

SHARE CAPITAL

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

BEFORE THE [REDACTED]

As of the Latest Practicable Date, the registered share capital of our Company was RMB358,269,000 comprising 358,269,000 Unlisted Shares with a nominal value of RMB1.00 each.

UPON COMPLETION OF THE [REDACTED]

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

<u>Description of Shares</u>	<u>Number of Shares</u>	<u>Approximate percentage of the total issued share capital</u>
		(%)
Unlisted Shares in issue	274,773,300	[REDACTED]
H Shares to be converted from Unlisted Shares*	83,495,700	[REDACTED]
H Shares to be [REDACTED] pursuant to the [REDACTED].	<u>[REDACTED]</u>	<u>[REDACTED]</u>
Total	<u><u>[REDACTED]</u></u>	<u><u>100.00</u></u>

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

<u>Description of Shares</u>	<u>Number of Shares</u>	<u>Approximate percentage of the total issued share capital</u>
		%
Unlisted Shares in issue	274,773,300	[REDACTED]
H Shares to be converted from Unlisted Shares*	83,495,700	[REDACTED]
H Shares to be [REDACTED] pursuant to the [REDACTED].	<u>[REDACTED]</u>	<u>[REDACTED]</u>
Total	<u><u>[REDACTED]</u></u>	<u><u>100.00</u></u>

Note:

* For details of the identities of the Shareholders whose Shares will be converted into H Shares upon [REDACTED], see “History, Development and Corporate Structure – [REDACTED]” in this document.

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SHARE CLASSES

Upon completion of the [REDACTED] and conversion of 83,495,700 Unlisted Shares into H Shares, our Company would have Unlisted Shares and H Shares. Both Unlisted Shares and H Shares are ordinary shares in the share capital of our Company are regarded as the same class of Shares. Apart from certain qualified domestic institutional investors in the PRC, certain 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, H Shares generally cannot be subscribed by or traded among legal and natural persons of the PRC.

Unlisted 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 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 [REDACTED] or [REDACTED] 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股公司境內未上市股份申請“全流通”業務指引》)(“**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 [REDACTED], domestic unlisted shares further issued in the PRC after the overseas [REDACTED] and unlisted shares held by foreign shareholders) could be [REDACTED] and traded on the Hong Kong Stock Exchange after application to file with the CSRC. The Full Circulation Guidelines are applicable to domestic companies [REDACTED] on the Hong Kong Stock Exchange only and not applicable to companies dual [REDACTED] in the PRC and on the Hong Kong Stock Exchange.

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The Company has filed for application for a “full circulation” of the unlisted shares on August 29, 2024 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.

Upon completion of the [REDACTED], 83,495,700 Unlisted Shares held by Shuangdeng Investment, Zaoyang Fund, Xiangyang Investment, Mr. Qian Bingqing, Mr. Zhu Shiping, Mr. Zhou Yuezhong, Hengsheng Zizhu, Mr. Zhou Ping, Mr. Zhou Weigang and Mr. Zhai Lifeng 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 the CSRC on [•] and an [REDACTED] has been made to the [REDACTED] for such H Shares to be [REDACTED] on the Hong Kong 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 [REDACTED] of additional Shares after our [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 [REDACTED] for [REDACTED] at the time of our [REDACTED] in Hong Kong. Any [REDACTED] for [REDACTED] of the converted Shares on the Hong Kong Stock Exchange after our [REDACTED] is subject to prior notification by way of announcement to inform Shareholders and the [REDACTED] of such proposed conversion.

After all the requisite approvals have been obtained, the following procedure will need to be completed in order to effect the conversion: the relevant Unlisted Shares will be withdrawn from the Unlisted Share register and we will re-register such Shares on our H Share register maintained in Hong Kong and instruct the H Share [REDACTED] to issue H Share certificates. Registration on our H Share register will be conditional on (a) our H Share [REDACTED] lodging 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 in compliance with the Listing Rules, the General Rules of HKSCC and the HKSCC 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.

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]

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

Our Directors, Supervisors and members of the senior management of our Company 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 [REDACTED]% 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], 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 the Shares held by our Directors, Supervisors and members of senior management of our Company.

For details, see “[REDACTED] — [REDACTED] Arrangements and Expenses — Undertakings pursuant to the [REDACTED] — (A) Undertakings by our Company and the Controlling Shareholders in respect of our Company” in this document.

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, our Company is required to register and deposit our Shares that are not [REDACTED] on the overseas stock exchange with the CSDC 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 [REDACTED] on the overseas stock exchange as well as the [REDACTED] and [REDACTED] of our H Shares.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING IS REQUIRED

For details, see “Appendix IV — Summary of Principal Legal and Regulatory Provisions and “Appendix V — Summary of Article of Association” in this document.