

**A. FURTHER INFORMATION ABOUT OUR GROUP****1. Incorporation of Our Company**

We were incorporated in the British Virgin Islands under the laws of the British Virgin Islands as a limited liability company on July 15, 2003. Our Company's registered office is at Craigmuir Chambers, Road Town, Tortola, VG1110, British Virgin Islands. The Company changed its name from Linkage Technologies Investment Limited to AsiaInfo-Linkage Technologies Investment Limited on October 28, 2010, further changed its name to AsiaInfo Technologies Investment Limited on April 30, 2014, AsiaInfo Technologies Limited (亞信科技有限公司) on June 28, 2018 and further changed its name to AsiaInfo Technologies Limited (亞信科技控股有限公司) on July 10, 2018. A summary of our Articles of Association is set out in the section headed "Summary of the Constitution of Our Company and the British Virgin Islands Company Law" in Appendix III to this prospectus.

We have established our principal place of business in Hong Kong at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong and was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on June 8, 2018. In connection with such registration, we have appointed Mr. GAO Nianshu and Ms. YU Wing Sze as the authorized representative of the Company for the acceptance of service of process and notices on behalf of the Company in Hong Kong.

**2. Changes in the Shares of our Company**

As of the date of incorporation of our Company, our Company was authorized to issue 500,000 shares of US\$0.10 each.

The following changes in the Shares of our Company have taken place within two years immediately preceding the date of this prospectus:

On April 16, 2018, the par value of our Shares was re-denominated from US\$0.10 per Share to HK\$0.0000001 per Share. On April 16, 2018, the Company was authorized to issue 100,000,000,000 Shares of HK\$0.0000001 par value each.

On April 29, 2018, AsiaInfo Technologies HK transferred 9,288 Shares of HK\$0.0000001 par value each to AsiaInfo Holdings. On April 30, 2018, the Company allotted and issued 1 Share of HK\$0.0000001 par value to AsiaInfo Holdings.

On June 26, 2018, we allotted and issued 78,043,522 Shares of HK\$0.0000001 par value each to all of the then shareholders of Holdco Cayman. On the same day, AsiaInfo Holdings surrendered 9,289 Shares of HK\$0.0000001 par value each.

On July 11, 2018, we allotted and issued (i) 5,875 Shares of HK\$ 0.0000001 par value each pursuant to the exercise of 5,875 share options granted under the Pre-IPO Share Option Scheme; and (ii) 466,126 Shares of HK\$ 0.0000001 par value each pursuant to the vesting of 466,126 RSAs granted under the Pre-IPO RSA Scheme.

On November 26, 2018, each of our issued Share of HK\$0.0000001 par value each was subdivided into 8 Shares of HK\$0.000000125 par value each. Following the completion of the Share Subdivision, the maximum authorized Shares of our Company are 800,000,000,000 Shares of HK\$0.000000125 par value each and our total issued Shares increased to 628,124,184 Shares of HK\$0.000000125 par value each.

Immediately following the completion of the Global Offering (but not taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and any outstanding share options granted under the Pre-IPO Share Option Scheme and the vesting of the outstanding RSAs granted under the Pre-IPO RSA Scheme), 713,776,184 Shares of HK\$0.000000125 par value each will be in issue, all fully paid or credited as fully paid and 799,214,875,816 Shares will remain unissued.

Save as disclosed herein, there has been no alteration in our Company's authorized and issued Shares and no redemption, repurchase or sale of any of our Shares within two years immediately preceding the date of this prospectus.

### 3. Resolutions of our Shareholders

Pursuant to written shareholders' resolutions of the Company dated November 15, 2018 and November 30, 2018,

- (a) our Shareholders:
  - (i) approved and adopted the Memorandum and the Articles;
  - (ii) approved the split and sub-division of each Share in issue with a par value of HK\$0.0000001 held by the persons whose names appear on the register of members of the Company at the close of business on November 14, 2018 into 8 Shares with a par value of HK\$0.000000125;and authorized the making of the relevant filings with the Registrar of Corporate Affairs in the BVI and thereby give effect to the same upon filing.
- (b) conditional upon all the conditions set out in "Structure of the Global Offering—Conditions of the Global Offering" in this prospectus being fulfilled:
  - (i) the Global Offering and the Over-allotment Option were approved and the Board (or any committee thereof established by the Board pursuant to the Articles) was authorized to make or effect such modifications as it thinks fit;
  - (ii) the Board (or any committee thereof established by the Board pursuant to the Articles) was authorized to allot, issue and approve the transfer of such number of Shares in connection with the Global Offering; and
  - (iii) the Board (or any committee thereof established by the Board pursuant to the Articles) was authorized to agree to the price per Offer Share with the Joint Bookrunners.
- (c) a general unconditional mandate was given to our Directors to exercise all the powers of our Company to allot, issue and deal with Shares or securities convertible into Shares and to make or grant offers or agreements or options (including any warrants, bonds, notes and debentures conferring any rights to subscribe for or otherwise receive Shares) which might require Shares to be allotted, issued or dealt with, otherwise than pursuant to the Global Offering or pursuant to a right issue or pursuant to the exercise of any subscription rights attaching to any warrants or any option scheme, RSA scheme or similar arrangement which may be allotted and issued by our Company from time to time on a specific authority granted by the Shareholders in general meeting or, pursuant to the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles, Shares not exceeding 20% of the number of the Shares in issue immediately

following completion of the Share Subdivision and the Global Offering, such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required to be held by the Articles or any applicable laws, or until revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever is the earliest;

- (d) a general unconditional mandate was given to the Directors authorizing them to exercise all the powers of our Company to repurchase its own Shares on the Stock Exchange or on any other approved stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, such number of Shares will represent up to 10% of the number of the Shares in issue immediately following the completion of the Share Subdivision and the Global Offering, such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required to be held by the Articles or any applicable laws, or until revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever occurs first; and
- (e) the general mandate mentioned in paragraph (b) above be extended by the addition to the number of the Shares which may be allotted, or agreed conditionally or unconditionally to be allotted and issued by our Directors pursuant to such general mandate of an amount representing the number of Shares repurchased by the Company pursuant to the mandate to purchase shares referred to in paragraph (c) above.

#### **4. Corporate Reorganization**

The companies comprising our Group underwent the Reorganization in preparation for the listing of our Shares on the Stock Exchange. See the section headed “History, Development and Reorganization” in this prospectus for information relating to the Reorganization.

#### **5. Changes in the Capital of Our Subsidiaries**

Our subsidiaries during the Track Record Period are referred to in the Accountant’s Report set out in Appendix I to this prospectus. The following alterations in the share or registered capital of our subsidiaries have taken place within two years immediately preceding the date of this prospectus.

**(a) *Guangzhou Zihui Online***

On October 19, 2016, Guangzhou Zihui Online was incorporated under the laws of PRC with a registered capital of RMB 10,000,000.

**(b) *AsiaInfo Guangzhou Technology***

On August 11, 2017, AsiaInfo Guangzhou Technology was incorporated under the laws of PRC with a registered capital of RMB 200,000,000.

Save as disclosed above, there have been no alterations in the capital of our subsidiaries within the two years immediately preceding the date of this prospectus.

## 6. Repurchases of Our Own Securities

### (a) *Provisions of the Listing Rules*

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the more important of which are summarized below:

#### (i) *Shareholders' approval*

All proposed repurchases of Shares (which must be fully paid up) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the Shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to the written shareholder's resolutions of the Company dated November 15, 2018, a general unconditional mandate (the "**Repurchase Mandate**") was given to the Directors authorizing any repurchase by our Company of Shares on the Stock Exchange or on any other stock exchange on which the securities may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, of not more than 10% of the number of Shares in issue immediately following the completion of the Global Offering and the Share Subdivision but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option and any outstanding share options granted under the Pre-IPO Share Option Scheme and the vesting of the outstanding RSAs granted under the Pre-IPO RSA Scheme until the conclusion of our next annual general meeting, or the date by which our next annual general meeting is required by the Articles of Association or any applicable law to be held, or the passing of an ordinary resolution by the Shareholders revoking or varying the authority given to the Directors, whichever occurs first.

#### (ii) *Source of funds*

Repurchases must be funded out of funds legally available for the purpose in accordance with our Articles and the applicable laws of the BVI and the Listing Rules. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange prevailing from time to time.

The Articles and the laws of the BVI provide that our Company may not repurchase its own shares unless (i) the value of our Company's assets exceeds its liabilities, and (ii) our Company is able to pay its debts as they fall due.

#### (iii) *Trading restrictions*

The total number of Shares which our Company may repurchase is up to 10% of the total number of our Shares in issue immediately after the completion of the Share Subdivision and the Global Offering (but not taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and any outstanding share options granted under the Pre-IPO Share Option Scheme and the vesting of the outstanding RSAs granted under the Pre-IPO RSA Scheme). Our Company may not issue or announce a proposed issue of Shares for a period of 30 days immediately following a repurchase of

Shares, whether on the Stock Exchange or otherwise (other than an issue of securities pursuant to (i) an exercise of warrants, share options, or other similar instruments, or (ii) a vesting of RSAs or other similar instruments, requiring the Company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. Our Company is also prohibited from repurchasing Shares on the Stock Exchange if the repurchase would result in the number of listed Shares which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. Our Company is required to procure that the broker appointed by our Company to effect a repurchase of Shares discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require. As required by the prevailing requirements of the Listing Rules, an issuer shall not purchase its shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing price for the five preceding trading days on which its shares were traded on the Stock Exchange.

*(iv) Status of repurchased Shares*

All repurchased Shares (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those Shares must be canceled and destroyed.

*(v) Suspension of repurchase*

Pursuant to the Listing Rules, our Company may not make any repurchases of Shares after inside information has come to its knowledge until the information is made publicly available. In particular, under the requirements of the Listing Rules in force as of the date hereof, during the period of one month immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's results for any year, half year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for our Company to publish an announcement of our Company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and in each case ending on the date of the results announcement, our Company may not repurchase Shares on the Stock Exchange unless the circumstances are exceptional.

*(vi) Procedural and reporting requirements*

As required by the Listing Rules, repurchases of Shares on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the Stock Exchange business day following any day on which our Company may make a purchase of Shares. The report must state the total number of Shares purchased the previous day, the purchase price per Share or the highest and lowest prices paid for such purchases. In addition, our Company's annual report is required to disclose details regarding repurchases of Shares made during the year, including a monthly analysis of the number of shares repurchased, the purchase price per Share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate prices paid.

*(vii) Connected parties*

A company is prohibited from knowingly repurchasing securities on the Stock Exchange from a core connected person (as defined in the Listing Rules) and a core connected person shall not knowingly sell its securities to the company on the Stock Exchange.

**(b) *Reasons for repurchases***

Our Directors believe that it is in the best interests of our Company and Shareholders for the Directors to have general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made where the Directors believe that such repurchases will benefit our Company and our Shareholders.

**(c) *Funding of repurchases***

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Articles, the Listing Rules and the applicable laws and regulations of the BVI.

On the basis of the current financial position as disclosed in this prospectus and taking into account the current working capital position, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of our Company as compared with the position disclosed in this prospectus. Our Directors, however, do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of our Company which in the opinion of the Directors are from time to time appropriate for our Company.

The exercise in full of the Repurchase Mandate, on the basis of 713,776,184 Shares in issue immediately following the completion of the Share Subdivision and the Global Offering (but not taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the outstanding share options granted under the Pre-IPO Share Option Scheme and the vesting of the outstanding RSAs granted under the Pre-IPO RSA Scheme), could accordingly result in 71,377,618 Shares being repurchased by our Company during the period prior to the earliest occurrence of (1) the conclusion of the next annual general meeting of our Company; (2) the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws of the BVI to be held; or (3) the revocation or variation of the purchase mandate by an ordinary resolution of the Shareholders in general meeting (the “**Relevant Period**”).

**(d) *General***

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) currently intends to sell any Shares to our Company.

