

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 RMB 142,642,500 comprising 142,642,500 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:

Description of Shares	Number of Shares	Approximate percentage of the total issued share capital (%)
Unlisted Shares in issue	73,591,840	[REDACTED]
H Shares to be converted from Unlisted Shares . . .	[69,050,660]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED].	<u>[REDACTED]</u>	<u>[REDACTED]</u>
Total	<u>[REDACTED]</u>	<u>100</u>

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

Description of Shares	Number of Shares	Approximate percentage of the total issued share capital (%)
Unlisted Shares in issue	73,591,840	[REDACTED]
H Shares to be converted from Unlisted Shares . . .	[69,050,660]	[REDACTED]
H Shares to be issued pursuant to the [REDACTED].	<u>[REDACTED]</u>	<u>[REDACTED]</u>
Total	<u>[REDACTED]</u>	<u>100</u>

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SHARES OF OUR COMPANY

The H Shares, to be issued following the completion of the [REDACTED] and converted from the Unlisted Shares, and the Unlisted Shares are ordinary Shares in the share capital of our Company, all of which are considered as one class of Shares. Apart from certain qualified domestic institutional investors in the PRC, qualified PRC investors under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and other persons entitled to hold H Shares pursuant to the relevant PRC laws and regulations or upon approval by any competent authorities, H Shares generally may not be subscribed for by, or [REDACTED] between, investors of the PRC. H Shares may only be subscribed for and [REDACTED] in Hong Kong dollars.

Unlisted Shares and H Shares are regarded as one class of Shares under our Articles of Association and 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. Dividends in respect of our Shares may be paid by us in Hong Kong dollars or Renminbi, as the case may be. In addition to cash, dividends may be distributed in the form of Shares.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

According to the regulations by the securities regulatory authorities of the State Council and our Articles of Association, the Unlisted Shares may be converted into H Shares, and such converted Shares may be [REDACTED] on an overseas stock exchange provided that the conversion, [REDACTED] of such converted Shares have been approved by the securities regulatory authorities of the State Council. In addition, such conversion, [REDACTED] shall complete any requisite internal approval process and in all respects comply with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

Our Company has applied for H-share full circulation to convert certain of the Unlisted Shares into H Shares as per the instructions of the relevant Shareholders. The conversion of Unlisted Shares into H Shares will involve an aggregate of 69,050,660 Unlisted Shares held by 12 existing Shareholders (i.e. 22,440,520 Unlisted Shares being held by Hongqiao Jinji, 12,773,760 Unlisted Shares being held by Mr. Xu, 7,536,450 Unlisted Shares being held by Mr. Chen, 5,727,680 Unlisted Shares being held by Mr. Xu Dongbo, 4,642,450 Unlisted Shares being held by Tianjin Jincheng, 4,351,000 Unlisted Shares being held by Tianjin Jinji, 2,592,500 Unlisted Shares being held by Tianjin Jindi, 1,587,700 Unlisted Shares being held by Tianjin Jinyong, 1,256,100 Unlisted Shares being held by Tianjin Jinli, 2,655,800 Unlisted Shares being held by Xiamen Heiyi No. 3 Equity Investment Partnership (Limited Partnership) (廈門黑蟻三號股權投資合夥企業(有限合夥)) (formerly known as Suzhou Heiyi No. 3 Equity Investment Partnership (Limited Partnership) (蘇州黑蟻三號股權投資合夥企業(有限合夥))) (“**Xiamen Heiyi**”), 2,121,700 Unlisted Shares being held by Suzhou Yimei Investment Partnership (Limited Partnership) (蘇州逸美創業投資合夥企業(有限合夥)) (“**Suzhou Yimei**”) and 1,365,000 Unlisted Shares being held by Fosun Hanxing (Hangzhou) Equity Investment Fund L.P. (Limited Partnership) (復星漢興(杭州)股權投資基金合夥企業(有限合夥)) (“**Fosun Hanxing**”), representing approximately [REDACTED]% of total issued Share capital of our Company upon the completion of the conversion of Unlisted Shares into H Shares and the [REDACTED] (assuming the [REDACTED] is not exercised).

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If any of the Unlisted Shares are to be converted, [REDACTED] as H Shares on the Stock Exchange, such conversion, [REDACTED] will need the approval of the relevant PRC regulatory authorities, including the CSRC, and the approval of the Stock Exchange. Based on the procedures for the conversion of Unlisted Shares into H Shares as described below, we may apply for the [REDACTED] of all or any portion of the Unlisted 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. No Shareholder voting is required for the conversion of such Shares or the [REDACTED] and [REDACTED] of such converted Shares on an overseas stock exchange. Any application for [REDACTED] of the converted shares on the Stock Exchange after the [REDACTED] is subject to prior notification by way of announcement to inform our Shareholders and the public of any proposed conversion.

[REDACTED] Review and Approval by the CSRC

In accordance with the Guidelines for the “Full Circulation” Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境内未上市股份申请「全流通」业务指引》) announced by the CSRC, H-share listed companies which apply for the conversion of shares into H shares for listing and circulation on the Hong Kong Stock Exchange shall file the application with the CSRC according to the administrative licensing procedures necessary for the “examination and approval of public issuance and listing (including additional issuance) of overseas shares by a joint stock company.” An H-share listed company may apply for a “Full Circulation” separately or when applying for refinancing overseas. An unlisted domestic joint stock company may apply for “full circulation” when applying for an overseas initial public offering.

The Company applied for a “Full Circulation” when applying for an overseas [REDACTED] with the CSRC on November 14, 2023, and submitted the application reports, authorization documents of the shareholders of unlisted shares for which an H-share “full circulation” were applied, explanation about the compliance of share acquisition and other documents in accordance with the requirements of the CSRC.

The Company has received the reply from the CSRC dated March 25, 2024 in relation to the approval of the overseas [REDACTED] and “Full Circulation”, pursuant to which, (1) the Company was approved to issue no more than 54,679,600 H Shares with a nominal value of RMB1.00 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 69,050,660 Unlisted Shares and held by the 12 Shareholders of the Company, namely Hongqiao Jinji, Mr. Xu, Mr. Chen, Mr. Xu Dongbo, Tianjin Jincheng, Tianjin Jinji, Tianjin Jindi, Tianjin Jinyong, Tianjin Jinli, Xiamen Heiyi, Suzhou Yimei and Fosun Hanxing (the “**Full Circulation 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. This reply shall remain effective within 12 months from the date of approval.

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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 Registrar to issue H Share certificates. Registration on our H Share register will be conditional on (a) our H Share Registrar 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 [REDACTED] on the Hong Kong Stock Exchange in compliance with the Listing Rules, the General Rules of [REDACTED] and the [REDACTED] 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.

RESTRICTION OF SHARE TRANSFER

In accordance with the PRC Company Law, the shares issued prior to any public offering of shares by a company cannot be transferred within one year from the date on which such publicly offered shares are listed 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 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], 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.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING IS REQUIRED

For details of circumstances under which our Shareholders’ general meeting is required, please see section headed “Appendix VI — Summary of Articles of Association” to this document.