

**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

**FORM F-1**  
**REGISTRATION STATEMENT**  
*UNDER*  
**THE SECURITIES ACT OF 1933**

**Aurora Mobile Limited**

(Exact name of Registrant as specified in its charter)

Not Applicable  
(Translation of Registrant's name into English)

Cayman Islands  
(State or other jurisdiction of  
incorporation or organization)

7370  
(Primary Standard Industrial  
Classification Code Number)

Not Applicable  
(I.R.S. Employer  
Identification Number)

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**Approximate date of commencement of proposed sale to the public: as soon as practicable after the effective date of this registration statement.**

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933.

Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 7(a)(2)(B) of the Securities Act.

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

**CALCULATION OF REGISTRATION FEE**

Title of each class of securities to be registered	Proposed maximum aggregate offering price <sup>(2)(3)</sup>	Amount of registration fee
Common Shares, par value US\$0.0001 per share <sup>(1)</sup>	US\$	US\$
<p>(1) American depositary shares issuable upon deposit of common shares registered hereby will be registered under a separate registration statement on Form F-6 (Registration No. 333- ). Each American depositary share represents common shares.</p> <p>(2) Includes common shares that are issuable upon the exercise of the underwriters' over-allotment option. Also includes common shares initially offered and sold outside the United States that may be resold from time to time in the United States either as part of their distribution or within 40 days after the later of the effective date of this registration statement and the date the shares are first bona fide offered to the public. These common shares are not being registered for the purpose of sales outside the United States.</p> <p>(3) Estimated solely for the purpose of determining the amount of registration fee in accordance with Rule 457(o) under the Securities Act of 1933.</p>		

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

The information in this preliminary prospectus is not complete and may be changed. We [and the selling shareholders] may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

PROSPECTUS (Subject to Completion) Issued , 2018.

## American Depositary Shares



# Aurora Mobile Limited

## Representing Common Shares

Aurora Mobile Limited is offering American depositary shares, or ADSs, [and the selling shareholders identified in this prospectus are offering ADSs]. [We will not receive any proceeds from the sale of ADSs by the selling shareholders.] This is our initial public offering and no public market currently exists for our ADSs or common shares. Each ADS represents of our common shares, par value US\$0.0001 per share. It is currently estimated that the initial public offering price per ADS will be between US\$ and US\$ .

We intend to apply for the listing of our ADSs on [the New York Stock Exchange/NASDAQ Stock Market] under the symbol “JG.”

We are an “emerging growth company” under applicable U.S. federal securities laws and are eligible for reduced public company reporting requirements.

Investing in our ADSs involves risks. See “[Risk Factors](#)” beginning on page 17.

PRICE US\$ PER ADS

	Price to Public	Underwriting Discounts and Commissions(1)	Proceeds to us	[Proceeds to Selling Shareholders]
Per ADS	US\$	US\$	US\$	US\$
Total	US\$	US\$	US\$	US\$ ]

(1) See “Underwriting” for additional disclosure regarding underwriting compensation payable by us.

We [and the selling shareholders] have granted the underwriters the right to purchase up to an additional ADSs to cover over-allotments at the initial public offering price, less underwriting discounts and commissions.

Neither the United States Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the ADSs to purchasers on , 2018.

Goldman Sachs (Asia) L.L.C.

Credit Suisse

Deutsche Bank Securities

, 2018.



To improve productivity for businesses and society through harnessing the power of mobile big data to derive actionable insights and knowledge

**13 billion**

cumulative SDK installations

As of March 31, 2018

**No.1**

market share in push notification

According to Frost & Sullivan in 2017

**305%**

FY16-17 revenue growth

**318 thousand**

mobile app developers

As of March 31, 2018

**784 thousand**

mobile apps served

As of March 31, 2018

**925 million**

monthly active unique mobile devices

In March 2018

**90%**

mobile device coverage in China

In December 2017

**2,263**

customers

In 2017



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You should rely only on the information contained in this prospectus or in any related free writing prospectus. We have not authorized anyone to provide you with information different from that contained in this prospectus or in any related free writing prospectus. We are offering to sell, and seeking offers to buy the ADSs, only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of the ADSs.

We have not taken any action to permit a public offering of the ADSs outside the United States or to permit the possession or distribution of this prospectus outside the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about and observe any restrictions relating to the offering of the ADSs and the distribution of the prospectus outside the United States.

Until \_\_\_\_\_, 2018 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade ADSs, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

## PROSPECTUS SUMMARY

*The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial statements appearing elsewhere in this prospectus. In addition to this summary, we urge you to read the entire prospectus carefully, especially the risks of investing in our ADSs discussed under “Risk Factors,” before deciding whether to invest in our ADSs. This prospectus contains information from an industry report, dated April 19, 2018, commissioned by us and prepared by Frost & Sullivan, an independent research firm, to provide information regarding our industry and our market position in China.*

### **Our Mission**

Our mission is to improve productivity for businesses and society through harnessing the power of mobile big data to derive actionable insights and knowledge.

### **Overview**

We are a leading mobile big data solutions platform in China. Through our developer services, we reached approximately 864 million monthly active unique mobile devices, accounting for approximately 90% of mobile device coverage in China, in December 2017. This number further increased to 925 million in March 2018. From these mobile devices, we gain access to, aggregate, cleanse, structure and encrypt vast amounts of real-time and anonymous device-level mobile behavioral data. We utilize artificial intelligence (AI) and machine learning to derive actionable insights and knowledge from this data, enabling our customers to make better business decisions. We are proud to have received the “2017 Best Technology Company Award” from CCTV-Securities News Channel and have been recognized as the “2016 Most Influential Big Data Service Provider” from 36Kr, a well-known technology news platform in China, for our data solutions.

We provide a comprehensive suite of services to mobile app developers in China. Our developer services easily integrate with all types of mobile apps and provide core in-app functionalities needed by developers, including push notification, instant messaging, analytics, sharing and short message service (SMS). Our services had been used by approximately 318,000 mobile app developers in a great variety of industries, such as media, entertainment, gaming, financial services, tourism, ecommerce, education and healthcare, as of March 31, 2018. We are the partner of choice for many major internet companies such as SINA and Kuaishou, as well as leading consumer brands such as Starbucks, Yum China and ICBC. Our leading developer service, push notifications, or JPush, had approximately 50% market share in 2017, according to Frost & Sullivan. The market is defined as those mobile apps that use any third-party push notification service out of the top 100,000 mobile apps in China as measured by install base. The number of mobile apps utilizing at least one of our developer services increased from over 475,000 as of December 31, 2016 to over 707,000 as of December 31, 2017, and further to over 784,000 as of March 31, 2018.

Since our inception, we had accumulated data from over 13 billion installations of our software development kits (SDKs) as part of our developer services as of March 31, 2018. We only gain access to selected anonymous device-level data that is necessary for, and relevant to, the services provided. Once the original mobile behavioral data is collected, our data processing platform then stores, cleanses, structures and encrypts data for AI-powered modeling exercises in an aggregated and anonymized fashion. Our developer services can be integrated into multiple apps on the same device, which allows us to receive device-based data from different and multiple dimensions, both online and offline. We believe that our data is differentiated in its volume, variety, velocity and veracity.

AI and machine learning are the key technologies we utilize to gain actionable and effective insights from our data and to develop and refine our data solutions. Leveraging these technologies built upon our massive and quality data foundation, we have developed a variety of data solutions that offer industry-specific, actionable insights for customers in a number of different areas. Our core data solutions include:

- *Targeted marketing (“XiaoGuoTong”)*: We help advertisers improve their marketing effectiveness by enabling them to target the right audience with the right content at the right time.
- *Financial risk management*: We assist financial institutions and financial technology companies in making informed lending and credit decisions.
- *Market intelligence*: We provide investment funds and corporations with real-time market intelligence solutions, such as our product iApp, which provides analysis and statistical results on the usage and trends of mobile apps in China.
- *Location-based intelligence (“iZone”)*: We help retailers and those from other traditional brick-and-mortar industries, such as real estate developers, track and analyze foot traffic, conduct targeted marketing and make more informed and impactful operating decisions, such as site selection.

We are also in the process of developing and launching new data solutions that will further leverage our data and insights to increase productivity for additional industries and customers.

We have built a robust technology infrastructure to support the usage of our developer services and data solutions throughout China on a real-time basis. We have developed a proprietary network of over 4,600 servers strategically located around the country to provide high-quality and cost-effective services across all telecom providers throughout China. This extensive and carefully designed server network allows us to provide customers with real-time access and usage of our developer services and data solutions with great stability, immense speed and high reliability.

We have grown rapidly while at the same time improving our cost efficiency. We increased the number of our customers from 1,168 in 2016 to 2,263 in 2017, and from 980 in the three months ended March 31, 2017 to 1,348 in the three months ended March 31, 2018. We generate revenue primarily from our data solutions. Our revenues increased by 304.9% to RMB284.7 million (US\$45.4 million) in 2017 from RMB70.3 million in 2016, and by 295.1% to RMB126.4 million (US\$20.2 million) in the three months ended March 31, 2018 from RMB32.0 million in the same period of 2017. We delivered these revenues at a net loss of RMB90.3 million (US\$14.4 million) in 2017 as compared to RMB61.4 million in 2016, and a net loss of RMB22.1 million (US\$3.5 million) in the three months ended March 31, 2018 as compared to RMB22.0 million in the same period of 2017. Our net loss margin improved from 87.3% in 2016 to 31.7% in 2017, and from 68.8% in the three months ended March 31, 2017 to 17.5% in the three months ended March 31, 2018. Our adjusted net loss, a non-GAAP measure defined as net loss excluding share-based compensation, was RMB82.0 million (US\$13.1 million) in 2017 as compared to RMB58.7 million in 2016, and RMB19.3 million (US\$3.1 million) in the three months ended March 31, 2018 as compared to RMB19.8 million in the same period of 2017. Our adjusted net loss margin improved from 83.4% in 2016 to 28.8% in 2017, and from 62.0% in the three months ended March 31, 2017 to 15.3% in the three months ended March 31, 2018. Our adjusted EBITDA, a non-GAAP measure defined as net loss excluding interest expense, depreciation of property and equipment, amortization of intangible assets, income tax (expense) benefit and share-based compensation, was negative RMB77.0 million (US\$12.3 million) in 2017 as compared to negative RMB51.3 million in 2016, and negative RMB15.9 million (US\$2.5 million) in the three months ended March 31, 2018 as compared to RMB20.5 million in the same period of 2017. See “Summary Consolidated Financial and Operating Data—Non-GAAP Financial Measures.”

## Our Industry

Mobile internet penetration in China has grown substantially over the past few years. According to Frost & Sullivan, the number of mobile internet users in China grew from 619.8 million in 2015 to 752.7 million in 2017, representing a CAGR of 10.2%, and is projected to further increase to 972.6 million in 2023, representing a CAGR of 4.4% from 2017. Mobile has become the primary mode of accessing the internet for consumers in China, and consumers are embracing an increasingly digital lifestyle.

*China Mobile App Developer Services Market.* As Chinese consumers embrace an increasingly digital lifestyle, there has been an increase in the number of mobile apps developed and used in China. According to Frost & Sullivan, there were approximately 2.2 million unique mobile apps in China in 2017, which is projected to grow to 3.3 million by 2023, representing a CAGR of 7.0%. Proliferation of mobile apps has contributed to the development of a robust third-party mobile app developer services market in China. Through leveraging third-party developer services, mobile app developers can focus their efforts on optimizing their app operations and outsource generic yet critical features to ensure optimal app performance and customer experience. According to Frost & Sullivan, the number of unique mobile apps which have utilized third-party app developer services in China grew from 0.9 million in 2015 to 1.2 million in 2017, representing a CAGR of 15.5% and an increase of penetration rate from 50.0% to 54.5%, and is projected to further increase to 2.1 million in 2023 with a penetration rate of 63.6%, representing a CAGR of 9.8% from 2017 to 2023.

According to Frost & Sullivan, push notification is the most popular app developer service in China, accounting for 36.7% of the app developer services used by the top 100,000 mobile apps in China as measured by install base in 2017. The number of mobile apps using push notification services grew at a CAGR of 18.0% from approximately 378,000 in 2015 to approximately 526,400 in 2017, representing 23.9% of all mobile apps in China, and is projected to further increase to approximately 1.3 million in 2023, accounting for approximately 38.1% of all mobile apps in China. Factors critical to mobile app developers in the selection of push notification service vendors include reliability, stability, timeliness and coverage. These requirements present significant entry barriers as they cannot be achieved without investments in a nationwide high-quality data infrastructure, sufficient bandwidth and technical know-how.

*Growing Application of Big Data Technology in China.* Advancements in AI and machine learning technology along with the broadening and deepening of the available data pool have contributed to the growing importance of big data technologies in China. The Chinese government has adopted a “National Big Data Strategy” promoting the development of big data, propelling the construction of big data infrastructure as well as accelerating sharing of data resources and development of big data applications. Below are a few areas where there are huge market opportunities for the application of big data solutions in China:

- *Mobile Marketing.* The emergence and use of big data has transformed the planning and execution of marketing campaigns, including allowing for deeper segmentation of customers and enhanced targeting and effectiveness. Online marketing represented 44.8% of China’s advertising market in 2017 and is expected to grow from US\$50.0 billion in 2017 to US\$127.3 billion in 2023, representing a CAGR of 16.9% and a market penetration rate of 74.0% in 2023. Within China’s online marketing industry, mobile marketing has experienced the most robust growth in recent years. According to Frost & Sullivan, China’s mobile marketing industry is projected to grow from US\$29.7 billion in 2017, representing 59.4% of online marketing industry, to US\$94.2 billion in 2023, representing 74.0% of online marketing industry with a CAGR of 21.2%.
- *Financial Risk Management Services.* Big data plays a significant role in managing financial risks in the consumer financial services market in China, including developing more refined and accurate borrower profiles and assessment of creditworthiness. There is a growing demand for financial risk management services from both traditional financial services providers and emerging online financial

service companies. According to Frost & Sullivan, China's financial risk management services market grew from US\$1.4 billion in 2015 to US\$7.7 billion in 2017, representing a CAGR of 134.5%, and is projected to continue to grow at a CAGR of 67.2% to reach US\$168.3 billion by 2023.

- *Market Intelligence.* Deriving meaningful insights with the help of big data requires both access to large quantities of data and advanced technology capabilities, the scarcity of which is driving demand for independent market intelligence services. According to Frost & Sullivan, corporate spending on market intelligence services in China has reached US\$0.9 billion in 2017, growing at a CAGR of 50.0% from 2015, and is projected to grow further to reach US\$4.8 billion by 2023, representing a CAGR of 32.2% from 2017 to 2023.
- *Location-Based Intelligence Services.* Offline industries such as retail, automotive, real estate and tourism are increasingly searching for and utilizing location-based intelligence services to improve their operating efficiency. Enormous opportunities exist for location-based intelligence services, as data insights on consumer preferences and purchase intent facilitate higher conversion of in-store traffic into transactions. Other application scenarios include, among others, site selection, targeted marketing and optimization of operations.

### **Our Competitive Strengths**

We believe that the following strengths contribute to our success and differentiate us from our competitors:

- leader in big data solutions built on dominant position in developer services;
- extensive online and offline mobile data differentiated by its volume, variety, velocity and veracity;
- proven product development and commercialization capabilities across multiple industry verticals;
- continuously improving data solutions driven by AI and machine learning;
- highly scalable and flexible business model with multiple monetization opportunities; and
- passionate and visionary management with complementary backgrounds and strong execution capabilities.

### **Our Growth Strategies**

We intend to grow our business using the following key strategies:

- broaden and deepen our data pool by expanding our developer services;
- source and integrate alternative and complementary data;
- enhance our AI and machine learning capabilities;
- enrich and expand our existing mobile big data solutions;
- develop new data solutions to address evolving customer needs; and
- expand into selected global markets.

### **Our Challenges**

Our ability to achieve our goal and execute our strategies is subject to risks and uncertainties, including those relating to our ability to:

- maintain or increase growth rates;

- achieve and maintain profitability;
- attract and retain customers;
- execute our strategy and continue to develop and effectively market data solutions;
- penetrate the existing market for developer services;
- maintain or enhance our brand;
- compete successfully with our current or future competitors;
- continue to gain access to mobile data in the future; and
- continuously comply with data privacy and protection laws and regulations.

Please see “Risk Factors” and other information included in this prospectus for a discussion of these and other risks and uncertainties that we face.

### **Corporate History and Structure**

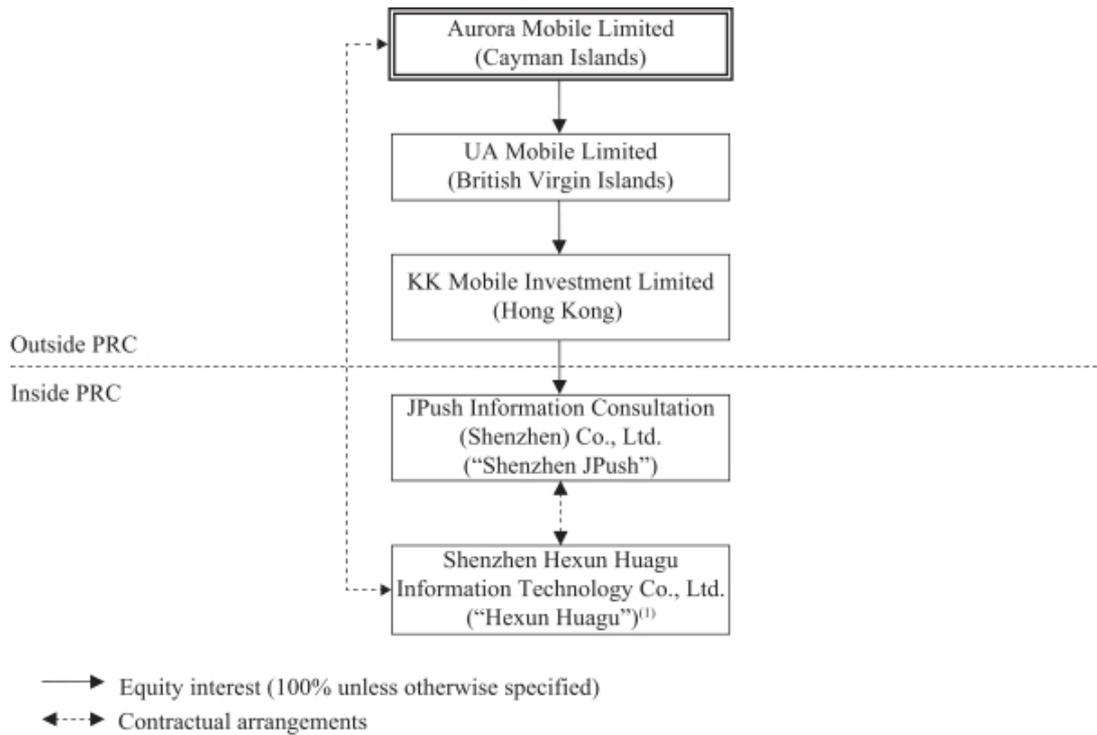
Shenzhen Hexun Huagu Information Technology Co., Ltd., or Hexun Huagu, was incorporated in May 2012. The current shareholders of Hexun Huagu are Mr. Weidong Luo, Mr. Xiaodao Wang and Mr. Jiawen Fang, holding 80%, 10% and 10% equity interests in Hexun Huagu, respectively.

In May 2012, UA Mobile Limited was incorporated in the British Virgin Islands by KK Mobile Limited, a company wholly owned by Mr. Weidong Luo. UA Mobile Limited set up a wholly-owned subsidiary KK Mobile Investment Limited in Hong Kong in June 2012. In April 2014, we incorporated Aurora Mobile Limited in the Cayman Islands as our offshore holding company to facilitate financing and offshore listing. Subsequently, Mr. Weidong Luo transferred his entire ownership of UA Mobile Limited to Aurora Mobile Limited. In June 2014, KK Mobile Investment Limited established a wholly-owned subsidiary in China, JPush Information Consultation (Shenzhen) Co., Ltd., or Shenzhen JPush.

On August 5, 2014, we obtained control over Hexun Huagu through Shenzhen JPush by entering into a series of contractual arrangements with Hexun Huagu and its shareholders. We refer to Shenzhen JPush as our WFOE, and to Hexun Huagu as our VIE in this prospectus. Our contractual arrangements with our VIE and its shareholders allow us to (i) exercise effective control over our VIE, (ii) receive substantially all of the economic benefits of our VIE, and (iii) have an exclusive call option to purchase all or part of the equity interests in and assets of our VIE when and to the extent permitted by PRC law. For more details, including risks associated with the VIE structure, please see “Corporate History and Structure—Contractual Arrangements with Our VIE and its Shareholders,” and “Risk Factors—Risks Related to Our Corporate Structure.”

As a result of our direct ownership in our WFOE and the contractual arrangements with our VIE, we are regarded as the primary beneficiary of our VIE, and we treat it as our consolidated affiliated entity under U.S. GAAP. We have consolidated the financial results of our VIE in our consolidated financial statements in accordance with U.S. GAAP.

The following diagram illustrates our corporate structure, including our subsidiaries and our VIE as of the date of this prospectus:



(1) Mr. Weidong Luo, our founder, chairman of our board of directors, chief executive officer and a principal beneficial owner of the shares of our company, holds 80% equity interests in our VIE. Messrs. Xiaodao Wang and Jiawen Fang are both directors and beneficial owners of the shares of our company and they each hold 10% equity interests in our VIE.

**Implication of Being an Emerging Growth Company and a Foreign Private Issuer**

As a company with less than US\$1.07 billion in revenue for our last fiscal year, we qualify as an “emerging growth company” pursuant to the Jumpstart Our Business Startups Act of 2012, as amended, or the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements compared to those that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002 in the assessment of the emerging growth company’s internal control over financial reporting. The JOBS Act also provides that an emerging growth company does not need to comply with any new or revised financial accounting standards until such date that a private company is otherwise required to comply with such new or revised accounting standards. We will not “opt out” of such exemptions afforded to an emerging growth company.

We will remain an emerging growth company until the earliest of (a) the last day of the fiscal year during which we have total annual gross revenues of at least US\$1.07 billion; (b) the last day of our fiscal year following the fifth anniversary of the completion of this offering; (c) the date on which we have, during the preceding three-year period, issued more than US\$1.0 billion in non-convertible debt; or (d) the date on which we are deemed to be a “large accelerated filer” under the Securities Exchange Act of 1934, as amended, or the

Exchange Act, which would occur if the market value of our ADSs that are held by non-affiliates exceeds US\$700 million as of the last business day of our most recently completed second fiscal quarter. Once we cease to be an emerging growth company, we will not be entitled to the exemptions provided in the JOBS Act discussed above.

We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers. Moreover, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers. In addition, as a company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the [NYSE/NASDAQ] corporate governance listing standards. These practices may afford less protection to shareholders than they would enjoy if we complied fully with the [NYSE/NASDAQ] corporate governance listing standards.

### **Corporate Information**

Our principal executive offices are located at 5/F, Building No. 7, Zhiheng Industrial Park, Nantou Guankou Road 2, Nanshan District, Shenzhen, Guangdong, 518052, People's Republic of China. Our telephone number at this address is +86 755-8388-1462. Our registered office in the Cayman Islands is located at the offices of Harneys Services (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

Investors should submit any inquiries to the address and telephone number of our principal executive offices. Our main website is [www.jiguang.cn](http://www.jiguang.cn). The information contained on our website is not a part of this prospectus. Our agent for service of process in the United States is [Law Debenture Corporate Services Inc.], located at [801 2nd Avenue, Suite 403, New York, New York 10017].

We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers. Moreover, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers. In addition, as a company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the [NYSE/NASDAQ] corporate governance listing standards. These practices may afford less protection to shareholders than they would enjoy if we complied fully with the [NYSE/NASDAQ] corporate governance listing standards.

