
SHARE CAPITAL

AUTHORIZED AND ISSUED SHARE CAPITAL

The following is a description of the authorized and issued share capital of our Company immediately prior to and upon the completion of the Global Offering, assuming that the Global Offering becomes unconditional and the Offer Shares are issued pursuant to the Global Offering and without taking into account any allotment and issuance of Shares upon exercise of the Over-allotment Option, the Shares to be issued on conversion of convertible bonds and convertible preferred shares, the Shares to be issued pursuant to the Share Incentive Plans, including pursuant to the exercise of options or other awards that have been or may be granted from time to time and any issuance or repurchase of Shares and/or ADSs that we may make.

1. Share capital as of the Latest Practicable Date

(i) Authorized share capital

<u>Number</u>	<u>Description of Shares</u>	<u>Approximate aggregate nominal value of shares</u>
1,800,000,000	Class A ordinary share	US\$90,000
200,000,000	Class B ordinary share	US\$10,000
2,000,000	Preferred shares	US\$100
Total		US\$100,100

(ii) Issued, fully paid and outstanding

<u>Number</u>	<u>Description of Shares</u>	<u>Approximate aggregate nominal value of shares</u>
1,243,588,819*	Class A ordinary share	US\$62,179.44
67,590,336	Class B ordinary share	US\$3,379.52
150,000	Series A convertible preferred shares	US\$7.5
Total		US\$65,566.46

Note:

* Including the 50,184,168 Class A ordinary shares held by JPMorgan Chase Bank, N.A., as depository, which are reserved for future delivery upon exercise or vesting of share awards granted under our Share Incentive Plans.

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2. Share capital immediately following the completion of the Global Offering

(i) *Authorized share capital*

Number	Description of Shares	Approximate aggregate nominal value of shares
1,800,000,000	Class A ordinary share	US\$90,000
200,000,000	Class B ordinary share	US\$10,000
2,000,000	Preferred shares	US\$100
Total		US\$100,100

(ii) *Issued, fully paid and outstanding*

Number	Description of Shares	Approximate aggregate nominal value of shares
1,403,588,819*	Class A ordinary share	US\$70,179.44
67,590,336	Class B ordinary share	US\$3,379.52
150,000	Series A convertible preferred shares	US\$7.5
Total		US\$73,566.46

Note:

* Including the 50,184,168 Class A ordinary shares held by JPMorgan Chase Bank, N.A., as depository, which are reserved for future delivery upon exercise or vesting of share awards granted under our Share Incentive Plans.

WEIGHTED VOTING RIGHTS STRUCTURE

Under our weighted voting rights structure, our share capital comprises Class A ordinary shares and Class B ordinary shares. Class A ordinary shares and Class B ordinary shares carry equal rights, generally rank *pari passu* with one another and are entitled to one vote per share at general meetings of shareholders, except for only the following matters at general meetings of shareholders, with respect to which Class B ordinary shares are entitled to 20 votes per share: (i) the election or removal of a simple majority, or six, of our directors; and (ii) any change to our Articles of Association that would adversely affect the rights of Class B shareholders. Class B ordinary shares are convertible into Class A ordinary shares, and will automatically convert into Class A ordinary shares under certain circumstances. Any Class A ordinary shares which Mr. Huang directly or indirectly acquire may be converted into Class B ordinary shares.

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Article 86(4) of our Articles of Association provides that for so long as Mr. Huang continues to have beneficial ownership in not less than five per cent. (5%) of the then issued share capital of our Company on an as converted basis, the holders of the Class B Ordinary Shares shall have the right to nominate five (5) directors (one of which is intended to be Mr. Huang) for appointment as directors. Such directors shall be elected by resolutions of the members (with the Class B ordinary shares having twenty (20) votes per Class B ordinary share in respect of such resolutions).

Upon either (i) the automatic conversion of the Class B ordinary share, or (ii) the conversion of such of the Class B ordinary shares that results in Mr. Huang having beneficial ownership in less than five per cent. (5%) but not less than two per cent. (2%) of the then issued share capital of our Company on an as converted basis, (a) any directors (other than William Wei Huang) appointed pursuant to the above provisions shall retire from office by rotation at the appropriate annual general meeting of members in accordance with the terms of their appointment, and (b) at the relevant annual general meeting, their replacement as a director shall be nominated by the Nominating and Corporate Governance Committee and shall be elected by resolutions of the members (with the Class B ordinary shares having one (1) vote per Class B ordinary share in respect of such resolutions); and (c) Mr. Huang shall continue to have the right to appoint and remove one (1) director (which is intended to be Mr. Huang).

Upon Mr. Huang having beneficial ownership in less than two per cent. (2%) of the then issued share capital of our Company on an as converted basis, (a) Mr. Huang's above appointment right shall cease and terminate, (b) any director appointed pursuant to such right shall retire from office by rotation at the appropriate annual general meeting of members in accordance with the terms of their appointment, and (c) at the relevant annual general meeting, their replacement as a director shall be nominated by the Nominating and Corporate Governance Committee and shall be elected by resolutions of the members (with the Class B ordinary shares having one (1) vote per Class B ordinary share in respect of such resolutions).