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the memorandum and articles of association of the Company the Listing Rules and the applicable laws and regulations of the BVI. We have not repurchased any Shares since our incorporation.



If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a shareholder or a group of shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the shareholders' interest could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code as a result of a repurchase of Shares made immediately after the Listing. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate. Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than 25% of our Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

No core connected person has notified our Company that he or she has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

## **B. FURTHER INFORMATION ABOUT OUR BUSINESS**

### **1. Summary of Material Contracts**

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this prospectus that are or may be material:

- (a) the shareholders agreement dated June 26, 2018 entered into among Skipper Investment Limited, CA Software Investment Limited, Al Gharrafa Investment Company, Ellington Investments Pte. Ltd., CBC TMT III Limited, InnoValue Capital Ltd., World Sun Global Limited, Hongtao Investment-I Ltd, Zhongjun Wang, Rosehearty Investments LLC, Suning (Edward) Tian, PacificInfo Limited, Info Addition Capital Limited Partnership, New Media China Investment I Limited, Jian (James) Ding, AsiaInfo Resolute Limited I, AsiaInfo Resolute Limited II and the Company;
- (b) the Hong Kong Underwriting Agreement;
- (c) the deed of non-competition dated July 5, 2018 entered into between Skipper Investment Limited and our Company regarding non-competition undertakings given by Skipper Investment Limited in favor of our Company, details of which are set out in the section headed "Relationship with the Controlling Shareholders—Deed of non-competition" in this prospectus;
- (d) a cornerstone investment agreement dated November 29, 2018 entered into between the Company, Baidu Holdings Limited, CLSA Capital Markets Limited, Citigroup Global Markets Asia Limited and CLSA Limited, pursuant to which Baidu Holdings Limited has agreed to, among other things, subscribe for such number of Shares (rounded down to the nearest whole board lot) which may be purchased with US\$20.0 million at the Offer Price;
- (e) a cornerstone investment agreement dated November 30, 2018 entered into between the Company, Lenovo Manufacturing Limited, CLSA Capital Markets Limited, Citigroup


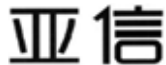


Global Markets Asia Limited and CLSA Limited, pursuant to which Lenovo Manufacturing Limited has agreed to, among other things, subscribe for such number of Shares (rounded down to the nearest whole board lot) which may be purchased with US\$15.0 million at the Offer Price;

- (f) a cornerstone investment agreement dated November 29, 2018 entered into between the Company, Shanghai WonderTek Software Co., Ltd. (上海網達軟件股份有限公司), CLSA Capital Markets Limited, Citigroup Global Markets Asia Limited and CLSA Limited, pursuant to which Shanghai WonderTek Software Co., Ltd. (上海網達軟件股份有限公司) has agreed to, among other things, subscribe for such number of Shares (rounded down to the nearest whole board lot) which may be purchased with US\$15.0 million at the Offer Price; and
- (g) a cornerstone investment agreement dated November 30, 2018 entered into between the Company, Crotona Assets Limited, CLSA Capital Markets Limited, Citigroup Global Markets Asia Limited and CLSA Limited, pursuant to which Crotona Assets Limited has agreed to, among other things, subscribe for such number of Shares (rounded down to the nearest whole board lot) which may be purchased with US\$10.0 million at the Offer Price.




## 2. Intellectual Property Rights of the Group

### (a) Trademarks


As of the Latest Practicable Date, our Group had registered the following trademarks which we consider to be material to our Group's business:

Trademark	Place of registration	Registered owner	Class
	The PRC	AsiaInfo China	9, 35, 36, 38, 41, 42
	The PRC	AsiaInfo China	35, 36, 38, 41, 42
	The PRC	AsiaInfo China	9, 38, 42
	The PRC	AsiaInfo China	35, 41

As of the Latest Practicable Date, our Group had made applications to register the following trademarks which are the subject of pending applications for registration and which we consider to be material to our Group's business:

Trademark	Place of application	Applicant	Class
	Hong Kong	Company AsiaInfo China AsiaInfo Technologies HK	9, 16, 35, 36, 38, 41, 42
	The PRC	AsiaInfo China	9, 16, 35, 36, 38, 41, 42
	The PRC	AsiaInfo China	9, 16, 35, 36, 38, 41, 42



Trademark	Place of application	Applicant	Class
	The PRC	AsiaInfo China	9, 16, 35, 36, 38, 41, 42
	Hong Kong	Company AsiaInfo China AsiaInfo Technologies HK	9, 16, 35, 36, 38, 41, 42

**(b) Domain Names**

As of the Latest Practicable Date, our Group had registered the following domain name which we consider to be material to our Group's business:

Domain name	Registered owner	Expiry date
asiainfo.com	AsiaInfo China	April 2, 2026

**(c) Patents**

As of the Latest Practicable Date, our Group had registered the following patents which we consider to be material to our Group's business:

Title	Place of registration	Registered owner	Expiry date	Registration No.
A system and method for collecting and using user feature data to identify users	The PRC	AsiaInfo China	February 2, 2025	200510009244.7
A method for realizing unified interface of multi-protocol messages and related device and system	The PRC	AsiaInfo China	November 22, 2032	201210479562.X
A rule matching method and device based on rule engine	The PRC	AsiaInfo China	November 30, 2032	201210507303.3
A grid plus T tree index method for quick orientation in massive memory database	The PRC	AsiaInfo Nanjing	February 20, 2026	200610038378.6
A general conversion method for heterogeneous service records for data entities	The PRC	AsiaInfo Nanjing	July 20, 2027	200710025307.7
A method and system for hierarchically releasing products	The PRC	AsiaInfo Nanjing	November 3, 2034	201410607269.6
A data packet feature extraction method and device	The PRC	AsiaInfo Nanjing	March 23, 2035	201510129065.0
A non-blocking update and access method for real-time system parameter data	The PRC	AsiaInfo Hunan Software	November 20, 2034	201410661946.2

<u>Title</u>	<u>Place of registration</u>	<u>Registered owner</u>	<u>Expiry date</u>	<u>Registration No.</u>
Grid plus T tree index method for quick orientation in massive memory database	United States	AsiaInfo Nanjing	April 27, 2026	(PCT) 11380481/7428551 US20070198568

As of the Latest Practicable Date, our Group had made applications to register the following patents which are the subject of pending applications for registration and which we consider to be material to our Group's business:

<u>Title</u>	<u>Place of application</u>	<u>Applicant</u>	<u>Application date</u>	<u>Application No.</u>
A method and device for evaluating data information (Previous: Big Data Platform Metadata Management)	The PRC	AsiaInfo China	December 6, 2016	201611207105.X
A method and server for orienting operations that cause data anomalies (Previous: A data pedigree tracking system based on spark real-time flow computing framework)	The PRC	AsiaInfo China	November 17, 2017	201711148134.8
A data stream processing method based on data processing center	The PRC	AsiaInfo Nanjing	November 20, 2014	201410661945.8
A signaling number backfill product (Revised as: Method and device for number backfilling)	The PRC	AsiaInfo Nanjing	March 31, 2015	201510150689.0
A method and device for SaaS	The PRC	AsiaInfo Nanjing	November 2, 2015	201510733849.4

**(d) Software copyrights**

As of the Latest Practicable Date, our Group had registered the following software copyrights which we consider to be material to our Group's business:

<u>Title</u>	<u>Place of registration</u>	<u>Registered owner</u>	<u>Expiry date</u>	<u>Registration No.</u>
AsiaInfo Rule Center Software	The PRC	AsiaInfo China	Unpublished	2018SR162906
AsiaInfo Commodity Center Software	The PRC	AsiaInfo China	Unpublished	2018SR162948
AsiaInfo Resource Center Software	The PRC	AsiaInfo China	Unpublished	2018SR162958
AsiaInfo Customer Center Software	The PRC	AsiaInfo China	Unpublished	2018SR163098
AsiaInfo Zhiying Big Data Operation Platform Software	The PRC	AsiaInfo China	December 31, 2068	2018SR175194
AsiaInfo Data Management Platform	The PRC	AsiaInfo China	December 21, 2067	2018SR181907

<u>Title</u>	<u>Place of registration</u>	<u>Registered owner</u>	<u>Expiry date</u>	<u>Registration No.</u>
AsiaInfo Next-generation Customer Relationship Management System	The PRC	AsiaInfo China	December 31, 2066	2016SR230156
AsiaInfo AIF-Infrastructure Foundation Platform	The PRC	AsiaInfo China	December 31, 2066	2016SR248359
AsiaInfo Cloud Billing System Software	The PRC	AsiaInfo Nanjing	December 31, 2067	2017SR688997

## C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

### 1. Disclosure of Interests

#### (a) *Interests and short positions of the Directors and the chief executive of our Company in the shares, underlying shares and debentures of our Company and its associated corporations*

Immediately following completion of the Share Subdivision and the Global Offering (without taking into account the Shares to be allotted and issued upon the exercise of the Over-allotment Option), the interests or short positions of Directors or chief executives of our Company in the Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required under Section 352 of the SFO to be entered in the register referred to in that section, or which will be required under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (“**Model Code**”) to be notified to us and the Stock Exchange, once the Shares are listed, will be as follows:

<u>Name of Director</u>	<u>Nature of Interest</u>	<u>Number of Shares / underlying Shares upon Listing</u>	<u>Approximate percentage of shareholding interest upon Listing<sup>(1)</sup></u>
Dr. Tian <sup>(2)</sup> . . . . .	Beneficial owner (L)	39,665,576	5.56%
	Interest in controlled corporation (L)	20,302,368	2.84%
	Interest in controlled corporation (L)	31,209,360	4.37%
	Interest in controlled corporation (L)	24,410,000	3.42%
Mr. DING Jian <sup>(3)</sup> . . . . .	Beneficial owner (L)	11,516,704	1.61%
	Interest in controlled corporation (L)	1,198,440	0.17%
Mr. GAO Nianshu <sup>(4)</sup> . . . . .	Beneficiary of a trust (L)	8,943,216	1.25%
Mr. ZHANG Yichen <sup>(5)</sup> . . . . .	Interest in controlled corporation (L)	213,924,952	29.97%

*Notes:*

- (1) The table above is calculated on the basis that a total of 713,776,184 Shares will be in issue immediately after the completion of the Share Subdivision and the Global Offering (without taking into account the Shares that may be issued pursuant to (i) the exercise of the Over-allotment Option, (ii) the exercise of the outstanding share options granted under the Pre-IPO Share Option Scheme, and (iii) the vesting of the outstanding RSAs granted under the Pre-IPO RSA Scheme).
- (2) Dr. Tian is the sole shareholder of Info Addition Limited which in turns is the general partner of Info Addition Capital Limited Partnership. As such, Dr. Tian is deemed to be interested in the 20,302,368 Shares in which Info Addition Capital Limited Partnership is interested. Dr. Tian indirectly has full control over CBC Partners II L.P. which is the general partner of China Broadband Capital

- Partners II, L.P. which in turns is the sole shareholder of CBC TMT III Limited. Therefore, Dr. Tian is deemed to be interested in the 31,209,360 Shares in which CBC TMT III Limited is interested. PacificInfo Limited is wholly owned by Dr. Tian and therefore Dr. Tian is deemed to be interested in 24,410,000 Shares in which PacificInfo Limited is interested.
- (3) New Media China Investment I Limited is wholly owned by Mr. Ding and therefore Mr. Ding is deemed to be interested in the 1,198,440 Shares in which New Media China Investment I Limited is interested.
  - (4) These interests comprise (i) 3,328,592 Shares; (ii) 1,815,968 underlying Shares in respect of the outstanding RSAs granted to Mr. Gao under the Pre-IPO RSA Scheme; and (iii) 3,798,656 underlying Shares in respect of the outstanding share options granted to Mr. Gao under the Pre-IPO Share Option Scheme. All of the above interests were held by Trust II on trust for Mr. Gao, who is one of the beneficiaries of Trust II.
  - (5) Each of Power Joy (Cayman) Limited (as the controlling shareholder of Skipper Investment Limited), CITIC Capital China Partners II L.P. (as the sole shareholder of Power Joy (Cayman) Limited), CCP II GP, Ltd. (as the general partner of CITIC Capital China Partners II L.P.), CCP LTD (as the general partner of CCP II GP, Ltd.), CITIC Capital Partners Limited (as the sole shareholder of CCP LTD), CITIC Capital Holdings Limited and CP Management Holdings Limited (which hold 51% and 49% shareholding of CITIC Capital Partners Limited, respectively) and Mr. ZHANG Yichen (as the sole shareholder of CP Management Holdings Limited) is deemed or taken to be interested in all the Shares which are beneficially owned by Skipper Investment Limited for the purpose of Part XV of the SFO.