### **Conventions that Apply to this Prospectus**

Unless otherwise indicated or the context otherwise requires, references in this prospectus to:

- “ADSs” are to our American depositary shares, each of which represents common shares;
- “ADRs” are to the American depositary receipts that evidence our ADSs;
- “Aurora,” “we,” “us,” “our company” and “our” are to Aurora Mobile Limited, our Cayman Islands holding company, and its subsidiaries and its consolidated variable interest entity;
- “BVI” are to the British Virgin Islands;
- “China” or the “PRC” are to the People's Republic of China, excluding, for the purposes of this prospectus only, Hong Kong, Macau and Taiwan;
- “common shares” are to our common shares, par value US\$0.0001 per share;

- “cumulative app installations” as of a certain date are to the cumulative number of apps that have installed one or more of the SDKs offered as part of our developer services as of the same date;
- “cumulative SDK installations” as of a certain date are to the cumulative number of times the SDKs offered as part of our developer services that are integrated into mobile apps have been downloaded and installed on mobile devices as of the same date. If an SDK is integrated into an app and the app is downloaded and installed on a specific mobile device, that specific single installation counts as one SDK installation. Moreover, the same SDK may be integrated into multiple apps installed on a single mobile device, and an app installed on a mobile device may have integrated more than one of our SDKs. Both scenarios count as multiple SDK installations;
- “customers” in a given period are to those that purchase at least one of our paid-for developer services or data solutions during the same period. We treat each contracting party as a separate customer although it is possible that a company may have more than one contracting party to enter into contracts with us and multiple entities within one corporate group may use the same contracting party to enter into contracts with us;
- “monthly active SDKs” in a given period are to the number of SDKs offered as part of our developer services and integrated into apps that have been installed on mobile devices, which have established active connection with our servers in the last month of the same period;
- “monthly active unique mobile devices” in a given period are to the number of unique mobile devices that have at least one app establishing active connection with our servers in the last month of the same period;
- “our VIE” are to Shenzhen Hexun Huagu Information Technology Co., Ltd., or Hexun Huagu;
- “our WFOE” are to JPush Information Consultation (Shenzhen) Co., Ltd., or Shenzhen JPush;
- “RMB” and “Renminbi” are to the legal currency of China; and
- “US\$,” “U.S. dollars,” “\$,” and “dollars” are to the legal currency of the United States.

Unless the context indicates otherwise, all information in this prospectus assumes no exercise by the underwriters of their over-allotment option.

<b>The Offering</b>	
Offering price	We currently estimate that the initial public offering price will be between US\$            and US\$            per ADS.
ADSs offered by us	ADSs (or            ADSs if the underwriters exercise their over-allotment option in full).
[ADSs offered by the selling shareholders	ADSs (or            ADSs if the underwriters exercise their over-allotment option in full).]
ADSs outstanding immediately after this offering	ADSs (or            ADSs if the underwriters exercise their over-allotment option in full)
Common shares outstanding immediately after this offering	common shares (or            common shares if the underwriters exercise their over-allotment option in full).
The ADSs	<p>Each ADS represents            common shares, par value US\$0.0001 per share.</p> <p>The depositary will hold common shares underlying your ADSs. You will have rights as provided in the deposit agreement among us, the depositary and holders and beneficial owners of ADSs from time to time.</p> <p>[We do not expect to pay dividends in the foreseeable future.] If, however, we declare dividends on our common shares, the depositary will pay you the cash dividends and other distributions it receives on our common shares after deducting its fees and expenses in accordance with the terms set forth in the deposit agreement.</p> <p>You may surrender your ADSs to the depositary in exchange for common shares. The depositary will charge you fees for any exchange.</p> <p>We may amend or terminate the deposit agreement without your consent. If you continue to hold your ADSs after an amendment to the deposit agreement, you agree to be bound by the deposit agreement as amended.</p> <p>To better understand the terms of the ADSs, you should carefully read the “Description of American Depositary Shares” section of this prospectus. You should also read the deposit agreement, which is filed as an exhibit to the registration statement that includes this prospectus.</p>
Over-allotment option	We [and the selling shareholders] have granted to the underwriters an option, exercisable within 30 days from the date of this prospectus, to

purchase up to an aggregate of            additional ADSs at the initial public offering price, less underwriting discounts and commissions.

Use of proceeds

We expect that we will receive net proceeds of approximately US\$            million from this offering, assuming an initial public offering price of US\$            per ADS, which is the midpoint of the estimated range of the initial public offering price, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

We intend to use the net proceeds from this offering to invest in technology, infrastructure and research and development capabilities, and for general corporate purposes, including expanding and strengthening our sales and marketing activities and funding potential investments and acquisitions of complementary businesses, assets and technologies. Currently, we do not have any plans, commitments or understandings to acquire complementary business, assets and technologies. See “Use of Proceeds” for more information.

[We will not receive any of the proceeds from the sale of ADSs by the selling shareholders.]

Lock-up

[We, our directors, executive officers, and all of our existing shareholders] have agreed with the underwriters not to sell, transfer or dispose of any ADSs, common shares or similar securities for a period of 180 days after the date of this prospectus. subject to certain exceptions.] In addition, we will not authorize or permit            , as depository, to accept any deposit of any common shares or issue any ADSs for 180 days after the date of this prospectus unless we expressly consent to such deposit or issuance and we have agreed not to provide such consent without the prior written consent of the representatives on behalf of the underwriters. See “Shares Eligible for Future Sale” and “Underwriting.”

[Directed ADS Program

At our request, the underwriters have reserved for sale, at the initial public offering price, up to an aggregate of            ADSs offered in this offering to some of our directors, officers, employees, business associates and related persons through a directed ADS program. We do not know if these individuals will choose to purchase all or any portion of these reserved ADSs, but any purchases they do make will reduce the number of ADSs that are available to the general public. Any reserved ADSs that are not so purchased will be offered by the underwriters to the general public on the same terms as the other ADSs offered by this prospectus. Certain participants may be subject to the lock-up agreements as described in “Underwriting—[Directed ADS Program].”

Listing

We intend to apply to have the ADSs listed on the [New York Stock Exchange/NASDAQ Stock Market] under the symbol “JG.” Our ADSs and shares will not be listed on any other stock exchange or traded on any automated quotation system.

Payment and settlement

The underwriters expect to deliver the ADSs against payment therefor through the facilities of the Depositary Trust Company on \_\_\_\_\_, 2018.

Depositary

The number of common shares that will be outstanding immediately after this offering is based upon 70,534,607 common shares outstanding on an as-converted basis as of the date of this prospectus, excluding:

- 2,975,897 common shares issuable upon the conversion of the zero coupon convertible notes due 2021 in the aggregate principal amount of US\$35.0 million issued in April 2018, at an assumed initial conversion price of US\$11.7612 per common share;
- 6,839,076 common shares issuable upon the exercise of outstanding options; and
- 4,676,061 common shares reserved for future issuance under our 2014 and 2017 Stock Incentive Plans.

### Summary Consolidated Financial and Operating Data

The following summary consolidated statements of operations data for the years ended December 31, 2016 and 2017, summary consolidated balance sheet data as of December 31, 2016 and 2017 and summary consolidated cash flow data for the years ended December 31, 2016 and 2017 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. The following summary consolidated statements of operations data for the three months ended March 31, 2017 and 2018, summary consolidated balance sheet data as of March 31, 2018 and summary consolidated cash flow data for the three months ended March 31, 2017 and 2018 have been derived from our unaudited condensed consolidated financial statements included elsewhere in this prospectus and have been prepared on the same basis as our audited consolidated financial statements. Our consolidated financial statements are prepared and presented in accordance with accounting principles generally accepted in the United States of America, or U.S. GAAP. Our historical results are not necessarily indicative of results expected for future periods. You should read this Summary Consolidated Financial and Operating Data section together with our consolidated financial statements and the related notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included elsewhere in this prospectus.

	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017		2017	2018	
	RMB	RMB	US\$	RMB	RMB	US\$
(in thousands, except for share amounts and per share data)						
<b>Summary Consolidated Statements of Operations Data:</b>						
Revenues	70,322	284,709	45,389	31,993	126,392	20,150
Cost of revenues	(47,722)	(213,370)	(34,016)	(25,680)	(91,802)	(14,635)
<b>Gross profit</b>	<b>22,600</b>	<b>71,339</b>	<b>11,373</b>	<b>6,313</b>	<b>34,590</b>	<b>5,515</b>
<b>Operating expenses:(1)</b>						
Research and development expenses	(33,717)	(71,651)	(11,423)	(13,623)	(24,413)	(3,892)
Sales and marketing expenses	(33,062)	(59,673)	(9,513)	(10,361)	(17,431)	(2,779)
General and administrative expenses	(13,480)	(32,431)	(5,170)	(6,924)	(13,587)	(2,166)
<b>Total operating expenses</b>	<b>(80,259)</b>	<b>(163,755)</b>	<b>(26,106)</b>	<b>(30,908)</b>	<b>(55,431)</b>	<b>(8,837)</b>
<b>Loss from operations</b>	<b>(57,659)</b>	<b>(92,416)</b>	<b>(14,733)</b>	<b>(24,595)</b>	<b>(20,841)</b>	<b>(3,322)</b>
<b>Loss before income taxes</b>	<b>(57,472)</b>	<b>(94,271)</b>	<b>(15,028)</b>	<b>(24,291)</b>	<b>(22,143)</b>	<b>(3,530)</b>
<b>Net loss</b>	<b>(61,382)</b>	<b>(90,291)</b>	<b>(14,393)</b>	<b>(22,000)</b>	<b>(22,138)</b>	<b>(3,529)</b>
<b>Net loss attributable to Aurora Mobile Limited’s shareholders</b>	<b>(61,382)</b>	<b>(90,291)</b>	<b>(14,393)</b>	<b>(22,000)</b>	<b>(22,138)</b>	<b>(3,529)</b>
<b>Accretion of contingently redeemable convertible preferred shares</b>	<b>(12,427)</b>	<b>(26,391)</b>	<b>(4,207)</b>	<b>(1,775)</b>	<b>(10,877)</b>	<b>(1,734)</b>
<b>Net loss attributable to common shareholders</b>	<b>(73,809)</b>	<b>(116,682)</b>	<b>(18,600)</b>	<b>(23,775)</b>	<b>(33,015)</b>	<b>(5,263)</b>
<b>Net loss per common share:</b>						
Basic and diluted	(1.73)	(2.73)	(0.44)	(0.56)	(0.77)	(0.12)

	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017		2017	2018	
	RMB	RMB	US\$	RMB	RMB	US\$
(in thousands, except for share amounts and per share data)						
<b>Weighted average number of shares used in calculating basic and diluted loss per common share:</b>						
Basic and diluted	42,666,670	42,666,670	42,666,670	42,666,670	42,666,670	42,666,670
<b>Pro forma net loss per share attributable to common shareholders:</b>						
Basic and diluted		(1.25)	(0.20)		(0.31)	(0.05)
<b>Weighted average number of shares used in calculating pro forma basic and diluted loss per common share:</b>						
Basic and diluted		72,273,327	72,273,327		70,534,607	70,534,607
<b>Net loss per ADS:(2)</b>						
Basic and diluted						
<b>Non-GAAP Financial Measures:(3)</b>						
Adjusted net loss	(58,679)	(82,016)	(13,074)	(19,825)	(19,301)	(3,077)
Adjusted EBITDA	(51,336)	(77,034)	(12,280)	(20,530)	(15,909)	(2,536)

(1) Share-based compensation expenses are allocated in cost of revenues and operating expenses as follows:

	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017		2017	2018	
	RMB	RMB	US\$	RMB	RMB	US\$
(in thousands)						
Cost of revenues	—	—	—	—	23	4
Research and development expenses	664	1,408	224	100	667	106
Sales and marketing expenses	189	944	150	35	852	136
General and administrative expenses	1,850	5,923	945	2,040	1,295	206
Total	2,703	8,275	1,319	2,175	2,837	452

(2) Each ADS represents common shares.

(3) See “—Non-GAAP Financial Measures.”

The following table presents our summary consolidated balance sheet data as of December 31, 2016 and 2017 and March 31, 2018:

	As of December 31,			As of March 31,	
	2016	2017		2018	
	RMB	RMB	US\$	RMB	US\$
	(in thousands)				
<b>Summary Consolidated Balance Sheet Data:</b>					
Cash and cash equivalents	103,168	208,161	33,186	141,752	22,599
Accounts receivable, net	9,444	49,594	7,906	80,625	12,854
Prepayments and other current assets	13,508	34,228	5,456	39,493	6,296
<b>Total assets</b>	<b>165,944</b>	<b>359,450</b>	<b>57,303</b>	<b>329,543</b>	<b>52,537</b>
Accounts payable	1,110	8,340	1,330	9,708	1,548
Deferred revenue and customer deposits	18,148	49,557	7,901	52,170	8,317
Accrued liabilities and other current liabilities	19,737	52,639	8,389	33,010	5,263
<b>Total liabilities</b>	<b>53,819</b>	<b>117,197</b>	<b>18,682</b>	<b>110,216</b>	<b>17,571</b>
<b>Total mezzanine equity</b>	<b>220,539</b>	<b>466,637</b>	<b>74,393</b>	<b>477,514</b>	<b>76,127</b>
<b>Total shareholders' deficit</b>	<b>(108,414)</b>	<b>(224,384)</b>	<b>(35,772)</b>	<b>(258,187)</b>	<b>(41,161)</b>
<b>Total liabilities, mezzanine equity and shareholders' deficit</b>	<b>165,944</b>	<b>359,450</b>	<b>57,303</b>	<b>329,543</b>	<b>52,537</b>

The following table presents our summary consolidated cash flow data for the years ended December 31, 2016 and 2017 and for the three months ended March 31, 2017 and 2018:

	For the Year Ended December 31,			For the Three Months Ended		
	2016	2017		March 31,		
	RMB	RMB	US\$	2017	2018	
				RMB	RMB	US\$
	(in thousands)					
<b>Summary Consolidated Cash Flow Data:</b>						
Net cash used in operating activities	(42,152)	(75,532)	(12,040)	(26,466)	(49,475)	(7,888)
Net cash provided by (used in) investing activities	(29,928)	(28,644)	(4,566)	727	(12,745)	(2,032)
Net cash provided by financing activities	135,348	217,446	34,666	18,311	—	—
Effect of foreign currency exchange rate changes on cash and cash equivalents and restricted cash	2,450	(8,282)	(1,323)	(308)	(4,189)	(667)
Net increase in cash and cash equivalents and restricted cash	65,718	104,988	16,737	(7,736)	(66,409)	(10,587)
Cash and cash equivalents and restricted cash at the beginning of year or period	37,570	103,288	16,467	103,288	208,276	33,204
Cash and cash equivalents and restricted cash at the end of year or period	<u>103,288</u>	<u>208,276</u>	<u>33,204</u>	<u>95,552</u>	<u>141,867</u>	<u>22,617</u>

The following table presents certain of our operating data for the years ended December 31, 2016 and 2017 and for the three months ended March 31, 2017 and 2018:

	For the Year Ended December 31,		For the Three Months Ended March 31,	
	2016	2017	2017	2018
<b>Summary Operating Data:</b>				
Customers	1,168	2,263	980	1,348
Customers of developer services	743	1,118	635	894
Customers of data solutions	425	1,145	345	454
Monthly active unique mobile devices (in millions)	544	864	591	925

The following table presents certain of our operating data as of December 31, 2016 and 2017 and March 31, 2017 and 2018:

	As of December 31,		As of March 31,	
	2016	2017	2017	2018
<b>Summary Operating Data:</b>				
Cumulative SDK installations (in millions)	6,437	11,437	7,431	13,054
Cumulative app installations (in thousands)	475	707	514	785

#### Non-GAAP Financial Measures

In evaluating our business, we consider and use two non-GAAP measures, adjusted net loss and adjusted EBITDA, as a supplemental measures to review and assess our operating performance. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with U.S. GAAP. We define adjusted net loss as net loss excluding share-based compensation. We define adjusted EBITDA as net loss excluding interest expense, depreciation of property and equipment, amortization of intangible assets, income tax (expense) benefit and share-based compensation.

We believe that adjusted net loss and adjusted EBITDA help identify underlying trends in our business that could otherwise be distorted by the effect of certain expenses that we include in loss from operations and net loss. We believe that adjusted net loss and adjusted EBITDA provide useful information about our operating results, enhance the overall understanding of our past performance and future prospects and allow for greater visibility with respect to key metrics used by our management in its financial and operational decision-making.

The non-GAAP financial measures are not defined under U.S. GAAP and are not presented in accordance with U.S. GAAP. The non-GAAP financial measures have limitations as analytical tools. One of the key limitations of using adjusted net loss and adjusted EBITDA is that they do not reflect all items of income and expense that affect our operations. Share-based compensation has been and may continue to be incurred in our business and is not reflected in the presentation of adjusted net loss. Further, the non-GAAP financial measures may differ from the non-GAAP information used by other companies, including peer companies, and therefore their comparability may be limited.

We compensate for these limitations by reconciling the non-GAAP financial measure to the nearest U.S. GAAP performance measure, all of which should be considered when evaluating our performance. We encourage you to review our financial information in its entirety and not rely on a single financial measure.

The following table reconciles our adjusted net loss to the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, which is net loss, for the periods presented:

	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017		2017	2018	
	RMB	RMB	US\$	RMB	RMB	US\$
(in thousands)						
<b>Reconciliation of Net Loss to Adjusted Net Loss:</b>						
Net Loss	(61,382)	(90,291)	(14,393)	(22,000)	(22,138)	(3,529)
Add:						
Share-based compensation	2,703	8,275	1,319	2,175	2,837	452
Adjusted net loss	<u>(58,679)</u>	<u>(82,016)</u>	<u>(13,074)</u>	<u>(19,825)</u>	<u>(19,301)</u>	<u>(3,077)</u>

The following table reconciles our adjusted EBITDA to the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, which is net loss, for the periods presented:

	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017		2017	2018	
	RMB	RMB	US\$	RMB	RMB	US\$
(in thousands)						
<b>Reconciliation of Net Loss to Adjusted EBITDA:</b>						
Net Loss	(61,382)	(90,291)	(14,393)	(22,000)	(22,138)	(3,529)
Add:						
Interest expense	—	122	19	2	60	10
Depreciation of property and equipment	3,433	8,805	1,404	1,584	3,310	528
Amortization of intangible assets	—	35	6	—	27	4
Income tax benefit (expense)	3,910	(3,980)	(635)	(2,291)	(5)	(1)
EBITDA	(54,039)	(85,309)	(13,599)	(22,705)	(18,746)	(2,988)
Add:						
Share-based compensation	2,703	8,275	1,319	2,175	2,837	452
Adjusted EBITDA	<u>(51,336)</u>	<u>(77,034)</u>	<u>(12,280)</u>	<u>(20,530)</u>	<u>(15,909)</u>	<u>(2,536)</u>

## RISK FACTORS

*An investment in our ADSs involves significant risks. You should consider carefully all of the information in this prospectus, including the risks and uncertainties described below, before making an investment in our ADSs. Any of the following risks could have a material and adverse effect on our business, financial condition and results of operations. In any such case, the market price of our ADSs could decline, and you may lose all or part of your investment.*

### **Risks Related to Our Business and Industry**

***We have experienced rapid growth in recent periods, and our recent growth rates may not be indicative of our future growth.***

We started operation in 2012. As a result of our relatively limited operating history, our ability to forecast our future results of operations is limited and subject to a number of uncertainties, including our ability to plan for and model future growth. Our revenue has increased substantially since our inception, but we may not be able to sustain revenue growth consistent with our recent history, or at all. Our revenue growth in recent periods may not be indicative of our future performance. In future periods, our revenue could decline or grow more slowly than we expect. We believe growth of our revenue depends on a number of factors, including our ability to:

- attract new app developers and customers, including from diversified industry verticals, and retain and expand our relationships with existing app developers and customers on a cost-effective basis;
- maintain the breadth of our ad publisher network and attract new publishers;
- innovate and adapt our services and solutions to meet evolving needs of current and potential customers, including to address market trends;
- maintain and increase our access to data necessary for the development and performance of our solutions;
- maintain the proper functioning of developer services and data solutions as we continue to collect increasing amounts of data from a growing user base;
- continuously improve on the algorithms underlying the products and the technologies;
- adapt to a changing regulatory landscape governing privacy matters;
- keep pace with the new technological development in the industry;
- invest sufficiently in our technology and infrastructure, at the pace required to support our growth;
- productize new solutions;
- introduce our services and solutions to new geographic markets;
- increase awareness of our brand among more businesses; and
- attract and retain employees.

We cannot assure you that we will be able to successfully accomplish any of these objectives.

***We have incurred net losses in the past, which we may continue to experience in the future.***

We have incurred net losses since our inception, including loss from operations of RMB57.7 million, RMB92.4 million (US\$14.7 million) and RMB20.8 million (US\$3.3 million) for the years ended December 31, 2016 and 2017 and the three months ended March 31, 2018, and net losses of RMB61.4 million, RMB90.3 million (US\$14.4 million) and RMB22.1 million (US\$3.5 million) for the years ended December 31, 2016 and 2017 and the three months ended March 31, 2018, respectively. These losses reflect the substantial investments we made to grow our business, including commercialization of our platform, development of our AI and machine learning capabilities, improvement of our technology infrastructure, and our sales and marketing efforts. We cannot assure you that we will be able to generate net profits in the future.

We expect to continue to make significant future expenditures related to the continuous development and expansion of our business, including:

- investments in our research and development team and in the development of new solutions and enhancement of our solutions;
- investments in sales and marketing, including expanding our sales force, increasing our customer base and increasing market awareness of our platform;
- expanding our operations and infrastructure, including internationally; and
- incurring costs associated with general administration, including legal, accounting and other expenses related to being a public company upon completion of this offering.

As a result of these increased expenses, we will have to generate and sustain increased revenue to be profitable in future periods. Further, in future periods, our revenue growth rate could decline, and we may not be able to generate sufficient revenue to offset higher costs and achieve or sustain profitability. If we fail to achieve, sustain or increase profitability, our business and operating results could be adversely affected.

***We generate a significant portion of our revenues from targeted marketing solutions, and the reduction in spending by or loss of our marketing customers could materially harm our business.***

The term of the contracts with our advertisers is generally one year, and advertisers may terminate the contracts with us upon the expiration of the term. Those advertisers may not continue to do business with us if we do not create more value (such as increased return on investment) than their available alternatives. If we do not provide superior value or deliver ads efficiently and competitively, we could see a decrease in revenue and other adverse impacts to our business. In addition, expenditures by advertisers tend to be cyclical, reflecting overall economic conditions and budgeting and buying patterns. Adverse macroeconomic conditions can also have a material negative impact on user activity and the demand for advertising and cause our advertisers to reduce the amounts they spend on advertising, which could adversely affect our revenues and targeted marketing solution business.

The preferred format and technology associated with digital advertising may continue to evolve and may become less compatible with our solutions, which could adversely affect our revenues and targeted marketing solution business.

***If we cannot successfully execute our strategy and continue to develop and effectively market developer services and data solutions that anticipate and respond to the needs of app developers and our customers, our business, operating results and financial condition may suffer.***

The market for mobile developer services and data solutions is characterized by constant change and innovation, and we expect it to continue to rapidly evolve. Moreover, many of our customers operate in industries characterized by changing technologies and business models, which require them to develop and manage increasingly complex mobile application and IT infrastructure environments. Our historical success has been based on our ability to offer high quality in-app functionalities needed by app developers and innovative data solutions with industry-specific and actionable insights for our customers, and the resulting benefits to customers' businesses and brands. Our success has also depended upon our ability to identify, target and reach customers that need our services and data solutions and successfully convert app developers into paying customers through our sales and marketing activities and then increase the cross-sale among each line of our businesses. If we do not respond to the rapidly changing needs of our customers by developing and enhancing our developer services and data solutions, developing new products on a timely basis that can address evolving customer needs, and selling and marketing them effectively, our competitive position and business prospects will be harmed.

