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(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)
(Stock code: 3690 and Debt Stock Codes: 40434, 40435)

- (1) PROPOSED ISSUE OF US\$1,483,600,000 ZERO COUPON CONVERTIBLE BONDS DUE 2027 AND US\$1,500,000,000 ZERO COUPON CONVERTIBLE BONDS DUE 2028, EACH CONVERTIBLE INTO CLASS B ORDINARY SHARES OF MEITUAN UNDER GENERAL MANDATE**
- (2) PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION OF SHARES UNDER GENERAL MANDATE**
- AND**
- (3) CONNECTED TRANSACTION INVOLVING SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE**

Joint Global Coordinators and Joint Bookrunners for the Bond Offering

Goldman Sachs

BofA Securities

Joint Global Coordinators and Joint Bookrunners for the Placing

Goldman Sachs

BofA Securities

Joint Bookrunners for the Placing

UBS

CITIC Securities

PROPOSED ISSUE OF THE 2027 BONDS AND 2028 BONDS

The Board is pleased to announce that on April 19, 2021 (after trading hours), the Company entered into the CB Subscription Agreement with the CB Joint Bookrunners pursuant to which, on the terms and subject to the conditions of the CB Subscription Agreement, the Company has agreed to issue the 2027 Bonds and 2028 Bonds, and the CB Joint Bookrunners have agreed to severally and not jointly subscribe and pay for, or to procure subscribers to subscribe and pay for, the 2027 Bonds and the 2028 Bonds in an aggregate principal amount of US\$1,483,600,000 and US\$1,500,000,000, respectively.

The 2027 Bonds and 2028 Bonds are convertible into Class B Shares at the initial 2027 CB Conversion Price and the initial 2028 CB Conversion Price (each subject to adjustments) in the circumstances set out in the “Terms and Conditions” below.

The initial 2027 CB Conversion Price (subject to adjustments) will be HK\$431.24 per Share, representing (i) approximately 49.1% premium over the closing price of the Shares as quoted on the Stock Exchange on April 19, 2021 (being the last Trading Date on which the CB Subscription Agreement was signed); (ii) approximately 51.2% premium over the five-day average closing price of the Shares over the five consecutive Trading Days up to and including April 19, 2021; and (iii) approximately 43.6% premium over the ten-day average closing price of the Shares over the ten consecutive Trading Days up to and including April 19, 2021.

Assuming full conversion of the 2027 Bonds at the initial 2027 CB Conversion Price of HK\$431.24 per Share, the 2027 Bonds will be convertible into 26,734,628 Shares (subject to adjustments), representing approximately 0.5% of the issued share capital and 0.2% voting rights of the Company as at the date of this announcement and approximately 0.5% of the existing issued share capital and 0.2% voting rights of the Company as enlarged by the issue of all 2027 CB Conversion Shares but before the completion of the conversion of the 2028 Bonds, the Subscription, the Placing and the Tencent Subscription. The 2027 CB Conversion Shares will be allotted and issued by the Company pursuant to the General Mandate. The 2027 CB Conversion Shares, upon issue, will rank *pari passu* in all respects with the Shares then in issue on the relevant registration date.

The initial 2028 CB Conversion Price (subject to adjustments) will be HK\$431.24 per Share, representing (i) approximately 49.1% premium over the closing price of the Shares as quoted on the Stock Exchange on April 19, 2021 (being the last Trading Date on which the CB Subscription Agreement was signed); (ii) approximately 51.2% premium over the five-day average closing price of the Shares over the five consecutive Trading Days up to and including April 19, 2021; and (iii) approximately 43.6% premium over the ten-day average closing price of the Shares over the ten consecutive Trading Days up to and including April 19, 2021.

Assuming full conversion of the 2028 Bonds at the initial 2028 CB Conversion Price of HK\$431.24 per Share, the 2028 Bonds will be convertible into 27,030,158 Shares (subject to adjustments), representing approximately 0.5% of the issued share capital and 0.2% voting rights of the Company as at the date of this announcement and approximately 0.5% of the existing issued share capital and 0.2% voting rights of the Company as enlarged by the issue of all 2028 CB Conversion Shares but before the completion of the conversion of the 2027 Bonds, the Subscription, the Placing and the Tencent Subscription. The 2028 CB Conversion Shares will be allotted and issued by the Company pursuant to the General Mandate. The 2028 CB Conversion Shares, upon issue, will rank *pari passu* in all respects with the Shares then in issue on the relevant registration date.

Assuming full conversion of the 2027 Bonds and the 2028 Bonds at the initial 2027 CB Conversion Price of HK\$431.24 per Share and initial 2028 CB Conversion Price of HK\$431.24 per Share, the 2027 Bonds and the 2028 Bonds will together be convertible into 53,764,785 Shares (subject to adjustments), representing approximately 0.9% of the issued share capital and 0.4% voting rights of the Company as at the date of this announcement and approximately 0.9% of the existing issued share capital and 0.4% voting rights of the Company as enlarged by the issue of all 2027 CB Conversion Shares and the 2028 CB Conversion Shares but before the completion of the Subscription, the Placing and the Tencent Subscription.

The 2027 Bonds, the 2028 Bonds, the 2027 CB Conversion Shares and the 2028 CB Conversion Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The 2027 Bonds and the 2028 Bonds are being offered and sold outside the United States in reliance on Regulation S under the U.S. Securities Act.

The estimated net proceeds from the issue of the 2027 Bonds and the 2028 Bonds, after deduction of commissions and expenses, amount to approximately US\$1,485.7 million and US\$1,485.8 million, respectively.

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Bonds and the Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares to be allotted and issued upon conversion of the Bonds.

Completion of the issue of the 2027 Bonds and the 2028 Bonds is subject to the satisfaction and/or waiver (as the case may be) of the conditions precedent as set out in the CB Subscription Agreement. In addition, the CB Subscription Agreement may be terminated in certain circumstances. Please refer to the paragraph headed “The CB Subscription Agreement” below for further information.

PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION OF CONVERSION SHARES

The Board is pleased to announce that on April 19, 2021 (after trading hours), the Company, Tencent and the Placing Joint Bookrunners entered into the Placing and Subscription Agreement, pursuant to which Tencent has agreed to appoint the Placing Joint Bookrunners, and the Placing Joint Bookrunners have agreed to act as agents for Tencent, each on a several but not joint nor joint and several basis, to procure on a fully underwritten basis places to purchase the Placing Shares at the Placing Price of HK\$273.80 for each Placing Share.

The Placing Shares represent approximately 3.2% of the existing issued share capital and 1.5% of the voting rights of the Company as of the date of this announcement and approximately 3.1% of the issued share capital and 1.5% of the voting rights of the Company as enlarged by the Subscription (assuming that there is no change in the issued share capital of the Company from the date of this announcement to the completion of the Subscription (including that no Bonds are converted into Conversion Shares and no Shares are issued pursuant to the Tencent Subscription) save for the issue of the Subscription Shares and the Placing Shares being placed in full).

The Placing Shares will be placed by the Placing Joint Bookrunners to not less than six independent professional, institutional and/or individual investors who, together with their respective ultimate beneficial owners, will be Independent Third Parties.

Pursuant to the Placing and Subscription Agreement, Tencent has conditionally agreed to subscribe as principal for, and the Company has conditionally agreed to issue, the Subscription Shares (which shall be equal to the number of Placing Shares) at a subscription price which is equivalent to the Placing Price. Assuming the Placing Shares are placed in full, the Subscription Shares represent approximately 3.2% of the existing issued share capital and 1.5% of the voting rights of the Company as at the date of this announcement and approximately 3.1% of the issued share capital and 1.5% of the voting rights of the Company as enlarged by the Subscription (assuming that there is no change in the issued share capital of the Company from the date of this announcement to the completion of the Subscription (including that no Bonds are converted into Conversion Shares) save for the issue of the Subscription Shares).

The Subscription Shares will be issued under the General Mandate and therefore, no further Shareholder approval is required. Application will be made to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares.

Completion of the Placing and the Subscription is subject to the satisfaction or (if applicable) waiver of the respective conditions precedent in the Placing and Subscription Agreement. Please refer to the sections headed “Conditions of the Placing” and “Conditions of the Subscription” in this announcement for further information. In the event that the conditions precedent in respect of the Subscription are not fulfilled within 14 days after the date of the Placing and Subscription Agreement (or such later date as may be agreed between the Company, Tencent and the Placing Joint Bookrunners in writing and in compliance with the applicable laws, rules and regulations (including but not limited to the Listing Rules)), the obligations and liabilities of the Company and Tencent under the Subscription shall be null and void.

The Placing Price is HK\$273.80 per Share and represents (i) a discount of approximately 5.3% to the closing price of HK\$289.20 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of approximately 4.0% to the average closing price of approximately HK\$285.24 per Share as quoted on the Stock Exchange for the last five consecutive Trading Days prior to and including the Last Trading Date; and (iii) a discount of approximately 8.8% to the average closing price of approximately HK\$300.30 per Share as quoted on the Stock Exchange for the last ten (10) consecutive Trading Days prior to and including the Last Trading Date.

The estimated net proceeds from the issue of the Subscription after deducting all fees, costs and expenses properly incurred by Tencent and the Company, amount to approximately US\$6.6 billion.

CONNECTED TRANSACTION INVOLVING THE TENCENT SUBSCRIPTION

The Board is pleased to announce that on April 19, 2021 (after trading hours), the Company and Tencent entered into the Tencent Subscription Agreement, pursuant to which Tencent has agreed to subscribe for and the Company has agreed to allot and issue Tencent Subscription Shares at the Tencent Subscription Price of HK\$273.80 for each Tencent Subscription Share, as arranged by the Placing Joint Bookrunners.

The Tencent Subscription Shares represent approximately 0.2% of the existing issued share capital and 0.1% of the voting rights of the Company as of the date of this announcement and approximately 0.2% of the issued share capital and 0.1% of the voting rights of the Company as enlarged by the Subscription and the Tencent Subscription (assuming that there is no change in the issued share capital of the Company from the date of this announcement to the completion of the Subscription and the Tencent Subscription (including that no Bonds are converted into Conversion Shares) save for the issue of the Subscription Shares, the Tencent Subscription Shares and the Placing Shares being placed in full).

As at the date of this announcement, Tencent is a substantial shareholder of the Company, and hence a connected person of the Company under the Listing Rules. Accordingly, the Tencent Subscription constitutes a connected transaction of the Company and is subject to the announcement, circular, Independent Shareholders' approval and reporting requirements under Chapter 14A of the Listing Rules.

The Tencent Subscription Shares will be issued under a specific mandate. Application will be made to the Listing Committee for the listing of, and permission to deal in, the Tencent Subscription Shares.

