of Offer Shares Initially Offered

We will be initially offering for subscription under the International Placing 87,862,000 Offer Shares, representing approximately 90% of the Offer Shares under the Global Offering. Subject to the reallocation of Offer Shares between the International Placing and the Hong Kong Public Offer, the number of Offer Shares offered under the International Placing will represent approximately 20.0% of our enlarged issued share capital immediately after completion of the Global Offering and the Capitalization Issue, assuming the Over-Allotment Option is not exercised. The Lesso Reserved Shares being offered pursuant to the Lesso Preferential Offering are being offered out of the International Placing Shares.

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Allocation

The International Placing Shares will conditionally be offered to selected professional, institutional and corporate investors and other investors anticipated to have a sizeable demand for our Offer Shares in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Prospective professional, institutional and other investors will be required to specify the number of the International Placing Shares under the International Placing they would be prepared to acquire either at different prices or at a particular price. This process, known as “book-building,” is expected to continue up to the Price Determination Date.

Allocation of the International Placing Shares pursuant to the International Placing will be determined by the Sole Overall Coordinator and the Sole Global Coordinator and will be based on a number of factors including the level and timing of demand, total size of the relevant investor’s invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further, and/or hold or sell its Shares, after the listing of the Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the International Placing Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and our Shareholders as a whole.

The Sole Overall Coordinator and the Sole Global Coordinator (for itself and on behalf of the Underwriters and the Capital Market Intermediaries) may require any investor who has been offered Offer Shares under the International Placing and who has made an application under the Hong Kong Public Offer to provide sufficient information to the Sole Overall Coordinator and the Sole Global Coordinator so as to allow them to identify the relevant applications under the Hong Kong Public Offer and to ensure that they are excluded from any applications of Hong Kong Offer Shares under the Hong Kong Public Offer.

Reallocation

The total number of Offer Shares to be issued pursuant to the International Placing may change as a result of the clawback arrangement as described above in the paragraph headed “— The Hong Kong Public Offer — Reallocation” or the Over-Allotment Option in whole or in part and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offer.

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OVER-ALLOTMENT OPTION

In connection with the Global Offering, it is expected that we will grant the Over-Allotment Option to the International Underwriters.

Pursuant to the Over-Allotment Option, the International Underwriters will have the right, exercisable by the Sole Overall Coordinator and the Sole Global Coordinator (for itself and on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offer, to require our Company to issue up to 14,643,000 Shares, representing approximately 15% of the Offer Shares initially available under the Global Offering, at the Offer Price under the International Placing to, among other things, cover over-allocations in the International Placing, if any.

If the Over-Allotment Option is exercised in full, the additional Shares to be issued pursuant thereto will represent approximately 3.2% of our enlarged issued share capital immediately following the completion of the Global Offering and the Capitalization Issue. In the event that the Over-Allotment Option is exercised, an announcement will be made.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market, during a specified period of time, to retard and, if possible, prevent a decline in the initial public market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager, or any person acting for it, on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or supporting the market price of our Shares at a level higher than that which might otherwise prevail in the open market for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager or any persons acting for it to conduct any such stabilizing action. Such stabilizing action, if taken, will be conducted at the absolute discretion of the Stabilizing Manager or any person acting for it and may be discontinued at any time, and is required to be brought to an end on Saturday, June 22, 2024, being the 30th day after the last day for lodging applications under the Hong Kong Public Offer.

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Stabilization action permitted in Hong Kong under the Securities and Futures (Price Stabilizing) Rules of the SFO includes (i) over-allocating for the purpose of preventing or minimizing any reduction in the market price of our Shares, (ii) selling or agreeing to sell our Shares so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of our Shares, (iii) purchasing, or agreeing to purchase, our Shares pursuant to the Over-Allotment Option in order to close out any position established under (i) or (ii) above, (iv) purchasing, or agreeing to purchase, any of our Shares for the sole purpose of preventing or minimizing any reduction in the market price of our Shares, (v) selling or agreeing to sell any Shares in order to liquidate any position established as a result of those purchases, and (vi) offering or attempting to do anything as described in (ii), (iii), (iv) or (v) above.

Stabilization actions by the Stabilizing Manager, or any person acting for it shall be entered into in accordance with the laws, rules and regulations in place in Hong Kong on stabilization.