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Additionally, the process of developing new technology and data solutions may be complex and uncertain, and if we fail to accurately predict developers' and customers' changing needs and emerging technological trends, our business could be harmed. We believe that we must continue to dedicate significant resources to our research and development efforts. Our enhancement of existing services and data solutions and development of new products could fail to attain sufficient market acceptance for many reasons, including:

- the failure to accurately predict market or customer demands;
- defects, errors or failures in the design or performance of our new products or product enhancements;
- negative publicity about the performance or effectiveness of our developer services and data solutions;
- delays in developing and enhancing existing products or releasing our new products to the market;
- the introduction or anticipated introduction of competing products by our competitors;
- poor business conditions for our customers, causing them to delay purchases; and
- the perceived value of our services and data solutions relative to their cost.

To the extent we are not able to continue to execute on our business model to timely and effectively develop and market our developer services and data solutions to address these challenges, our business, operating results and financial condition will be adversely affected.

There can be no assurance that we will successfully identify new opportunities, develop and bring new developer services or data solutions to market on a timely basis or achieve market acceptance of our services and products, or that products and technologies developed by others will not render our comprehensive suite of services obsolete or non-competitive. Further, we may make changes to our services and products that our customers do not like or find useful. We may also discontinue certain features, begin to charge for certain features that are currently free, such as certain developer services, or increase fees for any of our features or usage of our developer services and data solutions. If our services or products do not achieve adequate acceptance in the market, our competitive position will be impaired, our revenue may decline or grow more slowly than expected and the negative impact on our operating results may be particularly acute and we may not receive a return on our investment because of the upfront research and development, sales and marketing and other expenses we incur.

***If we are not able to continue to gain access to mobile data in the future, our business, operating results and financial condition could be materially and adversely affected.***

By providing services to mobile app developers, we gain access to massive mobile data that we use to develop our industry-specific data solutions. Data is sourced only based on our services provided to developers and primarily consists of unstructured anonymous meta data. Based on our centralized proprietary data processing platform and leveraging our AI and machine learning capabilities, we are able to gain actionable and effective insights from the data and develop a variety of data solutions. Our business plan assumes that the demand for data solutions will increase.

We may not be able to maintain and grow the number of app developers we serve. Furthermore, certain of our app developers may prohibit or limit our access to or use of this data. The broad adoption of certain end-user computer software or programs may pose technical restrictions on our ability to access user data or end-users may dispute our use of the data. Interruptions, failures or defects in our data access and processing systems, as well as privacy concerns regarding the user data, could also limit our ability to analyze data. In addition, our ability to collect data may be restricted by new laws and regulations. If we are not able to continue to gain access to extensive mobile data in the future, we will lose our competitive strengths, and we may not be able to effectively and efficiently offer and improve our existing data solutions or develop new products that respond to the needs of our customers. Accordingly, demand for our solutions may not continue to develop as we anticipate, or at all, and because we derive a substantial portion of our revenue from data solutions, the growth of our business and results of operations may be adversely affected.

***If the market for our developer services and data solutions develops more slowly than we expect, our growth may slow or stall and our operating results could be harmed.***

The market for developer services and data solutions is rapidly growing. Our future success will depend in large part on our ability to penetrate the existing market, as well as the continued growth and expansion of that market. It is difficult to predict customer adoption and renewals of our subscriptions, customer demand for our platform, the size, growth rate and expansion of this market, the entry of competitive products or the success of existing competitive products. Our ability to penetrate the existing market for developer services and data solutions and any expansion of that market depends on a number of factors, including the cost, performance and perceived value associated with our service and products, as well as potential customers' willingness to adopt our service and products. If we or other developer services or data solutions providers experience security incidents, loss of customer or user data, disruptions in delivery or other problems, the market as a whole, including our business, may be negatively affected. If our service and products, especially data solutions, do not achieve widespread adoption, or there is a reduction in demand caused by a lack of customer acceptance, technological challenges, weakening economic conditions, security or privacy concerns, competing technologies and products, decreases in corporate spending or otherwise, it could result in decreased revenue and our business could be adversely affected.

***Actual or alleged failure to comply with data privacy and protection laws and regulations could damage our reputation, and discourage current and potential app developers and customers from doing business with us.***

Concerns about our practice of accessing, storing, processing and using data from mobile devices, even if unfounded, could damage our reputation, business and results of operations. We are subject to various data privacy and protection laws and regulations in China, including, without limitation, the PRC Cyber Security Law. To protect personal information, these laws and regulations regulate data collection, storage, use, processing, disclosure and transfer of personal information. Pursuant to these laws and regulations, an internet information service provider is required to obtain a user's consent to collect the user's personal information, and is prohibited from gathering personal information that is unrelated to the services it provides, and the internet information service provider must also inform the user of the purposes, the means and the scope of the information collection and uses. See "Regulations—Regulations on Information Security," and "Regulations—Regulations on Privacy Protection."

The PRC Cyber Security Law is relatively new and subject to interpretation by the regulator. Although we only gain access to anonymous device-level mobile behavioral data that is necessary for, and relevant to, the services provided, the data we obtain and use may include information that is deemed as "personal information" under the PRC Cyber Security Law and related data privacy and protection laws and regulations. As such, we have adopted a series of measures in order to comply with the laws and regulations relating to the protection of personal information. We enter into a service agreement with each app developer that uses our developer services in their mobile apps, and we display privacy policies on our official website. Our service agreement and the privacy policies require each app developer to obtain consent from the end users of its apps in connection with data collection and use pursuant to the PRC Cyber Security Law and related laws and regulations. We periodically check the app developers' own agreements with their end users on a sampling basis, and we remind the app developers to rectify the situation where we find instances of non-compliance with our service agreements, such as their failure to obtain sufficient consents from their end users. Moreover, once the original mobile behavioral data is collected through developer services, our data processing platform immediately stores, cleanses, structures and encrypts the data, and we then utilize AI and machine learning technologies to conduct modeling exercises and data mining and develop data solutions that offer industry-specific, actionable insights for customers, in aggregated and anonymized form. In addition, we have adopted rigorous data security measures to prevent our data from unauthorized access or use or being retrieved to establish any connection with the device owners' identities.

While we take all these measures to comply with all applicable data privacy and protection laws and regulations, we cannot guarantee the effectiveness of the measures undertaken by us, app developers and

business partners. The activities of third parties such as app developers and business partners are beyond our control. If our business partners or app developers violate the PRC Cyber Security Law and related laws and regulations relating to the protection of personal information, or fail to fully comply with the service agreements with us, or if any of our employees fail to comply with our internal control measures and misuse the information, we may be subject to penalties. For further information, see “Regulations—Regulations on Privacy Protection.” Any failure or perceived failure to comply with all applicable data privacy and protection laws and regulations, or any failure or perceived failure of our business partners or app developers to do so, or any failure or perceived failure of our employees to comply with our internal control measures, may result in negative publicity and legal proceedings or regulatory actions against us, and could damage our reputation, discourage current and potential app developers and customers from using our services and/or data solutions and subject us to fines and damages, which could have a material adverse effect on our business and results of operations.

Furthermore, the interpretation and application of personal information protection laws and regulations and standards are still uncertain and evolving. We cannot assure you that relevant governmental authorities will not interpret or implement the laws or regulations in ways that negatively affect us. In addition, it is possible that we may become subject to additional or new laws and regulations regarding the protection of personal information or privacy-related matters in connection with the data we have access to and the data solutions we provide to customers. Moreover, as we implement our strategy to expand into selected global markets, we may become subject to personal information protection laws and regulations in the jurisdictions that we expand into. We may also become subject to regulatory requirements as a result of installations of apps integrated with our SDKs by residents of, or travelers who visit, certain jurisdictions, such as the General Data Protection Regulation of the European Union. Complying with additional or new regulatory requirements could force us to incur substantial costs or require us to change our business practices. In addition to the regulatory requirements, user attitudes towards data privacy are also evolving, and user concerns about the extent to which personal information is accessible to, used by or shared with our customers or others may adversely affect our ability to gain access to data and provide certain data solutions to our customers. Any occurrence of the abovementioned circumstances may negatively affect our business and results of operations.

***We rely on certain ad publishers for our targeted marketing business.***

Our revenues from targeted marketing solutions are derived from placing display ads on publisher apps that we do not own. We currently access ad inventory through various channels, including major online media networks and we rely on certain advertisement publishers, such as Tencent, for access to a large amount of ad inventory. Our agreements with these publishers generally also do not include long-term obligations requiring them to make their inventory available to us. As a result, our ability to continue to purchase inventory from these publishers depends in part on our ability to consistently pay sufficiently competitive fees for their internet display ad inventory as well as other factors. Similarly, as more companies compete for ad impressions on major platforms with a large amount of supply of ad inventory, ad inventory may become more expensive, which may adversely affect our ability to acquire ad inventory and resell it on a profitable basis. Any interference with our ability to maintain access to such inventory could materially reduce the amount of ad inventory that our solution relies on in order to deliver ads for our clients. In addition, since we rely on a limited number of publishers for access to significant portions of advertising inventory that our targeted marketing business depends on, the loss of access to ad inventory from one of those publishers would negatively impact our ability to deliver internet display ads for our targeted marketing customers. Any of these consequences could therefore adversely affect our results of operations and financial condition.

With the expansion of the breadth and quality of businesses that utilize our solution, we expect that our publisher base will grow. In addition, in order to grow our advertiser base, we must expand our access to new sources of internet display ad inventory and maintain a steady supply of this inventory. Our ability to attract new publishers will depend on various factors, some of which are beyond our control. Therefore, we cannot assure you that we will successfully grow our relationships with new publishers or maintain and expand our access to ad inventory through other channels. In addition, even if we do grow our relationships, we cannot assure you that those relationships with publishers will be on favorable terms to us.

Therefore, if we are unable to acquire sufficient ad inventory through stable publisher relationships or intermediaries, our business and results of operations could be harmed.

***Security and privacy breaches may hurt our business.***

We currently retain data from other parties, including data from mobile devices in secure database servers. It is essential for us to maintain the security of data that we store and process properly. We maintain a data security program. Once the original anonymous device-level mobile behavioral data is collected and aggregated, our platform stores, cleanses, structures and encrypts data. We also design and adopt other security controls to protect our data from breaches, including separation of data from external servers by firewalls, granting of limited access to designated employees, and maintaining a proper visit log. See “Business—Our AI-Powered Data Processing Platform—Data Security.”

Any security breach and data decryption, including those resulting from a cybersecurity attack, or any unauthorized access, unauthorized usage, virus or similar breach or disruption could result in the loss of the information that we gain access to and store, damage to our reputation, early termination of our contracts, litigation, regulatory investigations or other liabilities. If our data security measures or the data security measures utilized by app developers and customers are breached as a result of third-party action, employee error, malfeasance or otherwise and, as a result, someone obtains unauthorized access to confidential information of developers, customers and app end users, our reputation may be damaged, our business may suffer and we could incur significant liability.

Techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until launched against a target. As a result, we may be unable to anticipate these techniques or to implement adequate preventative measures. If an actual or perceived security breach occurs, the market perception of our data security measures could be harmed and we could lose sales and customers.

Moreover, if a high profile security breach occurs with respect to another developer services or data solution provider, our customers and potential customers may lose trust in the security of our developer services or data solutions generally, which could adversely impact our ability to retain existing customers or attract new ones.

***Our business depends on strong brand, and failing to maintain and enhance our brand would hurt our ability to expand our base of app developers and customers.***

We believe that maintaining and enhancing our “Jiguang” brand identity and increasing market awareness of our company and products, particularly among app developers and publishers, is critical to achieving widespread acceptance of our platform, to strengthening our relationships with our existing customers and to our ability to attract new customers. The successful promotion of our brand will depend largely on our continued marketing efforts, our ability to continue to offer high quality products, our ability to maintain our leadership position and our ability to successfully differentiate our products and platform from competing products and services. Our brand promotion activities may not be successful or yield increased revenue. In addition, independent industry analysts may provide reviews of our products and competing products and services, which may significantly influence the perception of our products in the market. If the reviews are negative or not as strong as reviews of our competitors’ products and services, then our brand may be harmed.

In addition, if we do not handle product complaints effectively, then our brand and reputation may suffer, app developers and customers may lose confidence in us and they may reduce or cease their use of our products. App developers and our customers may post and discuss on social media about internet-based products and services, including our products and platform. Our reputation depends, in part, on our ability to generate positive feedback and minimize negative feedback on social media channels where existing and potential customers seek and share information. If actions we take or changes we make to our products or platform upset these app developers and our customers, then their online commentary could negatively affect our brand and reputation.

Complaints or negative publicity about us, our products or our platform could materially and adversely impact our ability to attract and retain users and customers, our business, results of operations and financial condition.

The promotion of our brand also requires us to make expenditures, and we anticipate that these expenditures will increase as our market becomes more competitive and as we expand into new markets. To the extent that these activities increase revenue, this revenue still may not be enough to offset the increased expenses we incur. If we do not successfully maintain and enhance our brand, then our business may not grow, we may see our pricing power reduced relative to competitors and we may lose users and customers, all of which would adversely affect our business, results of operations and financial condition.

***If we fail to keep up with rapid changes in technologies, our future success may be adversely affected.***

We utilize AI and machine learning technology and other advanced data technology tools to process data and productize our data solutions. The success of our business will depend, in part, on our ability to adapt and respond effectively to the technology development on a timely basis. If we are unable to develop new products that satisfy our customers and provide enhancements and new features for our existing products that keep pace with rapid technological and industry change, our business, results of operations and financial condition could be adversely affected. If new technologies emerge that are able to deliver competitive products and services at lower prices, more efficiently, more conveniently or more securely, such technologies could adversely impact our ability to compete effectively.

Our platform integrates with a variety of network, hardware, mobile and software platforms and technologies, and we need to continuously modify and enhance our products and platform to adapt to changes and innovation in these technologies. If app developers or customers adopt new software platforms or infrastructure, we may be required to develop new versions of our products to work with those new platforms or infrastructure. This development effort may require significant resources, which would adversely affect our business, results of operations and financial condition. Any failure of our products and platform to operate effectively with evolving or new platforms and technologies could reduce the demand for our products. We must continue to invest substantial resources in research and development to enhance our technology. If we are unable to respond to these changes in a cost-effective manner, our products may become less marketable and less competitive or obsolete, and our business, results of operations and financial condition could be adversely affected.

***We may not be able to compete successfully with our current or future competitors.***

The market for developer services and data solutions is intensely competitive and characterized by rapid changes in technology, developer and customer requirements, industry standards and frequent new product introductions and improvements. We face competition in all lines of business. In the future, as we further grow, we anticipate continued challenges from current competitors, as well as by new entrants into the industry including major online media networks, which may enjoy greater resources than us. See “Business—Competition.” If we are unable to anticipate or effectively react to these competitive challenges, our competitive position could be weakened, and we could experience a decline in our growth rate or revenue that could adversely affect our business and results of operations.

Some of our existing competitors, especially the competitors for our data solutions have, and our potential competitors could have, substantial competitive advantages such as:

- greater name recognition, longer operating histories and larger user bases;
- broader, deeper or otherwise more established relationships with technology, channel and business partners, including ad publishers and customers;
- greater resources to make acquisitions;

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- larger and more mature intellectual property portfolios;
- larger sales and marketing budgets and resources and the capacity to leverage their sales efforts and marketing expenditures across a broader portfolio of products; and
- substantially greater financial, technical and other resources to provide support, to make acquisitions and to develop and introduce new products.

We may not compete successfully against our current or potential competitors. If we are unable to compete successfully, or if competing successfully requires us to take costly actions in response to the actions of our competitors, our business, financial condition and results of operations could be adversely affected. In addition, companies competing with us may have an entirely different pricing or distribution model. Increased competition could result in fewer customer subscriptions and transactions, price reductions, reduced operating margins and loss of market share. Further, we may be required to make substantial additional investments in research, development, marketing and sales in order to respond to such competitive threats, and we cannot assure you that we will be able to compete successfully in the future.

***If any system failure, interruption or downtime occurs, our business, financial condition and results of operations may be materially and adversely affected.***

Although we seek to reduce the possibility of disruptions and other outages, our platform may be disrupted by problems with our own cloud-based technology and system, such as malfunctions in our software or other facilities or network overload. Our systems may be vulnerable to damage or interruption caused by telecommunication failures, power loss, human error, computer attacks or viruses, earthquakes, floods, fires, terrorist attacks and similar events. While we locate our servers in multiple data centers across China, our system may not be fully redundant or backed up, and our disaster recovery planning may not be sufficient for all eventualities. Despite any precautions we may take, the occurrence of natural disasters or other unanticipated problems at our hosting facilities could result in interruptions in the availability of our products and services. Any interruption in the ability of app developers or customers to use our services and solutions could damage our reputation, reduce our future revenues, harm our future profits, subject us to regulatory scrutiny and lead users to seek alternative products.

Our servers may experience downtime from time to time, which may adversely affect our operations, brands and user perception of the reliability of our systems. Any scheduled or unscheduled interruption in the ability of users to use our servers could result in an immediate, and possibly substantial, loss of revenues.

We currently host our cloud service from third-party data center facilities operated by several different providers located in China. Any damage to, or failure of, our cloud service that is hosted by these third parties, whether as a result of our actions, actions by the third-party data centers, actions by other third parties, or acts of God, could result in interruptions in our cloud service and/or the loss of data. While the third-party hosting centers host the server infrastructure, we manage the cloud services through our technological operations team and need to support version control, changes in cloud software parameters and the evolution of our solutions. As we continue to add data centers and capacity in our existing data centers, we may move or transfer our data and our customers' data. Despite precautions taken during this process, any unsuccessful data transfers may impair the delivery of our service. Impairment of, or interruptions in, our cloud services may reduce our revenues, subject us to claims and litigation, cause our customers to terminate their subscriptions and adversely affect our subscription renewal rates and our ability to attract new customers. Our business will also be harmed if app developers, customers and potential customers believe our services are unreliable.

We do not control, or in some cases have limited control over, the operation of the data center facilities we use, and they are vulnerable to damage or interruption from earthquakes, floods, fires, power loss, telecommunications failures and similar events. They may also be subject to break-ins, sabotage, intentional acts of vandalism and similar misconduct, and to adverse events caused by operator error. We cannot rapidly switch

to new data centers or move customers from one data center to another in the event of any adverse event. Despite precautions taken at these facilities, the occurrence of a natural disaster, an act of terrorism or other act of malfeasance, a decision to close the facilities without adequate notice, or other unanticipated problems at these facilities could result in lengthy interruptions in our service and the loss of accumulated data and our business.

***Interruption or failure of China's internet infrastructure or information technology and communications systems of app developers and customers could impair our ability to effectively deliver our products.***

Our business depends on the performance and reliability of the internet infrastructure in China and the stability of information technology and communications systems of app developers, customers and publishers. The availability of our developer services and data solutions, in part, depends on telecommunications carriers and other third-party providers for communications and storage capacity, including bandwidth and server storage, among other things. Almost all access to the internet in China is maintained through state-owned telecommunication carriers under administrative control, and we obtain access to developers' networks operated by such telecommunications carriers and internet service providers to deliver our developer services. We have experienced internet interruptions in the past, which were typically caused by service interruption of the value-added telecommunications service providers. In addition, since we rely on the performance of our publishers to deliver the ads, any interruption or failure of their information technology and communications systems may undermine the effectiveness of our advertising services and solutions and cause us to lose customers, which may harm our operating results.

***We may not be able to prevent unauthorized use of our intellectual property, which could harm our business and competitive position.***

We regard our trademarks, service marks, patents, domain names, trade secrets, proprietary technologies, know-how and similar intellectual property as critical to our success, and we rely on trademark and patent law, trade secret protection and confidentiality and invention assignment agreements with our employees and third parties to protect our proprietary rights. As of March 31, 2018, within China, we have 34 patent applications pending and own 24 computer software copyrights, relating to various aspects of our developer services and data solutions. In addition, we have filed 2 trademark applications and have maintained 7 trademark registrations in China. We have also registered 11 domain names, including www.jiguang.cn. There can be no assurance that any of our pending patent, trademark, software copyrights or other intellectual property applications will issue or be registered. Any intellectual property rights we have obtained or may obtain in the future may not be sufficient to provide us with a competitive advantage, and could be challenged, invalidated, circumvented, infringed or misappropriated. Given the potential cost, effort, risks and disadvantages of obtaining patent protection, we have not and do not plan to apply for patents or other forms of intellectual property protection for certain of our key technologies. If some of these technologies are later proven to be important to our business and are used by third parties without our authorization, especially for commercial purposes, our business and competitive position may be harmed.

Monitoring for infringement or other unauthorized use of our intellectual property rights is difficult and costly, and we cannot be certain that we can effectively prevent such infringement or unauthorized use of our intellectual property. From time to time, we may need to resort to litigation or other proceedings to enforce our intellectual property rights, which could result in substantial cost and diversion of resources. Our efforts to enforce or protect our intellectual property rights may be ineffective and could result in the invalidation or narrowing of the scope of our intellectual property or expose us to counterclaims from third parties, any of which may adversely affect our business and operating results.

In addition, it is often difficult to create and enforce intellectual property rights in China and other countries outside of the United States. Even where adequate, relevant laws exist in China and other countries outside of the United States, it may not be possible to obtain swift and equitable enforcement of such laws, or to enforce court judgments or arbitration awards delivered in another jurisdiction. Accordingly, we may not be able to effectively

protect our intellectual property rights in such countries. Additional uncertainty may result from changes to intellectual property laws enacted in the jurisdictions in which we operate, and from interpretations of intellectual property laws by applicable courts and government bodies.

Our confidentiality and invention assignment agreements with our employees and third parties, such as consultants and contractors, may not effectively prevent unauthorized use or disclosure of our confidential information, intellectual property or technology and may not provide an adequate remedy in the event of such unauthorized use or disclosure. Trade secrets and know-how are difficult to protect, and our trade secrets may be disclosed, become known or be independently discovered by others. Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy aspects of our service and solution features, software and functionality or obtain and use information that we consider confidential and proprietary. If we are not able to adequately protect our trade secrets, know-how and other confidential information, intellectual property or technology, our business and operating results may be adversely affected.

***We may be subject to intellectual property infringement claims or other allegations, which could result in our payment of substantial damages, penalties and fines, removal of data or technology from our system.***

Third parties may own technology patents, copyrights, trademarks, trade secrets and internet content, which they may use to assert claims against us. Our internal procedures and licensing practices may not be effective in completely preventing the unauthorized use of copyrighted materials or the infringement of other rights of third parties by us or our users. The validity, enforceability and scope of protection of intellectual property rights in internet-related industries, particularly in China, is uncertain and still evolving. For example, as we face increasing competition and as litigation becomes a more common way to resolve disputes in China, we face a higher risk of being the subject of intellectual property infringement claims.

Although we have not been subject to claims or lawsuits outside China, we cannot assure you that we will not become subject to intellectual property laws in other jurisdictions, such as the United States. If a claim of infringement brought against us in the United States or another jurisdiction is successful, we may be required to pay substantial penalties or other damages and fines, enter into license agreements which may not be available on commercially reasonable terms or at all or be subject to injunction or court orders. Even if allegations or claims lack merit, defending against them could be both costly and time consuming and could significantly divert the efforts and resources of our management and other personnel.

Competitors and other third parties may claim that our officers or employees have infringed, misappropriated or otherwise violated their software, confidential information, trade secrets or other proprietary technology in the course of their employment with us. Although we take steps to prevent the unauthorized use or disclosure of such third-party information, intellectual property or technology by our officers and employees, we cannot guarantee that any policies or contractual provisions that we have implemented or may implement will be effective. If a claim of infringement, misappropriation or violation is brought against us or one of our officers or employees, we may suffer reputational harm and may be required to pay substantial damages, subject to injunction or court orders or required to remove the data and redesign our products or technology, any of which could adversely affect our business, financial condition and results of operations.

Further, we license and use technologies from third parties in our applications and platform. These third-party technology licenses may not continue to be available to us on acceptable terms or at all, and may expose us to liability. Any such liability, or our inability to use any of these third-party technologies, could result in disruptions to our business that could materially and adversely affect our operating and financial results.