**(b) *Interests and short positions of the Substantial Shareholders in the Shares and underlying shares of our Company***

Save as disclosed in the section headed “Substantial Shareholders” in this prospectus, our Directors or chief executive are not aware of any other person, not being a Director or chief executive of our Company, who has any an interest or short position in the Shares and underlying Shares of our Company which, once the Shares are listed, would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly interested in 10% or more of the issued voting shares of our Company.

**(c) *Interests of the substantial shareholder of any member of our Group (other than our Company)***

So far as our Directors are aware, immediately following the completion of the Share Subdivision and the Global Offering (without taking into account the exercise of the Over-allotment Option), no person will, directly or indirectly, be interested in 10% or more of the nominal value of any class of shares carrying rights to vote in all circumstances at general meetings of any member of our Group or had option in respect of such capital.

## **2. Particulars of Service Contracts and Appointment Letters**

**(a) *Executive Directors***

Each of the executive Directors has entered into a service contract with our Company under which they agreed to act as executive Directors for an initial term of three years commencing from the Listing Date, which may be terminated by not less than three months’ notice in writing served by either the executive Director or our Company.

The appointments of the executive Directors are subject to the provisions of retirement and rotation of Directors under the Articles.

**(b) *Non-executive Director and Independent Non-executive Directors***

Each of the non-executive Directors and the independent non-executive Directors has signed an appointment letter with our Company for a term of one year with effect from the Listing Date. Under their respective appointment letters, each of the independent non-executive Directors is entitled to a fixed Director’s fee while the non-executive directors are not entitled to any remuneration. The appointments are subject to the provisions of retirement and rotation of Directors under the Articles.

(c) *Others*

- (i) Save as disclosed above, none of the Directors has entered into any service contract with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).
- (ii) Certain Directors were also employees of our Group and our Group paid employee emoluments to them in their capacity as employees before and after their respective appointment of Directors in the three years ended December 31, 2015, 2016, 2017 and the six months ended June 30, 2018. During the year ended December 31, 2017, the aggregate of the remuneration and benefits in kind payable to the Directors was approximately RMB21.9 million. Details of the Directors' remuneration are also set out in note 14 of the Accountant's Report set out in Appendix I to this prospectus. Save as disclosed in this prospectus, no other emoluments have been paid or are payable in respect of the year ended December 31, 2017 by our Company to the Directors.
- (iii) Under the arrangements currently in force, the aggregate of the remuneration and benefits in kind (excluding share options and RSAs that may be granted to the Directors and discretionary bonus) payable to the Directors for the year ending December 31, 2018 is estimated to be approximately RMB2.0 million.
- (iv) None of the Directors or the five highest paid individuals has been paid any sum of money during the Track Record Period as an inducement to join or upon joining our Group. Mr. WU Jun (“**Mr. Wu**”) ceased to be the chief executive officer of the Company in July 2016 and the Director of the Company in May 2017. Mr. Wu was awarded a payment of approximately RMB1.3 million as compensation for loss of employment. Save as Mr. Wu during the Track Record Period, no other compensation was paid by the Group to the Directors or any past directors of any members of the Group for loss of office as a Director of any member of our Group or of any other office in connection with the management of the affairs of any member of the Group.
- (v) There has been no arrangement under which a Director has waived or agreed to waive any remuneration or benefits during the Track Record Period.
- (vi) None of the Directors has been or is interested in the promotion of, or in the property proposed to be acquired by, our Company, and no sum has been paid or agreed to be paid to any of them in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a Director, or otherwise for services rendered by him in connection with the promotion or formation of our Company.

**3. Fees or commissions received**

Save as disclosed in this prospectus, none of the Directors or any of the persons whose names are listed under the section headed “—G. Other Information—10. Consent of Experts” below had received any commissions, discounts, agency fee, brokerages or other special terms in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this prospectus.

#### 4. Miscellaneous

Save as disclosed in this prospectus:

- (a) none of the Directors or chief executive of our Company has any interest or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered into the register referred to in that section, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code, in each case once our Shares are listed on the Stock Exchange;
- (b) none of our Directors nor any of the parties listed in the section headed “—G. Other Information—10. Consent of Experts” below has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this prospectus been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (c) none of our Directors nor any of the parties listed in the section headed “—G. Other Information—10. Consent of Experts” below is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole;
- (d) other than pursuant to the Underwriting Agreements, none of the parties listed in the section headed “—G. Other Information—10. Consent of Experts” below:
  - (i) is interested legally or beneficially in any of our Shares or any shares of any of our subsidiaries; or
  - (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe securities in any member of our Group.
- (e) Other than AsiaInfo Chengdu, none of our Directors or their respective close associates (as defined under the Listing Rules) or any of our Shareholders (who to the knowledge of our Directors owns more than 5% of our number of issued shares) has any interest in our five largest suppliers or our five largest customers.

#### D. PRE-IPO SHARE OPTION SCHEME

##### Principal Terms of the Pre-IPO Share Option Scheme

The following is a summary of the principal terms of the Pre-IPO Share Option Scheme approved and adopted by our Shareholders on June 26, 2018. The Pre-IPO Share Option Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as the Pre-IPO Share Option Scheme does not involve grant of options by our Company to subscribe for Shares after Listing.

(a) *Assumption of the Previous Stock Incentive Plan Adopted by Holdco Cayman as the Pre-IPO Share Option Scheme*

To recognize and acknowledge the contributions made by certain of its employees and consultants to the growth of Holdco Cayman, Holdco Cayman had previously adopted certain stock incentive plan (collectively, the “**Previous Stock Incentive Plan**”).



As part of the reorganization, our Company decided to assume the Previous Stock Incentive Plan by the Pre-IPO Share Option Scheme by resolutions in writing of the Shareholders passed on June 26, 2018, and assumed all the rights and obligations under the share options granted by Holdco Cayman under the Previous Stock Incentive Plan, and all share option agreements entered into between Holdco Cayman and the holders of such options (the “**Previous Grantee(s)**”), to the intent and effect that certain share options granted under the Previous Stock Incentive Plan will be valid, binding and enforceable against our Company in accordance with their terms, as if such options had been granted by our Company under the Pre-IPO Share Option Scheme.

**(b) Purpose**

The Pre-IPO Share Option Scheme is a share incentive scheme and is established to recognize and acknowledge the contributions that Eligible Participants (as defined below) have made to the growth and development of our Group. The Pre-IPO Share Option Scheme will provide the Eligible Participants with an opportunity to acquire proprietary interests in our Company with the view to achieving the following principal objectives: (i) to motivate the Eligible Participants to optimize their performance and efficiency for the benefit of our Group; (ii) to attract and retain the Eligible Participants whose contributions are, will or expected to be beneficial to our Group; and (iii) to enable the Previous Grantees to directly hold the relevant share options to be granted by our Company as a result of the Reorganization of our Group.

**(c) Who may join**

The eligible participants (collectively the “**Eligible Participants**”) under the Pre-IPO Share Option Scheme include any individual who is (i) an executive, non-executive or independent non-executive director of any member of our Group or any entity which our Group holds an interest; (ii) any full-time or part-time employee of any member of our Group or an affiliate; (iii) the consultant, advisor and independent contractor of any member of our Group or any entity which our Group holds an interest; or (iv) Previous Grantee who satisfies the eligibility criteria.

The eligibility of any of these classes of participants to the grant of any option shall be determined by the Remuneration Committee (as defined below) from time to time on the basis of matters including, but without limitation, to the present contribution and the expected contribution of the relevant Eligible Participants, our Group’s general financial condition, overall business objectives and future development plan.

**(d) Duration and administration**

The Pre-IPO Share Option Scheme shall be valid and effective for a period commencing on the date on which the Pre-IPO Share Option Scheme is adopted by an unanimous written resolutions of the shareholders of our Company and ending on the earlier of (i) 11:59 p.m. on the Business Day immediately before the Listing Date, or (ii) the date which falls on the tenth (10<sup>th</sup>) anniversary of the adoption date of the Pre-IPO Share Option Scheme, after which no further options will be issued but the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of this scheme.

The Pre-IPO Share Option Scheme is administered by the Board and/or the remuneration committee (the “**Remuneration Committee**”) established and authorized by the Board to make all

determination in respect of the affairs relating to the operation and administration of the Pre-IPO Share Option Scheme.

The decision of the Remuneration Committee shall be final and binding on all parties. The Remuneration Committee shall, subject to applicable laws, have the absolute discretion to: (i) interpret and construe the provisions of the Pre-IPO Share Option Scheme; (ii) determine the persons who will be awarded options under the Pre-IPO Share Option Scheme, and the number of Shares under which each option to be awarded and the exercise price; (iii) determine the exercise period and other relevant terms and conditions for each option; (iv) make appropriate and equitable adjustments to the terms of options granted under the Pre-IPO Share Option Scheme as it deems necessary; (v) adopt rules and regulations for carrying out the Pre-IPO Share Option Scheme; (vi) prescribe the form or forms of instruments to be issued as evidence of any options granted under the Pre-IPO Share Option Scheme; and (vii) make such other decisions or determinations as it shall deem appropriate in the administration of the Pre-IPO Share Option Scheme.

The Remuneration Committee may delegate the responsibility for administering the Pre-IPO Share Option Scheme (such as granting options to designated classes of Eligible Participants and handling the day-to-day operational matters under the Pre-IPO Share Option Scheme) to any senior management of the Company on the terms and the duration as the Remuneration Committee thinks fit, subject to such limitations as the Board deems appropriate.

**(e) *Maximum number of Shares***

The maximum number of Shares in respect of which options may be granted (including Shares in respect of which options, whether exercised or still outstanding, have already been granted and Shares which shall have been issued under options which have been canceled) under the Pre-IPO Share Option Scheme shall be 15,055,107 Shares (being 120,440,856 Shares after taking into account the Share Subdivision), representing approximately 16.87% of the then number of issued Shares of our Company immediately after completion of the Global Offering of the Shares and any adjustments that the independent financial adviser appointed by our Company shall certify as fair and reasonable.

**(f) *Exercise price***

The exercise price per share subject to an option shall be determined by the Remuneration Committee and set forth in the Share Option Grant Letter. The exercise price shall be not less than the par value of the Share underlying such option.

**(g) *Time of acceptance and exercise of option***

An offer shall be made to an Eligible Participant in such written form (the “**Share Option Grant Letter**”) as the Remuneration Committee may from time to time determine and shall remain open for acceptance by the Eligible Participant concerned for a period specified in the Share Option Grant Letter. In the event the Eligible Participant does not accept his/her offer within the specified time, the Remuneration Committee may in its absolute discretion extend the period for acceptance of the offer as it thinks fit, provided that the offer shall expire one Business Day before the Listing Date. An offer cannot be accepted by an Eligible Participant who ceases to be qualified as an Eligible Participant after the offer has been made. No offer shall be capable of or open for acceptance on or after the Listing Date. The Eligible Participant is not required to pay any consideration for accepting the offer.

Except with the consent of the Remuneration Committee, an option shall be personal to the Eligible Participant who accepts the offer (the “**Grantee**”) and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option.