Completion of the Tencent Subscription is subject to the satisfaction or (if applicable) waiver of the conditions precedent in the Tencent Subscription Agreement. Please refer to the sections headed "Conditions of the Tencent Subscription" in this announcement for further information.

The Tencent Subscription Price is HK\$273.80 per Share and represents (i) a discount of approximately 5.3% to the closing price of HK\$289.20 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of approximately 4.0% to the average closing price of approximately HK\$285.24 per Share as quoted on the Stock Exchange for the last five consecutive Trading Days prior to and including the Last Trading Date; and (iii) a discount of approximately 8.8% to the average closing price of approximately HK\$300.30 per Share as quoted on the Stock Exchange for the last ten (10) consecutive Trading Days prior to and including the Last Trading Date.

The estimated net proceeds from the Tencent Subscription are expected to be approximately US\$400.0 million. The estimated net Tencent Subscription Price, after deducting such fees, costs and expenses, is therefore approximately HK\$273.78 per Tencent Subscription Share.

USE OF PROCEEDS

The Company intends to use the estimated net proceeds of the 2027 Bonds, the 2028 Bonds, the Subscription and the Tencent Subscription for technology innovations, including the research and development of autonomous delivery vehicles, drones delivery, and other cutting-edge technology, and general corporate purposes.

GENERAL

The Tencent Subscription is subject to Independent Shareholders' approval. The Tencent Subscription Shares will be allotted and issued under a specific mandate to be proposed for approval by the Independent Shareholders by way of an ordinary resolution at the AGM.

The AGM will be convened for the Independent Shareholders to consider, and if thought fit, approve the Tencent Subscription Agreement, the transaction contemplated thereunder and the requisite specific mandate.

The Independent Board Committee comprising all independent non-executive Directors has been established to advise the Independent Shareholders on the Tencent Subscription Agreement and the connected transaction contemplated thereunder, and an independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

The Circular containing, among other things, (i) further details of the Tencent Subscription Agreement and the transaction contemplated thereunder; (ii) a letter from the Independent Board Committee containing its advice to the Independent Shareholders in respect of the Tencent Subscription Agreement and the connected transaction contemplated thereunder; (iii) a letter from the independent financial adviser containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Tencent Subscription Agreement and the connected transaction contemplated thereunder; and (iv) a notice convening the AGM and the relevant proxy form will be despatched to the Shareholders accordingly.

Mr. Wang Xing, Mr. Mu Rongjun and Mr. Wang Huiwen are the holders of the Class A Shares, entitling each to weighted voting rights of ten votes per Class A Share. The Company has obtained an irrevocable undertaking from each of Mr. Wang Xing, Mr. Mu Rongjun and Mr. Wang Huiwen to vote in favour of the ordinary resolution at the AGM to approve the Tencent Subscription and the issue and allotment of the Tencent Subscription Shares under a specific mandate. Collectively, Mr. Wang Xing, Mr. Mu Rongjun and Mr. Wang Huiwen are entitled to exercise more than 50% of the voting rights, which would be sufficient to ensure the ordinary resolution at the AGM is passed.

Shareholders and potential investors should note that (i) the issue of the Bonds may or may not be completed; (ii) the Bonds and/or the Conversion Shares may or may not be issued or listed; and (iii) the Placing, the Subscription and the Tencent Subscription may or may not proceed to completion. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company.

A. PROPOSED ISSUE OF THE 2027 BONDS AND 2028 BONDS

The Board is pleased to announce that on April 19, 2021 (after trading hours), the Company entered into the CB Subscription Agreement with the CB Joint Bookrunners pursuant to which, on the terms and subject to the conditions of the CB Subscription Agreement, the Company has agreed to issue the 2027 Bonds and the 2028 Bonds, and the CB Joint Bookrunners have agreed to severally and not jointly subscribe and pay for, or to procure subscribers to subscribe and pay for, the 2027 Bonds and the 2028 Bonds in an aggregate principal amount of US\$1,483,600,000 and US\$1,500,000,000, respectively.

THE CB SUBSCRIPTION AGREEMENT

Date

April 19, 2021

Parties

- (a) the Company; and
- (b) the CB Joint Bookrunners.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the CB Joint Bookrunners are Independent Third Parties of the Company.

Subscription

Subject to the satisfaction of the conditions set out below in the section headed "CB Conditions Precedent," the Company has agreed to issue the 2027 Bonds and the 2028 Bonds, and the CB Joint Bookrunners have agreed to severally and not jointly subscribe and pay for, or procure subscribers to subscribe and pay for, the 2027 Bonds and the 2028 Bonds on the CB Closing Date.

The CB Joint Bookrunners have informed the Company that they intend to offer and sell the 2027 Bonds and the 2028 Bonds to no fewer than six independent placees. The 2027 Bonds and the 2028 Bonds will be offered and sold outside the United States in reliance on Regulation S under the U.S. Securities Act. None of the 2027 Bonds and the 2028 Bonds will be offered to the retail public in Hong Kong.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the placees of the 2027 Bonds and the 2028 Bonds and their respective ultimate beneficial owners are Independent Third Parties of the Company.

CB Conditions Precedent

The obligations of the CB Joint Bookrunners to subscribe and pay for the 2027 Bonds and the 2028 Bonds are subject to the following conditions (the "**CB Conditions Precedent**"):

- (a) the execution and delivery (on or before the CB Closing Date) of the Trust Deed in respect of each of the 2027 Bonds and the 2028 Bonds (together, the "**Trust Deeds**") and the Agency Agreement in respect of each of the 2027 Bonds and the 2028 Bonds (together, the "**Agency Agreements**"), each in a form satisfactory to the CB Joint Bookrunners, by the respective parties;
- (b) Mr. Wang Xing shall have executed a valid, binding and enforceable lock-up agreement on or before the date of the CB Subscription Agreement in the form set out in the CB Subscription Agreement;

- (c) on the date hereof and on the CB Closing Date, there having been delivered to the CB Joint Bookrunners letters, in form and substance satisfactory to the CB Joint Bookrunners, dated the date hereof in the case of the first letter and dated the CB Closing Date in the case of the subsequent letter, and addressed to the CB Joint Bookrunners from PricewaterhouseCoopers, independent auditors to the Company;
- (d) on the date hereof and on the CB Closing Date, there having been delivered to the CB Joint Bookrunners a financial officer's certificate signed by the Chief Financial Officer of the Company, in form and substance satisfactory to the CB Joint Bookrunners;
- (e) at the CB Closing Date:
 - (i) the representations and warranties of the Company in the CB Subscription Agreement being true, accurate and correct at, and as if made on such date;
 - (ii) the Company having performed all of its obligations under the CB Subscription Agreement, the Trust Deeds and the Agency Agreements (collectively, the "**Contracts**") to which it is a party to be performed on or before such date; and
 - (iii) there having been delivered to the CB Joint Bookrunners a certificate confirming no material adverse change, dated as of such date, of a duly authorised officer of the Company to such effect;
- (f) after the date hereof or, if earlier, the dates as of which information is given in the Offering Circular up to and at the CB Closing Date, there shall not have occurred any change (nor any development or event involving a prospective change), in the condition (financial or otherwise), prospects, results of operations, business, general affairs or properties of the Company or the Group taken as a whole, which, in the opinion of the CB Joint Bookrunners, is material and adverse in the context of the issue and offering of the Bonds;
- (g) on or prior to the CB Closing Date there shall have been delivered to the CB Joint Bookrunners copies of all consents and approvals required in relation to the issue of the Bonds and the performance of the Company's obligations under the Trust Deeds, the Agency Agreements and the Bonds;
- (h) the NDRC having given its approval in respect of the issue of the Bonds and such approval remaining in full force and effect, and not altering the terms of any Contract, on the CB Closing Date, and written evidence of such approval having been given to the CB Joint Bookrunners;
- (i) the Stock Exchange having agreed to list the Conversion Shares upon conversion of the Bonds and the Stock Exchange having agreed, subject to any conditions satisfactory to the CB Joint Bookrunners, to list the Bonds (or, in each case, the CB Joint Bookrunners being satisfied that such listing will be granted); and
- (j) on or before the CB Closing Date, there having been delivered to the CB Joint Bookrunners opinions, in form and substance satisfactory to the CB Joint Bookrunners, dated the CB Closing Date, of:
 - (i) legal advisers to the Company as to laws of the Cayman Islands;
 - (ii) legal advisers to the CB Joint Bookrunners as to PRC law;

- (iii) legal advisers to Company as to PRC law; and
- (iv) legal advisers to the CB Joint Bookrunners and the Trustee as to English law and Hong Kong law.

The CB Joint Bookrunners may, at their discretion and upon such terms as they think fit, waive compliance with the whole or any part of the Conditions Precedent other than conditions (a) and (h) above.

Termination

Notwithstanding anything contained in the CB Subscription Agreement, the CB Joint Bookrunners may, by notice to the Company given at any time on or prior to the CB Closing Date, terminate the CB Subscription Agreement in their absolute discretion in any of the following circumstances:

- (a) if there shall have come to the notice of the CB Joint Bookrunners any breach of, or any event rendering untrue or incorrect in any respect, any of the warranties and representations contained in the CB Subscription Agreement or any failure to perform any of the Company's undertakings or agreements in the CB Subscription Agreement;
- (b) if any of the CB Conditions Precedent has not been satisfied or waived by the CB Joint Bookrunners on or prior to the CB Closing Date;
- (c) if in the opinion of the CB Joint Bookrunners, there shall have been, since the date of the CB Subscription Agreement, any change, or any development involving a prospective change, in monetary, financial, political or economic conditions in the United States, European Union, Japan, Hong Kong, PRC, Singapore or the United Kingdom or the international financial markets (including any disruption to trading generally, or trading in any securities of the Company on any stock exchange or in any over-the-counter market) or currency exchange rates or foreign exchange controls such as would in their view, be likely to prejudice materially the success of the Offering and distribution of the Bonds or dealings in the Bonds in the secondary market;
- (d) if, in the opinion of the CB Joint Bookrunners, there shall have occurred any of the following events: (i) a suspension or a material limitation in trading in securities generally on the New York Stock Exchange, NASDAQ, the London Stock Exchange plc and/or the Stock Exchange and/or any other stock exchange on which the Company's securities are traded; (ii) a suspension or a material limitation in trading in the Company's securities on the Stock Exchange and/or any other stock exchange on which the Company's securities are traded; (iii) a general moratorium on commercial banking activities in the United States, Hong Kong, PRC, Singapore, the EU and/or the United Kingdom declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States, the PRC, Singapore, Hong Kong, or the United Kingdom; or (iv) a change or development involving a prospective change in taxation affecting the Company, the Bonds, or the Conversion Shares to be issued upon conversion of the Bonds or the transfer thereof;
- (e) if, in the opinion of the CB Joint Bookrunners, there shall have occurred any event or series of events (including without limitation the occurrence of any local, national or international outbreak or escalation of disaster, hostility, insurrection, armed conflict, act of terrorism, act of God, pandemic or epidemic) as would in their view be likely to prejudice the success of the Offering and distribution of the Bonds or dealings in the Bonds in the secondary market.