***Our use of open source technology could impose limitations on our ability to develop our products and platform.***

We use open source software in our applications and platform and expect to continue to use open source software in the future. Although we monitor our use of open source software to avoid subjecting our applications

and platform to conditions we do not intend, we may face allegations from others alleging ownership of, or seeking to enforce the terms of, an open source license, including by demanding release of the open source software, derivative works, or our proprietary source code that was developed using such software. These allegations could also result in litigation. The terms of many open source licenses have not been interpreted by U.S. courts or foreign courts. As a result, there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to develop our applications and technology and further commercialize our products and platform. In such an event, we could be required to seek licenses from third parties to continue applying our applications, to make our proprietary code generally available in source code form, to re-engineer our applications or to discontinue the offering of our service if re-engineering could not be accomplished on a timely basis, any of which could adversely affect our business, operating results and financial condition. In addition to risks related to license requirements, our use of certain open source software may lead to greater risks than use of third party commercial software, as open source licensors generally do not provide warranties or controls on the origin of the software. Additionally, because any software source code we contribute to open source projects is publicly available, our ability to protect our intellectual property rights with respect to such software source code may be limited or lost entirely, and we are unable to prevent our competitors or others from using such contributed software source code. Any of these risks could be difficult to eliminate or manage and, if not addressed, could adversely affect our business, financial condition and results of operations.

***Our technologies may include design or performance defects and may not achieve their intended results, any of which may impair our future revenue.***

Our technologies for data processing and solutions are relatively new, and they may contain design or performance defects that are not detectable even after extensive internal testing and may become apparent only after widespread and long term of commercial use. Any defect in those technologies as well as their subsequent alterations and improvements could hinder the effectiveness of our platform, which would have a material and adverse effect on our competitiveness, reputation and future prospects. It is not clear whether China's existing product liability laws apply to software systems like ours. We cannot assure you that if our technologies are found to have design or performance defects, we will not be liable for product liability claims in China. Although we have not experienced any product liability claims to date, we cannot assure you that we will not do so in the future.

***App developer growth and engagement depend upon effective interoperability with the apps, mobile operating systems, networks, mobile devices and standards that we do not control.***

We make our developer services available across a variety of mobile apps, mobile operating systems and devices. We are dependent on the interoperability of our services with popular mobile apps and devices and mobile operating systems that we do not control, such as Android and iOS. Any changes in such app functions, mobile operating systems or devices that degrade the functionality of our developer services or give preferential treatment to competitive services could adversely affect usage of our services. Mobile operating systems or device manufacturers may develop competing solutions which may interface more effectively with their operating systems and devices. In order to deliver high quality services, it is important that our services work well across a range of apps, mobile operating systems, networks, mobile devices and standards that we do not control.

We may not be successful in developing relationships with key participants in the mobile industry or in developing services that operate effectively with these apps, operating systems, networks, devices and standards. In the event that it is difficult for our app developers to access and use our services, our app developer growth and engagement could be harmed, our data resources may be limited and our business and operating results could be adversely affected.

***If we fail to obtain and maintain the requisite licenses and approvals required under complex regulatory environment applicable to our business in China, or if we are required to take actions that are time-consuming or costly, our business, financial condition and results of operations may be materially and adversely affected.***

The internet and mobile industries in China are highly regulated. Our VIE is required to obtain and maintain applicable licenses and approvals from different regulatory authorities in order to provide their current services. Under the current PRC regulatory scheme, a number of regulatory agencies, including but not limited to the Ministry of Industry and Information Technology, or MIIT, and the State Internet Information Office, or the SIIIO, jointly regulate all major aspects of the internet industry, including the mobile internet business. Operators must obtain various government approvals and licenses for relevant internet or mobile business. See “Regulation—Regulations on Telecommunications Services and Foreign Ownership Restrictions.”

We have obtained two value-added telecommunication business licenses covering different scope of operations. These licenses are essential to the operation of our business and are generally subject to regular government review or renewal. However, we cannot assure you that we can successfully renew these licenses in a timely manner or that these licenses are sufficient to conduct all of our present or future business.

We may also be required to obtain the foreign-related investigation business license or personal credit reporting business license. See “Regulation—Regulations on Foreign-related Investigation” and “Regulation—Regulations on Credit Reporting.”

The PRC government has adopted several regulations governing personal credit reporting businesses. According to the Administrative Regulations on the Credit Reporting Industry, which was promulgated by the State Council and became effective in 2013, “personal credit reporting business” means the activities of collecting, organizing, storing and processing “information related to the credit standing” of individuals as well as providing the information to others, and a “credit reporting agency” refers to a duly established agency whose primary business is credit reporting. These regulations, together with the Administrative Measures for Credit Reporting Agencies, which was promulgated by the People’s Bank of China and became effective in 2013, set forth qualification standards for entities conducting a credit reporting business in China, rules and requirements for credit reporting businesses and operating standards for credit reporting agencies. According to these regulations and measures, no entity may engage in personal credit reporting business without approval by the credit reporting industry regulatory department under the State Council. If any entity directly engages in personal credit reporting business without such approval, the entity is subject to penalties including suspension of business, confiscation of revenues related to personal credit reporting business, fines of RMB50,000 to RMB500,000 and criminal liabilities. We provide financial risk management solutions to financial institutions as well as emerging technology companies based on device-level mobile behavior data. Due to the lack of further interpretations of the current regulations governing personal credit reporting businesses, the exact definition and scope of “information related to credit standing” and “personal credit reporting business” under the current regulations are unclear. It is therefore uncertain whether we would be deemed to engage in personal credit reporting business because of our financial risk management solutions. As of the date of this prospectus, we have not been subject to any fines or other penalties under any PRC laws or regulations related to personal credit reporting business. However, given the evolving regulatory environment of the personal credit reporting industry, we cannot assure you that we will not be required in the future by the relevant governmental authorities to obtain approval or license for personal credit reporting business in order to continue offering our financial risk management solutions. Our business may also become subject to other rules and requirements related to credit reporting business, or new rules and requirements (including approval or license regime) promulgated by the relevant authorities in the future. The existing and future rules and regulations may be costly to comply with, and we may not be able to obtain any required license or other regulatory approvals in a timely manner, or at all. If we are subject to penalties for any of the foregoing reasons, our business, financial condition, results of operations and prospects could be materially and adversely affected.

According to the Measures on the Administration of Foreign-related Investigation, companies that engage in a foreign-related investigation must obtain the foreign-related investigation license. Foreign-related investigations include market and social investigations of which the materials and results are to be provided to any foreign institutions. For the purpose of the Measures on the Administration of Foreign-related Investigation, market investigations refer to the activities of collecting and compiling information concerning the performance and prospects of the relevant products and commercial services in the market. Based on the data that we access to and aggregate from our developer services, we provide data solutions to both domestic and foreign financial industry clients. Except for the general descriptions of market and social investigation defined in the relevant PRC laws or regulations, there is no further clarification or specific guidance on the characteristics and scope of “foreign-related investigations.” Due to the lack of further interpretation of the relevant rules, it is uncertain whether we are required to obtain a license for our business. We do not hold a foreign-related investigation license. Lack of the license may restrain our ability to expand our business scope and may subject us to fines and other regulatory actions by relevant regulators if the provision of our data solutions to foreign financial industry clients is deemed as violating the applicable regulations. To be prudent, we have started the application process for a foreign-related investigation license. We cannot assure you that we will be able to obtain the license.

Considerable uncertainties exist regarding the interpretation and implementation of existing and future laws and regulations governing our business activities. We cannot assure you that we will not be found in violation of any future laws and regulations or any of the laws and regulations currently in effect due to changes in the relevant authorities’ interpretation of these laws and regulations. If we fail to complete, obtain or maintain any of the required licenses or approvals or make the necessary filings, we may be subject to various penalties, such as confiscation of the net revenues that were generated through the unlicensed internet or mobile activities, the imposition of fines and the discontinuation or restriction of our operations. Any such penalties may disrupt our business operations and materially and adversely affect our business, financial condition and results of operations.

***Future acquisitions, strategic investments, partnerships or alliances could be difficult to integrate, and could require significant management attention, disrupt our business, dilute shareholder value, involve anti-monopoly concerns and adversely affect our results of operations.***

We may seek to acquire, or make investment in additional businesses, products or technologies in both domestic and overseas markets. However, we have limited experience in acquiring, investing in and integrating businesses, products and technologies. If we identify an appropriate candidate for acquisition or investment, we may not be successful in negotiating the terms and/or financing of the transaction, and our due diligence may fail to identify all of the problems, liabilities or other shortcomings or challenges of an acquired business, product or technology, including issues related to intellectual property, product quality or architecture, regulatory compliance practices, revenue recognition or other accounting practices or employee or customer issues.

Any acquisition or investment may require us to use significant amounts of cash, issue potentially dilutive equity securities or incur debt. In addition, acquisitions involve numerous risks, any of which could harm our business, including:

- difficulties in integrating the operations, technologies, services and personnel of acquired businesses, especially if those businesses operate outside of our core competency;
- cultural challenges associated with integrating employees from the acquired company into our organization;
- reputation and perception risks associated with the acquired product or technology by the general public;
- ineffectiveness or incompatibility of acquired technologies or services;
- potential loss of key employees of acquired businesses;

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- inability to maintain the key business relationships and the reputations of acquired businesses;
- diversion of management's attention from other business concerns;
- litigation for activities of the acquired company, including claims from terminated employees, clients, former shareholders or other third parties;
- failure to identify all of the problems, liabilities or other shortcomings or challenges of an acquired company, technology, or solution, including issues related to intellectual property, solution quality or architecture, regulatory compliance practices, revenue recognition or other accounting practices or employee or client issues;
- in the case of foreign acquisitions, the need to integrate operations across different cultures and languages and to address the particular economic, currency, political and regulatory risks associated with specific countries;
- costs necessary to establish and maintain effective internal controls for acquired businesses;
- failure to successfully further develop the acquired technology in order to recoup our investment; and
- increased fixed costs.

If we are unable to successfully integrate any future business, product or technology we acquire, our business and results of operations may suffer.

### ***Any loss of key personnel or inability to attract, retain and motivate qualified personnel may impair our ability to expand our business.***

Our success is substantially dependent upon the continued service and performance of our senior management team and key technical, marketing and sales personnel, including our senior management. The replacement of any members of our senior management team likely would involve significant time and costs and may significantly delay or prevent the achievement of our business objectives.

Our future success also depends, in part, on our ability to continue to attract, integrate and retain highly skilled personnel. Competition for highly skilled personnel, including, in particular, engineers, is frequently intense. We must offer competitive compensation and opportunities for career growth in order to attract and retain these highly skilled employees. Any failure to successfully attract, integrate, or retain qualified personnel to fulfill our current or future needs may negatively impact our growth.

### ***Allegations or lawsuits against us or our management may harm our reputation.***

We have not been, but may become, subject to allegations or lawsuits brought by our competitors, customers or other individuals or entities, including claims of breach of contract or unfair competition. Any such allegation or lawsuits, with or without merit, or any perceived unfair, unethical, fraudulent or inappropriate business practice by us or perceived malfeasance by our management could harm our reputation and user base and distract our management from our daily operations. We cannot assure you that neither we nor our management will be subject to allegations or lawsuits in the future. Allegations or lawsuits against us may also generate negative publicity that significantly harms our reputation, which may materially and adversely affect our user base and our ability to attract app developers and customers. In addition to the related cost, managing and defending litigation and related indemnity obligations can significantly divert management's attention. We may also need to pay damages or settle the litigation with a substantial amount of cash. All of these could have a material adverse impact on our business, results of operation and cash flows.

***In connection with the audits of our consolidated financial statements included in this prospectus, we and our independent registered public accounting firm identified a material weakness in our internal control over financial reporting. If we fail to develop and maintain an effective system of internal control over financial reporting, we may be unable to accurately report our financial results or prevent fraud.***

Prior to this offering, we have been a private company with limited accounting personnel and other resources with which to address our internal control over financial reporting. In connection with the audits of our consolidated financial statements included in this prospectus, we and our independent registered public accounting firm identified a material weakness in our internal control over financial reporting. As defined in the standards established by the U.S. Public Company Accounting Oversight Board, a “material weakness” is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

The material weakness that has been identified relates to our lack of sufficient financial reporting personnel with appropriate level of knowledge and experience in application of U.S. GAAP and SEC reporting requirements to properly address complex U.S. GAAP accounting issues and to prepare and review our consolidated financial statements and related disclosures to fulfill U.S. GAAP and SEC financial reporting requirements. The material weakness, if not timely remedied, may lead to significant misstatements in our consolidated financial statements in the future.

Neither we nor our independent registered public accounting firm undertook a comprehensive assessment of our internal control for purposes of identifying and reporting material weaknesses and other control deficiencies in our internal control over financial reporting. Had we performed a formal assessment of our internal control over financial reporting or had our independent registered public accounting firm performed an audit of our internal control over financial reporting, additional deficiencies may have been identified.

Following the identification of the material weakness, we have taken measures and plan to continue to take measures to remedy the material weakness. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Internal Control Over Financial Reporting.” However, the implementation of these measures may not fully address the material weakness in our internal control over financial reporting, and we cannot conclude that they have been fully remedied. Our failure to correct the material weakness or our failure to discover and address any other control deficiencies could result in inaccuracies in our financial statements and impair our ability to comply with applicable financial reporting requirements and related regulatory filings on a timely basis. Moreover, ineffective internal control over financial reporting could significantly hinder our ability to prevent fraud.

Upon completion of this offering, we will become subject to the Sarbanes-Oxley Act of 2002. Section 404 of the Sarbanes-Oxley Act, or Section 404, requires that we include a report from management on the effectiveness of our internal control over financial reporting in our annual report on Form 20-F beginning with our annual report for the fiscal year ending December 31, 2019. In addition, once we cease to be an “emerging growth company” as such term is defined in the JOBS Act, our independent registered public accounting firm must attest to and report on the effectiveness of our internal control over financial reporting. Our management may conclude that our internal control over financial reporting is not effective. Moreover, even if our management concludes that our internal control over financial reporting is effective, our independent registered public accounting firm, after conducting its own independent testing, may issue a report that is qualified if it is not satisfied with our internal controls or the level at which our controls are documented, designed, operated or reviewed, or if it interprets the relevant requirements differently from us. In addition, after we become a public company, our reporting obligations may place a significant strain on our management, operational and financial resources and systems for the foreseeable future. We may be unable to timely complete our evaluation testing and any required remediation.

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During the course of documenting and testing our internal control procedures, in order to satisfy the requirements of Section 404, we may identify other weaknesses and deficiencies in our internal control over financial reporting. In addition, if we fail to maintain the adequacy of our internal control over financial reporting, as these standards are modified, supplemented or amended from time to time, we may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404. If we fail to achieve and maintain an effective internal control environment, we could suffer material misstatements in our financial statements and fail to meet our reporting obligations, which would likely cause investors to lose confidence in our reported financial information. This could in turn limit our access to capital markets, harm our results of operations, and lead to a decline in the trading price of our ADSs. Additionally, ineffective internal control over financial reporting could expose us to increased risk of fraud or misuse of corporate assets and subject us to potential delisting from the stock exchange on which we list, regulatory investigations and civil or criminal sanctions. We may also be required to restate our financial statements for prior periods.

### ***Our results of operations may be subject to seasonal fluctuation due to a number of factors, any of which could adversely affect our business and operation results.***

The historical seasonality of our business has been relatively mild due to our rapid growth but it may increase further in the future. Due to our limited operating history, the seasonal trends that we have experienced in the past may not apply to, or be indicative of, our future operating results. As we grow, our quarterly revenues and operating results may be subject to seasonal fluctuations, depending upon a number of factors which may be out of our control. We may experience weaker demands for targeted marketing business in the first quarter of each year due to the Chinese New Year holidays. Expenditures by advertisers vary in cycles and tend to reflect overall economic conditions, both in China and globally, as well as budgeting and buying patterns in different industries and companies. Advertisers may alternate between periods with major advertising campaigns and periods of relative inactivity. Because most advertising campaigns are short in duration and we typically sign contracts on a campaign-by-campaign basis, it is difficult for us to forecast our results of operations for future quarters. Our quarterly revenues and our costs and expenses as a percentage of our revenues may be significantly different from our historical or projected rates. Our operating results in future quarters may fall below expectations. Any of these events could cause the price of our ADSs to fall. If our revenues for a particular quarter are lower than expected, we may be unable to reduce our operating expenses and cost of revenues for that quarter by a corresponding amount, which would harm our operating results for that quarter relative to our operating results from prior quarters.

### ***We may be the subject of anti-competitive, harassing or other detrimental conduct that could harm our reputation and cause us to lose users and customers.***

In the future we may be the target of anti-competitive, harassing, or other detrimental conduct by third parties. Allegations, directly or indirectly against us or any of our executive officers, may be posted in internet chat-rooms or on blogs or websites by anyone, whether or not related to us, on an anonymous basis. The availability of information on social media platforms and devices is virtually immediate, as is its impact. Social media platforms and devices immediately publish the content their subscribers and participants post, often without filters or checks on the accuracy of the content posted. Information posted may be inaccurate and adverse to us, and it may harm our business, prospectus or financial performance. The harm may be immediate without affording us an opportunity for redress or correction. In addition, such conduct may include complaints, anonymous or otherwise, to regulatory agencies. We may be subject to regulatory or internal investigation as a result of such third-party conduct and may be required to expend significant time and incur substantial costs to address such third-party conduct, and there is no assurance that we will be able to conclusively refute each of the allegations within a reasonable period of time, or at all. Additionally, our reputation could be harmed as a result of the public dissemination of anonymous allegations or malicious statements about our business, which in turn may cause us to lose users and customers and adversely affect the price of the ADSs.

***Non-compliance on the part of third parties with whom we cooperate to conduct business, deterioration of their service quality or termination of their services, could disrupt our business and adversely affect our results of operations.***

Our business partners, including publishers and third party data service providers, may be subject to regulatory penalties or punishments because of their regulatory compliance failures, which may disrupt our business. Any legal liabilities of, or regulatory actions against, our business partners may affect our business activities and reputation and, in turn, our results of operations. For example, we collaborate with third-party data service providers who supplement our dataset and maintain a strict vetting process before engaging such third-party data service providers to ensure the integrity and quality data, but we cannot assure that these service providers have accessed and processed data in a proper and legal manners and any noncompliance on their part may cause potential liabilities to us and disrupt our operations.

We exercise no control over the third parties with whom we have business arrangements. If such third parties increase their prices, fail to provide their services effectively or in high quality, terminate their service or agreements or discontinue their relationships with us, we could suffer service interruptions, reduced revenues or increased costs, any of which may have a material adverse effect on our business, financial condition and results of operations.

***We have granted, and may continue to grant share options or other equity incentives in the future, which may result in increased share-based compensation expenses.***

We adopted a stock incentive plan in July 2014, or the 2014 Plan, and a stock incentive plan in March 2017, or the 2017 Plan. Under the 2014 Plan, we are authorized to grant share awards for issuance of up to a maximum of 5,500,000 common shares. Under the 2017 Plan, as amended, we are authorized to grant awards for issuance of up to a maximum of 6,015,137 common shares. See “Management—2014 Stock Incentive Plan” and “Management—2017 Stock Incentive Plan” for a detailed discussion. In 2017 and the three months ended March 31, 2018, we recorded RMB8.3 million (US\$1.3 million) and RMB2.8 million (US\$0.5 million) in share-based compensation expenses, respectively. The amount of these expenses is based on the fair value of the share-based compensation awards we granted, and the recognition of unrecognized share-based compensation cost will depend on the forfeiture rate of our unvested restricted shares. As of the date of this prospectus, options to purchase 5,438,760 common shares under the 2014 Plan and 1,400,316 common shares under the 2017 Plan have been granted and outstanding, excluding options that were forfeited or canceled after the relevant grant dates. Expenses associated with share-based compensation have affected our net income and may reduce our net income in the future, and any additional securities issued under share-based compensation schemes will dilute the ownership interests of our shareholders, including holders of the ADSs. We believe the granting of share-based compensation is of significant importance to our ability to attract and retain key personnel, employees and consultants, and we will continue to grant share-based compensation in the future. As a result, our expenses associated with share-based compensation may increase, which may have an adverse effect on our results of operations.

***Our business, financial condition and results of operations, as well as our ability to obtain financing, may be adversely affected by a downturn in the global or Chinese economy.***

The global macroeconomic environment is facing challenges, including the end of quantitative easing by the U.S. Federal Reserve, the economic slowdown in the Eurozone since 2014 and uncertainties over the impact of Brexit. The growth of the Chinese economy has slowed down since 2012 compared to the previous decade and the trend may continue. According to the National Bureau of Statistics of China, China’s gross domestic product (GDP) growth was 6.9% in 2017. There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies adopted by the central banks and financial authorities of some of the world’s leading economies, including the United States and China. There have been concerns over unrest and terrorist threats in the Middle East, Europe and Africa. There have also been concerns on the relationship between China and other countries, including surrounding Asian countries as well as the United States, which

may potentially lead to foreign investors closing down their business or withdrawing their investment in China and thus exiting the China market, and other economic effects. Economic conditions in China are sensitive to global economic conditions, as well as changes in domestic economic and political policies and the expected or perceived overall economic growth rate in China.

Any prolonged slowdown in the global or Chinese economy may have a negative impact on our business, results of operations and financial condition, and continued turbulence in the international markets may adversely affect our ability to access the capital markets to meet liquidity needs. Our customers may reduce or delay spending with us, while we may have difficulty expanding our customer base fast enough, or at all, to offset the impact of decreased spending by our existing customers. In addition, to the extent we offer credit to any customer and the customer experiences financial difficulties due to the economic slowdown, we could have difficulty collecting payment from the customer. Moreover, a slowdown or disruption in the global or Chinese economy may have a material and adverse impact on the financing available to us. The weakness in the economy could erode investor confidence, which constitutes the basis of the credit market.

***If we fail to establish branch offices in all areas we operate, we may be subject to penalties and our business operations could be adversely affected.***

Under PRC law, a company setting up premises for business operations outside its residence address must register the premises as branch offices with the competent local industry and commerce bureau and obtain business licenses for them as branch offices. As of the date of this prospectus, we have not been able to register all the premises as branch offices in the relevant cities where we operate our business, including Beijing, Shanghai, Guangzhou and Chengdu. We are in the process of applying for the registration of these premises and we cannot assure you whether the registration can be completed in a timely manner. Although we have not been subject to any query or investigation by any PRC government authority regarding the absence of such registration and the net revenue attributable to the operation from these premises is insignificant, if the PRC regulatory authorities determine that we are in violation of the relevant laws and regulations, we may be subject to penalties, including fines, confiscation of income and suspension of operation. If we become subject to these penalties, our business, results of operations, financial condition and prospects could be materially and adversely affected.

***We have limited business insurance coverage.***

The insurance companies in China currently offer limited business-related insurance products. We do not maintain business interruption insurance or general third-party liability insurance, nor do we maintain property insurance, product liability insurance or key-man insurance. We consider this practice to be reasonable in light of the nature of our business and the insurance products that are available in China and in line with the practices of other companies in the same industry of similar size in China. Any uninsured risks may result in substantial costs and the diversion of resources, which could adversely affect our results of operations and financial condition.

***We face risks related to health epidemics, severe weather conditions and other outbreaks.***

Our business could be adversely affected by the effects of avian influenza, severe acute respiratory syndrome (SARS), the influenza A virus, Ebola virus, severe weather conditions or other epidemics or outbreaks. Health or other government regulations adopted in response to an epidemic, severe weather conditions such as snow storms, floods or hazardous air pollution, or other outbreaks may require temporary closure of our offices. Such closures may disrupt our business operations and adversely affect our results of operations.

***Certain of our leasehold interests in leased properties have not been registered with the relevant PRC governmental authorities as required by relevant PRC laws. The failure to register leasehold interests may expose us to potential fines.***

We have not registered certain of our lease agreements with the relevant government authorities. Under the relevant PRC laws and regulations, we may be required to register and file with the relevant government

authority executed leases. The failure to register the lease agreements for our leased properties will not affect the validity of these lease agreements, but the competent housing authorities may order us to register the lease agreements in a prescribed period of time and impose a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease if we fail to complete the registration within the prescribed timeframe.