Specifically, prospective applicants for and investors in the Shares should note that:

- the Stabilizing Manager (or any person acting for it) may, in connection with the stabilizing action, maintain a long position in the Shares;
- there is no certainty as to the extent to which and the time or period for which the Stabilizing Manager (or any person acting for it) will maintain such a long position;
- liquidation of any such long position by the Stabilizing Manager (or any person acting for it) and selling in the open market may have an adverse impact on the market price of the Shares;
- no stabilizing action can be taken to support the price of the Shares for longer than the stabilizing period which will begin on the Listing Date and is expected to end on Saturday, June 22, 2024, being the 30th day after the last day for lodging applications under the Hong Kong Public Offer. After this date, when no further action may be taken to support the price of the Shares, demand for the Shares, and therefore the price of the Shares, could fall;
- the price of the Shares cannot be assured to stay at or above the Offer Price by the taking of any stabilizing action; and
- stabilizing bids or transactions effected in the course of the stabilizing action may be made at any price at or below the Offer Price, which means that stabilizing bids or transactions effected may be made at a price below the price paid by applicants for, or investors in, the Offer Shares.

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Our Company will ensure or procure that an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules of the SFO will be made within seven days of the expiration of the stabilization period.

OVER-ALLOCATION

Following any over-allocation of Shares in connection with the Global Offering, the Stabilizing Manager (or any person acting for it) may cover such over-allocations by (among other methods) exercising the Over-allotment Option in full or in part, using Shares purchased by the Stabilizing Manager (or any person acting for it) in the secondary market at prices that do not exceed the Offer Price, or through the stock borrowing arrangement as detailed below or a combination of these means.

STOCK BORROWING AGREEMENT

In order to facilitate the settlement of over-allocations in connection with the Global Offering, the Stabilizing Manager may choose to enter into an agreement with EDA Shine International Limited, a Controlling Shareholder of our Company, to borrow, whether on its own or through its affiliates, up to 14,643,000 Shares, representing approximately 15.0% of the total number of the Offer Shares initially available for the Global Offering. The stock borrowing arrangement under such an agreement, if entered into, will not be subject to the restrictions of Rule 10.07(1)(a) of the Listing Rules, provided that the requirements set forth in Rule 10.07(3) of the Listing Rules are complied with as follows:

- such stock borrowing arrangement is fully described in this prospectus and must be for the sole purpose of covering any short position prior to the exercise of the Over-Allotment Option;
- the maximum number of Shares to be borrowed from EDA Shine International Limited by the Stabilizing Manager (or any person acting for it) is the maximum number of Shares which may be issued upon full exercise of the Over-Allotment Option;
- the same number of Shares so borrowed must be returned to EDA Shine International Limited or its nominee(s) within three business days following the earlier of (a) the last day on which the Over-Allotment Option may be exercised, (b) the day on which the Over-Allotment Option is exercised in full, and (c) such earlier time as may be agreed in writing between EDA Shine International Limited and the Stabilizing Manager;
- the stock borrowing arrangement will be effected in compliance with all applicable listing rules, laws and other regulatory requirements; and
- no payment will be made to EDA Shine International Limited by the Stabilizing Manager (or any person acting for it) in relation to the stock borrowing arrangement.

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PRICING AND ALLOCATION

Our Company, the Sole Overall Coordinator and the Sole Global Coordinator (for itself and on behalf of the Underwriters and the Capital Market Intermediaries) will determine the Offer Price and sign an agreement on the Price Determination Date, when market demand for the Offer Shares will be determined. The Price Determination Date is expected to be on or around Friday, May 24, 2024, and in any event, not later than 12:00 noon on Friday, May 24, 2024.

The Offer Price will not be more than HK\$3.06 per Offer Share and is expected to be not less than HK\$2.28 per Offer Share, unless otherwise announced, as further explained below. If you apply for the Offer Shares under the Hong Kong Public Offer, you may be required to pay the maximum price of HK\$3.06 per Offer Share (subject to application channels), plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%, amounting to a total of HK\$3,090.85 for one board lot of 1,000 Shares.

If the Offer Price, as finally determined in the manner described below, is lower than HK\$3.06, we will refund the respective difference (subject to application channels), including brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee attributable to the surplus application monies. We will not pay interest on any refunded amounts. For more details, see “How to Apply for Hong Kong Offer Shares and Lessor Reserved Shares” in this prospectus.

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Placing. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Placing they would be prepared to acquire either at different prices or at a particular price. This process, known as “book-building”, is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offer.

The Sole Overall Coordinator and the Sole Global Coordinator (for itself and on behalf of the Underwriters and the Capital Market Intermediaries) may, where considered appropriate, based on the level of interest expressed by prospective professional, institutional and other investors during the book-building process, and with the consent of our Company, reduce the number of Offer Shares and/or the Offer Price Range below that stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offer. In such a case, we will as soon as practicable following the decision to make such reduction and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offer publish a notice on the website of the Stock Exchange at www.hkexnews.hk and our website at www.edayun.cn (the contents of the website do not form a part of this prospectus). The Company will also, as soon as practicable following the decision to make such a change, issue a