Lock-up

Neither the Company nor any person acting on its behalf will (a) issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or securities of the same class as the Bonds or the Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Bonds, the Shares or securities of the same class as the Bonds, the Shares or other instruments representing interests in the Bonds, the Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing, in any such case without the prior written consent of the CB Joint Bookrunners between the date of the CB Subscription Agreement and the date which is 90 days after the CB Closing Date (both dates inclusive); except for (i) the Bonds and the Conversion Shares issued on conversion of the Bonds; (ii) any Shares or options or restricted share units granted pursuant to the Company's publicly disclosed share award schemes, (iii) the Subscription Shares to be issued under the Placing and Subscription Agreement, (iv) the issue of the Tencent Subscription Shares under the Tencent Subscription Agreement; and (v) the issue of any Shares which are issued as consideration for any merger and acquisition transactions (if any) provided that the Company or any person acting on its behalf shall procure the relevant transferee, prior to the completion of the transfer, to execute an undertaking in writing to comply with the same restrictions as applicable to it as set out in the Company's lock-up undertaking. For the purposes of this paragraph, "**Shares**" refer to both Class A and Class B shares.

Mr. Wang Xing has executed a lock-up undertaking on the date of the CB Subscription Agreement. Mr. Wang Xing undertakes that, for a period commencing from the date of the lock-up undertaking to 90 days after the CB Closing Date, without the prior written consent of the CB Joint Bookrunners, he will not (a) issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares subject to the lock-up undertaking (the "**Lock-up Shares**") or securities of the same class as the Lock-up Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Lock-up Shares or securities of the same class as Lock-up Shares or other instruments representing interests in Lock-up Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of Lock-up Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Lock-up Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing. The foregoing sentence shall not apply to the direct or indirect transfer (and shall not apply to any steps taken in anticipation of, conducive or necessary to, or to effect, such transfer) of any Shares or any security convertible into the Shares to any philanthropic organisation or to any entity set up for or pursuant to any donations for charitable or philanthropic purposes. For the purposes of this paragraph, "**Shares**" refer to both Class A and Class B shares.

PRINCIPAL TERMS OF THE 2027 BONDS AND THE 2028 BONDS

The principal terms of the Bonds have been negotiated on an arm's length basis and are summarised as follows:

Issuer	Meituan.
Issue	<p>2027 Bonds: U.S. dollar-denominated zero coupon convertible bonds due 2027 in an aggregate principal amount of US\$1,483,600,000; and</p> <p>2028 Bonds: U.S. dollar-denominated zero coupon convertible bonds due 2028 in an aggregate principal amount of US\$1,500,000,000,</p> <p>in each case, convertible into the Company's fully-paid Class B Shares.</p>
Interest	The 2027 Bonds and the 2028 Bonds are zero coupon and do not bear interest.
Issue Price	<p>2027 Bonds: 101.10 per cent. of the principal amount of the 2027 Bonds.</p> <p>2028 Bonds: 100.00 per cent. of the principal amount of the 2028 Bonds.</p>
CB Closing Date	April 27, 2021
Maturity Date	<p>2027 Bonds: April 27, 2027</p> <p>2028 Bonds: April 27, 2028</p>
Form and Denomination	The 2027 Bonds and the 2028 Bonds will be issued in registered form in the denomination of US\$200,000 each and integral multiples of US\$100,000 in excess thereof.
Status	The 2027 Bonds and the 2028 Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) of the Conditions) unsecured obligations of the Company and shall at all times rank <i>pari passu</i> and without any preference or priority among themselves. The payment obligations of the Company under the 2027 Bonds and the 2028 Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4(a) of the Conditions, at all times rank at least equally with all of their respective other present and future unsecured and unsubordinated obligations.

Negative Pledge

Subject to certain exceptions, so long as any of the 2027 Bonds or the 2028 Bonds, as the case may be, remains outstanding (as defined in the Trust Deed for the 2027 Bonds or the Trust Deed for the 2028 Bonds, as the case may be), the Company will not create or have outstanding, and the Company will ensure that none of its Principal Controlled Entities will create or have outstanding, any Lien upon the whole or any part of their respective present or future undertaking, assets or revenues (including any uncalled capital) securing any Relevant Indebtedness, or create or have outstanding any guarantee or indemnity in respect of any Relevant Indebtedness either of the Company or of any of its Principal Controlled Entities, without (i) at the same time or prior thereto securing or guaranteeing the Bonds of the relevant series equally and rateably therewith or (ii) providing such other security or guarantee for the Bonds of the relevant series as shall be approved by an Extraordinary Resolution (as defined in the relevant Trust Deed) of the Bondholders.

“**Lien**” means any mortgage, charge, pledge, lien or other form of encumbrance or security interest;

“**Non-Listed Controlled Entities**” means the Controlled Entities other than (i) any Controlled Entities with shares of common stock or other common equity interests listed on an internationally recognised stock exchange; and (ii) any Subsidiaries or Consolidated Affiliated Entities of any Controlled Entity referred to in clause (i) of this definition;

“**Principal Controlled Entities**” at any time shall mean one of the Company’s Non-Listed Controlled Entities

- (i) as to which one or more of the following conditions is/are satisfied:
 - (a) its total revenue or (in the case of one of the Non-Listed Controlled Entities which has one or more Non-Listed Controlled Entities) consolidated total revenue attributable to the Company is at least 10 per cent. of the Company’s consolidated total revenue;
 - (b) its net profit or (in the case of one of the Non-Listed Controlled Entities which has one or more Non-Listed Controlled Entities) consolidated net profit attributable to the Company (in each case before taxation and exceptional items) is at least 10 per cent. of the Company’s consolidated net profit (before taxation and exceptional items); or

- (c) its net assets or (in the case of one of the Non-Listed Controlled Entities which has one or more Non-Listed Controlled Entities) consolidated net assets attributable to the Company (in each case after deducting minority interests in Subsidiaries) are at least 10 per cent. of the Company's consolidated net assets (after deducting minority interests in Subsidiaries);

all as calculated by reference to the then latest audited financial statements (consolidated or, as the case may be, unconsolidated) of such Non-Listed Controlled Entity and the Company's then latest audited consolidated financial statements; *provided that*, in relation to paragraphs (a), (b) and (c) of this definition above:

- (1) in the case of a corporation or other business entity becoming a Non-Listed Controlled Entity after the end of the financial period to which the Company's latest consolidated audited accounts relate, the reference to the Company's then latest consolidated audited accounts and the Company's Non-Listed Controlled Entities for the purposes of the calculation above shall, until the Company's consolidated audited accounts for the financial period in which the relevant corporation or other business entity becomes a Non-Listed Controlled Entity are issued, be deemed to be a reference to the then latest consolidated audited accounts of the Company and its Non-Listed Controlled Entities adjusted to consolidate the latest audited accounts (consolidated in the case of a Non-Listed Controlled Entity which itself has Non-Listed Controlled Entities) of such Non-Listed Controlled Entity in such accounts;
- (2) if at any relevant time in relation to the Company or any Non-Listed Controlled Entity which itself has Non-Listed Controlled Entities, no consolidated accounts are prepared and audited, total revenue, net profit or net assets of the Company and/or any such Non-Listed Controlled Entity shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by or on behalf of the Company;
- (3) if at any relevant time in relation to any Non-Listed Controlled Entity, no accounts are audited, its net assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Non-Listed Controlled Entity prepared for this purpose by or on behalf of the Company; and

- (4) if the accounts of any Non-Listed Controlled Entity (not being a Non-Listed Controlled Entity referred to in proviso (1) above of this definition) are not consolidated with the Company's accounts, then the determination of whether or not such Non-Listed Controlled Entity is a Principal Controlled Entity shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the Company's consolidated accounts (determined on the basis of the foregoing); or
- (ii) to which is transferred all or substantially all of the assets of a Controlled Entity which immediately prior to the transfer was a Principal Controlled Entity; provided that, with effect from such transfer, the Controlled Entity which so transfers its assets and undertakings shall cease to be a Principal Controlled Entity (but without prejudice to paragraph (i) above of this definition) and the Controlled Entity to which the assets are so transferred shall become a Principal Controlled Entity.

“Relevant Indebtedness” means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or are commonly, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market, except (i) any indebtedness in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities initially offered, marketed or issued primarily to Persons resident in the PRC and dominated in Renminbi, and (ii) any Non-recourse Obligations (for the avoidance of doubt, in the case of (i) and (ii), regardless of whether such indebtedness or Non-recourse Obligations are quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market);

Conversion Period

At any time (subject to any applicable fiscal or other laws or regulations and as provided in the Conditions) (a) on or after 41st day after the CB Closing Date up to the close of business (at the place where the Certificate evidencing such 2027 Bond or 2028 Bond, as the case may be, is deposited for conversion) on the date falling 10 days prior to the relevant Maturity Date of the 2027 Bond or 2028 Bond (both days inclusive) (but, except as provided in Condition 6(A)(iii), in no event thereafter), (b) if such 2027 Bond or 2028 Bond, as the case may be, shall have been called for redemption by the Issuer before the relevant Maturity Date of the 2027 Bond or 2028 Bond, then up to and including the close of business (at the place aforesaid) on a date no later than 10 days (in the place aforesaid) prior to the date fixed for redemption thereof (both days inclusive) or (c) if notice requiring redemption has been given by the holder of such 2027 Bond or 2028 Bond pursuant to Condition 8(D) or Condition 8(E) of the relevant Conditions, then up to the close of business (at the place aforesaid) on the business day (in the place aforesaid) prior to the giving of such notice.

Conversion Price

HK\$431.24 per Share, in the case of the 2027 Bonds, and HK\$431.24 per Share, in the case of the 2028 Bonds, in each case, subject to adjustment for, among other things, consolidation, subdivision or reclassification, capitalisation of profits or reserves, capital distributions, rights issues of shares or options at less than 95% of the Current Market Price, rights issues of other securities, issues of shares or options at less than 95% of the Current Market Price, other issues at less than Current Market Price, modification of rights of conversion at less than 95% of the Current Market Price, other offers to Ordinary Shareholders and other events as described in Condition 6(c) of the relevant Conditions.