In addition, a quorum required for a meeting of shareholders consists of at least two shareholders present in person or by proxy or by duly authorized representative, representing not less than one-third in nominal value of the total issued voting shares in our Company. Our Company will put forth a resolution at or before its next annual general meeting after the Listing to revise the Articles of Association, so that (i) in addition to the existing provisions of Article 58(2), a provision will be added to provide that the minimum stake required for any shareholder(s) to requisition an extraordinary general meeting and the addition of resolution to the general meeting will be 10% of the voting rights, on a one vote per share basis, in the share capital of our Company; and (ii) the quorum for a requisitioned general meeting of our Company pursuant to the amended provision in (i) above will be 10% of the aggregate voting power of our Company on a one vote per share basis. See "Waivers from Compliance with the Hong Kong Listing Rules and Exemptions from Strict Compliance with the Companies (WUMP) Ordinance" for further details.

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For further details, see the summary of the Articles of Association in Appendix III. The table below sets out the ownership and voting rights to be held by the WVR beneficiary upon the completion of the Global Offering:

	Number of Shares	Approximate percentage of issued share capital ⁽¹⁾	Approximate percentage of voting rights ⁽²⁾
Class A ordinary shares held by the WVR beneficiary	12,855,904	0.9%	0.4%
Class B ordinary shares held by the WVR beneficiary	67,590,336	4.6%	49.4%
Total	80,446,240⁽³⁾	5.5%	49.8%

Notes:

- (1) The calculations are based on (i) the total number of 1,471,179,155 ordinary shares in issue (without taking into account any allotment and issuance of Shares upon exercise of the Over-allotment Option, the Shares to be issued on conversion of convertible bonds, the Shares to be issued pursuant to the Share Incentive Plans, including pursuant to the exercise of options or other awards that have been or may be granted from time to time and any issuance or repurchase of Shares and/or ADSs that we may make) following the completion of the Global Offering.
- (2) The calculations are based on (a) the total number of 1,454,702,851 ordinary shares in issue (including (i) 67,590,336 Class B ordinary shares, (ii) 1,243,588,819 Class A ordinary shares and (iii) the 33,707,864 votes to which the holders of the 150,000 Series A convertible preferred shares are entitled, but excluding ordinary shares issuable upon (x) conversion of our convertible senior notes, (y) the exercise or vesting of share awards granted under our Share Incentive Plans, and the 50,184,168 Class A ordinary shares held by JPMorgan Chase Bank, N.A., as depositary, which are reserved for future delivery upon the exercise or vesting of share awards granted under our Share Incentive Plans; and assuming the Over-allotment Option is not exercised) and without taking into account the Shares to be issued on conversion of convertible bonds, the Shares to be issued pursuant to the Share Incentive Plans, including pursuant to the exercise of options or other awards that have been or may be granted from time to time and any issuance or repurchase of Shares and/or ADSs that we may make following the completion of the Global Offering; and (b) on the basis that Class A ordinary shares entitle the Shareholder to one vote per share and Class B ordinary shares entitle the Shareholder to 20 votes per share.
- (3) Represents (i) 3,286,144 Class B ordinary shares held through Solution Leisure Investment Limited which is indirectly wholly owned by a trust of which Mr. Huang's family is the beneficiary, (ii) 42,975,884 Class B ordinary shares held by EDC Group Limited, a company wholly owned by Solution Leisure Investment Limited, (iii) 21,328,308 Class B ordinary shares held through GDS Enterprises Limited which is indirectly wholly owned by a trust of which Mr. Huang's family is a beneficiary; and (iv) 12,855,904 Class A ordinary shares in the form of 1,606,988 ADSs held by himself.

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Each Class B ordinary share is convertible into one Class A ordinary share at any time by the holder thereof. Upon the conversion of all the issued and outstanding Class B ordinary shares into Class A ordinary shares, the Company will issue 67,590,336 Class A ordinary shares, representing approximately 5.2% of the total number of issued and outstanding Class A ordinary shares or 4.6% of the enlarged issued and outstanding shares of the Company (without taking into account any allotment and issuance of Shares upon exercise of the Over-allotment Option, the Shares to be issued on conversion of convertible bonds and convertible preferred shares, the Shares to be issued pursuant to the Share Incentive Plans, including pursuant to the exercise of options or the vesting of other awards that have been or may be granted from time to time and any issuance or repurchase of Shares and/or ADSs that we may make).