An option may be exercised in whole by the Grantee on or after (but not before) the date on which options are to vest (the “**Vesting Date**”) by giving notice in writing or otherwise by electronic means to the Company (the “**Exercise Notice**”) stating that the option is thereby exercised and the number of Shares in respect of which it is exercised. Upon written request by the Grantee, the Remuneration Committee may, in its sole and absolute discretion, accept a “cashless exercise” of the options. Where considered appropriate, the Remuneration Committee may also direct a Grantee that the exercise must be conducted in a “cashless exercise” manner. Otherwise, each such Exercise Notice must be accompanied by a remittance for the full amount of the exercise price for the Shares. Any Exercise Notice given without such relevant remittance or confirmation shall be invalid.

Within thirty (30) days (excluding any period(s) of closure of our Company’s share registers) after receipt of the Exercise Notice together with remittance of the relevant exercise price in full and, where appropriate, receipt of the independent financial adviser’s certificate, relevant number of Shares shall be allotted and issued and a share certificate in respect of the Shares so allotted and issued shall be issued to the Grantee.

An option vested may be exercised by the Grantee at any time during the applicable exercise period, except the following:

- (i) if a general offer is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional (within the meaning of the Takeovers Code), the option (to the extent exercisable as at the date on which the general offer becomes or is declared unconditional and not exercised and to the extent unvested (which shall become vested forthwith)) shall be exercised in full at any time within thirty (30) days after the date on which the offer becomes or is declared unconditional (within the meaning of the Takeovers Code);
- (ii) in the event notice is given by our Company to its shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up our Company, our Company shall forthwith give notice thereof to the Grantee and the Grantee may, by notice in writing to our Company accompanied by the remittance for the total exercise price payable in respect of the exercise of the relevant option (such notice to be received by our Company not later than thirty (30) days (excluding any period(s) of closure of our Company’s share registers) prior to the proposed meeting) exercise the option (to the extent not already exercised and to the extent unvested (which shall become vested forthwith)) in full and our Company shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of our Company’s share registers) immediately prior to the date of the proposed shareholders’ meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise; and
- (iii) in the event of a compromise or arrangement between our Company and its members or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of our Company (other than any relocation schemes as contemplated in

Rule 7.14(3) of the Listing Rules), our Company shall give notice thereof to all Grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme of arrangement, and thereupon the Grantee may, by notice in writing to our Company accompanied by the remittance for the total exercise price payable in respect of the exercise of the relevant option (such notice to be received by our Company not later than thirty (30) days (excluding any period(s) of closure of the Company's share registers) prior to the proposed meeting exercise the option (to the extent not already exercised and to the extent unvested (which shall become vested forthwith)) in full, but the exercise of an option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court and becoming effective, and upon such compromise or arrangement becoming effective all options shall lapse except insofar as previously exercised under the Pre-IPO Share Option Scheme. Our Company may require the Grantee to transfer or otherwise deal with the Shares issued as a result of the exercise of options in these circumstances so as to place the Grantee in the same position, as nearly as possible, as would have been the case had such Shares been subject to such compromise or arrangement.

Notwithstanding anything in the Pre-IPO Share Option Scheme to the contrary, no option shall be exercisable unless a listing of the Company on any stock exchange occurs or otherwise permitted under the applicable laws as determined by the Remuneration Committee in its sole discretion. In the event the Exercise Period expired before the Listing Date, the Remuneration Committee may in its absolute discretion extend the exercise period to a date to be determined by the Remuneration Committee.

**(h) Lapse of option**

An option (to the extent that such option has not already been vested) shall lapse and be cancelled on the earliest of:

- (i) the date on which the Grantee who is an employee ceases to be an employee due to:
  - a. any reason other than for Cause (including but without limitation, resignation, laid off, employment contract expires without being renewed due to redundancy, illness, disability and death) (as defined below);
  - b. any reason with Cause, for the purposes of this section, "Cause" shall mean:
    1. dishonesty or serious misconduct, whether or not in connection with his employment; willful disobedience or non-compliance with the terms of his employment contract with the Company or the relevant subsidiary or their respective affiliates or any lawful orders or instructions given by our Company or the relevant subsidiary or their respective affiliates ; or
    2. incompetence or negligence in the performance of his duties; or
    3. commission of any act or any omission to act which, in the conclusive opinion of the Remuneration Committee, would adversely affect his ability to perform his duties properly or would bring our Company or the relevant subsidiary or their respective affiliates into disrepute; or
    4. any category C violations under the "Labour Disciplinary Penalties Ordinance" (勞動紀律處罰條例) and/or breach of any relevant laws and regulations which render the Grantee unsuitable to be an employee; or

- c. other reasons as the Board and/or the Remuneration Committee considers fit;
- (ii) the date on which the Grantee fails to meet the performance standard according to the relevant provisions of the Company's performance appraisal (i.e. obtaining a grade C or below), unless otherwise waived by the Remuneration Committee,

provided that a resolution of the Remuneration Committee to the effect that an Option shall lapse and not be vested on one or more of the grounds as specified in the previous paragraph (h) shall be conclusive and binding on the Grantee.

An option (to the extent that such option has been vested but not yet exercised) shall lapse and not be exercisable on the earliest of:

- (i) the expiry of the exercise period;
- (ii) the expiry of any of the periods referred to in paragraphs (g)(i) and (ii);
- (iii) the date of the commencement of the winding-up of the Company in respect of the situation contemplated in paragraph (g)(iii);
- (iv) the date on which the Grantee fails to meet the performance standard according to the relevant provisions of the Company's performance appraisal (i.e. obtaining a grade C or below), unless otherwise waived by the Remuneration Committee;
- (v) the date on which the Grantee sells, transfers, charge, mortgage, encumber or create any interest in favor of any third party over or in relation to any options (except for the transfer of the options to any trustee appointed by the Remuneration Committee in relation to the Pre-IPO Share Option Scheme or nominee as such trustee may direct);
- (vi) the date on which the Grantee commits a breach of any terms or conditions attached to the grant of the options, unless otherwise resolved to the contrary by the Remuneration Committee;
- (vii) the date on which the Grantee commits a category C violations under the Labour Disciplinary Penalties Ordinance and/or breach of any relevant laws and regulations which render the Grantee unsuitable to exercise the options; or
- (viii) the date on which the Remuneration Committee resolves that the Grantee has failed or otherwise is or has been unable to meet the continuing eligibility criteria as may be prescribed,

provided that a resolution of the Remuneration Committee to the effect that an option shall lapse and not be exercisable on one or more of the grounds as specified in this paragraph (h) shall be conclusive and binding on the Grantee.

Subject to the previous sub-paragraphs, a vested option may be exercised under the following circumstances (regardless of whether such exercise is before or after Listing Date pursuant to paragraph (g)):

- (i) if the Grantee who is an employee ceases to be an employee due to any reason other than for Cause (such as resignation, laid off and employment contract expires without being renewed due to redundancy), the Grantee shall serve an Exercise Notice to the Company within twenty (20) days after the Grantee ceases to be an employee and the exercise of the options shall be completed within thirty (30) days after the Grantee ceases to be an employee;

- (ii) if the Grantee who is an employee ceases to be an employee due to illness or disability, the Grantee shall serve an Exercise Notice to the Company within eighty (80) days after the Grantee ceases to be an employee and the exercise of the options shall be completed within ninety (90) days after the Grantee ceases to be an employee; and
- (iii) if the Grantee ceases to be an employee due to death, the personal representative of the Grantee shall serve an Exercise Notice to the Company within eighty (80) days after the death of the Grantee and the exercise of the options shall be completed within ninety (90) days after the death of the Grantee.

Notwithstanding the sub-paragraphs above, if the Grantee ceases to be an employee, regardless of whether with or without Cause or for any other reasons (such as organizational transfer to an entity outside of the Group), before any exercise of the options, the Board and/or the Remuneration Committee shall determine at its absolute discretion and shall notify the Grantee whether any unexercised options (regardless of whether the options have been vested) granted to such Grantee shall become capable of being exercised. If the Board determines that such options are capable of being exercised, the Grantee (including his executor/administrator) shall be entitled to exercise the relevant options within the period that may be prescribed by the Board and/or the Remuneration Committee. If the Board and/or the Remuneration Committee determines that no option shall be exercisable or if the Grantee (including his executor/administrator) does not exercise any unexercised options pursuant to the determination of the Board/Remuneration Committee, the relevant options shall be cancelled automatically with effect from the date on which the Grantee's employment is terminated.

**(i) Cancellation**

Any options granted but not exercised may be canceled at any time with the prior approval of the Remuneration Committee or otherwise pursuant to the rules of the Pre-IPO Share Option Scheme.

**Application for listing**

Application has been made to the Listing Committee of the Stock Exchange for listing of and permission to deal in the Shares which fall to be issued pursuant to the exercise of any options which were granted under the Pre-IPO Share Option Scheme.

**Outstanding share options granted under the Pre-IPO Share Option Scheme**

Pursuant to the Pre-IPO Share Option Scheme, on July 11, 2018 and August 1, 2018, we have granted an aggregate of 15,055,107 share options to 2,067 share option grantees, representing rights to subscribe for 15,055,107 Shares (being 120,440,856 Shares after completion of the Share Subdivision). The Company will not grant further share options under the Pre-IPO Share Option Scheme before or after the Listing.

On July 11, 2018, a total of 5,875 Shares (being 47,000 Shares after completion of the Share Subdivision) were issued to certain share option grantees as a result of the exercise of certain share options granted under the Pre-IPO Share Option Scheme.

As of the Latest Practicable Date, the number of Shares underlying the outstanding and unexercised share options granted under the Pre-IPO Share Option Scheme amounts to 15,049,232 Shares (being 120,393,856 Shares after completion of the Share Subdivision), representing



approximately 16.87% of the issued Shares immediately following completion of the Share Subdivision and the Global Offering and assuming the Over-allotment Option is not exercised, and the outstanding share options granted under the Pre-IPO Share Option Scheme remain unexercised and the outstanding RSAs granted under the Pre-IPO RSA Scheme remain unvested. Such 15,049,232 share options are held by 2,064 grantees.

As of the Latest Practicable Date, there are altogether 2,064 holders of outstanding share option including one executive Directors of our Company, one director of subsidiaries of the Company, five senior management of our Group, 10 individuals each of whom holds share options representing rights to subscribe for more than 800,000 Shares and 2,047 other employees, ex-employees, consultants and ex-consultants of our Group. Details of the outstanding options granted under the Pre-IPO Share Option Scheme to our Directors, senior management and other connected persons (“**Disclosed Option Grantees**”), including the vesting date, option period and the exercise price are set out below:

Name of option holder	Position held within our Group	Address	Grant Date	Number of Shares underlying the share option <sup>(1)</sup>	Exercise Price <sup>(2)</sup> (US\$)	Vesting Date	Option Period <sup>(3)</sup>	Approximate percentage of shareholding interest in the Company underlying the outstanding options <sup>(4)</sup>
<b>(A) Director of our Company<sup>(5)</sup></b>								
Gao Nianshu (高念書)	Executive Director and chief executive officer	Room 422, Building 1 Zhong Shuang Street Zhong Guan Cun, Haidian District, Beijing, PRC	July 11, 2018	400,000	1.9225	July 11, 2018	10 years from the grant date	0.53%
				200,000	1.9225	July 1, 2019	10 years from the grant date	
				200,000	1.9225	July 1, 2020	10 years from the grant date	
			August 1, 2018	1,499,328	1.2725	30 <sup>th</sup> day after the Listing Date (“ <b>First Vesting Date</b> ”)	10 years from the grant date	
				599,728	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				899,600	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
<b>(B) Senior management of our Group<sup>(5)</sup></b>								
Huang Ying (黃纘)	Senior vice president and chief financial officer	2-301 Zhu Yu Jia Yuan 7 Hao Lou, Shou Ti Nan Lu 9 Hao Yuan, Haidian District, Beijing, PRC	August 1, 2018	460,000	1.9225	First Vesting Date	10 years from the grant date	0.24%
				184,000	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				276,000	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	
				400,000	1.2725	First Vesting Date	10 years from the grant date	
				160,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				240,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	