“**Current Market Price**” means, in respect of an Ordinary Share on a particular date, the average of the Closing Prices for one Ordinary Share (being an Ordinary Share carrying full entitlement to dividend) on each of the 20 consecutive Trading Days ending on and including (i) the Trading Day immediately preceding such date or (ii) if the relevant announcement was made after the close of trading on such day (being a Trading Day), such date of announcement, provided that if at any time during such 20 Trading Day-period the Ordinary Shares of such class shall have been quoted ex-dividend (or ex any other entitlement) and during some other part of that period the Ordinary Shares of such class shall have been quoted cum-dividend (or cum any other entitlement) then:

- (i) if the Ordinary Shares of such class to be issued in such circumstances do not rank for the dividend (or other entitlement) in question, the Closing Price on the dates on which the Ordinary Shares of such class shall have been quoted cum-dividend (or cum any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such dividend or other entitlement per Ordinary Share of such class; or
- (ii) if the Ordinary Shares of such class to be issued in such circumstances rank for the dividend (or other entitlement) in question, the Closing Price on the dates on which the Ordinary Shares of such class shall have been quoted ex-dividend (or ex any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by the Fair Market Value of any such dividend or other entitlement per Ordinary Share of such class,

provided further that if the Ordinary Shares of such class on each of the said 20 Trading Days have been quoted cum-dividend (or cum any other entitlement) in respect of a dividend (or other entitlement) which has been declared or announced but the Ordinary Shares to be issued do not rank for that dividend, the Closing Price on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such dividend or other entitlement per Ordinary Share of such class, and provided further that in respect of a Class A Share on a particular date, the “**Current Market Price**” of such Class A Share shall mean the Current Market Price of a Share on such date as determined in accordance with the foregoing definition.

Redemption at Maturity

Unless previously redeemed, converted or purchased and cancelled as provided in the Conditions, the Issuer will redeem each 2027 Bond at 100.00 per cent. of the principal amount of the 2027 Bonds on the Maturity Date of the 2027 Bonds and will redeem each 2028 Bond at 101.80 per cent. of the principal amount of the 2028 Bonds on the Maturity Date of the 2028 Bonds.

Redemption for Taxation Reasons

The 2027 Bonds and the 2028 Bonds, as the case may be, may be redeemed at the option of the Company in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice (a “**Tax Redemption Notice**”) to the Bondholders and the Trustee and Principal Agent in writing (which notice shall be irrevocable) at the Early Redemption Amount of the 2027 Bonds or the Early Redemption Amount of the 2028 Bonds, as the case may be, if the Company satisfies the Trustee immediately prior to the giving of such notice that (i) the Company has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 9 of the relevant Conditions as a result of any change in, or amendment to, the laws or regulations of Hong Kong, the Cayman Islands or the PRC or in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the official application or official interpretation of such laws or regulations (including holding by a court of competent jurisdiction), which change or amendment becomes effective on or after April 19, 2021, and (ii) such obligation cannot be avoided by the Company taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such Additional Tax Amounts were a payment in respect of the 2027 Bonds or the 2028 Bonds, as the case may be, then due.

If the Company gives a Tax Redemption Notice, each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 9 of the relevant Conditions shall not apply in respect of any payment to be made in respect of such Bond(s) which falls due after the relevant tax redemption date, whereupon no Additional Tax Amounts shall be payable in respect thereof pursuant to Condition 9 of the relevant Conditions and payment of all amounts shall be made subject to the deduction or withholding of any taxation required to be withheld or deducted.

Redemption at the
Option of the Company

On giving not less than 30 nor more than 60 days' notice to the Bondholders and the Trustee and Principal Agent in writing, the Company may at any time prior to the relevant Maturity Date redeem in whole, but not in part, the 2027 Bonds or the 2028 Bonds, as the case may be, at the Early Redemption Amount of the 2027 Bonds or the Early Redemption Amount of the 2028 Bonds, as the case may be, provided that prior to the date of such notice at least 90 per cent. in principal amount of the 2027 Bonds or the 2028 Bonds, as the case may be, originally issued has already been converted, redeemed or purchased and cancelled.

Redemption at the
Option of the
Bondholders

The Company will, at the option of the holder of any 2027 Bond, redeem all or some only of such holder's 2027 Bonds on April 27, 2025 (the "**2027 CB Put Option Date**"), and the Company will, at the option of the holder of any 2028 Bond, redeem all or some only of such holder's 2028 Bonds on April 27, 2026 (the "**2028 CB Put Option Date**"), in each case, at 100.37 per cent. of the principal amount of the 2027 Bond or 101.28 per cent. of the principal amount of the 2028 Bond, as the case may be. To exercise such option, the holder must deposit at the specified office of any Paying Agent a duly completed and signed put notice, together with the certificate evidencing the 2027 Bonds or 2028 Bonds to be redeemed not more than 60 days and not less than 30 days prior to the 2027 CB Put Option Date or the 2028 CB Put Option Date, as the case may be.

Redemption for
Relevant Event

Following the occurrence of a Relevant Event, the holder of each Bond will have the right at such holder's option, to require the Company to redeem all or some only of such holder's 2027 Bonds or 2028 Bonds, as the case may be, at the Early Redemption Amount of the 2027 Bonds or the Early Redemption Amount of the 2028 Bonds, as the case may be.

Clearing Systems	The 2027 Bonds and the 2028 Bonds will each be represented by beneficial interests in a Global Certificate, which will be registered in the name of a nominee of, and deposited on the CB Closing Date with a common depository for, Euroclear and Clearstream. Beneficial interests in the Global Certificates will be shown on, and transfers thereof will be effected only through records maintained by, Euroclear and Clearstream. Except as described herein, certificates for Bonds will not be issued in exchange for beneficial interests in the Global Certificates.
Governing Law	The 2027 Bonds, the 2028 Bonds, the Trust Deeds and the Agency Agreements and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, the laws of England.
Trustee and Registrar	Citicorp International Limited.
Principal Agent, Conversion Agent and Transfer Agent	Citibank, N.A., London Branch.
Listing	Application will be made to the Hong Kong Stock Exchange for (i) the listing of, and permission to deal in, the 2027 Bonds and the 2028 Bonds by way of debt issues to Professional Investors only; and (ii) the listing of, and permission to deal in, the 2027 CB Conversion Shares and the 2028 CB Conversion Shares.

CONVERSION PRICE AND CONVERSION SHARES

The initial 2027 CB Conversion Price (subject to adjustment), being HK\$431.24 per Share, represents (i) approximately 49.1% premium over the closing price of the Shares as quoted on the Stock Exchange on April 19, 2021 (being the last Trading Day on which the CB Subscription Agreement was signed); (ii) approximately 51.2% premium over the five-day average closing price of the Shares over the five consecutive Trading Days up to and including April 19, 2021; and (iii) approximately 43.6% premium over the ten-day average closing price of the Shares over the ten consecutive Trading Days up to and including April 19, 2021.

The initial 2028 CB Conversion Price (subject to adjustment), being HK\$431.24 per Share, represents (i) approximately 49.1% premium over the closing price of the Shares as quoted on the Stock Exchange on April 19, 2021 (being the last Trading Day on which the CB Subscription Agreement was signed); (ii) approximately 51.2% premium over the five-day average closing price of the Shares over the five consecutive Trading Days up to and including April 19, 2021; and (iii) approximately 43.6% premium over the ten-day average closing price of the Shares over the ten consecutive Trading Days up to and including April 19, 2021.

Each of the 2027 CB Conversion Price and the 2028 CB Conversion Price was determined with reference to the prevailing market price of the Shares, the subscription price per Shares of the Subscription and the Terms and Conditions (including the redemption options) and was negotiated on an arm's length basis between the Company and the CB Joint Bookrunners. The Directors consider that the Conversion Price is fair and reasonable on normal commercial terms based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Assuming full conversion of the 2027 Bonds at the initial 2027 CB Conversion Price of HK\$431.24 per Share, the 2027 Bonds will be convertible into 26,734,628 Shares (subject to adjustments), representing approximately 0.5% of the issued share capital and 0.2% voting rights of the Company as at the date of this announcement and approximately 0.5% of the existing issued share capital and 0.2% voting rights of the Company as enlarged by the issue of all 2027 CB Conversion Shares but before the completion of the conversion of the 2028 Bonds, the Subscription, the Placing and the Tencent Subscription. The 2027 CB Conversion Shares will be allotted and issued by the Company pursuant to the General Mandate. The 2027 CB Conversion Shares, upon issue, will rank *pari passu* in all respects with the Shares then in issue on the relevant registration date.

Assuming full conversion of the 2028 Bonds at the initial 2028 CB Conversion Price of HK\$431.24 per Share, the 2028 Bonds will be convertible into 27,030,158 Shares (subject to adjustments), representing approximately 0.5% of the issued share capital and 0.2% voting rights of the Company as at the date of this announcement and approximately 0.5% of the existing issued share capital and 0.2% voting rights of the Company as enlarged by the issue of all 2028 CB Conversion Shares but before the completion of the conversion of the 2027 Bonds, the Subscription, the Placing and the Tencent Subscription. The 2028 CB Conversion Shares will be allotted and issued by the Company pursuant to the General Mandate. The 2028 CB Conversion Shares, upon issue, will rank *pari passu* in all respects with the Shares then in issue on the relevant registration date.

Assuming full conversion of the 2027 Bonds and the 2028 Bonds at the initial 2027 CB Conversion Price of HK\$431.24 per Share and initial 2028 CB Conversion Price of HK\$431.24 per Share, the 2027 Bonds and the 2028 Bonds will together be convertible into 53,764,785 Shares (subject to adjustments), representing approximately 0.9% of the issued share capital and 0.4% voting rights of the Company as at the date of this announcement and approximately 0.9% of the existing issued share capital and 0.4% voting rights of the Company as enlarged by the issue of all 2027 CB Conversion Shares and the 2028 CB Conversion Shares but before the completion of the Subscription, the Placing and the Tencent Subscription.

The 2027 CB Conversion Shares and the 2028 CB Conversion Shares have a nominal value of US\$0.00001 per share and a market value of approximately HK\$15.5 billion, based on the closing price of the Shares of HK\$289.20 on the Last Trading Date. The net price of each 2027 Conversion Share and 2028 Conversion Share, as the case may be, to the Company based on the estimated net proceeds of approximately US\$1,485.7 million, in the case of the 2027 Bonds, and US\$1,485.8 million, in the case of the 2028 Bonds, and 26,734,628 2027 CB Conversion Shares resulting from the conversion of the 2027 Bonds, and 27,030,158 2028 CB Conversion Shares resulting from the conversion of the 2028 Bonds, is estimated to be approximately HK\$431.85 and HK\$427.15, respectively.