***We lease premises and may not be able to fully control the rental costs, quality, maintenance and our leasehold interest in these premises, nor can we guarantee that we will be able to successfully renew or find suitable premises to replace our existing premises upon expiration of the existing leases.***

We lease all the premises used in our operations from third parties. We require the landlords' cooperation to effectively manage the condition of such premises, buildings and facilities. In the event that the condition of the office premises, buildings and facilities deteriorates, or if any or all of our landlords fail to properly maintain and renovate such premises, buildings or facilities in a timely manner or at all, the operation of our offices could be materially and adversely affected.

Moreover, certain lessors have not provided us with valid ownership certificates or authorization of sublease for our leased properties. Under the relevant PRC laws and regulations, if the lessors are unable to obtain certificate of title because such real estates were built illegally or failed to pass the inspection, such lease contracts may be recognized as void. In addition, if our lessors are not the owners of the properties and they have not obtained consents from the owners or their lessors or permits from the relevant government authorities, our leases could be invalidated. If this occurs, we may have to renegotiate the leases with the owners or the parties who have the right to lease the properties, and the terms of the new leases may be less favorable to us.

As of the date of this prospectus, we are not aware of any material claims or actions being contemplated or initiated by government authorities, property owners or any other third parties with respect to our leasehold interests in or use of such properties. However, we cannot assure you that our use of such leased properties will not be challenged.

***Failure to make adequate contributions to various employee benefit plans as required by PRC regulations may subject us to penalties.***

Companies operating in China are required to participate in various government sponsored employee benefit plans, including certain social insurance, housing funds and other welfare-oriented payment obligations, and contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of our employees up to a maximum amount specified by the local government from time to time at locations where we operate our businesses. The requirement of employee benefit plans has not been implemented consistently by the local governments in China given the different levels of economic development in different locations. Our PRC entities have not made adequate employee benefit payments and have not made employee benefit payments for all employees and we have recorded accruals for estimated underpaid amounts in our financial statements. We may be required to make up the contributions for these plans as well as to pay late fees and fines. If we are subject to late fees or fines in relation to the underpaid employee benefits, our financial condition and results of operations may be adversely affected.

### **Risks Related to Our Corporate Structure**

***If the PRC government finds that the agreements that establish the structure for operating some of our business operations in China do not comply with PRC regulations relating to the relevant industries, or if these regulations or the interpretation of existing regulations change in the future, we could be subject to severe penalties, or be forced to relinquish our interest in those operations.***

Foreign ownership of certain parts of our businesses including value-added telecommunications services is subject to restrictions under current PRC laws and regulations. The PRC government regulates internet access, distribution of online information and online advertising through strict business licensing requirements and other government regulations. For example, foreign investors are not allowed to own more than 50% of the equity interests in a value-added telecommunications service provider (excluding e-commerce) and any such foreign

investor must have experience in providing value-added telecommunications services overseas and maintain a good track record.

We are a Cayman Islands company and our PRC subsidiary, namely our WFOE, is a foreign-invested enterprise. Accordingly, our WFOE is not eligible to provide value-added telecommunications services in China. As a result, our variable interest entity in PRC, namely Hexun Huagu, holds value-added telecommunications business operation licenses as a value-added telecommunications service provider. We entered into a series of contractual arrangements with Hexun Huagu, or our VIE, and its shareholders, which enable us to (i) exercise effective control over our VIE, (ii) receive substantially all of the economic benefits of our VIE, and (iii) have an exclusive call option to purchase all or part of the equity interests and assets in our VIE when and to the extent permitted by PRC law. As a result of these contractual arrangements, we have control over and are the primary beneficiary of our VIE and hence consolidate their financial results into our consolidated financial statements under U.S. GAAP. See “Corporate History and Structure” for further details.

In the opinion of our PRC legal counsel, Han Kun Law Offices, (i) the ownership structure of our VIE in China and our WFOE, both currently and immediately after giving effect to this offering, are not in violation of applicable PRC laws and regulations currently in effect; and (ii) the contractual arrangements between our WFOE, our VIE and its shareholders governed by PRC laws and regulations are valid, binding and enforceable, and will not result in any violation of applicable PRC laws and regulations. However, our PRC legal counsel has also advised us that there are substantial uncertainties regarding the interpretation and application of current and future PRC laws and regulations. Accordingly, the PRC regulatory authorities may take a view that is contrary to the opinion of our PRC legal counsel.

It is uncertain whether any new PRC laws or regulations relating to variable interest entity structures will be adopted or if adopted, what they would provide. In particular, the MOFCOM published a discussion draft of the proposed PRC Foreign Investment Law for public review and comments on January 19, 2015. Among other things, the draft PRC Foreign Investment Law expands the definition of foreign investment and introduces the principle of “actual control” in determining whether a company is considered a foreign-invested enterprise, or an FIE. Under the draft PRC Foreign Investment Law, variable interest entities would also be deemed as FIEs, if they are ultimately “controlled” by foreign investors, and be subject to restrictions on foreign investments. However, the draft law has not taken a position on what actions will be taken with respect to the existing companies with the “variable interest entity” structure, whether or not these companies are controlled by Chinese parties. It is uncertain when the draft would be signed into law and whether the final version would have any substantial changes from the draft. Substantial uncertainties exist with respect to the enactment timetable, interpretation and implementation of draft PRC Foreign Investment Law and how it may impact the viability of our current corporate structure, corporate governance and business operations.

If we or our VIE were found to be in violation of any existing or future PRC laws or regulations, or fail to obtain or maintain any of the required permits or approvals, the relevant PRC regulatory authorities would have broad discretion to take action in dealing with such violations or failures, including:

- levying fines or confiscating our income or the income of our PRC subsidiary or our VIE;
- revoking or suspending the business licenses or operating licenses of our PRC subsidiary or our VIE;
- discontinuing or placing restrictions or onerous conditions on our operations through any transactions between our WFOE and our VIE;
- requiring us to restructure our ownership structure or operations, including terminating the contractual arrangements with our VIE and deregistering the equity pledges of our VIE, which in turn would affect our ability to consolidate, derive economic interests from, or exert effective control over our VIE;
- restricting or prohibiting our use of the proceeds of this offering to finance our business and operations in China; and
- taking other regulatory or enforcement actions that could be harmful to our business.

The imposition of any of these penalties would result in a material and adverse effect on our ability to conduct our business. In addition, it is unclear what impact the PRC government actions would have on us and on our ability to consolidate the financial results of our VIE in our consolidated financial statements, if the PRC government authorities were to find our legal structure and contractual arrangements to be in violation of PRC laws and regulations. If the imposition of any of these government actions causes us to lose our right to direct the activities of our VIE or our right to receive substantially all the economic benefits and residual returns from our VIE and we are not able to restructure our ownership structure and operations in a satisfactory manner, we would no longer be able to consolidate the financial results of our VIE in our consolidated financial statements. Either of these results, or any other significant penalties that might be imposed on us in this event, would have a material adverse effect on our financial condition and results of operations.

***We rely on contractual arrangements with our VIE and its shareholders for substantially all of our business operation, which may not be as effective as direct ownership.***

Our VIE contributed 99.8%, 98.9% and 98.9% of our consolidated total net revenues for the years ended December 31, 2016 and 2017 and the three months ended March 31, 2018, respectively. We have relied and expect to continue to rely on contractual arrangements with our VIE and its shareholders to conduct our business. These contractual arrangements may not be as effective as direct ownership in providing us with control over our VIE. For example, our VIE and its shareholders could breach their contractual arrangements with us by, among other things, failing to conduct our VIE's operations in an acceptable manner or taking other actions that are detrimental to our interests.

If we had direct ownership of our VIE, we would be able to exercise our rights as a shareholder to effect changes in the board of directors of our VIE, which in turn could implement changes, subject to any applicable fiduciary obligations, at the management and operational level. However, under the current contractual arrangements, we rely on the performance by our VIE and its shareholders of their obligations under the contracts to exercise control over our VIE. However, the shareholders of our consolidated VIE may not act in the best interests of our company or may not perform their obligations under these contracts. Such risks exist throughout the period in which we intend to operate certain portions of our business through the contractual arrangements with our VIE. If any disputes relating to these contracts remains unresolved, we will have to enforce our rights under these contracts through the operations of PRC law and arbitration, litigation and other legal proceedings and therefore will be subject to uncertainties in the PRC legal system. See “—Any failure by our VIE or its shareholders to perform their obligations under our contractual arrangements with them would have a material and adverse effect on our business.” Therefore, our contractual arrangements with our VIE and its shareholders may not be as effective in ensuring our control over the relevant portion of our business operations as direct ownership would be.

***Any failure by our VIE or its shareholders to perform their obligations under our contractual arrangements with them would have a material and adverse effect on our business.***

We refer to the shareholders of our VIE as its nominee shareholders because although they remain the holders of equity interests on record in our VIE, pursuant to the terms of the shareholder voting proxy agreement, each such shareholder has irrevocably authorized our company to exercise his rights as a shareholder of the VIE. However, if our VIE or its shareholders fail to perform their respective obligations under the contractual arrangements, we may have to incur substantial costs and expend additional resources to enforce such arrangements. We may also have to rely on legal remedies under PRC law, including seeking specific performance or injunctive relief, and claiming damages, which we cannot assure will be effective under PRC law. For example, if the shareholders of our VIE refuse to transfer their equity interest in our VIE to us or our designee if we exercise the purchase option pursuant to these contractual arrangements, or if they otherwise act in bad faith toward us, then we may have to take legal actions to compel them to perform their contractual obligations.

All of these contractual arrangements are governed by and interpreted in accordance with PRC law, and disputes arising from these contractual arrangements between us and our variable interest entity will be resolved

through arbitration in China. These disputes do not include claims arising under the United States federal securities law and thus the arbitration provisions do not prevent our shareholders from pursuing claims under the United States federal securities law. The legal system in the PRC is not as developed as in some other jurisdictions, such as the United States. As a result, uncertainties in the PRC legal system could limit our ability to enforce these contractual arrangements. See “—Risks Related to Doing Business in China—Uncertainties with respect to the PRC legal system and changes in laws and regulations in China could adversely affect us.” Meanwhile, there are very few precedents and little formal guidance as to how contractual arrangements in the context of a VIE should be interpreted or enforced under PRC law. There remain significant uncertainties regarding the ultimate outcome of such arbitration should legal action become necessary. In addition, under PRC law, awards by arbitrators are final, which means parties cannot appeal the arbitration results in courts, and if the losing parties fail to carry out the arbitration awards within a prescribed time limit, the prevailing parties may only enforce the arbitration awards in PRC courts through arbitration award enforcement proceedings, which would require additional expenses and delay. In the event we are unable to enforce these contractual arrangements, or if we suffer significant delays or other obstacles in the process of enforcing these contractual arrangements, we may not be able to exert effective control over our VIE, and our ability to conduct our business may be negatively affected.

***Contractual arrangements in relation to our VIE may be subject to scrutiny by the PRC tax authorities and they may determine that we or our VIE owe additional taxes, which could negatively affect our financial condition and the value of your investment.***

Under applicable PRC laws and regulations, arrangements and transactions among related parties may be subject to audit or challenge by the PRC tax authorities. We could face material and adverse tax consequences if the PRC tax authorities determine that the VIE contractual arrangements were not entered into on an arm's length basis in such a way as to result in an impermissible reduction in taxes under applicable PRC laws, rules and regulations, and adjust the income of our VIE in the form of a transfer pricing adjustment. A transfer pricing adjustment could, among other things, result in a reduction of expense deductions recorded by our VIE for PRC tax purposes, which could in turn increase its tax liabilities without reducing our WFOE's tax expenses. In addition, the PRC tax authorities may impose late payment fees and other penalties on our VIE for the adjusted but unpaid taxes according to the applicable regulations. Our financial position could be materially and adversely affected if our VIE's tax liabilities increase or if it is required to pay late payment fees and other penalties.

***The shareholders of our VIE may have potential conflicts of interest with us, which may materially and adversely affect our business and financial condition.***

The shareholders of our VIE include Mr. Weidong Luo, Mr. Xiaodao Wang and Mr. Jiawen Fang, who are also our directors. Conflicts of interest may arise between the roles of them as directors of our company and as shareholders of our VIE. The shareholders of our VIE may have potential conflicts of interest with us. These shareholders may breach, or cause our VIE to breach, or refuse to renew, the existing contractual arrangements we have with them and our VIE, which would have a material and adverse effect on our ability to effectively control our VIE and receive economic benefits from them. For example, the shareholders may be able to cause our agreements with our VIE to be performed in a manner adverse to us by, among other things, failing to remit payments due under the contractual arrangements to us on a timely basis. We cannot assure you that when conflicts of interest arise any or all of these shareholders will act in the best interests of our company or such conflicts will be resolved in our favor.

Currently, we do not have any arrangements to address potential conflicts of interest between these shareholders and our company, except that we could exercise our purchase option under the exclusive option agreements with these shareholders to request them to transfer all of their equity interests in the VIE to a PRC entity or individual designated by us, to the extent permitted by PRC law. We rely on Mr. Luo, Mr. Wang and Mr. Fang to abide by the laws of the Cayman Islands, which provide that directors owe a fiduciary duty to the company that requires them to act in good faith and in what they believe to be the best interests of the company

and not to use their position for personal gains. If we cannot resolve any conflict of interest or dispute between us and the shareholders of our VIE, we would have to rely on legal proceedings, which could result in disruption of our business and subject us to substantial uncertainty as to the outcome of any such legal proceedings.

The shareholders of our VIE may be involved in personal disputes with third parties or other incidents that may have an adverse effect on their respective equity interests in our VIE and the validity or enforceability of our contractual arrangements with our VIE and its shareholders. For example, in the event that any of the shareholders of our VIE divorces his or her spouse, the spouse may claim that the equity interest of our VIE held by such shareholder is part of their community property and should be divided between such shareholder and his or her spouse. If such claim is supported by the court, the relevant equity interest may be obtained by the shareholder's spouse or another third party who is not subject to obligations under our contractual arrangements, which could result in a loss of our effective control over the VIE. Similarly, if any of the equity interests of our VIE is inherited by a third party on whom the current contractual arrangements are not binding, we could lose our control over the VIE or have to maintain such control by incurring unpredictable costs, which could cause significant disruption to our business and operations and harm our financial condition and results of operations.

Although under our current contractual arrangements, it is expressly provided that all these agreements and the rights and obligations thereunder shall be equally effective and binding on the heirs and successors of the parties to the contractual arrangements, we cannot assure you that these undertakings and arrangements will be complied with or effectively enforced. In the event that any of them is breached or becomes unenforceable and leads to legal proceedings, it could disrupt our business, distract our management's attention and subject us to substantial uncertainties as to the outcome of any such legal proceedings.

***We may rely on dividends paid by our PRC subsidiary to fund any cash and financing requirements we may have. Any limitation on the ability of our PRC subsidiary to pay dividends to us could have a material adverse effect on our ability to conduct our business and to pay dividends to holders of the ADSs and our common shares.***

We are a holding company, and we may rely on dividends to be paid by our wholly-owned PRC subsidiary for our cash and financing requirements, including the funds necessary to pay dividends and other cash distributions to the holders of the ADSs and our common shares and service any debt we may incur. If our wholly owned PRC subsidiary incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other distributions to us.

Under PRC laws and regulations, wholly foreign-owned enterprises in the PRC, such as our WFOE, may pay dividends only out of its accumulated profits as determined in accordance with PRC accounting standards and regulations. In addition, a wholly foreign-owned enterprise is required to set aside at least 10% of its after-tax profits each year, after making up previous years' accumulated losses, if any, to fund certain statutory reserve funds, until the aggregate amount of such a fund reaches 50% of its registered capital. At the discretion of the board of director of the wholly foreign-owned enterprise, it may allocate a portion of its after-tax profits based on PRC accounting standards to staff welfare and bonus funds. These reserve funds and staff welfare and bonus funds are not distributable as cash dividends. Any limitation on the ability of our wholly-owned PRC subsidiary to pay dividends or make other distributions to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends, or otherwise fund and conduct our business.

***We may lose the ability to use and enjoy assets held by our VIE that are material to the operation of certain portion of our business if the VIE goes bankrupt or becomes subject to a dissolution or liquidation proceeding.***

As part of our contractual arrangements with our VIE, our VIE holds certain assets that are material to the operation of certain portion of our business, including intellectual property and premise and value-added telecommunication business operation licenses. If our VIE goes bankrupt and all or part of their assets become

subject to liens or rights of third-party creditors, we may be unable to continue some or all of our business activities, which could materially and adversely affect our business, financial condition and results of operations. Under the contractual arrangements, our VIE may not, in any manner, sell, transfer, mortgage or dispose of their assets or legal or beneficial interests in the business without our prior consent. If our VIE undergoes a voluntary or involuntary liquidation proceeding, independent third-party creditors may claim rights to some or all of these assets, thereby hindering our ability to operate our business, which could materially and adversely affect our business, financial condition and results of operations.

***If the chops of our PRC subsidiary and our VIE are not kept safely, are stolen or are used by unauthorized persons or for unauthorized purposes, the corporate governance of these entities could be severely and adversely compromised.***

In China, a company chop or seal serves as the legal representation of the company towards third parties even when unaccompanied by a signature. Each legally registered company in China is required to maintain a company chop, which must be registered with the local Public Security Bureau. In addition to this mandatory company chop, companies may have several other chops which can be used for specific purposes. The chops of our PRC subsidiary and VIE are generally held securely by personnel designated or approved by us in accordance with our internal control procedures. To the extent those chops are not kept safely, are stolen or are used by unauthorized persons or for unauthorized purposes, the corporate governance of these entities could be severely and adversely compromised and those corporate entities may be bound to abide by the terms of any documents so chopped, even if they were chopped by an individual who lacked the requisite power and authority to do so. In addition, if the chops are misused by unauthorized persons, we could experience disruption to our normal business operations. We may have to take corporate or legal action, which could involve significant time and resources to resolve while distracting management from our operations.

### **Risks Related to Doing Business in China**

***Uncertainties with respect to the PRC legal system and changes in laws and regulations in China could adversely affect us.***

We conduct our business primarily through our PRC subsidiary and consolidated VIE in China. Our operations in China are governed by PRC laws and regulations. Our PRC subsidiary is subject to laws and regulations applicable to foreign investment in China. The PRC legal system is a civil law system based on written statutes. Unlike the common law system, prior court decisions under the civil law system may be cited for reference but have limited precedential value. In addition, any new or changes in PRC laws and regulations related to foreign investment in China could affect the business environment and our ability to operate our business in China. For example, the MOFCOM published a discussion draft of the proposed Foreign Investment Law on January 19, 2015, aiming to, upon its enactment, replace the trio of existing laws regulating foreign investment in China, together with their implementation rules and ancillary regulations. The draft Foreign Investment Law embodies an expected PRC regulatory trend to rationalize its foreign investment regulatory regime in line with prevailing international practice and the legislative efforts to unify the corporate legal requirements for both foreign and domestic investments. Substantial uncertainties exist with respect to its enactment timetable, interpretation and implementation. The draft Foreign Investment Law, if enacted as proposed, may materially impact the viability of our current corporate structure, corporate governance and business operations in many aspects.

From time to time, we may have to resort to administrative and court proceedings to enforce our legal rights. Any administrative and court proceedings in China may be protracted, resulting in substantial costs and diversion of resources and management attention. Since PRC administrative and court authorities have significant discretion in interpreting and implementing statutory provisions and contractual terms, it may be more difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we enjoy than in more developed legal systems. These uncertainties may impede our ability to enforce the contracts we have entered into and could materially and adversely affect our business and results of operations.

Furthermore, the PRC legal system is based in part on government policies and internal rules, some of which are not published on a timely basis or at all and may have retroactive effect. As a result, we may not be aware of our violation of any of these policies and rules until sometime after the violation. Such unpredictability towards our contractual, property and procedural rights could adversely affect our business and impede our ability to continue our operations.

***Changes in China's economic, political or social conditions or government policies could have a material adverse effect on our business and operations.***

Substantially all of our assets and operations are located in China. Accordingly, our business, financial condition, results of operations and prospects may be influenced to a significant degree by political, economic and social conditions in China generally. The Chinese economy differs from the economies of most developed countries in many respects, including the level of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. Although the Chinese government has implemented measures emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets, and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in China is still owned by the government. In addition, the Chinese government continues to play a significant role in regulating industry development by imposing industrial policies. The Chinese government also exercises significant control over China's economic growth through allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policy, and providing preferential treatment to particular industries or companies.

While the Chinese economy has experienced significant growth over the past decades, growth has been uneven, both geographically and among various sectors of the economy, and the rate of growth has been slowing since 2012. Any adverse changes in economic conditions in China, in the policies of the Chinese government or in the laws and regulations in China could have a material adverse effect on the overall economic growth of China. Such developments could adversely affect our business and operating results, lead to reduction in demand for our services and adversely affect our competitive position. The Chinese government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall Chinese economy, but may have a negative effect on us. For example, our financial condition and results of operations may be adversely affected by government control over capital investments or changes in tax regulations. In addition, in the past the Chinese government has implemented certain measures, including interest rate adjustment, to control the pace of economic growth. These measures may cause decreased economic activity in China, which may adversely affect our business and operating results.

***We may be adversely affected by the complexity, uncertainties and changes in PRC regulation of internet-related businesses and companies, and any lack of requisite approvals, licenses or permits applicable to our business may have a material adverse effect on our business and results of operations.***

The PRC government extensively regulates the internet industry, including foreign ownership of, and the licensing and permit requirements pertaining to, companies in the internet industry. These internet-related laws and regulations are relatively new and evolving, and their interpretation and enforcement involve significant uncertainties. As a result, in certain circumstances it may be difficult to determine what actions or omissions may be deemed to be in violation of applicable laws and regulations.

We only have contractual control over our website. We do not directly own the website due to the restrictions on foreign investment in businesses providing value-added telecommunications services in China, including internet information provision services. This may significantly disrupt our business, subject us to sanctions, compromise enforceability of related contractual arrangements, or have other harmful effects on us.

The evolving PRC regulatory system for the internet industry may lead to the establishment of new regulatory agencies. For example, in May 2011, the State Council announced the establishment of a new

department, the State Internet Information Office (with the involvement of the State Council Information Office, the MITT, and the Ministry of Public Security). The primary role of this new agency is to facilitate the policy-making and legislative development in this field, to direct and coordinate with the relevant departments in connection with online content administration and to deal with cross-ministry regulatory matters in relation to the internet industry.

The interpretation and application of existing PRC laws, regulations and policies and possible new laws, regulations or policies relating to the internet industry have created substantial uncertainties regarding the legality of existing and future foreign investments in, and the businesses and activities of, internet businesses in China, including our business. We cannot assure you that we have obtained all the permits or licenses required for conducting our business in China or will be able to maintain our existing licenses or obtain new ones. If the PRC government considers that we were operating without the proper approvals, licenses or permits or promulgates new laws and regulations that require additional approvals or licenses or imposes additional restrictions on the operation of any part of our business, it has the power, among other things, to levy fines, confiscate our income, revoke our business licenses, and require us to discontinue our relevant business or impose restrictions on the affected portion of our business. Any of these actions by the PRC government may have a material adverse effect on our business and results of operations.

***If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders.***

Under the PRC Enterprise Income Tax Law and its implementation rules, an enterprise established outside of the PRC with a “de facto management body” within the PRC is considered a “resident enterprise” and will be subject to the enterprise income tax on its global income at the rate of 25%. The implementation rules define the term “de facto management body” as the body that exercises full and substantial control over and overall management of the business, productions, personnel, accounts and properties of an enterprise. In 2009, the State Administration of Taxation, or SAT, issued a circular, known as SAT Circular 82, which provides certain specific criteria for determining whether the “de facto management body” of a PRC-controlled enterprise that is incorporated offshore is located in China. Although this circular only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners, the criteria set forth in the circular may reflect the SAT’s general position on how the “de facto management body” test should be applied in determining the tax resident status of all offshore enterprises. According to SAT Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its “de facto management body” in China and will be subject to PRC enterprise income tax on its global income only if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in the PRC; (ii) decisions relating to the enterprise’s financial and human resource matters are made or are subject to approval by organizations or personnel in the PRC; (iii) the enterprise’s primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in the PRC; and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC.