Name of option holder	Position held within our Group	Address	Grant Date	Number of Shares underlying the share option <sup>(1)</sup>	Exercise Price <sup>(2)</sup> (US\$)	Vesting Date	Option Period <sup>(3)</sup>	Approximate percentage of shareholding interest in the Company underlying the outstanding options <sup>(4)</sup>
Chen Wu (陳武)	Senior vice president, general manager of the business development and government affairs center	31B Jingsheng Yaju, No.6 Dougezhuangcun, Chaoyang District, Beijing, PRC	July 11, 2018	261,448	1.9225	July 11, 2018	10 years from the grant date	0.22%
				54,000	1.9225	June 1, 2019	10 years from the grant date	
				49,720	1.9225	July 1, 2019	10 years from the grant date	
				49,736	1.9225	July 1, 2020	10 years from the grant date	
			August 1, 2018	281,200	1.9225	First Vesting Date	10 years from the grant date	
				112,480	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				168,720	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	
				300,000	1.2725	First Vesting Date	10 years from the grant date	
				120,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				180,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
Liang Bin (梁斌)	Vice president, general manager of the business division for China Mobile	Room 602, No.41, Ninggong Xinyu, Gulou District, Nanjing, PRC	July 11, 2018	162,000	1.9225	July 11, 2018	10 years from the grant date	0.27%
				54,000	1.9225	June 1, 2019	10 years from the grant date	
			August 1, 2018	532,800	1.9225	First Vesting Date	10 years from the grant date	
				213,120	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				319,680	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	
				320,000	1.2725	First Vesting Date	10 years from the grant date	
				128,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	

Name of option holder	Position held within our Group	Address	Grant Date	Number of Shares underlying the share option <sup>(1)</sup>	Exercise Price <sup>(2)</sup> (US\$)	Vesting Date	Option Period <sup>(3)</sup>	Approximate percentage of shareholding interest in the Company underlying the outstanding options <sup>(4)</sup>
Sun Mingjie (孫明潔)	Vice president and general manager of the operations management center	Room 507, 4, Building 5, No.5 Yuan Da Yuan, Shi Ji Cheng, Haidian District, Beijing, PRC	July 11, 2018	192,000	1.2725	Second anniversary of the First Vesting Date July 11, 2018	10 years from the grant date	0.24%
				222,896	1.9225	June 1, 2019	10 years from the grant date	
				39,448	1.9225	July 1, 2019	10 years from the grant date	
				39,456	1.9225	July 1, 2020	10 years from the grant date	
			August 1, 2018	370,000	1.9225	First Vesting Date	10 years from the grant date	
				148,000	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				222,000	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	
				300,000	1.2725	First Vesting Date	10 years from the grant date	
				120,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				180,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
				320,000	1.9225	First Vesting Date	10 years from the grant date	0.11%
Ouyang Ye (歐陽曄)	Vice president and chief technology officer	6028, Block 9, No. 31, Xishan Mansion, Dongbeiwang, Haidian District, Beijing, PRC	August 1, 2018	128,000	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				192,000	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	
				80,000	1.2725	First Vesting Date	10 years from the grant date	
				32,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				48,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	

Name of option holder	Position held within our Group	Address	Grant Date	Number of Shares underlying the share option <sup>(1)</sup>	Exercise Price <sup>(2)</sup> (US\$)	Vesting Date	Option Period <sup>(3)</sup>	Approximate percentage of shareholding interest in the Company underlying the outstanding options <sup>(4)</sup>
<b>(C) Other connected person of our Company</b>								
Lv Shousheng (呂守升)	Director of certain subsidiaries of our Company	No.9 Ban Chang Hu Tong, Dongcheng District, Beijing, PRC	August 1, 2018	460,000	1.9225	First Vesting Date	10 years from the grant date	0.21%
				184,000	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				276,000	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	
				300,000	1.2725	First Vesting Date	10 years from the grant date	
				120,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				180,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
<b>(D) Other employees, ex-employees, consultants and ex-consultants of our Group each of whom holds share options representing rights to subscribe for more than 800,000 Shares</b>								
Chen Mingshuang (陳明爽)	General manager of a department/ senior director	Room 709, Building 4, Taiyueyuan Estate, Zhichun Road, Haidian District, Beijing, PRC	July 11, 2018	176,000	1.9225	July 11, 2018	10 years from the grant date	0.34%
				54,000	1.9225	June 1, 2019	10 years from the grant date	
				7,000	1.9225	July 1, 2019	10 years from the grant date	
				7,000	1.9225	July 1, 2020	10 years from the grant date	

Name of option holder	Position held within our Group	Address	Grant Date	Number of Shares underlying the share option <sup>(1)</sup>	Exercise Price <sup>(2)</sup> (US\$)	Vesting Date	Option Period <sup>(3)</sup>	Approximate percentage of shareholding interest in the Company underlying the outstanding options <sup>(4)</sup>
Jin Tianshun (金天順)	General manager of a department/ senior director	Room 1402, No. 48, Alley 1717, Xincun Road, Putuo District, Shanghai, PRC	August 1, 2018	300,000	1.2725	First Vesting Date	10 years from the grant date	
				120,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				180,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
				775,200	1.9225	First Vesting Date	10 years from the grant date	
				310,080	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				465,120	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	
			July 11, 2018	59,976	1.9225	July 11, 2018	10 years from the grant date	0.20%
				20,016	1.9225	June 1, 2019	10 years from the grant date	
			August 1, 2018	240,000	1.2725	First Vesting Date	10 years from the grant date	
				96,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				144,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
				440,000	1.9225	First Vesting Date	10 years from the grant date	
				176,000	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				264,008	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	



Name of option holder	Position held within our Group	Address	Grant Date	Number of Shares underlying the share option <sup>(1)</sup>	Exercise Price <sup>(2)</sup> (US\$)	Vesting Date	Option Period <sup>(3)</sup>	Approximate percentage of shareholding interest in the Company underlying the outstanding options <sup>(4)</sup>
Zhu Gang (祝刚)	General manager of a department/senior director	Building 1008, Wanwanshu Villas Estate, Gaoliying Road, Shunyi District, Beijing, PRC	July 11, 2018	528,896	1.9225	July 11, 2018	10 years from the grant date	0.11%
				150,000	1.9225	June 1, 2019	10 years from the grant date	
				39,448	1.9225	July 1, 2019	10 years from the grant date	
				39,456	1.9225	July 1, 2020	10 years from the grant date	
			August 1, 2018	27,200	1.2725	First Vesting Date	10 years from the grant date	
				10,880	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				16,328	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
				209,072	1.9225	July 11, 2018	10 years from the grant date	0.23%
You Jianhong (由建宏)	General manager of a department/senior director	13-05, Area 1, Liuxing Garden, Huilongguan, Changping District, Beijing, PRC	July 11, 2018	54,000	1.9225	June 1, 2019	10 years from the grant date	
				23,536	1.9225	July 1, 2019	10 years from the grant date	
				23,544	1.9225	July 1, 2020	10 years from the grant date	
			August 1, 2018	240,000	1.2725	First Vesting Date	10 years from the grant date	
				96,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				144,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
				425,600	1.9225	First Vesting Date	10 years from the grant date	
				170,240	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				255,360	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	

Name of option holder	Position held within our Group	Address	Grant Date	Number of Shares underlying the share option <sup>(1)</sup>	Exercise Price <sup>(2)</sup> (US\$)	Vesting Date	Option Period <sup>(3)</sup>	Approximate percentage of shareholding interest in the Company underlying the outstanding options <sup>(4)</sup>
Wang Wenze (王文澤)	General manager of a department/senior director	Room 502, Building 6, Fuguoli Estate, Xicheng District, Beijing, PRC	July 11, 2018	145,088	1.9225	July 11, 2018	10 years from the grant date	0.17%
				41,736	1.9225	June 1, 2019	10 years from the grant date	
				10,000	1.9225	July 1, 2019	10 years from the grant date	
				10,000	1.9225	July 1, 2020	10 years from the grant date	
			August 1, 2018	200,000	1.2725	First Vesting Date	10 years from the grant date	
				80,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				120,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
				314,400	1.9225	First Vesting Date	10 years from the grant date	
				125,760	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				188,640	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	
			July 11, 2018	745,864	1.9225	July 11, 2018	10 years from the grant date	0.15%
Liu Ya (劉雅)	General manager of a department/senior director	Room 104, Building 19, No. 3 Lane, Yuhaiyuan Estate, Yuquan Road, Haidian District, Beijing, PRC		200,016	1.9225	June 1, 2019	10 years from the grant date	
				72,928	1.9225	July 1, 2019	10 years from the grant date	
				72,936	1.9225	July 1, 2020	10 years from the grant date	

Name of option holder	Position held within our Group	Address	Grant Date	Number of Shares underlying the share option <sup>(1)</sup>	Exercise Price <sup>(2)</sup> (US\$)	Vesting Date	Option Period <sup>(3)</sup>	Approximate percentage of shareholding interest in the Company underlying the outstanding options <sup>(4)</sup>
Li Yunchuan (李雲川)	General manager of a department/senior director	Room 21-4, Rongke Xiangshu Lanwan, Beixin Yuanyang District, Chongqing, PRC	August 1, 2018	280,000	1.2725	First Vesting Date	10 years from the grant date	0.20%
				112,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				168,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
				440,800	1.9225	First Vesting Date	10 years from the grant date	
				176,320	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				264,480	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	
Yang Tongbing (楊通兵)	General manager of a department/senior director	Room 0104, Unit 1, Building 13, No. 88 Zhiquan Section of East Street, Jinjiang District, Chengdu, PRC	August 1, 2018	200,000	1.2725	First Vesting Date	10 years from the grant date	0.19%
				80,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				120,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
				471,200	1.9225	First Vesting Date	10 years from the grant date	
				188,480	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				282,720	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	
Shen Lan (沈嵐)	General manager of a department/senior director	Room 502, Building 3, No. 8 Tianshan Road, Xuanwu District, Nanjing, Jiangsu, PRC	July 11, 2018	795,600	1.9225	First Vesting Date	10 years from the grant date	0.15%
				265,224	1.9225	June 1, 2019	10 years from the grant date	

Name of option holder	Position held within our Group	Address	Grant Date	Number of Shares underlying the share option <sup>(1)</sup>	Exercise Price <sup>(2)</sup> (US\$)	Vesting Date	Option Period <sup>(3)</sup>	Approximate percentage of shareholding interest in the Company underlying the outstanding options <sup>(4)</sup>
Wang Liping (王力平)	General manager of a department/senior director	72-1506, Yuanyang Tiandijiyuan Community, Balizhuang Street, Chaoyang District, Beijing, PRC	July 11, 2018	211,392	1.9225	July 11, 2018	10 years from the grant date	0.20%
				48,000	1.9225	June 1, 2019	10 years from the grant date	
				33,696	1.9225	July 1, 2019	10 years from the grant date	
				33,704	1.9225	July 1, 2020	10 years from the grant date	
			August 1, 2018	240,000	1.2725	First Vesting Date	10 years from the grant date	
				96,000	1.2725	First anniversary of the First Vesting Date	10 years from the grant date	
				144,000	1.2725	Second anniversary of the First Vesting Date	10 years from the grant date	
				316,600	1.9225	First Vesting Date	10 years from the grant date	
				126,640	1.9225	First anniversary of the First Vesting Date	10 years from the grant date	
				189,968	1.9225	Second anniversary of the First Vesting Date	10 years from the grant date	

## Notes:

- (1) Represents the number of Shares underlying the shares options immediately after the Share Subdivision.
- (2) Represents the exercise price for each of the outstanding share option immediately after the Share Subdivision.
- (3) The exercise of the share options is subject to vesting of the relevant share options and must be within the option period.
- (4) Assuming the completion of the Global Offering but without taking into consideration of any exercise of the Over-allotment Option, the outstanding share options granted under the Pre-IPO Share Option Scheme and the vesting of the outstanding RSAs under the Pre-IPO RSA Scheme.
- (5) Such share options are held on trust for the relevant option grantee by Trust II.