Completion of the issue of the 2027 Bonds and the 2028 Bonds is subject to the satisfaction and/or waiver of the conditions precedent as set out in the CB Subscription Agreement. In addition, the CB Subscription Agreement may be terminated in certain circumstances. Please refer to the paragraph headed “THE CB SUBSCRIPTION AGREEMENT” above for further information.

As the issue of the 2027 Bonds and the 2028 may or may not be completed, and the 2027 Bonds and the 2028 Bonds may or may not be issued or listed and/or the 2027 CB Conversion Shares and/or the 2028 CB Conversion Shares may or may not be issued or listed, Shareholders and investors are urged to exercise caution when dealing in the securities of the Company.

EFFECT ON THE SHARE CAPITAL OF THE COMPANY AS A RESULT OF CONVERSION

	As at the date of this announcement		Assuming the 2027 Bonds are fully converted into Class B Shares (subject to adjustment) at the initial 2027 CB Conversion Price of HK\$431.24 per Share		Assuming the 2028 Bonds are fully converted into Class B Shares (subject to adjustment) at the initial 2028 CB Conversion Price of HK\$431.24 per Share		Assuming the 2027 Bonds and the 2028 Bonds are fully converted into Class B Shares (subject to adjustment) at the initial 2027 CB Conversion Price of HK\$431.24 per Share and 2028 CB Conversion Price of HK\$431.24 per Share, respectively	
	<i>Number of shares</i>	<i>Approximate %</i>	<i>Number of shares</i>	<i>Approximate %</i>	<i>Number of shares</i>	<i>Approximate %</i>	<i>Number of shares</i>	<i>Approximate %</i>
Shareholders								
Tencent Holdings and its associates	1,042,754,848	17.7	1,042,754,848	17.6	1,042,754,848	17.6	1,042,754,848	17.5
2027 CB Bondholders	0	0.0	26,734,628	0.5	0	0.0	26,734,628	0.4
2028 CB Bondholders	0	0.0	0	0.0	27,030,158	0.5	27,030,158	0.5
Other Shareholders	4,845,805,760	82.3	4,845,805,760	81.9	4,845,805,760	81.9	4,845,805,760	81.5
Total:	5,888,560,608	100.0	5,915,295,236	100.0	5,915,590,766	100.0	5,942,325,393	100.0

Note:

- The above table assumes (i) no Shares will be issued pursuant to any Incentive Schemes of the Company or otherwise, no Shares will be purchased by the Company, (ii) no Subscription Shares will be issued; (iii) no Placing Shares are placed and (iv) no Tencent Subscription Shares will be issued, in each case between the date of this announcement and the date the 2027 Bonds and the 2028 Bonds, as the case may be, are fully converted into Class B Shares. Certain figures and percentage figures included in the above table have been subject to rounding adjustments.

B. PLACING OF PLACING SHARES AND TOP-UP SUBSCRIPTION OF NEW SHARES

The Board is pleased to announce that on April 19, 2021 (after trading hours), the Company, Tencent and the Placing Joint Bookrunners entered into the Placing and Subscription Agreement, pursuant to which Tencent has agreed to sell and the Placing Joint Bookrunners have agreed to act as the agents of Tencent, each on a several but not joint nor joint and several basis, to procure on a fully underwritten basis places to purchase the Placing Shares at the Placing Price of HK\$273.80 for each Placing Share, and (ii) Tencent conditionally agreed to subscribe for, and the Company conditionally agreed to issue the Subscription Shares at a price which is equivalent to the Placing Price of HK\$273.80 for each Share.

THE PLACING AND SUBSCRIPTION AGREEMENT

Date:

April 19, 2021

Parties:

- (1) the Company;
- (2) Tencent; and
- (3) the Placing Joint Bookrunners.

Number of Shares to be placed

187,000,000 existing Shares beneficially owned by Tencent, representing in aggregate approximately 3.2% of the existing issued share capital of the Company as at the date of this announcement and approximately 3.1% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement to the completion of the Subscription (including that no Bonds which are converted into Conversion Shares and no Shares are issued pursuant to the Tencent Subscription)).

Placing Price

The Placing Price is HK\$273.80 per Share and represents:

- (i) a discount of approximately 5.3% to the closing price of HK\$289.20 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (ii) a discount of approximately 4.0% to the average closing price of approximately HK\$285.24 per Share as quoted on the Stock Exchange for the last five consecutive Trading Days prior to and including the Last Trading Date; and
- (iii) a discount of approximately 8.8% to the average closing price of approximately HK\$300.30 per Share as quoted on the Stock Exchange for the last ten (10) consecutive Trading Days prior to and including the Last Trading Date.

The Placing Price is exclusive of brokerage, trading fees, stamp duty, transaction fees and levies.

The Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis among Tencent, the Company and the Placing Joint Bookrunners. The Directors consider that the Placing Price, and the terms and conditions of the Placing and Subscription Agreement, is fair and reasonable, and is in the interest of the Company and the Shareholders as a whole.

Rights of the Placing Shares

The Placing Shares will be sold free from all pledges, liens, charges and encumbrances, equities, security interests or other claims.

Independence of the Placing Joint Bookrunners and the Placees

The Placing Shares will be placed by the Placing Joint Bookrunners to not less than six independent professional, institutional and/or individual investors. It is not expected that any placee will become a Substantial Shareholder of the Company as a result of the Placing.

To the best of the knowledge, information and belief of the Directors, the Placing Joint Bookrunners and the placees to be procured by the Placing Joint Bookrunners and the ultimate beneficial owners of the placees are or will be, as the case may be, Independent Third Parties.

Lock up

The Company has undertaken to the Placing Joint Bookrunners that it shall not, without the prior written consent of the Placing Joint Bookrunners:

- (i) effect or arrange or procure placement of, allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe for, or enter into any transaction which is designed to, or might reasonably be expected to, result in any of the aforesaid (whether by actual disposition or effective economic disposition due to cash settlement or otherwise), directly or indirectly, any equity securities of the Company or any securities convertible into, or exercisable, or exchangeable for, equity securities of the Company;
- (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares, whether any such transaction described in (i) or (ii) is to be settled by delivery of Shares or such other securities, in cash or otherwise; or
- (iii) publicly announce an intention to effect any such transaction,

for a period beginning on the date of the Placing and Subscription Agreement and ending on the date which is 90 days after the Placing Closing Date (the “**Lock-up Period**”). The above undertaking shall not apply to the issue of the Subscription Shares under the Placing and Subscription Agreement, the issue of the Tencent Subscription Shares under the Tencent Subscription Agreement, the issue of the Bonds in accordance with their terms and conditions and the issue of new Shares pursuant to the conversion of the Bonds, the issue of new Shares as consideration shares for any merger and acquisition transactions (if any) (the “**Consideration Shares**”), and the issue of new Shares pursuant to the Incentive Schemes.

The Company has agreed and undertaken to the Placing Joint Bookrunners that it will obtain a lock-up undertaking from the relevant subscriber(s)/purchaser(s) of any of the Consideration Shares on substantially the same terms as above for a period of no less than the Lock-up Period.

Conditions of the Placing

Completion of the Placing is conditional upon the fulfillment or waiver of, among others, the following conditions:

- (a) before the completion of the Placing, there shall not have occurred:
 - (i) any material adverse change, or any development reasonably likely to involve a material adverse change, in the condition, financial or otherwise, or in the earnings, assets, business, operations or prospects of the Company, or the Company and its subsidiaries taken as a whole;
 - (ii) any suspension or limitation of trading (a) in any of the Company's securities by the Stock Exchange, except for a temporary suspension or trading halt of the Shares directed by the Stock Exchange for not more than one Stock Exchange trading day, provided that such temporary suspension or trading halt relates solely to the Placing and/or the Subscription or (b) generally on the Stock Exchange, the New York Stock Exchange, the Nasdaq National Market, the Shanghai Stock Exchange or the Shenzhen Stock Exchange; or
 - (iii) any outbreak or escalation of epidemic, pandemic or hostilities, act of terrorism, civil commotion, riots or public disorder, or the declaration by Hong Kong, the Cayman Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any other member of the European Economic Area ("EEA") of a national emergency or war or other calamity or crisis; or
 - (iv) any material disruption in commercial banking or securities settlement or clearance services in Hong Kong, the Cayman Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any other member of the EEA and/or a general moratorium on commercial banking activities having been declared by the relevant authorities in Hong Kong, the Cayman Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any other member of the EEA; or
 - (v) any material adverse change or development involving a prospective material adverse change in or affecting the financial markets in Hong Kong, the Cayman Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any other member of the EEA in international financial, political or economic conditions, currency exchange rates, exchange controls or taxation,

that, in the sole judgment of the Placing Joint Bookrunners, would make the placement of the Placing Shares or the enforcement of contracts to purchase the Placing Shares impracticable or inadvisable, or would materially prejudice trading of the Placing Shares in the secondary market;

- (b) the representations and warranties made by any of the Company and Tencent pursuant to the Placing and Subscription Agreement being true and accurate and not misleading as of the date of the Placing and Subscription Agreement and the Placing Closing Date;
- (c) each of the Company and Tencent having complied with all of the agreements and undertakings and satisfied all of the conditions on its part to be complied with or satisfied under the Placing and Subscription Agreement on or before the Placing Closing Date;

- (d) the Placing Joint Bookrunners having received on or before the Placing Closing Date lock-up undertaking from Mr. Wang Xing, such undertaking to be for a period of 90 days after the CB Closing Date and in form and substance reasonably satisfactory to the Placing Joint Bookrunners;
- (e) the Placing Joint Bookrunners having received on the Placing Closing Date an opinion of the legal adviser of the Company as to Cayman Islands law to the satisfaction of the Placing Joint Bookrunners on certain matters set forth in the Placing and Subscription Agreement; and
- (f) the Placing Joint Bookrunners having received on the Placing Closing Date an opinion of the legal adviser of the Placing Joint Bookrunners as to U.S. law to the effect that the offer and sale of the Placing Shares by the Placing Joint Bookrunners as set forth in the Placing and Subscription Agreement are not required to be registered under the U.S. Securities Act.

Completion of the Placing

Subject to the conditions mentioned above, the completion of the Placing shall take place on the Placing Closing Date or such other time and/or date as Tencent and the Placing Joint Bookrunners may agree. The completion of the Placing is not conditional upon completion of the CB Subscription Agreement.