We believe that we are not a PRC resident enterprise for PRC tax purposes. See “Regulations—Regulations on Tax—PRC Enterprise Income Tax.” However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term “de facto management body.” If the PRC tax authorities determine that we are a PRC resident enterprise for enterprise income tax purposes, we may be required to withhold a 10% withholding tax, unless a reduced rate is available under an applicable tax treaty, from dividends we pay to our shareholders that are non-resident enterprises, including the holders of our ADSs. In addition, non-resident enterprise shareholders (including our ADS holders) may be subject to PRC tax on gains realized on the sale or other disposition of ADSs or common shares, if such income is treated as sourced from within the PRC. Furthermore, if we are deemed a PRC resident enterprise, dividends payable to our non-PRC individual shareholders (including our ADS holders) and any gain realized on the transfer of ADSs or common shares by such shareholders may be subject to PRC tax at a rate of

20% unless a reduced rate is available under an applicable tax treaty. It is unclear whether non-PRC shareholders of our company would be able to claim the benefits of any tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise. Any such tax may reduce the returns on your investment in the ADSs or common shares.

***We face uncertainty with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies.***

Pursuant to the Notice on Strengthening Administration of Enterprise Income Tax for Share Transfers by Non-PRC Resident Enterprises, or SAT Circular 698, issued by the SAT in 2009 with retroactive effect from January 1, 2008, where a non-resident enterprise transfers the equity interests of a PRC resident enterprise indirectly by disposition of the equity interests of an overseas holding company, or an Indirect Transfer, and such overseas holding company is located in a tax jurisdiction that: (i) has an effective tax rate less than 12.5% or (ii) does not tax foreign income of its residents, the non-resident enterprise, being the transferor, shall report to the competent tax authority of the PRC resident enterprise this Indirect Transfer.

On February 3, 2015, the SAT issued the Announcement of the State Administration of Taxation on Several Issues Concerning the Enterprise Income Tax on Indirect Property Transfer by Non-Resident Enterprises, or SAT Bulletin 7. SAT Bulletin 7 supersedes the rules with respect to the Indirect Transfer under SAT Circular 698. SAT Bulletin 7 has introduced a new tax regime that is significantly different from the previous one under SAT Circular 698. SAT Bulletin 7 extends the PRC's tax jurisdiction to not only Indirect Transfers set forth under SAT Circular 698 but also transactions involving transfer of other taxable assets through offshore transfer of a foreign intermediate holding company. In addition, SAT Bulletin 7 provides clearer criteria than SAT Circular 698 for assessment of reasonable commercial purposes and has introduced safe harbors for internal group restructurings and the purchase and sale of equity through a public securities market. SAT Bulletin 7 also brings challenges to both foreign transferor and transferee (or other person who is obligated to pay for the transfer) of taxable assets. Where a non-resident enterprise transfers taxable assets indirectly by disposing of the equity interests of an overseas holding company, which is an Indirect Transfer, the non-resident enterprise, being the transferor, or the transferee, or the PRC entity that directly owns the taxable assets, may report such Indirect Transfer to the relevant tax authority. Using a "substance over form" principle, the PRC tax authority may disregard the existence of the overseas holding company if it lacks a reasonable commercial purpose and was established for the purpose of reducing, avoiding or deferring PRC tax. As a result, gains derived from such Indirect Transfer may be subject to PRC enterprise income tax, and the transferee or other person who is obligated to pay for the transfer is obligated to withhold the applicable taxes, currently at a rate of 10% for the transfer of equity interests in a PRC resident enterprise. Both the transferor and the transferee may be subject to penalties under PRC tax laws if the transferee fails to withhold the taxes and the transferor fails to pay the taxes.

On October 17, 2017, the SAT issued the Announcement of the State Administration of Taxation on Matters Concerning Withholding of Income Tax of Non-resident Enterprises at Source, or SAT Bulletin 37, which, among others, repealed the SAT Circular 698 on December 1, 2017. SAT Bulletin 37 further details and clarifies the tax withholding methods in respect of income of non-resident enterprises under SAT Circular 698. And certain rules stipulated in SAT Bulletin 7 are replaced by SAT Bulletin 37. Where the non-resident enterprise fails to declare the tax payable pursuant to Article 39 of the PRC Enterprise Income Tax Law, the tax authority may order it to pay the tax due within required time limits, and the non-resident enterprise shall declare and pay the tax payable within such time limits specified by the tax authority; however, if the non-resident enterprise voluntarily declares and pays the tax payable before the tax authority orders it to do so within required time limits, it shall be deemed that such enterprise has paid the tax in time.

We face uncertainties as to the reporting and other implications of certain past and future transactions where PRC taxable assets are involved, such as offshore restructuring, sale of the shares in our offshore subsidiaries and investments. Our company may be subject to filing obligations or taxed if our company is transferor in such transactions, and may be subject to withholding obligations if our company is transferee in such transactions,

under SAT Bulletin 7 and SAT Bulletin 37. For transfer of shares in our company by investors who are non-PRC resident enterprises, our PRC subsidiary may be requested to assist in the filing under SAT Bulletin 7 and SAT Bulletin 37. As a result, we may be required to expend valuable resources to comply with SAT Bulletin 7 and SAT Bulletin 37 or to request the relevant transferors from whom we purchase taxable assets to comply with these circulars, or to establish that our company should not be taxed under these circulars, which may have a material adverse effect on our financial condition and results of operations.

***If our preferential tax treatments are revoked, become unavailable or if the calculation of our tax liability is successfully challenged by the PRC tax authorities, we may be required to pay tax, interest and penalties in excess of our tax provisions, and our results of operations could be materially and adversely affected.***

The Chinese government has provided various tax incentives to our VIE in China. These incentives include reduced enterprise income tax rates. For example, under the Enterprise Income Tax Law and its implementation rules, the statutory enterprise income tax rate is 25%. However, enterprises which obtained a new software enterprise certification were entitled to an exemption of enterprise income tax for the first two years and a 50% reduction of enterprise income tax for the subsequent three years, commencing from the first profit-making year. In addition, the income tax of an enterprise that has been determined to be a high and new technology enterprise can be reduced to a preferential rate of 15%. Our VIE has obtained a high and new technology enterprise status, or HNTE status, and is thus eligible to enjoy a preferential tax rate of 15% for 2017, to the extent it has taxable income under the PRC Enterprise Income Tax Law. Our VIE plans to reapply for the HNTE status in 2018. Any increase in the enterprise income tax rate applicable to our PRC subsidiary or VIE in China, or any discontinuation or retroactive or future reduction of any of the preferential tax treatments currently enjoyed by our PRC subsidiary or VIE in China, could adversely affect our business, financial condition and results of operations. In addition, in the ordinary course of our business, we are subject to complex income tax and other tax regulations and significant judgment is required in the determination of a provision for income taxes. Although we believe our tax provisions are reasonable, if the PRC tax authorities successfully challenge our position and we are required to pay tax, interest and penalties in excess of our tax provisions, our financial condition and results of operations would be materially and adversely affected.

***Certain PRC regulations may make it more difficult for us to pursue growth through acquisitions.***

Among other things, the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, or the M&A Rules, adopted by six PRC regulatory agencies in 2006 and amended in 2009, established additional procedures and requirements that could make merger and acquisition activities by foreign investors more time-consuming and complex. Such regulation requires, among other things, that the MOFCOM be notified in advance of any change-of-control transaction in which a foreign investor acquires control of a PRC domestic enterprise or a foreign company with substantial PRC operations, if certain thresholds under the Provisions on Thresholds for Prior Notification of Concentrations of Undertakings, issued by the State Council in 2008, were triggered. Moreover, the Anti-Monopoly Law promulgated by the Standing Committee of the PRC National People's Congress, or NPC, which became effective in 2008 requires that transactions which are deemed concentrations and involve parties with specified turnover thresholds must be cleared by the MOFCOM before they can be completed. In addition, PRC national security review rules which became effective in September 2011 require acquisitions by foreign investors of PRC companies engaged in military related or certain other industries that are crucial to national security be subject to security review before consummation of any such acquisition. We may pursue potential strategic acquisitions that are complementary to our business and operations. Complying with the requirements of these regulations to complete such transactions could be time-consuming, and any required approval processes, including obtaining approval or clearance from the MOFCOM, may delay or inhibit our ability to complete such transactions, which could affect our ability to expand our business or maintain our market share.

***The approval of the China Securities Regulatory Commission may be required in connection with this offering, and, if required, we cannot predict whether we will be able to obtain such approval.***

The M&A Rules requires an overseas special purpose vehicle formed for listing purposes through acquisitions of PRC domestic companies and controlled by PRC companies or individuals to obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle's securities on an overseas stock exchange. However, the application of the M&A Rules remains unclear. Currently, there is no consensus among leading PRC law firms regarding the scope and applicability of the CSRC approval requirement.

Our PRC legal counsel has advised us based on their understanding of the current PRC laws, rules and regulations that the CSRC's approval may not be required for the listing and trading of our ADSs on [NYSE/NASDAQ] in the context of this offering, given that: (i) our PRC subsidiary was incorporated as wholly foreign-owned enterprises by means of direct investment rather than by merger or acquisition of equity interest or assets of a PRC domestic company owned by PRC companies or individuals as defined under the M&A Rules that are our beneficial owners; and (ii) no provision in the M&A Rules clearly classifies contractual arrangements as a type of transaction subject to the M&A Rules.

However, our PRC legal counsel has further advised us that there remains some uncertainty as to how the M&A Rules will be interpreted or implemented in the context of an overseas offering and its opinions summarized above are subject to any new laws, rules and regulations or detailed implementations and interpretations in any form relating to the M&A Rules. We cannot assure you that relevant PRC government agencies, including the CSRC, would reach the same conclusion as we do. If it is determined that CSRC approval is required for this offering, we may face sanctions by the CSRC or other PRC regulatory agencies for failure to seek CSRC approval for this offering. These sanctions may include fines and penalties on our operations in the PRC, limitations on our operating privileges in the PRC, delays in or restrictions on the repatriation of the proceeds from this offering into the PRC, restrictions on or prohibition of the payments or remittance of dividends by our China subsidiary, or other actions that could have a material and adverse effect on our business, financial condition, results of operations, reputation and prospects, as well as the trading price of our ADSs. The CSRC or other PRC regulatory agencies may also take actions requiring us, or making it advisable for us, to halt this offering before the settlement and delivery of the ADSs that we are offering. Consequently, if you engage in market trading or other activities in anticipation of and prior to the settlement and delivery of the ADSs we are offering, you would be doing so at the risk that the settlement and delivery may not occur.

***PRC regulations relating to the establishment of offshore special purpose companies by PRC residents may subject our PRC resident beneficial owners or our PRC subsidiary to liability or penalties, limit our ability to inject capital into our PRC subsidiary, limit our PRC subsidiary's ability to increase their registered capital or distribute profits to us, or may otherwise adversely affect us.***

In July 2014, SAFE promulgated the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Offshore Investment and Financing and Roundtrip Investment Through Special Purpose Vehicles, or SAFE Circular 37. SAFE Circular 37 requires PRC residents (including PRC individuals and PRC corporate entities as well as foreign individuals that are deemed as PRC residents for foreign exchange administration purpose) to register with SAFE or its local branches in connection with their direct or indirect offshore investment activities. SAFE Circular 37 is applicable to our shareholders who are PRC residents and may be applicable to any offshore acquisitions that we make in the future.

Under SAFE Circular 37, PRC residents who make, or have prior to the implementation of SAFE Circular 37 made, direct or indirect investments in offshore special purpose vehicles, or SPVs, will be required to register such investments with SAFE or its local branches. In addition, any PRC resident who is a direct or indirect shareholder of an SPV, is required to update its filed registration with the local branch of SAFE with respect to that SPV, to reflect any material change. Moreover, any subsidiary of such SPV in China is required to urge the PRC resident shareholders to update their registration with the local branch of SAFE. If any PRC

shareholder of such SPV fails to make the required registration or to update the previously filed registration, the subsidiary of such SPV in China may be prohibited from distributing its profits or the proceeds from any capital reduction, share transfer or liquidation to the SPV, and the SPV may also be prohibited from making additional capital contributions into its subsidiary in China. On February 13, 2015, SAFE promulgated a Notice on Further Simplifying and Improving Foreign Exchange Administration Policy on Direct Investment, or SAFE Notice 13, which became effective on June 1, 2015. Under SAFE Notice 13, applications for foreign exchange registration of inbound foreign direct investments and outbound overseas direct investments, including those required under SAFE Circular 37, will be filed with qualified banks instead of SAFE. The qualified banks will directly examine the applications and accept registrations under the supervision of SAFE.

We have requested PRC residents who we know hold direct or indirect interest in our company to make the necessary applications, filings and registrations as required under SAFE Circular 37 and those PRC resident shareholders that hold direct interest in our company have completed all necessary registrations with the local SAFE branch or qualified banks as required by SAFE Circular 37. However, we may not be informed of the identities of all the PRC residents holding direct or indirect interest in our company, and we cannot provide any assurance that these PRC residents will comply with our request to make or obtain any applicable registrations or comply with other requirements under SAFE Circular 37 or other related rules. The failure or inability of our PRC resident shareholders to comply with the registration procedures set forth in these regulations may subject us to fines and legal sanctions, restrict our cross-border investment activities, limit the ability of our wholly foreign-owned subsidiary in China to distribute dividends and the proceeds from any reduction in capital, share transfer or liquidation to us, and we may also be prohibited from injecting additional capital into the subsidiary. Moreover, failure to comply with the various foreign exchange registration requirements described above could result in liability under PRC law for circumventing applicable foreign exchange restrictions. As a result, our business operations and our ability to distribute profits to you could be materially and adversely affected.

Furthermore, as these foreign exchange regulations are still relatively new and their interpretation and implementation has been constantly evolving, it is unclear how these regulations, and any future regulation concerning offshore or cross-border transactions, will be interpreted, amended and implemented by the relevant government authorities. For example, we may be subject to a more stringent review and approval process with respect to our foreign exchange activities, such as remittance of dividends and foreign-currency-denominated borrowings, which may adversely affect our financial condition and results of operations. In addition, if we decide to acquire a PRC domestic company, we cannot assure you that we or the owners of such company, as the case may be, will be able to obtain the necessary approvals or complete the necessary filings and registrations required by the foreign exchange regulations. This may restrict our ability to implement our acquisition strategy and could adversely affect our business and prospects.

***Any failure to comply with PRC regulations regarding the registration requirements for employee stock incentive plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.***

In February 2012, SAFE promulgated the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed Company, replacing earlier rules promulgated in 2007. Pursuant to these rules, PRC citizens and non-PRC citizens who reside in China for a continuous period of not less than one year who participate in any stock incentive plan of an overseas publicly listed company, subject to a few exceptions, are required to register with SAFE through a domestic qualified agent, which could be the PRC subsidiary of such overseas-listed company, and complete certain other procedures. In addition, an overseas-entrusted institution must be retained to handle matters in connection with the exercise or sale of stock options and the purchase or sale of shares and interests. We and our executive officers and other employees who are PRC citizens or who reside in the PRC for a continuous period of not less than one year and who have been granted options will be subject to these regulations when our company becomes an overseas-listed company upon the completion of this offering. Failure to complete SAFE registrations may subject them to fines of up to RMB300,000 for entities and up to

RMB50,000 for individuals, and legal sanctions and may also limit our ability to contribute additional capital into our PRC subsidiary and limit our PRC subsidiary's ability to distribute dividends to us. We also face regulatory uncertainties that could restrict our ability to adopt additional incentive plans for our directors, executive officers and employees under PRC law. See "Regulation—Regulations on Foreign Currency Exchange—Stock Option Rules."

***PRC regulation of loans to and direct investment in PRC entities by offshore holding companies and governmental control of currency conversion may delay or prevent us from using the proceeds of this offering to make loans or additional capital contributions to our PRC subsidiary, which could materially and adversely affect our liquidity and our ability to fund and expand our business.***

We are an offshore holding company conducting our operations in China through our PRC subsidiary and VIE. We may make loans to our PRC subsidiary and VIE subject to the approval or registration from governmental authorities and limitation of amount, or we may make additional capital contributions to our wholly foreign-owned subsidiary in China. Any loans to our wholly foreign-owned subsidiary in China, which are treated as foreign-invested enterprises under PRC law, are subject to foreign exchange loan registrations. In addition, a foreign-invested enterprise, or FIE, shall use its capital pursuant to the principle of authenticity and self-use within its business scope. The capital of an FIE shall not be used for the following purposes: (i) directly or indirectly used for payment beyond the business scope of the enterprises or the payment prohibited by relevant laws and regulations; (ii) directly or indirectly used for investment in securities or investments other than banks' principal-secured products unless otherwise provided by relevant laws and regulations; (iii) the granting of loans to non-affiliated enterprises, except where it is expressly permitted in the business license; and (iv) paying the expenses related to the purchase of real estate that is not for self-use (except for the foreign-invested real estate enterprises).

In light of the various requirements imposed by PRC regulations on loans to and direct investment in PRC entities by offshore holding companies, we cannot assure you that we will be able to complete the necessary government registrations or obtain the necessary government approvals on a timely basis, if at all, with respect to future loans by us to our PRC subsidiary or VIE or with respect to future capital contributions by us to our PRC subsidiary. If we fail to complete such registrations or obtain such approvals, our ability to use the proceeds from this offering and to capitalize or otherwise fund our PRC operations may be negatively affected, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

***We may rely on dividends and other distributions on equity paid by our PRC subsidiary to fund any cash and financing requirements we may have, and any limitation on the ability of our PRC subsidiary to make payments to us could have a material and adverse effect on our ability to conduct our business.***

We are a Cayman Islands holding company and we rely principally on dividends and other distributions on equity from our PRC subsidiary for our cash requirements, including the funds necessary to pay dividends and other cash distributions to our shareholders for services of any debt we may incur. If our PRC subsidiary incurs debt on its own behalf in the future, the instruments governing the debt may restrict its ability to pay dividends or make other distributions to us. Under PRC laws and regulations, our PRC subsidiary, which is a wholly foreign-owned enterprise, may pay dividends only out of its respective accumulated profits as determined in accordance with PRC accounting standards and regulations. In addition, a wholly foreign-owned enterprise is required to set aside at least 10% of its accumulated after-tax profits each year, if any, to fund a certain statutory reserve fund, until the aggregate amount of such fund reaches 50% of its registered capital. Such reserve funds cannot be distributed to us as dividends. At its discretion, a wholly foreign-owned enterprise may allocate a portion of its after-tax profits based on PRC accounting standards to an enterprise expansion fund, or a staff welfare and bonus fund.

Our PRC subsidiary generates primarily all of their revenue in Renminbi, which is not freely convertible into other currencies. As result, any restriction on currency exchange may limit the ability of our PRC subsidiary to use their Renminbi revenues to pay dividends to us.

The PRC government may continue to strengthen its capital controls, and more restrictions and substantial vetting process may be put forward by SAFE for cross-border transactions falling under both the current account and the capital account. Any limitation on the ability of our PRC subsidiary to pay dividends or make other kinds of payments to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends, or otherwise fund and conduct our business.

In addition, the Enterprise Income Tax Law and its implementation rules provide that a withholding tax rate of up to 10% will be applicable to dividends payable by Chinese companies to non-PRC-resident enterprises unless otherwise exempted or reduced according to treaties or arrangements between the PRC central government and governments of other countries or regions where the non-PRC-resident enterprises are incorporated.

***Fluctuations in exchange rates could have a material adverse effect on our results of operations and the value of your investment.***

The value of the Renminbi against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in political and economic conditions in China and by China's foreign exchange policies. On July 21, 2005, the PRC government changed its decade-old policy of pegging the value of the Renminbi to the U.S. dollar, and the Renminbi appreciated more than 20% against the U.S. dollar over the following three years. Between July 2008 and June 2010, this appreciation halted and the exchange rate between the Renminbi and the U.S. dollar remained within a narrow band. Since June 2010, the Renminbi has fluctuated against the U.S. dollar, at times significantly and unpredictably. Since October 1, 2016, Renminbi has joined the International Monetary Fund's basket of currencies that make up the Special Drawing Right (SDR) along with the U.S. dollar, the Euro, the Japanese yen and the British pound. In the fourth quarter of 2016, the Renminbi has depreciated significantly in the backdrop of a surging U.S. dollar and persistent capital outflows of China. With the development of the foreign exchange market and progress towards interest rate liberalization and Renminbi internationalization, the PRC government may in the future announce further changes to the exchange rate system, and we cannot assure you that the Renminbi will not appreciate or depreciate significantly in value against the U.S. dollar in the future. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between the Renminbi and the U.S. dollar in the future.

Significant revaluation of the Renminbi may have a material and adverse effect on your investment. For example, to the extent that we need to convert U.S. dollars we receive from this offering into Renminbi for our operations, appreciation of the Renminbi against the U.S. dollar would have an adverse effect on the Renminbi amount we would receive from the conversion. Conversely, if we decide to convert our Renminbi into U.S. dollars for the purpose of making payments for dividends on our common shares or ADSs or for other business purposes, appreciation of the U.S. dollar against the Renminbi would have a negative effect on the U.S. dollar amount available to us.

Very limited hedging options are available in China to reduce our exposure to exchange rate fluctuations. To date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk. While we may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited and we may not be able to adequately hedge our exposure or at all. In addition, our currency exchange losses may be magnified by PRC exchange control regulations that restrict our ability to convert Renminbi into foreign currency.

***Governmental control of currency conversion may limit our ability to utilize our cash balance effectively and affect the value of your investment.***

The PRC government imposes controls on the convertibility of the Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. We receive substantially all of our revenues in Renminbi. Under our current corporate structure, our Cayman Islands holding company primarily relies on dividend

payments from our PRC subsidiary to fund any cash and financing requirements we may have. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval of SAFE by complying with certain procedural requirements. Specifically, under the existing exchange restrictions, without prior approval of SAFE, cash generated from the operations of our PRC subsidiary in China may be used to pay dividends to our company. However, approval from or registration with appropriate government authorities is required where Renminbi is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. As a result, we need to obtain SAFE approval to use cash generated from the operations of our PRC subsidiary and VIE to pay off their respective debt in a currency other than Renminbi owed to entities outside China, or to make other capital expenditure payments outside China in a currency other than Renminbi. The PRC government may at its discretion restrict access to foreign currencies for current account transactions in the future. If the foreign exchange control system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our shareholders, including holders of our ADSs.

***Proceedings instituted by the SEC against Chinese affiliates of the “big four” accounting firms, including our independent registered public accounting firm, could result in financial statements being determined to not be in compliance with the requirements of the Exchange Act.***

Starting in 2011 the Chinese affiliates of the “big four” accounting firms, including our independent registered public accounting firm, were affected by a conflict between U.S. and Chinese law. Specifically, for certain U.S.-listed companies operating and audited in China, the SEC and the PCAOB sought to obtain from the Chinese accounting firms access to their audit work papers and related documents. The firms were, however, advised and directed that under Chinese law, they could not respond directly to the U.S. regulators on those requests, and that requests by foreign regulators for access to such papers in China had to be channeled through the CSRC.