Details of the outstanding share options under the Pre-IPO Share Option Scheme held by grantees other than the Disclosed Option Grantees as of the Latest Practicable Date are set out below:

<u>Exercise Price<sup>1</sup> (US\$)</u>	<u>Number of Shares Underlying the Share Options<sup>2</sup></u>	<u>Grant Date</u>	<u>Vesting Date</u>	<u>Option Period<sup>3</sup></u>
1.13 .....	520,000	July 11, 2018	July 11, 2018	10 years from the grant date
0.7925 .....	400,000	July 11, 2018	July 11, 2018	10 years from the grant date
0.92375 .....	560,000	July 11, 2018	July 11, 2018	10 years from the grant date
0.5525 .....	1,213,800	July 11, 2018	July 11, 2018	10 years from the grant date
0.84 .....	64,000	August 1, 2018	<ul style="list-style-type: none"> <li>● 50% vested on the 30<sup>th</sup> after the Listing Date (“<b>First Vesting Date</b>”)</li> <li>● 20% vested on the first anniversary of the First Vesting Date</li> <li>● 30% vested on the second anniversary of the First Vesting Date</li> </ul>	10 years from the grant date
0.5525 .....	25,000	August 1, 2018	<ul style="list-style-type: none"> <li>● 50% vested on the First Vesting Date</li> <li>● 20% vested on the first anniversary of the First Vesting Date</li> <li>● 30% vested on the second anniversary of the First Vesting Date</li> </ul>	10 years from the grant date
1.9225 .....	18,277,816	July 11, 2018	July 11, 2018	10 years from the grant date
1.9225 .....	4,803,984	July 11, 2018	June 1, 2019	10 years from the grant date
1.9225 .....	1,789,400	July 11, 2018	July 1, 2019	10 years from the grant date
1.9225 .....	1,789,696	July 11, 2018	July 1, 2020	10 years from the grant date
1.9225 .....	22,202,816	August 1, 2018	First Vesting Date	10 years from the grant date
1.9225 .....	8,880,616	August 1, 2018	First anniversary of the First Vesting Date	10 years from the grant date
1.9225 .....	13,322,728	August 1, 2018	Second anniversary of the First Vesting Date	10 years from the grant date
1.2725 .....	9,805,096	August 1, 2018	First Vesting Date	10 years from the grant date

Exercise Price <sup>1</sup> (US\$)	Number of Shares Underlying the Share Options <sup>2</sup>	Grant Date	Vesting Date	Option Period <sup>3</sup>
1.2725 .....	3,919,120	August 1, 2018	One anniversary of the First Vesting Date	10 years from the grant date
1.2725 .....	5,892,272	August 1, 2018	Two anniversary of the First Vesting Date	10 years from the grant date

*Notes:*

1. Represents the exercise price for each of the outstanding share option immediately after the Share Subdivision.
2. Represents the number of Shares underlying the shares options immediately after the Share Subdivision.
3. The exercise of the share options is subject to vesting of the relevant share options and must be within the option period.

We have applied for, and have been granted an exemption from the SFC from strict compliance with the disclosure requirements under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up And Miscellaneous Provisions) Ordinance, and a waiver from the Stock Exchange from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of and paragraph 27 of Appendix 1A to the Listing Rules in connection with the information of the options granted under the Pre-IPO Share Option Scheme. For further details, please refer to the section headed “Waivers from Strict Compliance with the Requirements under the Listing Rules and Exemption from Companies (Winding Up and Miscellaneous Provisions) Ordinance—Waiver and Exemption in relation to the Pre-IPO Share Option Scheme” in this prospectus.

Assuming full exercise of the outstanding share options granted under the Pre-IPO Share Option Scheme (without taking into account any exercise of the Over-allotment Option and any Shares to be issued upon vesting of the outstanding RSAs granted under the Pre-IPO RSA Scheme), the shareholding of our Shareholders immediately following the Listing will be diluted by approximately 14.43%. If the outstanding share options granted under the Pre-IPO Share Option Scheme are exercised in full, there would be a dilutive effect on the earnings per Share of our Company. For example, assuming, among others, all outstanding share options for the 15,049,232 share options granted under the Pre-IPO Share Option Scheme were granted and exercised on January 1, 2018, our earnings per Share would decrease from RMB0.12 to RMB0.10, a dilutive effect of RMB0.02 per Share. Please see table below for an explanation of the above illustrated example, however, as the share options are exercisable over a ten-year period, any such dilutive effect on earnings per Share will be staggered over several years.

Profit attributable to the equity holders of the Company for the six months ended June 30, 2018 (thousand) .....	RMB86,737
Unaudited pro forma basic earnings per share for the six months ended June 30, 2018 .....	RMB0.12 <sup>1</sup>
Unaudited pro forma diluted earnings per share for the six months ended June 30, 2018 .....	RMB0.10 <sup>2</sup>

*Notes:*

- 1 The calculation of the unaudited pro forma basic earnings per share for the six months ended June 30, 2018 is based on the profit attributable to the equity holders of the Company for the six months ended June 30, 2018 and 713,776,184 Shares being issued assuming the Global Offering and the Share Subdivision were completed on January 1, 2018 (assuming the Over-allotment Option is not exercised, and without taking into account any Shares to be issued upon the exercise of options granted under the Pre-IPO Share Option Scheme, and upon vesting of RSAs granted under the Pre-IPO RSA Scheme)
- 2 The calculation of the unaudited pro forma diluted earnings per share for the six months ended June 30, 2018 is based on the profit attributable to the equity holders of the Company for the six months ended June 30, 2018 and 713,776,184 Shares being issued assuming the Global Offering were completed on January 1, 2018 (assuming the Over-allotment Option is not exercised, and without taking into account any Shares to be issued upon vesting of RSAs granted under the Pre-IPO RSA Scheme) and the outstanding options for 15,049,232 Shares under the Pre-IPO Share Option Scheme are all granted and exercised on January 1, 2018, without taking into account the related expenses recognized in profit or loss for these share options.

An application has been made to the Listing Committee for the listing of, and permission to deal in, the new Shares which may be issued pursuant to the exercise of the options which were granted pursuant to the Pre-IPO Share Option Scheme.

#### **E. PRE-IPO RSA SCHEME**

Our Shareholders approved and adopted the Pre-IPO RSA Scheme on June 26, 2018. The Pre-IPO RSA Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as the Pre-IPO RSA Scheme does not involve the grant of options by our Company to subscribe for new Shares.

#### **Principal Terms of the Pre-IPO RSA Scheme**

##### ***(a) Assumption of the Previous Stock Incentive Plan as the Pre-IPO RSA Scheme***

To recognize and acknowledge the contributions made by certain of its employees and consultants to the growth of Holdco Cayman, Holdco Cayman had previously adopted the Previous Stock Incentive Plan (as defined above).

As part of the reorganization, our Company assumed the Previous Stock Incentive Plan as the Pre-IPO RSA Scheme by resolutions in writing of the Shareholders passed on June 26, 2018, and assumed all the rights and obligations under RSAs granted by Holdco Cayman under the Previous Stock Incentive Plan, and all restricted stock unit award agreements entered into between Holdco Cayman and the holders of such RSAs (the “**Previous Holder(s)**”), to the intent and effect that certain RSAs granted under the Previous Stock Incentive Plan will be valid, binding and enforceable against our Company in accordance with their terms, as if such RSAs had been granted by our Company under the Pre-IPO RSA Scheme.

##### ***(b) Purpose of the Pre-IPO RSA Scheme***

The purpose of the Pre-IPO RSA Scheme is to recognize and acknowledge the contributions that RSA Participants (as defined below) have made to the growth and development of our Group.

The Pre-IPO RSA Scheme will provide the RSA Participants with an opportunity to acquire proprietary interests in the Company with the view to achieving the following principal objectives: (i) to motivate the RSA Participants to optimize their performance and efficiency for the benefit of our Group; (ii) to encourage and retain such individuals to work with our Group and provide additional incentive for them to achieve performance goals; and (iii) to enable the Previous Holders to directly hold the relevant RSAs to be granted by our Company as a result of the Reorganization of our Group.

##### ***(c) Who may join***

The eligible participants of the Pre-IPO RSA Scheme (collectively the “**RSA Participants**”) under the Pre-IPO RSA Scheme include any individual who is (i) an executive, non-executive or independent non-executive director of any member of our Group or any entity which our Group holds an interest; (ii) any full-time or part-time employee of any member of our Group or an affiliate; (iii) the consultant, advisor and independent contractor of any member of our Group or any entity which our Group holds an interest; or (iv) Previous Holders who satisfies the eligibility criteria.

The eligibility of any of the RSA Participants to the grant of any RSAs shall be determined by the Remuneration Committee from time to time on the basis of matters including, but without limitation, the present contribution and the expected contribution of the relevant RSA Participants, our Group’s general financial condition, overall business objectives and future development plan.



**(d) *Duration and administration***

The Pre-IPO RSA Scheme shall be valid and effective for a period commencing on the date on which the Pre-IPO RSA Scheme is adopted and ending on the earlier of (i) 11:59 p.m. on the Business Day immediately before the Listing Date, or (ii) the date which falls on the tenth (10th) anniversary of the adoption date of the Pre-IPO RSA Scheme, after which no further RSAs will be issued but the provisions of the Pre-IPO RSA Scheme shall remain in full force and effect to the extent necessary to give effect to the vesting of any RSAs granted prior thereto or otherwise as may be required in accordance with the provisions of the Pre-IPO RSA Scheme.

The Pre-IPO RSA Scheme shall be subject to the administration of the Remuneration Committee. The Remuneration Committee shall, subject to the applicable laws, have the absolute discretion to: (i) interpret and construe the provisions of the Pre-IPO RSA Scheme; (ii) determine the persons who will be granted the RSAs, the terms and conditions on which the RSAs are granted and the conditions of vesting of such RSAs; (iii) make such appropriate and equitable adjustments to the terms of the RSAs granted under the Pre-IPO RSA Scheme; (iv) adopt rules and regulations for carrying out the Pre-IPO RSA Scheme; (v) prescribe the form or forms of instruments to be issued as evidence of any RSAs granted under the Pre-IPO RSA Scheme; and (vi) make such other decisions or determinations as it shall deem necessary or appropriate in the administration of the Pre-IPO RSA Scheme.

The Remuneration Committee may delegate the responsibility for administering the Pre-IPO RSA Scheme (such as granting RSAs to designated classes of RSA Participants and handling the day-to-day operational matters under the Pre-IPO RSA Scheme) to any senior management of the Company on the terms and the duration as the Remuneration Committee thinks fit, subject to such limitations as the Board deems appropriate.

**(e) *Maximum number of Shares available for grant***

The maximum number of Shares in respect of which RSAs may be granted (including Shares in respect of which RSAs, whether vested or still outstanding, have already been granted and Shares which shall have been issued under RSAs which have been canceled) under the Pre-IPO RSA Scheme shall not exceed 2,561,241 (being 20,489,928 Shares after taking into account the Share Subdivision, subject to adjustment as described below) at the date on which the Pre-IPO RSA Scheme is adopted or such other limit as determined by the Remuneration Committee at its sole discretion.

Corresponding adjustments (if any) shall be made in the maximum number of Shares referred to in this paragraph (e) in the event of any alteration of the share structure of the Company while an RSA remains unvested, and such event arises from, including a capitalization of profits or reserves, rights issue, consolidation, increase, subdivision or reduction of the number of shares of the Company.

**(f) *Grant of RSAs***

On and subject to the terms of the Pre-IPO RSA Scheme, the Remuneration Committee shall be entitled (but shall not be bound) at any time on a Business Day during the term of the Pre-IPO RSA Scheme commencing on the date on which the Pre-IPO RSA Scheme is adopted and before the Listing Date, to make a grant to any RSA Participant as the Remuneration Committee may in its absolute discretion select.