Since completion of the Placing is subject to the satisfaction of certain conditions precedent, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Subscription Shares

187,000,000 new Shares (which shall be equal to the number of Placing Shares) to be issued to Tencent, representing in aggregate approximately 3.2% of the existing issued share capital of the Company as at the date of this announcement and approximately 3.1% of the issued share capital as enlarged by the allotment and issue of the Subscription Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement to the completion of the Subscription (including that no Bonds which are converted into Conversion Shares and no Shares are issued pursuant to the Tencent Subscription)).

Subscription Price

The subscription price per new Share is equivalent to the Placing Price of HK\$273.80 per Share. The aggregate market value of the Subscription Shares is HK\$54.1 billion.

The Directors consider that the terms of the Subscription are fair and reasonable under the current market conditions and are in the best interests of the Company and the Shareholders as a whole.

Ranking of the Subscription Shares

The Subscription Shares, when fully paid, will rank *pari passu* in all respects with the other Shares in issue or to be issued by the Company on or prior to the date of completion of the Subscription including the rights to all dividends and other distributions declared, made or paid on or after the date of allotment of the Subscription Shares, and shall be free and clear of all pledges, liens and encumbrances, equities, security interests or other claims.

Conditions of the Subscription

The Subscription is conditional upon the fulfilment of, among others, the following conditions:

- (a) the Listing Committee granting listing of and permission to deal in the Subscription Shares (and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares); and
- (b) completion of the Placing having occurred pursuant to the terms of the Placing and Subscription Agreement.

Application will be made by the Company to the Listing Committee for the listing of, and the permission to deal in, the Subscription Shares. None of the conditions for the Subscription can be waived by the parties to the Placing and Subscription Agreement.

In the event that the conditions in respect of the Subscription are not fulfilled within 14 days after the date of the Placing and Subscription Agreement (or such later date as may be agreed between the Company, Tencent and the Placing Joint Bookrunners in writing subject to compliance with the applicable laws, rules and regulations (including but not limited to the Listing Rules)), the obligations and liabilities of the Company and Tencent under the Subscription shall be null and void.

Closing of the Subscription

Closing of the Subscription will take place on the second Business Day following the date upon which the last of the above conditions of the Subscription is fulfilled, provided it shall take place on a day no earlier than five business days after the date of the Placing and Subscription Agreement but no later than a day falling 14 days after the date of the Placing and Subscription Agreement, or such other day as agreed by Tencent, the Company and the Placing Joint Bookrunners in writing and in compliance with the Listing Rules.

Closing of the Placing and Subscription is not inter-conditional upon closing of the Tencent Subscription.

Effect of the Placing and the Subscription on shareholding structure of the Company

	As at the date of this announcement		Immediately after the completion of the Placing, but before the completion of the Subscription		Immediately after the completion of the Placing and the Subscription	
	<i>Number of shares</i>	<i>Approximate %</i>	<i>Number of shares</i>	<i>Approximate %</i>	<i>Number of shares</i>	<i>Approximate %</i>
Shareholder						
Tencent Holdings and its associates	1,042,754,848	17.7	855,754,848	14.5	1,042,754,848	17.2
Placees	0	0.0	187,000,000	3.2	187,000,000	3.1
Other Shareholders	<u>4,845,805,760</u>	<u>82.3</u>	<u>4,845,805,760</u>	<u>82.3</u>	<u>4,845,805,760</u>	<u>79.8</u>
Total:	<u><u>5,888,560,608</u></u>	<u><u>100.0</u></u>	<u><u>5,888,560,608</u></u>	<u><u>100.0</u></u>	<u><u>6,075,560,608</u></u>	<u><u>100.0</u></u>

Notes:

1. The above table assumes (i) no Shares will be issued pursuant to any Incentive Schemes of the Company or otherwise, no Shares will be purchased by the Company, (ii) no 2027 CB Conversion Shares or 2028 CB Conversion Shares will be issued under the Bonds and (iii) no Tencent Subscription Shares will be issued in each case between the date of this announcement and the completion of the Subscription, save for the issue of the Subscription Shares and/or the Placing Shares being placed in full. Certain figures and percentage figures included in the above table have been subject to rounding adjustments.

C. CONNECTED TRANSACTION INVOLVING THE TENCENT SUBSCRIPTION

The Board is pleased to announce that on April 19, 2021 (after trading hours), the Company and Tencent entered into the Tencent Subscription Agreement, pursuant to which Tencent has agreed to subscribe for and the Company has agreed to allot and issue Tencent Subscription Shares at the Tencent Subscription Price of HK\$273.80 for each Tencent Subscription Share, as arranged by the Placing Joint Bookrunners.

THE TENCENT SUBSCRIPTION AGREEMENT

Date:

April 19, 2021

Parties:

- (1) the Company; and
- (2) Tencent.

Tencent Subscription Shares

11,352,600 new Shares to be issued to Tencent, representing in aggregate approximately 0.2% of the existing issued share capital of the Company as at the date of this announcement and approximately 0.2% of the issued share capital as enlarged by the allotment and issue of the Subscription Shares and the Tencent Subscription Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement to the completion of the Subscription and the Tencent Subscription (including that no Bonds which are converted into Conversion Shares) save for the issue of the Subscription Shares, the Tencent Subscription Shares and the Placing Shares being placed in full).

Subscription Price

The subscription price per new Share is equivalent to the Placing Price of HK\$273.80 per Share. The aggregate market value of the Tencent Subscription Shares is approximately HK\$3.3 billion.

The Directors (including the independent non-executive Directors) consider that the terms of the Tencent Subscription are fair and reasonable under the current market conditions and are in the best interests of the Company and the Shareholders as a whole.

Ranking of the Tencent Subscription Shares

The Tencent Subscription Shares, when fully paid, will rank *pari passu* in all respects with the other Shares in issue or to be issued by the Company on or prior to the date of completion of the Tencent Subscription including the rights to all dividends and other distributions declared, made or paid on or after the date of allotment of the Tencent Subscription Shares.

Conditions of the Tencent Subscription

The Tencent Subscription is conditional upon the fulfilment of, among others, the following conditions:

- (a) there not having occurred at any time before completion, (i) any material adverse change, or any development reasonably likely to have a material adverse effect, in the condition, financial or otherwise, or in the earnings, assets, business, operations or prospects of the Company and its subsidiaries taken as a whole; or (ii) the occurrence of any event or the existence of any circumstance which renders any of the warranties given by the Company pursuant to the Tencent Subscription Agreement untrue, inaccurate or misleading;
- (b) the listing of the Shares not having been revoked and the Shares continuing to be listed on the Stock Exchange before completion of the Tencent Subscription (save for any temporary suspension in trading pending the release of an announcement in connection with the Tencent Subscription Agreement);
- (c) if required by the Listing Rules or other applicable laws, the approval of the Tencent Subscription Agreement and the transactions contemplated thereunder at a general meeting of the Shareholders in accordance with the requirements of the Listing Rules;
- (d) the listing of and permission to deal in the Tencent Subscription Shares having been granted by the Stock Exchange (and such listing and permission not subsequently revoked prior to completion of the Tencent Subscription); and
- (e) all the authorisations, approvals, consents, waivers and permits of the relevant authorities of and filings with the relevant jurisdictions (including without limitation the Stock Exchange) which are necessary for the entering into of the Tencent Subscription Agreement and/or the performance of the obligations herein or otherwise to give effect to the Tencent Subscription as required by applicable laws having been granted, received, obtained and completed.

Application will be made by the Company to the Listing Committee for the listing of, and the permission to deal in, the Tencent Subscription Shares. Tencent may in its absolute discretion at any time before completion waive any of the above conditions other than conditions (c) and (d).

In the event that the conditions in respect of the Tencent Subscription are not fulfilled or waived before September 30, 2021 (or such later date as may be agreed between the Company and Tencent), the Tencent Subscription Agreement shall be terminated.

Closing of the Tencent Subscription

Closing of the Tencent Subscription will take place on the third Business Day following the date upon which the last of the above conditions is fulfilled or waived.

Effect of the Tencent Subscription on shareholding structure of the Company

	As at the date of this announcement		Immediately after the completion of the Placing and the Subscription, but before the completion of the Tencent Subscription		Immediately after the completion of the Tencent Subscription	
	<i>Number of shares</i>	<i>Approximate %</i>	<i>Number of shares</i>	<i>Approximate %</i>	<i>Number of shares</i>	<i>Approximate %</i>
Shareholder						
Tencent Holdings and its associates	1,042,754,848	17.7	1,042,754,848	17.2	1,054,107,448	17.3
Placees	0	0.0	187,000,000	3.1	187,000,000	3.1
Other Shareholders	4,845,805,760	82.3	4,845,805,760	79.8	4,845,805,760	79.6
Total:	<u>5,888,560,608</u>	<u>100.0</u>	<u>6,075,560,608</u>	<u>100.0</u>	<u>6,086,913,208</u>	<u>100.0</u>

Notes:

- The above table assumes (i) no Shares will be issued pursuant to any Incentive Schemes of the Company or otherwise, no Shares will be purchased by the Company and (ii) no 2027 CB Conversion Shares or 2028 CB Conversion Shares will be issued under the Bonds, in each case between the date of this announcement and the completion of the Tencent Subscription, save for the issue of the Subscription Shares and the Placing Shares being placed in full and the Tencent Subscription Shares being subscribed in full. Certain figures and percentage figures included in the above table have been subject to rounding adjustments.

EFFECT ON THE SHARE CAPITAL OF THE COMPANY AS A RESULT OF (I) THE CONVERSION, (II) THE PLACING AND THE SUBSCRIPTION AND (III) THE TENCENT SUBSCRIPTION

	As at the date of this announcement		Immediately after the completion of the Placing, but before the completion of the Subscription and the Tencent Subscription and the conversion of 2027 Bonds and the 2028 Bonds		Immediately after the completion of the Placing and the Subscription but before the completion of the Tencent Subscription and the conversion of the 2027 Bonds and the 2028 Bonds		Immediately after the completion of the Placing and the Subscription and the Tencent Subscription but before the conversion of the 2027 Bonds and the 2028 Bonds		Assuming the 2027 Bonds and the 2028 Bonds are fully converted into Class B Shares (subject to adjustment) at the initial 2027 CB Conversion Price of HK\$431.24 per Share and 2028 CB Conversion Price of HK\$431.24 per Share, respectively ⁽¹⁾	
	Number of shares	Approximate %	Number of shares	Approximate %	Number of shares	Approximate %	Number of shares	Approximate %	Number of shares	Approximate %
Shareholder										
Tencent Holdings and its associates	1,042,754,848	17.7	855,754,848	14.5	1,042,754,848	17.2	1,054,107,448	17.3	1,054,107,448	17.2
Placees	0	0.0	187,000,000	3.2	187,000,000	3.1	187,000,000	3.1	187,000,000	3.0
2027 Bondholders	0	0.0	0	0.0	0	0.0	0	0.0	26,734,628	0.4
2028 Bondholders	0	0.0	0	0.0	0	0.0	0	0.0	27,030,158	0.4
Other Shareholders	4,845,805,760	82.3	4,845,805,760	82.3	4,845,805,760	79.8	4,845,805,760	79.6	4,845,805,760	78.9
Total:	5,888,560,608	100.0	5,888,560,608	100.0	6,075,560,608	100.0	6,086,913,208	100.0	6,140,677,993	100.0

Notes:

- This assumes no Shares will be issued pursuant to any Incentive Schemes of the Company or otherwise, and no Shares will be purchased by the Company between the date of this announcement and the completion of the Tencent Subscription, the Placing, the Subscription or the conversion of the 2027 Bonds or 2028 Bonds, whichever is later, save for the issue of the Subscription Shares, the Placing Shares being placed in full, the Tencent Subscription Shares being subscribed in full and the issue of the 2027 CB Conversion Shares and the 2028 CB Conversion Shares. Certain figures and percentage figures included in the above table have been subject to rounding adjustments.