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supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the Offer Price Range may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offer. Such notice will also confirm or revise, as appropriate, the working capital statement, the Global Offering statistics as currently set out in “Summary” in this prospectus, and any other financial information which may change as a result of such reduction. In the absence of any such notice so published, the Offer Price, if agreed upon with our Company, the Sole Overall Coordinator and the Sole Global Coordinator (for itself and on behalf of the Underwriters and the Capital Market Intermediaries) will under no circumstances be set outside the Offer Price Range as stated in this prospectus. However, if the number of Offer Shares and/or the Offer Price is reduced, the Company will issue a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

If you have already submitted an application for the Hong Kong Offer Shares before the last day for lodging applications under the Hong Kong Public Offer, you will not be allowed to subsequently withdraw your application. If there is any change to the offer size due to change in the number of Offer Shares initially offered in the Global Offering (other than pursuant to the exercise of the Over-allotment Option and/or reallocation mechanism as disclosed in this prospectus), or change to the Offer Price which leads to the resulting price falling outside the indicative Offer Price Range as stated in this prospectus, or if the Company becomes aware that there has been a significant change affecting any matter contained in this prospectus or a significant new matter has arisen, the inclusion of information in respect of which would have been required to be in this prospectus if it had arisen before this prospectus was issued, after the issue of this prospectus and before the commencement of dealings in our Shares as prescribed under Rule 11.13 of the Listing Rules, we are required to cancel the Global Offering and relaunch the offer and issue a supplemental prospectus or a new prospectus and complete the requisite associated settlement processes on the FINI platform afresh.

In the event of a reduction in the number of Offer Shares, the Sole Overall Coordinator, the Sole Global Coordinator may, at its discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offer and the International Placing, provided that the number of Offer Shares comprised in the Hong Kong Public Offer shall not be less than 10% of the total number of Offer Shares available under the Global Offering (assuming the Over-Allotment Option is not exercised).

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

The final Offer Price, the level of indication of interest in the International Placing, the basis of allotment of Offer Shares available under the Hong Kong Public Offer and the Lesso Preferential Offering and the identification document numbers of successful applicants under the Hong Kong Public Offer and the Lesso Preferential Offering are expected to be made available in a variety of channels in the manner described in “How to Apply for Hong Kong Offer Shares and Lesso Reserved Shares — C. Publication of Results” in this prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares is conditional on, among other things:

- the Listing Committee granting approval for the listing of, and permission to deal in, our Shares in issue and to be issued as described in this prospectus (including any additional Shares that may be issued or sold pursuant to the exercise of the Over-Allotment Option) under the Global Offering and the Capitalization Issue, our Shares which may be issued pursuant to the exercise of the options granted under the Pre-IPO Share Option Scheme and any options that may be granted under the Post-IPO Share Option Scheme, and the vesting of the RSUs granted under the Pre-IPO RSU Plan and any RSU(s) which may be granted under the Post-IPO RSU Plan;
- the Offer Price having been agreed between us, the Sole Overall Coordinator and the Sole Global Coordinator (for itself and on behalf the Underwriters and the Capital Market Intermediaries);
- the execution and delivery of the International Placing Agreement on or before the Price Determination Date; and
- the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Placing Agreement becoming unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the Hong Kong Underwriting Agreement and/or the International Placing Agreement, as the case may be (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than Wednesday, June 19, 2024, being the 30th date after the date of this prospectus.

If, for any reason, the Offer Price is not agreed between us, the Sole Overall Coordinator and the Sole Global Coordinator (for itself and on behalf of the Underwriters and the Capital Market Intermediaries) on or before 12:00 noon on Friday, May 24, 2024, the Global Offering will not proceed and will lapse.

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The consummation of each of the Hong Kong Public Offer and the International Placing is conditional upon, among other things, each other offering becoming unconditional and not having been terminated in accordance with its respective terms. If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offer will be published by our Company on the website of the Stock Exchange at www.hkexnews.hk and our website at www.edayun.cn on the next day following such lapse. In such an event, all application monies will be returned, without interest (subject to application channels), on the terms set out in “How to Apply for Hong Kong Offer Shares and Less Reserved Shares — E. Despatch/Collection of Share Certificate and Refund of Application Monies” in this prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving banks or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

UNDERWRITING AGREEMENTS

The Hong Kong Public Offer is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement and is subject to, among other conditions, us, the Sole Overall Coordinator and the Sole Global Coordinator (for itself and on behalf of the Underwriters and the Capital Market Intermediaries) agreeing on the Offer Price on the Price Determination Date.

We expect to enter into the International Placing Agreement relating to the International Placing on the Price Determination Date.

Certain terms of the underwriting arrangements, the Hong Kong Underwriting Agreement and the International Placing Agreement, are summarized in the section headed “Underwriting” in this prospectus.

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offer becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, May 28, 2024, it is expected that dealings in our Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, May 28, 2024.

The Shares will be traded in board lots of 1,000 Shares each.