The Remuneration Committee shall notify the RSA Participants on the date on which any RSA is granted in writing (the “**RSA Grant Letter**”) upon making its grant decision. Upon receipt of the RSA Grant Letter, the RSA Participant is required to confirm his/her acceptance of the grant by returning to our Company a notice of acceptance within the time specified in the RSA Grant Letter after the date on which any RSA is granted (the “**Acceptance Period**”). In the event the RSA Participant does not confirm his/her acceptance within the Acceptance Period, the Remuneration Committee may in its absolute discretion extend the Acceptance Period as it thinks fit, provided that the Acceptance Period shall end no later than one (1) Business Day before the Listing Date. No grant can be accepted by an RSA Participant who ceases to be qualified as an RSA Participant after a grant has been made. No grant shall be capable of or open for acceptance on or after the Listing Date.

A grant shall be deemed to have been accepted when our Company receives the duly signed RSA Grant Letter from the RSA Participant who accepts the grant (the “**RSA Grantee**”). Once accepted, the RSA is deemed to be granted as from the date on which it was offered to the relevant RSA Participants. The RSA Participant is not required to pay any consideration for accepting the grant.

The Remuneration Committee may, on a case-by-case basis and at its discretion when making a grant, impose any vesting conditions, restrictions or limitations in relation to the Pre-IPO RSA Scheme as it may think fit.

**(g) Restrictions and limitations of grants**

Except with the consent of the Remuneration Committee, an RSA shall be personal to the RSA Grantee and shall not be assignable and no RSA Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any RSA.

No instructions may be given by a RSA Participant to the Administrator (as defined below) in respect of the RSAs prior to vesting of the same.

The Board shall not grant any RSA to any RSA Participant in any of the following circumstances: (i) the requisite approvals for such grant from any applicable regulatory authorities have not been obtained; (ii) the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant of the RSAs or in respect of the Pre-IPO RSA Scheme, unless the Board determines otherwise; (iii) the grant would result in a breach by our Group or any of its Directors or senior management of any applicable laws, regulations or rules; or (iv) the grant would result in breach of the rules of the Pre-IPO RSA Scheme.

**(h) Rights attached to the RSAs**

A RSA Participant shall not have any contingent interest in the RSAs until such RSAs have been vested as Shares. A RSA Grantee shall have no rights in any cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any RSAs granted.

**(i) Vesting**

Subject to the terms of the Pre-IPO RSA Scheme and the specific terms and conditions applicable to each RSA granted, the RSAs granted shall be subject to a vesting period, to the

satisfaction of performance and/or other conditions to be determined by the Board and/or the Remuneration Committee. If such conditions are not satisfied, the RSAs shall be canceled automatically on the date on which such conditions are not satisfied, as determined by the Board and/or the Remuneration Committee in their absolute discretion.

The RSAs which have vested shall be satisfied, at our Company's absolute discretion, either by:

- (i) the Company allotting and issuing a fully paid-up Share to the RSA Grantee for each RSA. The Company shall accordingly issue to the RSA Grantee (or, as the case may be, his legal representative(s) or its custodian agent) share certificates in respect of Shares so allotted and issued. Any issue of Shares to an RSA Grantee shall be subject to the applicable laws;
- (ii) the Company appointing an administrator to assist with the administration and vesting of the RSAs granted pursuant to the Pre-IPO RSA Scheme (the "**Administrator**"), pursuant to which the Company may:
  - a. allot and issue Shares to the Administrator to be held by the Administrator pending the vesting of the RSAs granted which will be used to satisfy the RSAs upon vesting at the Company's direction; and/or
  - b. direct and procure the Administrator to make on-market purchases of Shares to satisfy the RSAs upon vesting at the Company's direction;
- (iii) directing and procuring the Administrator to transfer the Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) to the RSA Grantee from the assets consisting of the Shares acquired by the Administrator under The Pre-IPO RSA Scheme held by the Administrator pursuant to the Pre-IPO RSA Scheme which the Administrator has either acquired by making on-market purchases of Shares or which the Company has allotted and issued to the Administrator as fully paid up Shares; and/or
- (iv) paying, or directing and procuring the Administrator to pay, to the RSA Grantee in cash an amount which is equivalent to the value of the Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) set out in sub-paragraph (iii) above.

**(j) Acceleration of vesting**

The Board has the sole discretion to determine, at any time, whether to accelerate the vesting of any RSAs granted to any RSA Grantee for various considerations as set out below:

**(i) Rights on a takeover**

In the event a general offer by way of takeover, merger or otherwise in a like manner (other than by way of scheme of arrangement as set out in paragraph (b) below) is made to all the holders of Shares (or such shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and the general offer to acquire the Shares is approved and becomes or is declared unconditional in all respects prior to the Vesting Date of any RSA, the RSAs of the RSA Grantee(s) will vest immediately to the extent specified in a notice given by the Company.

(ii) *Rights on a scheme of arrangement*

In the event a general offer for Shares by way of scheme of arrangement is made by any person to all the holders of Shares and has been approved by the necessary number of shareholders at the requisite meetings prior to the vesting of any RSA, the RSAs of the RSA Grantee(s) will vest immediately to the extent specified in a notice given by the Company.

(iii) *Rights on a compromise or arrangement*

If a compromise or arrangement between the Company and its shareholders and/or creditors is proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, and a notice is given by the Company to its shareholders to convene a general meeting to consider and if thought fit approve such compromise or arrangement prior to the vesting of RSAs by the RSA Grantee(s), the RSAs of the RSA Grantee(s) will vest immediately to the extent specified in a notice given by the Company.

(iv) *Rights on a voluntary winding-up*

In the event that an effective resolution is passed during the period of five (5) years commencing on the date on which the Pre-IPO RSA Scheme is adopted for voluntary winding-up of the Company (other than for the purposes of a reconstruction, amalgamation or scheme of arrangement as set out above), prior to the vesting of any RSA, the RSAs of the RSA Grantee(s) will vest immediately to the extent specified in a notice given by the Company provided that all unvested RSAs must be vested and effected by no later than one (1) Business Day before the day of the proposed general meeting to be convened for the purpose of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company (or to pass written resolutions of the shareholders of the Company to the same effect).

For the avoidance of doubt, provided that the RSAs have been vested and satisfied by either the Company (i) allotting and issuing fully paid-up Shares to the RSA Grantee, or (ii) directing and procuring the Administrator to transfer the Shares to the RSA Grantee, the RSA Grantee's legal and beneficial title on the Shares shall not be affected even if the RSA Grantee ceases to be an employee (for whatever reasons, with or without cause) after the RSAs were vested. If the RSA Grantee dies after the RSAs were vested, the beneficiary or person as the appropriate court directs shall be entitled to the Shares which were issued and allotted/ transferred to the RSA Grantee through vesting of the RSAs pursuant to the relevant probate and inheritance laws.

(k) *Lapse of RSAs*

Any granted RSAs (to the extent that such RSAs have not been vested in the relevant RSA Grantee) shall lapse and be automatically canceled and not vested in the RSA Grantee on the earliest of:

- (i) the date of the commencement of the mandatory winding-up of the Company;
- (ii) the date on which the proposed compromise or arrangement becomes effective;
- (iii) the date on which the RSA Grantee ceases to be an employee due to:
  - a. any reason other than for Cause (including but without limitation, resignation, laid off, employment contract expires without being renewed due to redundancy, illness, disability and death)(as defined above);
  - b. any reason with Cause

- (iv) the date on which the RSA Grantee fails to meet the performance standard according to the relevant provisions of the Company's performance appraisal (i.e. obtaining grade C or below), unless otherwise waived by the Board or the Remuneration Committee;
- (v) the date on which the RSA Grantee sells, transfers, charges, mortgages, encumbers or creates any interest in favor of any third party over or in relation to any RSA (except for the transfer of the RSAs to any trustee appointed by the Remuneration Committee in relation to the Pre-IPO RSA Scheme or nominee as such trustee may direct);
- (vi) the date on which the RSA Grantee commits a breach of any terms or conditions attached to the grant of the RSAs, unless otherwise resolved to the contrary by the Remuneration Committee; or
- (vii) the date on which the Remuneration Committee resolves that the RSA Grantee has failed or otherwise is or has been unable to meet the continuing eligibility criteria as may be prescribed by the Remuneration Committee,

provided that a resolution of the Remuneration Committee to the effect that an RSA shall lapse and not be exercisable on one or more of the grounds as specified in this paragraph(k) shall be conclusive and binding on the RSA Grantee.

Notwithstanding any other provisions in the Pre-IPO RSA Scheme, if the RSA Grantee ceases to be an employee, regardless of whether with or without Cause or for any other reasons (such as organizational transfer to an entity outside of the Group), before any vesting of the RSAs, the Board and/or the Remuneration Committee shall determine at its absolute discretion and shall notify the RSA Grantee whether any unvested RSAs granted to such RSA Grantee shall vest and the period within which such RSAs shall vest. If the Board determines that such RSA shall not vest, such RSAs shall be cancelled automatically with effect from the date on which the RSA Grantee's employment is terminated.

**(l) *Reorganization of capital structure***

In the event of any alteration in the capital structure of the Company while an RSA remains unvested, and such event arises from, including a capitalization of profits or reserves, rights issue, consolidation, increase, subdivision or reduction of the Shares of the Company, such corresponding alterations (if any) shall be made in:

- (i) the number or nominal amount of Shares subject to the RSAs so far as unvested; and/or
- (ii) the maximum number of Shares referred to in paragraph(e).

Any adjustments required under this paragraph(l) must give an RSA Grantee the same proportion of the equity capital as that to which that RSA Grantee was previously entitled, but no such adjustments may be made to the extent that Shares would be issued at less than their nominal value or (unless with prior approval from the Company's shareholders in general meeting) to the extent that such adjustments are made to the advantage of the RSA Grantee. For the avoidance of doubt, the issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalization issue, the independent financial adviser appointed by the Company must confirm to the Directors in writing that the adjustments satisfy the requirements set out in this paragraph(l).

**(m) Alteration of the Pre-IPO RSA Scheme**

The amended terms of the Pre-IPO RSA Scheme must continue to comply with the relevant provisions of the Listing Rules as may be amended from time to time. The Board may at any time alter, amend or modify the terms and conditions of the Pre-IPO RSA Scheme to the extent as considered necessary by the Board.

**(n) Termination and cancellation**

The Pre-IPO RSA Scheme can be terminated or extended by a resolution of the Board. No further RSA shall be granted upon termination.

Any RSA granted but not vested may be canceled at any time with the prior approval of the Remuneration Committee or otherwise pursuant to the rules of the Pre-IPO RSA Scheme.

**Application for Listing**

An application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, new Shares underlying any RSAs which may be granted pursuant to the Pre-IPO RSA Scheme.

**Outstanding RSAs granted under the Pre-IPO RSA Scheme**

Pursuant to the Pre-IPO RSA Scheme, on July 11, 2018 and August 1, 2018, we have granted an aggregate of 2,561,241 RSAs to 969 RSA grantees, representing rights to receive 2,561,241 Shares (being 20,489,928 Shares after completion of the Share Subdivision). The Company will not grant further RSA under the Pre-IPO RSA Scheme before or after the Listing.

On July 11, 2018, a total of 466,126 Shares (being 3,729,008 Shares after completion of the Share Subdivision) were issued to certain RSA grantees as a result of the vesting of certain RSAs granted under the Pre-IPO RSA Scheme.

As of the Latest Practicable Date, the number of Shares underlying the outstanding and unvested RSAs granted under the Pre-IPO RSA Scheme amounts to 2,095,115 Shares (being 16,760,920 Shares after completion of the Share Subdivision), representing approximately 2.35% of the issued Shares immediately following completion of the Share Subdivision and the Global Offering and assuming the Over-allotment Option is not exercised, the outstanding share options granted under the Pre-IPO Share Option Scheme remain unexercised and the outstanding RSAs granted under the Pre-IPO RSA Scheme remain unvested). Such 2,095,115 RSAs are held by 962 grantees.