USE OF PROCEEDS OF THE 2027 BONDS, THE 2028 BONDS, THE SUBSCRIPTION AND THE TENCENT SUBSCRIPTION

The estimated net proceeds of the issue of the 2027 Bonds, after deduction of estimated commissions and expenses payable in connection with issue of the 2027 Bonds, will amount to approximately US\$1,485.7 million.

The estimated net proceeds of the issue of the 2028 Bonds, after deduction of estimated commissions and expenses payable in connection with issue of the 2028 Bonds, will amount to approximately US\$1,485.8 million.

The estimated net proceeds from the Subscription (after deducting all fees, costs and expenses properly incurred by Tencent and the Company (including the Placing Joint Bookrunners' commission, the stamp duty, the Stock Exchange trading fee and the SFC transaction levy) to be borne by the Company, and other expenses incurred by the Company, in connection with the Placing and the Subscription) are expected to be approximately US\$6.6 billion. The estimated net Subscription Price, after deducting such fees, costs and expenses, is therefore approximately HK\$272.92 per Subscription Share.

The estimated net proceeds from the Tencent Subscription (after deducting all fees, costs and expenses properly incurred by Tencent and the Company to be borne by the Company, and other expenses incurred by the Company, in connection with the Tencent Subscription) are expected to be approximately US\$400.0 million. The estimated net Tencent Subscription Price, after deducting such fees, costs and expenses, is therefore approximately HK\$273.78 per Tencent Subscription Share.

The Company intends to use the estimated net proceeds of the 2027 Bonds, the 2028 Bonds, the Subscription and the Tencent Subscription for technology innovations, including the research and development of autonomous delivery vehicles, drones delivery, and other cutting-edge technology, and general corporate purposes.

REASONS FOR THE ISSUE OF THE 2027 BONDS, THE 2028 BONDS, THE PLACING, THE SUBSCRIPTION, AND THE TENCENT SUBSCRIPTION

The Directors consider that the issue of the 2027 Bonds, the 2028 Bonds represents an opportunity to potentially enlarge and diversify the shareholder base of the Company, to improve the liquidity position of the Company, to reduce the financing costs of the Company and to raise further working capital for the Company. The Board currently intends to use the funds as mentioned above and considers it will facilitate the overall development and expansion of the Company. The Directors also consider the terms of the CB Subscription Agreement to be fair and reasonable in the interests of the Company and the Shareholders as a whole and that the CB Subscription Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the CB Joint Bookrunners.

The Placing and the Subscription are being undertaken to further enlarge the Shareholders' equity base of the Company, optimize the capital structure of the Company and support a healthy and sustainable development of the Company. The Directors also consider the terms of the Placing and Subscription Agreement to be fair and reasonable in the interests of the Company and the Shareholders as a whole and that the Placing and Subscription Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company, Tencent and the Placing Joint Bookrunners.

The Tencent Subscription is being undertaken to further enlarge the Shareholders' equity base of the Company, optimize the capital structure of the Company and support a healthy and sustainable development of the Company. The Tencent Subscription also demonstrates the confidence of Tencent in the Company's long term business development and represents the Company's and Tencent's mutual objective to further develop a strategic relationship. The Directors (including the independent non-executive Directors) also consider the terms of the Tencent Subscription Agreement to be fair and reasonable in the interests of the Company and the Shareholders as a whole and that the Tencent Subscription Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and Tencent.

GENERAL MANDATE FOR THE ISSUE OF THE 2027 CB CONVERSION SHARES, THE 2028 CB CONVERSION SHARES AND THE SUBSCRIPTION SHARES

Based on the initial 2027 CB Conversion Price of HK\$431.24 per Share and assuming full conversion of the 2027 Bonds at the initial 2027 CB Conversion Price, the 2027 Bonds will be convertible into a maximum of 26,734,628 2027 CB Conversion Shares.

Based on the initial 2028 CB Conversion Price of HK\$431.24 per Share and assuming full conversion of the 2028 Bonds at the initial 2028 CB Conversion Price, the 2028 Bonds will be convertible into a maximum of 27,030,158 2028 CB Conversion Shares.

By a resolution of the Shareholders passed at the annual general meeting of the Company on May 20, 2020, the Company granted a General Mandate to the Directors, exercisable on their behalf by Mr. Wang Xing, to exercise the power of the Company to allot, issue and deal with unissued Shares not exceeding 20% of the total number of issued shares of the Company as at the date of the granting of the mandate, such additional Shares amounting to not more than 1,165,454,677 Shares.

As at the date of this announcement, no Shares have been issued under General Mandate. The 2027 Conversion Shares, the 2028 Conversion Shares and the Subscription Shares will be allotted and issued under the General Mandate, and therefore no Shareholders' approval is required for the issue of the 2027 Bonds, the 2028 Bonds, the Conversion Shares and the Subscription Shares.

EQUITY FUND RAISING BY THE COMPANY DURING THE PAST 12 MONTHS

The Company had not conducted any fund raising exercise by issuing equity securities during the 12 months immediately before the date of this announcement.

To the best of the Directors' knowledge, information and belief, having made all reasonable inquiries, the conversion of the Bonds will not result in the Company's non-compliance with the public float requirement under Rule 8.08 of the Listing Rules and will not trigger a mandatory general offer obligation under Rule 26.1 of the Code on Takeovers and Mergers on the part of the Bondholders.

GENERAL

Information of the parties

The Company is China's leading e-commerce platform for services including food delivery services, consumer products and retail services.

Tencent is a subsidiary of Tencent Holdings, which is a leading provider of Internet value-added services in China, including communications and social, games, digital content, advertising, fintech and cloud services and its shares are listed on the Main Board of the Stock Exchange.

Independent Shareholders' approval

The Tencent Subscription is subject to Independent Shareholders' approval. The Subscription Shares will be allotted and issued under a specific mandate to be proposed for approval by the Independent Shareholders by way of an ordinary resolution at the AGM.

Implications under the Listing Rules

As at the date of this announcement, Tencent is a substantial shareholder of the Company and hence a connected person of the Company under the Listing Rules. Accordingly, the Tencent Subscription constitutes a connected transaction of the Company and is subject to the announcement, circular, Independent Shareholders' approval and reporting requirements under Chapter 14A of the Listing Rules. Mr. Lau Chi Ping Martin has or is deemed to have a material interest in the Tencent Subscription Agreement or the respective transaction contemplated thereunder and has abstained from voting on the resolutions of the Board approving the same.

AGM

The AGM will be convened for the Independent Shareholders to consider, and if thought fit, approve the Tencent Subscription Agreement, the respective transaction contemplated thereunder and the requisite specific mandate.

In accordance with the Listing Rules, Tencent and its associates will be required to abstain from voting on the resolution(s) to approve the Tencent Subscription Agreement, the connected transaction contemplated thereunder and the requisite specific mandate at the AGM. Save as disclosed above, to the best of the knowledge, information and belief of the Directors, no other Shareholder has a material interest in the connected transaction contemplated under the Subscription Agreement and will be required to abstain from voting on the resolution(s) to approve the Tencent Subscription Agreement, the connected transaction contemplated thereunder and the requisite specific mandate at the AGM.

The Independent Board Committee comprising all independent non-executive Directors has been established to advise the Independent Shareholders on the Tencent Subscription Agreement and the connected transaction contemplated thereunder, and an independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

The Circular containing, among other things, (i) further details of the Tencent Subscription Agreement and the respective transaction contemplated thereunder; (ii) a letter from the Independent Board Committee containing its advice to the Independent Shareholders in respect of the Tencent Subscription Agreement and the connected transaction contemplated thereunder; (iii) a letter from the independent financial adviser containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Tencent Subscription Agreement and the connected transaction contemplated thereunder; and (iv) a notice convening the AGM and the relevant proxy form will be despatched to the Shareholders accordingly.

Mr. Wang Xing, Mr. Mu Rongjun and Mr. Wang Huiwen are the holders of the Class A Shares, entitling each to weighted voting rights of ten votes per Class A Share. The Company has obtained an irrevocable undertaking from each of Mr. Wang Xing, Mr. Mu Rongjun and Mr. Wang Huiwen to vote in favour of the ordinary resolution at the AGM to approve the Tencent Subscription and the issue and allotment of the Tencent Subscription Shares under a specific mandate. Collectively, Mr. Wang Xing, Mr. Mu Rongjun and Mr. Wang Huiwen are entitled to exercise more than 50% of the voting rights, which would be sufficient to ensure the ordinary resolution at the AGM is passed.