WVR Beneficiary

Immediately upon the completion of the Global Offering, the WVR beneficiary will be Mr. Huang, our founder, chairman and chief executive officer. Mr. Huang is interested in and controls, (i) 3,286,144 Class B ordinary shares held through Solution Leisure Investment Limited which is indirectly wholly owned by a trust of which Mr. Huang's family is the beneficiary, (ii) 42,975,884 Class B ordinary shares held by EDC Group Limited, a company wholly owned by Solution Leisure Investment Limited, (iii) 21,328,308 Class B ordinary shares held through GDS Enterprises Limited which is indirectly wholly owned by a trust of which Mr. Huang's family is a beneficiary. Mr. Huang also beneficially owns 12,855,904 Class A ordinary shares in the form of 1,606,988 ADSs. As of the Latest Practicable Date, Mr. Huang controlled 52.9% of the aggregate voting power of our Company with Class A and Class B ordinary shares voting on a 1:20 basis. Immediately upon completion of the Global Offering, Mr. Huang will control 49.8% of the aggregate voting power of our Company with Class A and Class B ordinary shares voting on a 1:20 basis. See the section "Major Shareholders" for more details regarding Mr. Huang's beneficial ownership in the Company.

The Company's WVR structure enables the WVR beneficiary to exercise voting control over the Company notwithstanding that the WVR beneficiary does not hold a majority economic interest in the share capital of the Company. This will enable the Company to benefit from the continuing vision and leadership of the WVR beneficiary who will control the Company with a view to its long-term prospects and strategy.

Prospective investors are advised to be aware of the potential risks of investing in companies with weighed voting rights structures, in particular that interests of the WVR beneficiary may not necessarily always be aligned with those of our Shareholders as a whole, and that the WVR beneficiary will be in a position to exert significant influence over the affairs of our Company and the outcome of shareholders' resolutions, irrespective of how other shareholders vote. Prospective investors should make the decision to invest in the Company only after due and careful consideration. For further information about the risks associated with the WVR structure adopted by the Company, please refer to section headed "Risk Factors — Risks Related to Our Corporate Structure."

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Upon any sale, transfer, assignment or disposition of beneficial ownership of any Class B ordinary shares by a holder thereof to any person or entity that is not an Affiliate (as defined in the Articles of Association) of such holder, such Class B ordinary shares will be automatically and immediately converted into an equal number of Class A ordinary shares.

Save for the weighted voting rights attached to Class B ordinary shares, the rights attached to all classes of Shares are identical. For further information about the rights, preferences, privileges and restrictions of the Class A ordinary shares and Class B ordinary shares, please see the section headed “Summary of the Constitution of our Company and Cayman Companies Law — Articles of Association” in Appendix III for further details.

Assumptions

The above table assumes that the Global Offering becomes unconditional and the Offer Shares are issued pursuant to the Global Offering. The above does not take into account any Shares which may be issued or repurchased by us.

Ranking

The Offer Shares are ordinary shares in the share capital of our Company and rank equally with all Offer Shares currently in issue or to be issued and, in particular, will rank in full for all dividends or other distributions declared, made or paid on the Offer Shares in respect of a record date which falls after the date of this document.

Registration Rights

Pursuant to our amended members agreement, we have also granted certain registration rights to holders of our registrable securities, which include our preferred shares and ordinary shares converted from preferred shares, for a period of up to five years from the closing of the offering. Set forth below is a description of the registration rights under the amended members agreement.

Demand Registration Rights

Under the terms of the amended members agreement dated May 19, 2016, among us and our existing shareholders, certain holders of our registrable securities, at any time from after the earlier of (i) six months after our initial public offering and (ii) three years after August 13, 2014, until the date that is five years after the closing of our initial public offering, have the right to demand that we file a registration statement under the Securities Act covering the registration of all or part of their registrable securities. We, however, are not obligated to effect a demand registration if, among other things, we have already effected two demand registrations. We have the right to defer filing of a registration statement for up to 90 days if our board of directors determine in good faith that filing of a registration will be materially detrimental to us, but we cannot exercise the deferral right more than once in any twelvemonth period.

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Form S-3 or Form F-3 Registration Rights

When eligible for use of form S-3/F-3, holders of our registrable securities then outstanding may request in writing that we effect a registration on Form S-3/F-3 so long, among other things, the gross proceeds of the securities to be sold under the registration statement exceeds US\$1 million. We, however, are not obligated to effect a registration on Form S-3/F-3 if, among other things, we have already effected a registration within any six-month period preceding the date of the registration request. We have the right to defer filing of a registration statement for up to 90 days if our board of directors determine in good faith that filing of a registration will be materially detrimental to us, but we cannot exercise the deferral right more than once in any twelve-month period.

Registration pursuant to Form S-3/F-3 registration rights is not deemed to be a demand registration, and there is no limit on the number of times the holders may exercise their Form S-3/F-3 registration rights.

Piggyback Registration Rights

If we propose to file a registration statement in connection with a public offering of securities of our company other than relating to an employee incentive plan, corporate reorganization, demand registration or Form S-3/F-3 registration then we must offer each holder of the registrable securities the opportunity to include their shares in the registration statement. Such requests for registrations are not counted as demand registrations.

Expenses of Registration

We will pay all expenses incurred by us relating to any demand, piggyback or Form S-3/F-3 registration, except that the requesting holders shall bear the expense of any underwriting discounts and selling commissions relating to the offering of their securities. We will not be required to pay for any expenses of any registration proceeding begun pursuant to demand registration rights, unless subject to certain exception, if the registration request is subsequently withdrawn at the request of a majority of the holders of the registrable securities to be registered.