As of the Latest Practicable Date, there are altogether 962 holders of outstanding RSAs including one executive Directors of our Company, one director of subsidiaries of the Company, four senior management of our Group and 956 other employees, ex-employees, consultants and ex-consultants of our Group. Details of the outstanding RSAs granted under the Pre-IPO RSA Scheme to our Directors, senior management and other connected persons (“**Disclosed RSA Grantees**”), including the vesting date, option period and the exercise price are set out below:

Name of RSA holder	Position held within our Group	Address	Grant Date	Number of Shares underlying the RSA <sup>(1)</sup>	Vesting Date	Approximate percentage of shareholding interest in the Company underlying the outstanding RSAs <sup>(2)</sup>
<b>(A) Director of our Company<sup>(3)</sup></b>						
Gao Nianshu (高念書)	Executive Director and chief executive officer	Room 422, Building 1 Zhong Shuang Street Zhong Guan Cun, Haidian District, Beijing, PRC	July 11, 2018	777,984	30 days from the Listing Date (“ <b>First Vesting Date</b> ”) July 1, 2019 July 1, 2020 First anniversary of the First Vesting Date Second anniversary of the First Vesting Date	0.25%
<b>(B) Senior management of our Group<sup>(3)</sup></b>						
Huang Ying (黃纓)	Senior vice president and chief financial officer	2-301 Zhu Yu Jia Yuan 7 Hao Lou, Shou Ti Nan Lu 9 Hao Yuan, Haidian District, Beijing, PRC	August 1, 2018	200,000 80,000	The First Vesting Date First anniversary of the First Vesting Date Second anniversary of the First Vesting Date	0.06%
Chen Wu (陳武)	Senior vice president, general manager of the business development and government affairs center	31B Jingcheng Yaju, No.6 Dougezhuangcun, Chaoyang District, Beijing, PRC	June 1, 2018 July 11, 2018 August 1, 2018	16,000 30,944 30,936 45,088 18,032	June 1, 2019 July 1, 2019 July 1, 2020 The First Vesting Date First anniversary of the First Vesting Date Second anniversary of the First Vesting Date	0.02%
				27,048	Second anniversary of the First Vesting Date	



Name of RSA holder	Position held within our Group	Address	Grant Date	Number of Shares underlying the RSA <sup>(1)</sup>	Vesting Date	Approximate percentage of shareholding interest in the Company underlying the outstanding RSAs <sup>(2)</sup>
Liang Bin (梁斌)	Vice president, general manager of the business division for China Mobile	Room 602, No.41, Ninggong Xinyu, Gulou District, Nanjing, PRC	June 1, 2018 August 1, 2018	16,000 93,928 37,568	June 1, 2019 The First Vesting Date First anniversary of the First Vesting Date Second anniversary of the First Vesting Date	0.03%
Sun Mingjie (孙明洁)	Vice president and general manager of the operations management center	Room 507, 4, Building 5, No.5 Yuan Da Yuan, Shi Ji Cheng, Haidian District, Beijing, PRC	June 1, 2018 July 11, 2018 August 1, 2018	8,000 24,544 24,552 71,456 28,584	June 1, 2019 July 1, 2019 July 1, 2020 The First Vesting Date First anniversary of the First Vesting Date Second anniversary of the First Vesting Date	0.03%
<b>(C) Other connected person of our Company</b>						
Lv Shousheng (吕守升)	Director of certain subsidiaries of our Company	No.9 Ban Chang Hu Tong, Dongcheng District, Beijing, PRC	August 1, 2018	180,000 72,000 108,000	The First Vesting Date First anniversary of the First Vesting Date Second anniversary of the First Vesting Date	0.05%

**Notes:**

- (1) Represents the number of Shares underlying the RSAs immediately after the Share Subdivision.
- (2) Assuming the completion of the Global Offering but without taking into consideration of any exercise of the Over-allotment Option, the outstanding share options granted under the Pre-IPO Share Option Scheme and the vesting of the outstanding RSAs under the Pre-IPO RSA Scheme.
- (3) Such RSAs are held on trust for the relevant RSA grantee by Trust II.

Details of the outstanding RSAs under the Pre-IPO RSA Scheme held by the grantees other than the Disclosed RSA Grantees as of the Latest Practicable Date are set out below:

Number of Shares Underlying the RSAs <sup>1</sup>	Grant Date	Vesting Date
910,880	July 11, 2018	June 1, 2019
1,189,592	July 11, 2018	July 1, 2019
1,190,064	July 11, 2018	July 1, 2020
5,160,952	August 1, 2018	30 <sup>th</sup> day after the Listing Date (“ <b>First Vesting Date</b> ”)
2,064,144	August 1, 2018	First anniversary of the First Vesting Date
3,097,416	August 1, 2018	Second anniversary of the First Vesting Date

*Notes:*

1. Represents the number of Shares underlying the RSAs immediately after the Share Subdivision.

Assuming full vesting of the outstanding RSAs granted under the Pre-IPO RSA Scheme (assuming the Over-allotment Option is not exercised, and without taking into account any Shares to be issued upon the exercise of options granted), the shareholding of our Shareholders immediately following the Listing will be diluted by approximately 2.29%. If the outstanding RSAs granted under the Pre-IPO RSA Scheme are vested, there would be dilutive effect on the earnings per Share of our Company. Please see the table below for an explanation of the above illustrated example.

Profit attributable to the equity holders of the Company for the six months ended June 30, 2018 (thousand) .....	RMB86,737
Unaudited pro forma basic earnings per share for the six months ended June 30, 2018 .....	RMB0.12 <sup>1</sup>
Unaudited pro forma diluted earnings per share for the six months ended June 30, 2018 .....	RMB0.12 <sup>2</sup>

*Notes:*

- 1 The calculation of the unaudited pro forma basic earnings per share for the six months ended June 30, 2018 is based on the profit attributable to the equity holders of the Company for the six months ended June 30, 2018 and 713,776,184 Shares being issued assuming the Global Offering and the Share Subdivision were completed on January 1, 2018 (assuming the Over-allotment Option is not exercised, and without taking into account any Shares to be issued upon the exercise of options granted under the Pre-IPO Share Option Scheme, and upon vesting of RSAs granted under the Pre-IPO RSA Scheme)
- 2 The calculation of the unaudited pro forma diluted earnings per share for the six months ended June 30, 2018 is based on the profit attributable to the equity holders of the Company for the six months ended June 30, 2018 and 713,776,184 Shares being issued assuming the Global Offering were completed on January 1, 2018 (assuming the Over-allotment Option is not exercised, and without taking into account any Shares to be issued pursuant to exercise of share options granted under the Pre-IPO Share Option Scheme) and the RSAs underlying 2,095,115 Shares under the Pre-IPO RSA Scheme are all granted and vested on January 1, 2018, without taking into account the related expenses recognized in profit or loss for these RSAs.

## F. DISCLOSURE UNDER RULE 8.10(2) OF THE LISTING RULES

Dr. Tian, the chairman and an executive Director of our Company is interested in the International Business and the Network Security Business which may compete with our business for the purpose of Rule 8.10(2) of the Listing Rules as at the Latest Practicable Date, details of which are set out in the section headed “Directors and Senior Management” of this prospectus.

Save and except for Dr. Tian’s interest in the International Business and the Network Security Business, our Directors confirm that as of the Latest Practicable Date, they did not have any interest in a business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10(2) of the Listing Rules.

**G. OTHER INFORMATION****1. Estate Duty Tax**

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of its subsidiaries under the laws of Hong Kong, the PRC, the BVI and other jurisdictions in which one or more of the companies comprising our Group are incorporated.

**2. Litigation**

As of the Latest Practicable Date, save as disclosed in this prospectus, we are not aware of any other litigation or arbitration proceedings of material importance pending or threatened against us or any of our Directors that could have a material adverse effect on our financial condition or results of operations.

**3. Application for Listing**

The Joint Sponsors have made an application on behalf of our Company to the Listing Committee for the listing of, and permission to deal in, the Shares in issue and to be issued or sold as mentioned in this prospectus. All necessary arrangements have been made to enable such Shares into CCASS.

**4. No Material Adverse Change**

Other than disclosed in this prospectus, our Directors confirm that there has been no material change in the financial or trading position or prospects of our Group since June 30, 2018 (being the date to which the latest audited consolidated financial statements of our Group were prepared).

**5. Agency Fees and Commissions Received**

The Underwriters will receive an underwriting commission as referred to in the section headed “Underwriting—International Offering—Commissions and Expenses”.

**6. The Joint Sponsors and Joint Sponsors’ fees**

Citigroup Global Markets Asia Limited is independent from our Company pursuant to Rule 3A.07 of the Listing Rules.

CITIC PE Funds Limited which indirectly holds 9.94% shareholding in the Company immediately prior to the Global Offering is a close associate of CITIC Securities Co., Ltd., the indirect controlling shareholder of CLSA Capital Markets Limited. Based on the above, CLSA Capital Markets Limited, our other Joint Sponsor, is not expected to be independent pursuant to Rule 3A.07 of the Listing Rules.

The fees payable by the Company to the Joint Sponsors to act as sponsors to the Company in connection with the Global Offering is in aggregate US\$1 million.

**7. Preliminary expenses**

Our Company did not incur any material preliminary expense in relation to our incorporation in 2003.

**8. Promoter**

The Company has no promoter for the purpose of the Listing Rules. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

**9. Qualification of Experts**

The following are the qualifications of the experts who have given opinion or advice which are contained in this prospectus:

<u>Name</u>	<u>Qualification</u>
CLSA Capital Markets Limited . . . .	Licensed corporation under SFO to conduct type 4 (advising on securities) and type 6 (advising on corporate finance) of the regulated activities
Citigroup Global Markets Asia Limited . . . . .	Licensed corporation under SFO to conduct Type 1 (dealing securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) of the regulated activities
Deloitte Touche Tohmatsu . . . . .	Certified public accountants
Han Kun Law Offices . . . . .	Company's PRC legal advisor
King & Wood Mallesons . . . . .	Company's PRC legal advisor
Harney Westwood & Riegels . . . . .	Legal advisor to the Company as to the laws of the BVI
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co. . . . .	Independent industry consultants

**10. Consent of Experts**

Each of the above experts has given and has not withdrawn its respective written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or valuation certificate and/or opinion and/or the references to its name included in this prospectus in the form and context in which it is respectively included.

**11. Binding Effect**

This prospectus shall have the effect, if an application is made in pursuance of this prospectus, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance insofar as applicable.

**12. Reserves available for distribution**

As of June 30, 2018, our Company has reserves of RMB398.0 million available for distribution to our Shareholders.

**13. Bilingual prospectus**

The English and Chinese language versions of this prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

**H. MISCELLANEOUS**

- (a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
  - (i) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;
  - (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
  - (iii) no founders or management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued;
  - (iv) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and
  - (v) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries.
- (b) Save as disclosed in this prospectus, our Group had not issued any debentures nor did it have any outstanding debentures nor any convertible debt securities.
- (c) Save as disclosed in this prospectus, our Directors confirm that:
  - (i) there has been no material adverse change in the financial or trading position or prospects of our Group since June 30, 2018 (being the date to which the latest audited consolidated financial statements of our Group were prepared);
  - (ii) there is no arrangement under which future dividends are waived or agreed to be waived; and
  - (iii) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus.
- (d) The principal register of members of our Company will be maintained by our principal registrar, Harneys Fiduciary (Cayman) Limited, in the Cayman Islands and our Hong Kong register of members will be maintained by our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited in Hong Kong. Unless the Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by our Hong Kong Share Registrar and may not be lodged in Cayman Islands.
- (e) All necessary arrangements have been made to enable our Shares to be admitted into CCASS for clearing and settlement.

- (f) No company within our Group is presently listed on any stock exchange or traded on any trading system.
- (g) The English and Chinese language versions of this prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).