The completion of the Subscription and the Tencent Subscription is subject to the satisfaction of the conditions precedent set out in the Placing and Subscription Agreement and the Tencent Subscription Agreement. As the completion of the Subscription and the Tencent Subscription may or may not take place, shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“2027 Bonds”	the US\$1,483,600,000 Zero Coupon Convertible Bonds due 2027 to be issued by the Company
“2027 CB Conversion Price”	the price per Share at which the Shares will be issued upon conversion of the 2027 Bonds and the initial conversion price being HK\$431.24 per Class B Share (subject to adjustments)
“2027 CB Conversion Shares”	Shares to be allotted and issued by the Company on conversion of the 2027 Bonds
“2028 Bonds”	the US\$1,500,000,000 Zero Coupon Convertible Bonds due 2028 to be issued by the Company
“2028 CB Conversion Price”	the price per Share at which the Shares will be issued upon conversion of the 2028 Bonds and the initial conversion price being HK\$431.24 per Class B Share (subject to adjustments)
“2028 CB Conversion Shares”	Shares to be allotted and issued by the Company on conversion of the 2028 Bonds, and together with the 2027 CB Conversion Shares, the “ Conversion Shares ”

“Alternative Stock Exchange”	in the case of the Shares, if they are not at that time listed and traded on the Stock Exchange, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in
“AGM”	the annual general meeting of the Company to be held on or before June 30, 2021
“Agency Agreement”	each paying, conversion and transfer agency agreement to be entered into between the Company, the Trustee, Citibank, N.A., London Branch as principal paying agent, principal conversion agent and principal transfer agent (collectively in such capacities, the “ Principal Agent ”), Citicorp International Limited as registrar (the “ Registrar ”) and the other paying agents, conversion agents and transfer agents appointed under it (each a “ Paying Agent ”, a “ Conversion Agent ” or, as applicable, a “ Transfer Agent ” and together with the Registrar and the Principal Agent, the “ Agents ”) relating to the 2027 Bonds and the 2028 Bonds, as the case may be
“Board”	the board of Directors
“Bondholder(s)”	holder(s) of the 2027 Bonds and the 2028 Bonds, as the case may be, from time to time
“Bonds”	the 2027 Bonds and the 2028 Bonds
“Business Day”	any day (excluding a Saturday) on which banks are generally open for business in Hong Kong
“CB Subscription Agreement”	the subscription agreement entered into between the Company and the CB Joint Bookrunners dated April 19, 2021 in connection with the issue and subscription of the 2027 Bonds and the 2028 Bonds
“CB Closing Date”	the date (expected to be on April 27, 2021 or such later date, not being later than May 11, 2021 as the Company and the CB Joint Bookrunners may agree) on which the 2027 Bonds and the 2028 Bonds are issued
“CB Joint Bookrunners”	Goldman Sachs (Asia) L.L.C. and Merrill Lynch (Asia Pacific) Limited
“Change of Control”	occurs when: <ul style="list-style-type: none"> (i) any Person or Persons acting together, except where such Person(s) is Controlled by the Permitted Holders, acquires Control of the Company; (ii) the Company consolidates with or merges into or sells or transfers all or substantially all of the assets of the Company to any other Person or Persons acting together, except where such Person(s) is Controlled by the Permitted Holders; or

	(iii) the Permitted Holders together cease to hold (directly or indirectly) at least 30.0 per cent. of the voting rights of the issued share capital of the Company.
“Class A Shares”	Class A ordinary shares in the share capital of the Company with a par value of US\$0.00001 each, conferring weighted voting rights in the Company such that a holder of a Class A Share is entitled to ten votes per share on any resolution tabled at the Company’s general meetings, save for resolutions with respect to any Reserved Matters, in which case they shall be entitled to one vote per share
“Class B Shares”	Class B ordinary shares in the share capital of the Company with a par value of US\$0.00001 each, conferring a holder of a Class B Share one vote per share on any resolution tabled at the Company’s general meetings
“Company”	Meituan, a company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability, whose shares are listed on the Stock Exchange (Stock code: 3690)
“Control”	the acquisition or control of more than 50 per cent. of the voting rights of the issued share capital of the Company or the right to appoint and/or remove all or the majority of the members of the Company’s board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Conversion Right”	the right of the holder of a 2027 Bond or 2028 Bond, as the case may be, to convert such 2027 Bond or 2028 Bond into Share(s) credited as fully paid at any time during the Conversion Period
“Directors”	the directors of the Company
“Circular”	a circular to be issued and published by the Company together with the notice of the AGM in connection with the Tencent Subscription

“General Mandate”	the general mandate granted to the Directors by a resolution of Shareholders passed at the annual general meeting of the Company on May 20, 2020 to allot, issue and deal with unissued Shares not exceeding 20% of the total number of shares of the Company in issue as at the date of the granting of the mandate
“Group”	the Company, its subsidiaries and its consolidated affiliated entities
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which, as far as the Directors are aware after having made all reasonable enquiries, is/are not a connected person(s) of the Company within the meaning of the Listing Rules
“Incentive Schemes”	the pre-IPO employee stock incentive scheme adopted by the Company on October 6, 2015, the post-IPO share option scheme adopted by the Company on August 30, 2018 and the post-IPO share award scheme adopted by the Company on August 30, 2018
“Independent Shareholders”	the Shareholders other than Tencent and its associates
“Independent Board Committee”	the independent Board committee comprising all independent non-executive Directors, to advise the Independent Shareholders on the Tencent Subscription
“Last Trading Date”	April 19, 2021, being the last trading day prior to the signing of the Placing and Subscription Agreement, which took place after trading hours
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended and supplemented from time to time
“Maturity Date”	in relation to the 2027 Bonds, April 27, 2027, and in relation to the 2028 Bonds, April 27, 2028
“Offering Circular”	the offering circular prepared by the Company for use in connection with the issue of the 2027 Bonds, and 2028 Bonds and the listing of the 2027 Bonds and the 2028 Bonds on the Stock Exchange and dated April 19, 2021

“Ordinary Shares”	the Class A Shares, the Shares and any fully-paid and non-assessable shares of any class or classes of the ordinary shares of the Company authorised after the CB Closing Date which have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Company
“Permitted Holders”	the aggregate shareholding of Mr. Wang Xing, and: <ul style="list-style-type: none"> (i) any heir, estate, lineal descendent (or spouse thereof), spouse or parent of any of Mr. Wang Xing; and (ii) any trust, corporation, partnership or other entity, of which the direct or indirect beneficiaries, equity holders, partners or owners are any of Mr. Wang Xing and/or such other Persons referred to in paragraph (i) above of this definition
“Persons”	any individual, corporation, firm, limited liability company, partnership, joint venture, undertaking, association, joint stock company, trust, unincorporated organisation, trust, state, government or any agency or political subdivision thereof or any other entity (in each case whether or not being a separate legal entity)
“Placing”	the placement of 187,000,000 Placing Shares to independent investors at the Placing Price in accordance with the Placing and Subscription Agreement
“Placing Joint Bookrunners”	Goldman Sachs (Asia) L.L.C., Merrill Lynch (Asia Pacific) Limited, UBS AG Hong Kong Branch and CLSA Limited
“Placing and Subscription Agreement”	the placing and subscription agreement entered into between the Company, Tencent and the Placing Joint Bookrunners dated April 19, 2021 in respect of the Placing and the Subscription
“Placing Closing Date”	the third Business Day after the date of the Placing and Subscription Agreement or at such other time and/or date as Tencent and the Placing Joint Bookrunners agree in writing
“Placing Price”	HK\$273.80
“Placing Shares”	the Shares held by Tencent to be sold pursuant to the Placing and Subscription Agreement
“PRC”	The People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purpose of this announcement

“Relevant Event”

occurs when:

- (i) when the Shares cease to be listed or admitted to trading or are suspended from trading for a period equal to or exceeding 30 consecutive Trading Days on the Stock Exchange or the Alternative Stock Exchange; or
- (ii) when there is a Change of Control; or
- (iii) when (a) there is any change in or amendment to the laws, regulations and rules of the PRC or the official interpretation or official application thereof (a “**Change in Law**”) that results in (x) the Company and its Controlled Entities (collectively, the “**Group**”) (as in existence immediately subsequent to such Change in Law), as a whole, being legally prohibited from operating substantially all of the business operations conducted by the Group (as in existence immediately prior to such Change in Law) as of the last date of the period described in the Company’s consolidated financial statements for the most recent fiscal quarter and (y) the Company being unable to continue to derive substantially all of the economic benefits from the business operations conducted by the Group (as in existence immediately prior to such Change in Law) in the same manner as reflected in the Company’s consolidated financial statements for the most recent fiscal quarter and (b) the Company has not furnished to the Trustee, prior to the date that is 12 months after the date of the Change in Law, an opinion from an independent financial adviser or external legal counsel stating either (1) that the Company is able to continue to derive substantially all of the economic benefits from the business operations conducted by the Group (as in existence immediately prior to such Change in Law), taken as a whole, as reflected in the Company’s consolidated financial statements for the most recent fiscal quarter (including after giving effect to any corporate restructuring or reorganisation plan of the Company) or (2) that such Change in Law would not materially adversely affect the Company’s ability to make principal and premium (if any) and interest payments (if any) on the Bonds when due or to convert the Bonds in accordance with the Conditions.

“Reserved Matters”	those matters resolutions with respect to which each Share is entitled to one vote at general meetings of the Company pursuant to its articles of association, being (i) any amendment to its constitutional documents, including the variation of the rights attached to any class of shares, (ii) the appointment, election or removal of any independent non-executive Director, (iii) the appointment or removal of the Company’s auditors, and (iv) the voluntary liquidation or winding-up of the Company
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	the shareholders of the Company
“Shares”	Class B Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares by Tencent pursuant to the Placing and Subscription Agreement
“Subscription Shares”	an aggregate of 187,000,000 new Shares to be issued by the Company and subscribed by Tencent under the Placing and Subscription Agreement
“Substantial Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Tencent”	Tencent Mobility Limited
“Tencent Holdings”	Tencent Holdings Limited (HKEx Stock Code: 700)
“Tencent Subscription”	the subscription of the Tencent Subscription Shares by Tencent pursuant to the Tencent Subscription Agreement
“Tencent Subscription Agreement”	the subscription agreement entered into between the Company, and Tencent dated April 19, 2021 in respect of the Tencent Subscription
“Tencent Subscription Price”	HK\$273.80
“Tencent Subscription Shares”	an aggregate of 11,352,600 new Shares to be issued by the Company and subscribed by Tencent under the Tencent Subscription Agreement
“Terms and Conditions” or the “Conditions”	terms and conditions of the 2027 Bonds or the 2028 Bonds, as the case may be

“Trading Day”	a day when the Stock Exchange or, as the case may be, an Alternative Stock Exchange is open for dealing business, provided that if no closing price is reported for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days
“Trustee”	Citicorp International Limited
“Trust Deed”	each trust deed to be entered into by the Company and the Trustee in relation to the 2027 Bonds and the 2028 Bonds, as the case may be
“U.S. Securities Act”	The United States Securities Act of 1933 (as amended)
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“US\$”	U.S. dollar(s), the lawful currency of the United States

By order of the Board
Meituan
Wang Xing
Chairman

Hong Kong, April 20, 2021

As at the date of this announcement, the board of directors of the Company comprises Mr. Wang Xing as chairman and executive Director, Mr. Mu Rongjun and Mr. Wang Huiwen as executive Directors, Mr. Lau Chi Ping Martin and Mr. Neil Nanpeng Shen as non-executive Directors, and Mr. Orr Gordon Robert Halyburton, Mr. Leng Xuesong and Mr. Shum Heung Yeung Harry as independent non-executive Directors.