In late 2012, this impasse led the SEC to commence administrative proceedings under Rule 102(e) of its Rules of Practice and also under the Sarbanes-Oxley Act of 2002 against the Chinese accounting firms, including our independent registered public accounting firm. A first instance trial of the proceedings in July 2013 in the SEC’s internal administrative court resulted in an adverse judgment against the firms. The administrative law judge proposed penalties on the firms including a temporary suspension of their right to practice before the SEC, although that proposed penalty did not take effect pending review by the Commissioners of the SEC. On February 6, 2015, before a review by the Commissioner had taken place, the firms reached a settlement with the SEC. Under the settlement, the SEC accepts that future requests by the SEC for the production of documents will normally be made to the CSRC. The firms will receive matching Section 106 requests, and are required to abide by a detailed set of procedures with respect to such requests, which in substance require them to facilitate production via the CSRC. If they fail to meet specified criteria, the SEC retains authority to impose a variety of additional remedial measures on the firms depending on the nature of the failure. Remedies for any future noncompliance could include, as appropriate, an automatic six-month bar on a single firm’s performance of certain audit work, commencement of a new proceeding against a firm, or in extreme cases the resumption of the current proceeding against all four firms. If additional remedial measures are imposed on the Chinese affiliates of the “big four” accounting firms, including our independent registered public accounting firm, in administrative proceedings brought by the SEC alleging the firms’ failure to meet specific criteria set by the SEC with respect to requests for the production of documents, we could be unable to timely file future financial statements in compliance with the requirements of the Exchange Act.

In the event that the SEC restarts the administrative proceedings, depending upon the final outcome, listed companies in the United States with major PRC operations may find it difficult or impossible to retain auditors in respect of their operations in the PRC, which could result in financial statements being determined to not be in compliance with the requirements of the Exchange Act, including possible delisting. Moreover, any negative

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news about any such future proceedings against these audit firms may cause investor uncertainty regarding China-based, U.S.-listed companies and the market price of our common stock may be adversely affected.

If our independent registered public accounting firm was denied, even temporarily, the ability to practice before the SEC and we were unable to timely find another registered public accounting firm to audit and issue an opinion on our financial statements, our financial statements could be determined not to be in compliance with the requirements of the Exchange Act. Such a determination could ultimately lead to the delisting of our ADSs from [the New York Stock Exchange/NASDAQ Stock Market] or deregistration from the SEC, or both, which would substantially reduce or effectively terminate the trading of our ADSs in the United States.

***The audit report included in this prospectus is prepared by an auditor who is not inspected by the Public Company Accounting Oversight Board and, as such, you are deprived of the benefits of such inspection.***

Our independent registered public accounting firm that issues the audit reports included in this annual report, as an auditor of companies that are traded publicly in the United States and a firm registered with the Public Company Accounting Oversight Board, or the PCAOB, is required by the laws of the United States to undergo regular inspections by the PCAOB to assess its compliance with the laws of the United States and professional standards. Because our auditors are located in China, a jurisdiction where the PCAOB is currently unable to conduct inspections without the approval of the Chinese authorities, our auditors are not currently inspected by the PCAOB.

Inspections of other firms that the PCAOB has conducted outside of China have identified deficiencies in those firms' audit procedures and quality control procedures, which may be addressed as part of the inspection process to improve future audit quality. The lack of PCAOB inspections in China prevents the PCAOB from regularly evaluating our auditors' audits and its quality control procedures. As a result, investors may be deprived of the benefits of PCAOB inspections.

The inability of the PCAOB to conduct inspections of auditors in China makes it more difficult to evaluate the effectiveness of our auditors' audit procedures or quality control procedures as compared to auditors outside of China that are subject to PCAOB inspections. Investors may lose confidence in our reported financial information and procedures and the quality of our financial statements.

### **Risks Related to Our ADSs and This Offering**

***An active trading market for our shares or the ADSs may not develop and the trading price for the ADSs may fluctuate significantly.***

We intend to apply to list our ADSs on the [NYSE/NASDAQ]. We have no current intention to seek a listing for our common shares on any stock exchange. Prior to the completion of this offering, there has been no public market for our ADSs or our common shares, and we cannot assure you that a liquid public market for our ADSs will develop. If an active public market for our ADSs does not develop following the completion of this offering, the market price and liquidity of our ADSs may be materially and adversely affected. The initial public offering price for our ADSs will be determined by negotiation between us and the underwriters based upon several factors, and we can provide no assurance that the trading price of our ADSs after this offering will not decline below the initial public offering price. As a result, investors in our securities may experience a significant decrease in the value of their ADSs.

***The trading price of the ADSs is likely to be volatile, which could result in substantial losses to investors.***

The trading price of our ADSs is likely to be volatile and could fluctuate widely due to factors beyond our control. This may happen because of broad market and industry factors, including the performance and fluctuation of the market prices of other companies with business operations located mainly in China that have

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listed their securities in the United States. In addition to market and industry factors, the price and trading volume for our ADSs may be highly volatile for factors specific to our own operations, including the following:

- variations in our net revenues, earnings and cash flow;
- announcements of new investments, acquisitions, strategic partnerships, or joint ventures by us or our competitors;
- announcements of new products and services and expansions by us or our competitors;
- changes in financial estimates by securities analysts;
- fluctuations in operating metrics;
- failure on our part to realize monetization opportunities as expected;
- changes in revenues generated from our significant business partners;
- additions or departures of key personnel;
- release of lock-up or other transfer restrictions on our outstanding equity securities or sales of additional equity securities;
- detrimental negative publicity about us, our management, our competitors or our industry;
- regulatory developments affecting us or our industry; and
- potential litigation or regulatory investigations.

Any of these factors may result in large and sudden changes in the trading volume and price of the ADSs.

In the past, shareholders of public companies have often brought securities class action suits against those companies following periods of instability in the market price of their securities. If we were involved in a class action suit, it could divert a significant amount of our management's attention and other resources from our business and operations and require us to incur significant expenses to defend the suit, which could harm our results of operations. Any such class action suit, whether or not successful, could harm our reputation and restrict our ability to raise capital in the future. In addition, if a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations.

### ***We are an emerging growth company within the meaning of the Securities Act and may take advantage of certain reduced reporting requirements.***

We are an "emerging growth company," as defined in the JOBS Act, and we may take advantage of certain exemptions from requirements applicable to other public companies that are not emerging growth companies including, most significantly, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 for so long as we remain an emerging growth company. As a result, if we elect not to comply with such auditor attestation requirements, our investors may not have access to certain information they may deem important.

### ***If securities or industry analysts cease to publish research or reports about our business, or if they adversely change their recommendations regarding the ADSs, the market price for the ADSs and trading volume could decline.***

The trading market for the ADSs will be influenced by research or reports that industry or securities analysts publish about our business. If one or more analysts who cover us downgrade the ADSs, the market price for the ADSs would likely decline. If one or more of these analysts cease to cover us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for the ADSs to decline.

***The sale or availability for sale, or perceived sale or availability for sale, of substantial amounts of our ADSs could adversely affect their market price.***

Sales of substantial amounts of our ADSs in the public market after the completion of this offering, or the perception that these sales could occur, could adversely affect the market price of our ADSs and could materially impair our ability to raise capital through equity offerings in the future. The ADSs sold in this offering will be freely tradable without restriction or further registration under the Securities Act, and shares held by our existing shareholders may also be sold in the public market in the future subject to the restrictions in Rule 144 and Rule 701 under the Securities Act and the applicable lock-up agreements. There will be ADSs (equivalent to common shares) outstanding immediately after this offering, or ADSs (equivalent to common shares) if the underwriters exercise their over-allotment option in full. In connection with this offering, [we, our directors and executive officers and our existing shareholders] have agreed not to sell any common shares or ADSs for 180 days after the date of this prospectus without the prior written consent of the underwriters, subject to certain exceptions. However, the underwriters may release these securities from these restrictions at any time, subject to applicable regulations of the Financial Industry Regulatory Authority, Inc. We cannot predict what effect, if any, market sales of securities held by our significant shareholders or any other shareholder or the availability of these securities for future sale will have on the market price of our ADSs. See “Underwriting” and “Shares Eligible for Future Sale” for a more detailed description of the restrictions on selling our securities after this offering.

***Our memorandum and articles of association contain anti-takeover provisions that could have a material adverse effect on the rights of holders of our common shares and ADSs.***

We will adopt amended and restated memorandum and articles of association that will become effective immediately prior to the completion of this offering. Our new memorandum and articles of association contain provisions to limit the ability of others to acquire control of our company or cause us to engage in change-of-control transactions. These provisions could have the effect of depriving our shareholders of an opportunity to sell their shares at a premium over prevailing market prices by discouraging third parties from seeking to obtain control of our company in a tender offer or similar transaction. Our board of directors has the authority, without further action by our shareholders, to issue preferred shares in one or more series and to fix their designations, powers, preferences, privileges, and relative participating, optional or special rights and the qualifications, limitations or restrictions, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights associated with our common shares, in the form of ADS or otherwise. Preferred shares could be issued quickly with terms calculated to delay or prevent a change in control of our company or make removal of management more difficult. If our board of directors decides to issue preferred shares, the price of our ADSs may fall and the voting and other rights of the holders of our common shares and ADSs may be materially and adversely affected.

***We have not determined a specific use for a portion of the net proceeds from this offering, and we may use these proceeds in ways with which you may not agree, and such use may not produce income or increase our ADS price.***

We have not determined a specific use for a portion of the net proceeds of this offering, and our management will have considerable discretion in deciding how to apply these proceeds. You will not have the opportunity to assess whether the proceeds are being used appropriately before you make your investment decision. You must rely on the judgment of our management regarding the application of the net proceeds of this offering. We cannot assure you that the net proceeds will be used in a manner that would improve our results of operations or increase our ADS price, nor that these net proceeds will be placed only in investments that generate income or appreciate in value. Currently, we do not have any plans, commitments or understandings to acquire complementary business, assets and technologies.

***The voting rights of holders of ADSs are limited by the terms of the deposit agreement, and you may not be able to exercise your right to vote the underlying common shares represented by your ADSs.***

Holders of ADSs do not have the same rights as our registered shareholders. As a holder of our ADSs, you will not have any direct right to attend general meetings of our shareholders or to cast any votes at such meetings. You will only be able to exercise the voting rights which are carried by the underlying common shares represented by your ADSs indirectly by giving voting instructions to the depository in accordance with the provisions of the deposit agreement. -Upon receipt of your voting instructions, the depository will try, as far as is practicable, to vote the underlying common shares represented by your ADSs in accordance with your instructions. If we ask for your instructions, then upon receipt of your voting instructions, the depository will try to vote the underlying common shares in accordance with these instructions. If we do not instruct the depository to ask for your instructions, the depository may still vote in accordance with instructions you give, but it is not required to do so. You will not be able to directly exercise your right to vote with respect to the underlying common shares unless you withdraw the shares, and become the registered holder of such shares prior to the record date for the general meeting. When a general meeting is convened, you may not receive sufficient advance notice of the meeting to withdraw the common shares represented by your ADSs and become the registered holder of such shares to allow you to attend the general meeting and to vote directly with respect to any specific matter or resolution to be considered and voted upon at the general meeting. In addition, under our post-offering memorandum and articles of association that will become effective immediately prior to completion of this offering, for the purposes of determining those shareholders who are entitled to attend and vote at any general meeting, our directors may close our register of members and/or fix in advance a record date for such meeting, and such closure of our register of members or the setting of such a record date may prevent you from withdrawing the underlying common shares represented by your ADSs and becoming the registered holder of such shares prior to the record date, so that you would not be able to attend the general meeting or to vote directly. If we ask for your instructions, the depository will notify you of the upcoming vote and will arrange to deliver our voting materials to you. We have agreed to give the depository at least \_\_\_\_\_ days' prior notice of shareholder meetings. Nevertheless, we cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depository to vote the underlying common shares represented by your ADSs. In addition, the depository and its agents are not responsible for failing to carry out voting instructions or for their manner of carrying out your voting instructions. This means that you may not be able to exercise your right to direct how the underlying common shares represented by your ADSs are voted and you may have no legal remedy if the underlying common shares represented by your ADSs are not voted as you requested. In addition, in your capacity as an ADS holder, you will not be able to call a shareholders' meeting.

***Because we do not expect to pay dividends in the foreseeable future after this offering, you must rely on price appreciation of the ADSs for return on your investment.***

We currently intend to retain most, if not all, of our available funds and any future earnings after this offering to fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. Therefore, you should not rely on an investment in our ADSs as a source for any future dividend income.

Our board of directors has complete discretion as to whether to distribute dividends, subject to certain requirements of Cayman Islands law. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our directors. Under Cayman Islands law, a Cayman Islands company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiary, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in our ADSs will likely depend entirely upon any future

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price appreciation of our ADSs. There is no guarantee that our ADSs will appreciate in value after this offering or even maintain the price at which you purchased the ADSs. You may not realize a return on your investment in our ADSs and you may even lose your entire investment in our ADSs.

***You may not receive dividends or other distributions on our common shares and you may not receive any value for them, if it is illegal or impractical to make them available to you.***

The depositary of the ADSs has agreed to pay to you the cash dividends or other distributions it or the custodian receives on common shares or other deposited securities underlying the ADSs, after deducting its fees and expenses. You will receive these distributions in proportion to the number of common shares your ADSs represent. However, the depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any holders of ADSs. For example, it would be unlawful to make a distribution to a holder of ADSs if it consists of securities that require registration under the Securities Act of 1933 but that are not properly registered or distributed under an applicable exemption from registration. The depositary may also determine that it is not feasible to distribute certain property through the mail. Additionally, the value of certain distributions may be less than the cost of mailing them. In these cases, the depositary may determine not to distribute such property. We have no obligation to register under U.S. securities laws any ADSs, common shares, rights or other securities received through such distributions. We also have no obligation to take any other action to permit the distribution of ADSs, common shares, rights or anything else to holders of ADSs. This means that you may not receive distributions we make on our common shares or any value for them if it is illegal or impractical for us to make them available to you. These restrictions may cause a material decline in the value of the ADSs.

***You may experience dilution of your holdings due to the inability to participate in rights offerings.***

We may, from time to time, distribute rights to our shareholders, including rights to acquire securities. Under the deposit agreement, the depositary will not distribute rights to holders of ADSs unless the distribution and sale of rights and the securities to which these rights relate are either exempt from registration under the Securities Act with respect to all holders of ADSs, or are registered under the provisions of the Securities Act. The depositary may, but is not required to, attempt to sell these undistributed rights to third parties, and may allow the rights to lapse. We may be unable to establish an exemption from registration under the Securities Act, and we are under no obligation to file a registration statement with respect to these rights or underlying securities or to endeavor to have a registration statement declared effective. Accordingly, holders of ADSs may be unable to participate in our rights offerings and may experience dilution of their holdings as a result.

***You may be subject to limitations on transfer of your ADSs.***

Your ADSs are transferable on the books of the depositary. However, the depositary may close its books at any time or from time to time when it deems it expedient in connection with the performance of its duties. The depositary may close its books from time to time for a number of reasons, including in connection with corporate events such as a rights offering, during which time the depositary needs to maintain an exact number of ADS holders on its books for a specified period. The depositary may also close its books in emergencies, and on weekends and public holidays. The depositary may refuse to deliver, transfer or register transfers of our ADSs generally when our share register or the books of the depositary are closed, or at any time if we or the depositary thinks it is advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason.

***We will incur increased costs as a result of being a public company, particularly after we cease to qualify as an “emerging growth company.”***

Upon completion of this offering, we will become a public company and expect to incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act of 2002, as

well as rules subsequently implemented by the Securities and Exchange Commission, or the SEC, and [NYSE/NASDAQ], impose various requirements on the corporate governance practices of public companies. As a company with less than US\$1.07 billion in revenues for our last fiscal year, we qualify as an “emerging growth company” pursuant to the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002, or Section 404, in the assessment of the emerging growth company’s internal control over financial reporting and permission to delay adopting new or revised accounting standards until such time as those standards apply to private companies.

We expect these rules and regulations to increase our legal and financial compliance costs and to make some corporate activities more time-consuming and costly. After we are no longer an “emerging growth company,” we expect to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and the other rules and regulations of the SEC. For example, as a result of becoming a public company, we will need to increase the number of independent directors and adopt policies regarding internal controls and disclosure controls and procedures. We also expect that operating as a public company will make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. In addition, we will incur additional costs associated with our public company reporting requirements. It may also be more difficult for us to find qualified persons to serve on our board of directors or as executive officers. We are currently evaluating and monitoring developments with respect to these rules and regulations, and we cannot predict or estimate with any degree of certainty the amount of additional costs we may incur or the timing of such costs.

In the past, shareholders of a public company often brought securities class action suits against the company following periods of instability in the market price of that company’s securities. If we were involved in a class action suit, it could divert a significant amount of our management’s attention and other resources from our business and operations, which could harm our results of operations and require us to incur significant expenses to defend the suit. Any such class action suit, whether or not successful, could harm our reputation and restrict our ability to raise capital in the future. In addition, if a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations.

***The concentration of our share ownership among executive officers, directors and principal shareholders will likely limit your ability to influence corporate matters and could discourage others from pursuing any change of control transaction that holders of our common shares and ADSs may view as beneficial.***

Our executive officers, directors, and principal shareholders and their affiliated entities together beneficially own approximately 92.4% of our outstanding common shares on an as-converted basis prior to this offering. As a result of the concentration of ownership, these shareholders will have considerable influence over matters requiring shareholder votes, such as decisions regarding mergers, consolidations and the sale of all or substantially all of our assets, election of directors and other significant corporate actions. Such shareholders may take actions that are not in the best interest of us or our other shareholders. This concentration of ownership may discourage, delay or prevent a change in control of our company, which could have the effect of depriving our other shareholders of the opportunity to receive a premium for their shares as part of a sale of our company and may reduce the price of our ADSs. This concentrated control will limit your ability to influence corporate matters and could discourage others from pursuing any potential merger, takeover or other change of control transactions that holders of common shares and ADSs may view as beneficial.

***You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under Cayman Islands law.***

We are an exempted company incorporated under the laws of the Cayman Islands. Our corporate affairs are governed by our memorandum and articles of association, the Companies Law (2018 Revision) of the Cayman Islands and the common law of the Cayman Islands. The rights of shareholders to take action against our directors, actions by our minority shareholders and the fiduciary duties of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. The rights of our shareholders and the fiduciary duties of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a less developed body of securities laws than the United States. Some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, Cayman Islands companies may not have standing to initiate a shareholder derivative action in a federal court of the United States.

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records or to obtain copies of lists of shareholders of these companies. Our directors have discretion under our articles of association that will become effective immediately prior to completion of this offering to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

As a result of all of the above, our public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of our board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States. For a discussion of significant differences between the provisions of the Companies Law of the Cayman Islands and the laws applicable to companies incorporated in the United States and their shareholders, see “Description of Share Capital—Differences in Corporate Law.”

***Certain judgments obtained against us by our shareholders may not be enforceable.***

We are a Cayman Islands company and substantially all of our assets are located outside of the United States. Our current operations are conducted in China. In addition, our current directors and officers are nationals and residents of countries other than the United States. Substantially all of the assets of these persons are located outside the United States. As a result, it may be difficult or impossible for you to bring an action against us or against these individuals in the United States in the event that you believe that your rights have been infringed under the U.S. federal securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Cayman Islands and of China may render you unable to enforce a judgment against our assets or the assets of our directors and officers. For more information regarding the relevant laws of the Cayman Islands and China, see “Enforceability of Civil Liabilities.”

***As a company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the [NYSE/NASDAQ] corporate governance listing standards; these practices may afford less protection to shareholders than they would enjoy if we complied fully with the [NYSE/NASDAQ] corporate governance listing standards.***

As a Cayman Islands company listed on the [NYSE/NASDAQ], we are subject to the [NYSE/NASDAQ] corporate governance listing standards. However, [NYSE/NASDAQ] rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the

Cayman Islands, which is our home country, may differ significantly from the [NYSE/NASDAQ] corporate governance listing standards. Currently, we do not plan to rely on home country practice with respect to our corporate governance after we complete this offering. However, if we choose to follow home country practice in the future, our shareholders may be afforded less protection than they would otherwise enjoy under the [NYSE/NASDAQ] governance listing standards applicable to U.S. domestic issuers.

***There can be no assurance that we will not be a passive foreign investment company, or PFIC, for U.S. federal income tax purposes for any taxable year, which could result in adverse U.S. federal income tax consequences to U.S. holders of our ADSs or common shares.***

A non-U.S. corporation will be a passive foreign investment company, or PFIC, for any taxable year if either (i) at least 75% of its gross income for such year consists of certain types of “passive” income; or (ii) at least 50% of the value of its assets (based on an average of the quarterly values of the assets) during such year is attributable to assets that produce passive income or are held for the production of passive income (the “asset test”). Based on our current and expected income and assets (taking into account the expected cash proceeds and our anticipated market capitalization following this offering), we do not presently expect to be a PFIC for the current taxable year or the foreseeable future. However, no assurance can be given in this regard because the determination of whether we are or will become a PFIC is a fact-intensive inquiry made on an annual basis that depends, in part, upon the composition of our income and assets. Fluctuations in the market price of our ADSs may cause us to become a PFIC for the current or subsequent taxable years because the value of our assets for the purpose of the asset test may be determined by reference to the market price of our ADSs. The composition of our income and assets may also be affected by how, and how quickly, we use our liquid assets and the cash raised in this offering.

If we were to be or become a PFIC for any taxable year during which a U.S. Holder (as defined in “Taxation—United States Federal Income Tax Considerations”) holds our ADSs or common shares, certain adverse U.S. federal income tax consequences could apply to such U.S. Holder. See “Taxation—United States Federal Income Tax Considerations—Passive Foreign Investment Company Rules.”

## SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INDUSTRY DATA

This prospectus contains forward-looking statements that reflect our current expectations and views of future events. The forward looking statements are contained principally in the sections entitled “Prospectus Summary,” “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business.” Known and unknown risks, uncertainties and other factors, including those listed under “Risk Factors,” may cause our actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements.

You can identify some of these forward-looking statements by words or phrases such as “may,” “will,” “expect,” “anticipate,” “aim,” “estimate,” “intend,” “plan,” “believe,” “is/are likely to,” “potential,” “continue” or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include statements relating to:

- our goals and strategies;
- our future business development, financial conditions and results of operations;
- the expected growth of the mobile internet industry and the mobile app developer services market in China;
- the expected growing application of big data technology in China, including in areas such as mobile online marketing, financial risk management, market intelligence and location-based intelligence services;
- our expectations regarding demand for and market acceptance of our developer services and data solutions;
- our expectations regarding our relationships with app developers, customers, strategic partners and other stakeholders;
- competition in our industry; and
- relevant government policies and regulations relating to our industry.

These forward-looking statements involve various risks and uncertainties. Although we believe that our expectations expressed in these forward-looking statements are reasonable, our expectations may later be found to be incorrect. Our actual results could be materially different from our expectations. Important risks and factors that could cause our actual results to be materially different from our expectations are generally set forth in “Prospectus Summary—Our Challenges,” “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Business,” “Regulation” and other sections in this prospectus. You should read thoroughly this prospectus and the documents that we refer to with the understanding that our actual future results may be materially different from and worse than what we expect. We qualify all of our forward-looking statements by these cautionary statements.

This prospectus contains certain data and information that we obtained from various government and private publications, including certain statistical data and estimates from an industry report which we commissioned Frost & Sullivan to prepare and for which we paid a fee. This information involves a number of assumptions, estimates and limitations. These industry publications, surveys and forecasts generally indicate that their information has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. Nothing in such data should be construed as advice. We have not independently verified the accuracy or completeness of the data contained in these industry publications and reports. The app developer services market and the application of big data technology in China may not grow at the rate projected by market data, or at all. Failure to grow at the projected rate may have a material and adverse effect on our business and the market price of our ADSs. In addition, the rapidly evolving nature of mobile

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internet, app developer services and big data technology results in significant uncertainties for any projections or estimates relating to the growth prospects or future condition of our market. Furthermore, if any one or more of the assumptions underlying the market data are later found to be incorrect, actual results may differ from the projections based on these assumptions. You should not place undue reliance on these forward-looking statements.

The forward-looking statements made in this prospectus relate only to events or information as of the date on which the statements are made in this prospectus. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this prospectus and the documents that we refer to in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect.

## USE OF PROCEEDS

We estimate that we will receive net proceeds from this offering of approximately US\$ , or approximately US\$ if the underwriters exercise their over-allotment option in full, after deducting underwriting discounts and commissions and the estimated offering expenses payable by us. These estimates are based upon an assumed initial public offering price of US\$ per ADS, which is the midpoint of the price range shown on the front page of this prospectus. A US\$1.00 increase (decrease) in the assumed initial public offering price of US\$ per ADS would increase (decrease) the net proceeds to us from this offering by US\$ , assuming the number of ADSs offered by us, as set forth on the front cover of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated expenses payable by us.

The primary purposes of this offering are to create a public market for our shares for the benefit of all shareholders, retain talented employees by providing them with equity incentives, and obtain additional capital. We plan to use the net proceeds of this offering as follows:

- approximately US\$ to invest in technology, infrastructure and research and development capabilities; and
- the balance for general corporate purposes, including expanding and strengthening our sales and marketing activities and funding potential investments and acquisitions of complementary businesses, assets and technologies. Currently, we do not have any plans, commitments or understandings to acquire complementary business, assets and technologies.

The foregoing represents our current intentions based upon our present plans and business conditions to use and allocate the net proceeds of this offering. Our management, however, will have significant flexibility and discretion to apply the net proceeds of this offering. If an unforeseen event occurs or business conditions change, we may use the proceeds of this offering differently than as described in this prospectus. See “Risk Factors—Risks Related to Our ADSs and This Offering—We have not determined a specific use for a portion of the net proceeds from this offering and we may use these proceeds in ways with which you may not agree, and such use may not produce income or increase our ADS price.”

Pending any use described above, we plan to invest the net proceeds in short-term, interest-bearing, debt instruments or demand deposits.

In using the proceeds of this offering, we are permitted under PRC laws and regulations as an offshore holding company to provide funding to our WFOE only through loans or capital contributions and to our VIE only through loans, subject to satisfaction of applicable government registration and approval requirements. We cannot assure you that we will be able to obtain these government registrations or approvals on a timely basis, if at all. See “Risk Factors—Risks Related to Doing Business in China—PRC regulation of loans to and direct investment in PRC entities by offshore holding companies and governmental control of currency conversion may delay or prevent us from using the proceeds of this offering to make loans or additional capital contributions to our PRC subsidiary, which could materially and adversely affect our liquidity and our ability to fund and expand our business.”

[We will not receive any of the proceeds from the sale of ADSs by the selling shareholders.]

## DIVIDEND POLICY

Our board of directors has discretion on whether to distribute dividends, subject to certain requirements of Cayman Islands law. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our board of directors. In either case, all dividends are subject to certain restrictions under Cayman Islands law, namely that our company may only pay dividends out of profits or share premium, and provided always that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business. Even if we decide to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant.

We do not have any present plan to pay any cash dividends on our common shares in the foreseeable future after this offering. We currently intend to retain most, if not all, of our available funds and any future earnings to operate and expand our business.

We are a holding company incorporated in the Cayman Islands. We may rely on dividends from our subsidiaries in China for our cash requirements, including any payment of dividends to our shareholders. PRC regulations may restrict the ability of our PRC subsidiary to pay dividends to us. See “Regulation—Regulations on Dividend Distributions.”

If we pay any dividends on our common shares, we will pay those dividends which are payable in respect of the common shares underlying our ADSs to the depositary, as the registered holder of such common shares, and the depositary then will pay such amounts to our ADS holders in proportion to common shares underlying the ADSs held by such ADS holders, subject to the terms of the deposit agreement, including the fees and expenses payable thereunder. See “Description of American Depositary Shares.” Cash dividends on our common shares, if any, will be paid in U.S. dollars.

**CAPITALIZATION**

The following table sets forth our capitalization as of March 31, 2018:

- on an actual basis;
- on a pro forma basis to reflect (i) the redemption of 1,738,720 Series C preferred shares held by T.C.L. Industries Holdings (H.K.) Ltd. in April 2018, and (ii) the automatic conversion of all of our issued and outstanding preferred shares into common shares on a one-for-one basis upon the completion of this offering; and
- on a pro forma as adjusted basis to reflect (i) the redemption of 1,738,720 Series C preferred shares held by T.C.L. Industries Holdings (H.K.) Ltd. in April 2018, (ii) the automatic conversion of all of our issued and outstanding preferred shares into common shares on a one-for-one basis upon the completion of this offering, and (iii) the sale of common shares in the form of ADSs by us in this offering at an assumed initial public offering price of US\$ per ADS, which is the midpoint of the estimated range of the initial public offering price shown on the front cover of this prospectus, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us, assuming the underwriters do not exercise over-allotment option.

You should read this table together with our consolidated financial statements and the related notes included elsewhere in this prospectus and the information under “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

	As of March 31, 2018				Pro Forma As Adjusted(1)	
	Actual		Pro Forma		RMB	US\$
	RMB	US\$	(in thousands)			
<b>Preferred shares:</b>						
Series A redeemable convertible preferred shares (par value of US\$0.0001 per share; 11,111,120 shares authorized, issued and outstanding on an actual basis, and none outstanding on a pro forma or a pro forma as adjusted basis)	27,587	4,398	—	—		
Series B redeemable convertible preferred shares (par value of US\$0.0001 per share; 7,936,510 shares authorized, issued and outstanding on an actual basis, and none outstanding on a pro forma or a pro forma as adjusted basis)	54,433	8,678	—	—		
Series C redeemable convertible preferred shares (par value of US\$0.0001 per share; 4,999,540 shares authorized, issued and outstanding on an actual basis, and none outstanding on a pro forma or a pro forma as adjusted basis)	172,225	27,457	—	—		
Series D redeemable convertible preferred shares (par value of US\$0.0001 per share; 5,559,487 shares authorized, issued and outstanding on an actual basis, and none outstanding on a pro forma or a pro forma as adjusted basis)	223,269	35,594	—	—		
<b>Total mezzanine equity</b>	<u>477,514</u>	<u>76,127</u>	<u>—</u>	<u>—</u>		
<b>Shareholders’ (deficit) equity:</b>						
Common shares (US\$0.0001 par value; 470,393,343 common shares authorized, and 42,666,670 common shares issued and outstanding on an actual basis; 70,534,607 shares issued and outstanding on a pro forma basis; shares issued and outstanding on a pro forma as adjusted basis)	26	4	44	7		
Additional paid-in capital(2)	16,526	2,635	431,580	68,804		
Accumulated other comprehensive loss	(6,914)	(1,102)	(6,914)	(42,698)		
Accumulated deficit	(267,825)	(42,698)	(267,825)	(1,102)		
<b>Total shareholders’ (deficit) equity(2)</b>	<u>(258,187)</u>	<u>(41,161)</u>	<u>156,885</u>	<u>25,011</u>		
<b>Total capitalization(2)</b>	<u>219,327</u>	<u>34,966</u>	<u>156,885</u>	<u>25,011</u>		

(1) The pro forma as adjusted information discussed above is illustrative only. Our additional paid-in capital, total shareholders’ equity (deficit) and total capitalization following the completion of this offering are subject to adjustment based on the actual initial public offering price and other terms of this offering determined at pricing.

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- (2) A US\$1.00 increase (decrease) in the assumed initial public offering price of US\$            per share, which is the midpoint of the estimated range of the initial public offering price shown on the front cover of this prospectus, would increase (decrease) each of additional paid-in capital, total shareholders' equity (deficit) and total capitalization by US\$            million.

On April 17, 2018, we issued zero coupon non-guaranteed and unsecured convertible notes due 2021 in an aggregate principal amount of US\$35.0 million to two investors. The convertible notes are non-interest bearing, except when, subject to certain exceptions, an event of default occurs, such as failure to make any payment due on the due date, and the majority noteholders have, in their sole discretion, accelerated their convertible notes by giving notice to us that their outstanding notes are due and repayable. In such event, we will be required to pay interest at a simple interest rate of 15% per annum on the aggregate outstanding principal amount of the convertible notes. Holders of the convertible notes may, at their discretion during a period starting from the issue date of the notes until seven days prior to the maturity of the notes, subject to certain exceptions, convert the notes into common shares of our company at the then applicable conversion price, which is initially US\$11.7612 per common share, subject to certain anti-dilution adjustments. Assuming all the notes are converted into our common shares at this initial conversion price, we would issue an aggregate of 2,975,897 common shares to the two investors. The table above does not reflect the potential conversion of the convertible notes into our common shares.

## DILUTION

If you invest in our ADSs, your interest will be diluted to the extent of the difference between the initial public offering price per ADS and our net tangible book value per ADS after this offering. Dilution results from the fact that the initial public offering price per common share is substantially in excess of the book value per common share attributable to the existing shareholders for our presently outstanding common shares.

Our net tangible book value as of March 31, 2018 was approximately US\$35.0 million, or US\$0.48 per common share on an as-converted basis as of that date and US\$            per ADS. Net tangible book value represents the amount of our total consolidated tangible assets, less the amount of our total consolidated liabilities. Dilution is determined by subtracting net tangible book value per common share, after giving effect to the additional proceeds we will receive from this offering, from the assumed initial public offering price of US\$            per common share, which is the midpoint of the estimated initial public offering price range set forth on the front cover of this prospectus adjusted to reflect the ADS-to-common share ratio, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

Without taking into account any other changes in net tangible book value after March 31, 2018, other than to give effect to our sale of the ADSs offered in this offering at the assumed initial public offering price of US\$            per ADS, which is the midpoint of the estimated initial public offering price range, after deduction of the underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of March 31, 2018 would have been US\$            , or US\$            per common share and US\$            per ADS. This represents an immediate increase in net tangible book value of US\$            per common share and US\$            per ADS to the existing shareholders and an immediate dilution in net tangible book value of US\$            per common share and US\$            per ADS to investors purchasing ADSs in this offering. The following table illustrates such dilution:

	<u>Per Common Share</u>	<u>Per ADS</u>
Assumed initial public offering price	US\$	US\$
Net tangible book value as of March 31, 2018	US\$            0.82	US\$
Pro forma net tangible book value after giving effect to the redemption of 1,738,720 Series C preferred shares held by T.C.L. Industries Holdings (H.K.) Ltd. and the conversion of our preferred shares	US\$            0.48	US\$
Pro forma as adjusted net tangible book value after giving effect to the redemption of 1,738,720 Series C preferred shares held by T.C.L. Industries Holdings (H.K.) Ltd. and the conversion of our preferred shares and this offering	US\$	US\$
Amount of dilution in net tangible book value to new investors in this offering	US\$	US\$

A US\$1.00 increase (decrease) in the assumed initial public offering price of US\$            per ADS would increase (decrease) our pro forma as adjusted net tangible book value after giving effect to this offering by US\$            , the pro forma as adjusted net tangible book value per common share and per ADS after giving effect to this offering by US\$            per common share and US\$            per ADS and the dilution in pro forma as adjusted net tangible book value per common share and per ADS to new investors in this offering by US\$            per common share and US\$            per ADS, assuming no change to the number of ADSs offered by us as set forth on the front cover of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

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The following table summarizes, on a pro forma as adjusted basis as of March 31, 2018, the differences between existing shareholders and the new investors with respect to the number of common shares (in the form of ADSs or shares) purchased from us, the total consideration paid and the average price per common share and per ADS paid before deducting the underwriting discounts and commissions and estimated offering expenses payable by us. The total number of common shares does not include common shares underlying the ADSs issuable upon the exercise of the over-allotment option granted to the underwriters.

	<u>Common Shares Purchased</u>		<u>Total Consideration</u>		<u>Average Price Per Common Share</u>	<u>Average Price Per ADS</u>
	<u>Number</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>		
Existing shareholders			US\$	%	US\$	US\$
New investors			US\$	%	US\$	US\$
Total			US\$	100.0%		

The pro forma as adjusted information discussed above is illustrative only. Our net tangible book value following the completion of this offering is subject to adjustment based on the actual initial public offering price of our ADSs and other terms of this offering determined at pricing.

The discussion and tables above assume (i) no conversion of the zero coupon convertible notes due 2021 in the aggregate principal amount of US\$35.0 million issued in April 2018, and (ii) no exercise of any share options outstanding as of the date of this prospectus. An aggregate of 2,975,897 common shares are issuable to the note holders upon the conversion of the US\$35.0 million convertible notes at an assumed initial conversion price of US\$11.7612 per common share. As of the date of this prospectus, there are 6,839,076 common shares issuable upon exercise of outstanding share options at a weighted average exercise price of US\$0.94 per share. To the extent that any portion of the convertible notes are converted into common shares or any of these options are exercised, there will be further dilution to new investors.

**EXCHANGE RATE INFORMATION**

Our reporting currency is the Renminbi because our business is mainly conducted in China and substantially all of our revenues are denominated in Renminbi. This prospectus contains translations of Renminbi amounts into U.S. dollars at specific rates solely for the convenience of the reader. All translations from Renminbi to U.S. dollars and from U.S. dollars to Renminbi in this prospectus were made at a rate of RMB6.2726 to US\$1.00, the exchange rate in effect as of March 30, 2018, as set forth in the H.10 Statistical release of the Board of Governors of the Federal Reserve System. We make no representation that any Renminbi or U.S. dollar amounts could have been, or could be, converted into U.S. dollars or Renminbi, as the case may be, at any particular rate, the rates stated below, or at all. The PRC government imposes control over its foreign currency reserves in part through direct regulation of the conversion of Renminbi into foreign currency and through restrictions on foreign trade. On May 25, 2018, the exchange rate was RMB6.3903 to US\$1.00.

The following table sets forth information concerning exchange rates between the Renminbi and the U.S. dollar for the periods indicated. These rates are provided solely for your convenience and are not necessarily the exchange rates that we used in this prospectus or will use in the preparation of our periodic reports or any other information to be provided to you.

<b>Period</b>	<b>Exchange Rate</b>			
	<b>Period End</b>	<b>Average<sup>(1)</sup></b>	<b>Low</b>	<b>High</b>
		<b>(RMB per US\$1.00)</b>		
2013	6.0537	6.1412	6.2438	6.0537
2014	6.2046	6.1704	6.2591	6.0402
2015	6.4778	6.2869	6.4896	6.1870
2016	6.9430	6.6549	6.9580	6.4480
2017	6.5063	6.7350	6.9575	6.4773
November	6.6090	6.6200	6.6385	6.5967
December	6.5063	6.5932	6.6210	6.5063
2018				
January	6.2841	6.4233	6.5263	6.2841
February	6.3329	6.3182	6.3471	6.2649
March	6.2726	6.3174	6.3565	6.2685
April	6.3325	6.2949	6.3340	6.2655
May (through May 25)	6.3903	6.3631	6.3903	6.3325

Source: Federal Reserve Statistical Release

(1) Annual averages are calculated by using the average of the exchange rates on the last day of each month during the relevant year. Monthly averages are calculated by using the average of the daily rates during the relevant month.

## ENFORCEABILITY OF CIVIL LIABILITIES

We are incorporated in the Cayman Islands to take advantage of certain benefits associated with being a Cayman Islands exempted company, such as:

- political and economic stability;
- an effective judicial system;
- a favorable tax system;
- the absence of exchange control or currency restrictions; and
- the availability of professional and support services.

However, certain disadvantages accompany incorporation in the Cayman Islands. These disadvantages include but are not limited to:

- the Cayman Islands has a less developed body of securities laws as compared to the United States and these securities laws provide significantly less protection to investors as compared to the United States; and
- Cayman Islands companies may not have standing to sue before the federal courts of the United States.

Our constituent documents do not contain provisions requiring that disputes, including those arising under the securities laws of the United States, between us, our officers, directors and shareholders, be arbitrated.

Substantially all of our operations are conducted in China, and substantially all of our assets are located in China. A majority of our directors and executive officers are nationals or residents of jurisdictions other than the United States and most of their assets are located outside the United States. As a result, it may be difficult for a shareholder to effect service of process within the United States upon these individuals, or to bring an action against us or these individuals in the United States, or to enforce against us or them judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States.

We have appointed [Law Debenture Corporate Services Inc.], located at [801 2nd Avenue, Suite 403, New York, New York 10017], as our agent upon whom process may be served in any action brought against us under the securities laws of the United States.

We have been informed by Maples and Calder (Hong Kong) LLP, our Cayman Islands legal counsel, that the United States and the Cayman Islands do not have a treaty providing for reciprocal recognition and enforcement of judgments of U.S. courts in civil and commercial matters and that a final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon the U.S. federal securities laws, would not be automatically enforceable in the Cayman Islands. We have also been advised by Maples and Calder (Hong Kong) LLP that a judgment obtained in any federal or state court in the United States will be recognized and enforced in the courts of the Cayman Islands at common law, without any re-examination of the merits of the underlying dispute, by an action commenced on the foreign judgment debt in the Grand Court of the Cayman Islands, provided such judgment (i) is given by a foreign court of competent jurisdiction, (ii) imposes on the judgment debtor a liability to pay a liquidated sum for which the judgment has been given, (iii) is final, (iv) is not in respect of taxes, a fine or a penalty, and (v) was not obtained in a manner and is not of a kind the enforcement of which is contrary to natural justice or the public policy of the Cayman Islands.

There is uncertainty as to whether the courts of the Cayman Islands would (i) recognize or enforce judgments of United States courts obtained against us or our directors or officers predicated upon the civil

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liability provisions of the securities laws of the United States or any state in the United States, or (ii) entertain original actions brought in the Cayman Islands against us or our directors or officers that are predicated upon the securities laws of the United States or any state in the United States. Such uncertainty relates to whether a judgment obtained from the United States courts under the civil liability provisions of the securities laws will be determined by the courts of the Cayman Islands as penal or punitive in nature. If such a determination is made, the courts of the Cayman Islands will not recognize or enforce the judgment against a Cayman Islands company or its directors and officers. Because the courts of the Cayman Islands have yet to rule on whether such judgments are penal or punitive in nature, it is uncertain whether they would be enforceable in the Cayman Islands.

Han Kun Law Offices, our counsel as to PRC law, has advised us that there is uncertainty as to whether the courts of China would:

- recognize or enforce judgments of United States courts obtained against us or our directors or officers predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States; or
- entertain original actions brought in each respective jurisdiction against us or our directors or officers predicated upon the securities laws of the United States or any state in the United States.

Han Kun Law Offices has further advised us that the recognition and enforcement of foreign judgments are provided for under the PRC Civil Procedures Law. PRC courts may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedures Law based either on treaties between China and the country where the judgment is made or on principles of reciprocity between jurisdictions. China does not have any treaties or other form of reciprocity with the United States or the Cayman Islands that provide for the reciprocal recognition and enforcement of foreign judgments. In addition, according to the PRC Civil Procedures Law, courts in the PRC will not enforce a foreign judgment against us or our directors and officers if they decide that the judgment violates the basic principles of PRC law or national sovereignty, security or public interest. As a result, it is uncertain whether and on what basis a PRC court would enforce a judgment rendered by a court in the United States or in the Cayman Islands. Under the PRC Civil Procedures Law, foreign shareholders may originate actions based on PRC law against a company in China for disputes if they can establish sufficient nexus to the PRC for a PRC court to have jurisdiction, and meet other procedural requirements, including, among others, the plaintiff must have a direct interest in the case, and there must be a concrete claim, a factual basis and a cause for the suit.

It will be, however, difficult for U.S. shareholders to originate actions against us in the PRC in accordance with PRC laws because we are incorporated under the laws of the Cayman Islands and it will be difficult for U.S. shareholders, by virtue only of holding our ADSs or common shares, to establish a connection to the PRC for a PRC court to have jurisdiction as required under the PRC Civil Procedures Law.

## CORPORATE HISTORY AND STRUCTURE

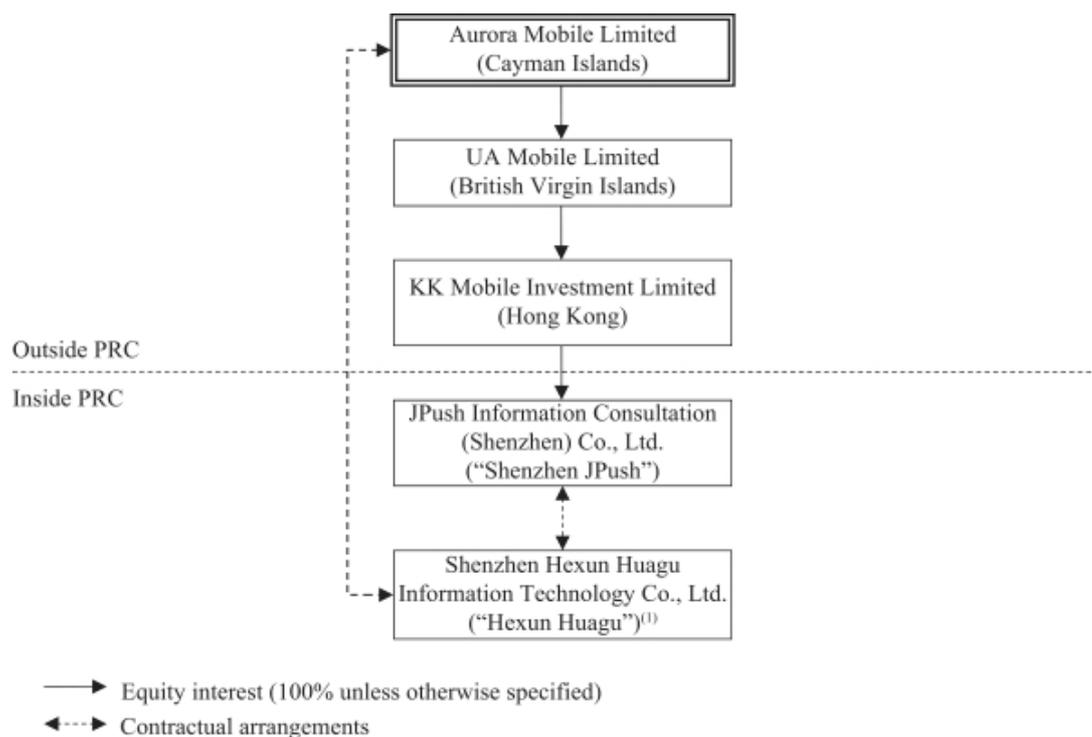
Shenzhen Hexun Huagu Information Technology Co., Ltd., or Hexun Huagu, was incorporated in May 2012. The current shareholders of Hexun Huagu are Mr. Weidong Luo, Mr. Xiaodao Wang and Mr. Jiawen Fang, holding 80%, 10% and 10% equity interests in Hexun Huagu, respectively.

In May 2012, UA Mobile Limited was incorporated in the British Virgin Islands by KK Mobile Limited, a company wholly owned by Mr. Weidong Luo. UA Mobile Limited set up a wholly-owned subsidiary KK Mobile Investment Limited in Hong Kong in June 2012. In April 2014, we incorporated Aurora Mobile Limited in the Cayman Islands as our offshore holding company to facilitate financing and offshore listing. Subsequently, Mr. Weidong Luo transferred his entire ownership of UA Mobile Limited to Aurora Mobile Limited. In June 2014, KK Mobile Investment Limited established a wholly-owned subsidiary in China, JPush Information Consultation (Shenzhen) Co., Ltd., or Shenzhen JPush.

On August 5, 2014, we obtained control over Hexun Huagu through Shenzhen JPush by entering into a series of contractual arrangements with Hexun Huagu and its shareholders. We refer to Shenzhen JPush as our WFOE, and to Hexun Huagu as our VIE in this prospectus. Our contractual arrangements with our VIE and its shareholders allow us to (i) exercise effective control over our VIE, (ii) receive substantially all of the economic benefits of our VIE, and (iii) have an exclusive call option to purchase all or part of the equity interests in and assets of our VIE when and to the extent permitted by PRC law. For more details, including risks associated with the VIE structure, please see “Corporate History and Structure—Contractual Arrangements with Our VIE and its Shareholders,” and “Risk Factors—Risks Related to Our Corporate Structure.”

As a result of our direct ownership in our WFOE and the contractual arrangements with the VIE, we are regarded as the primary beneficiary of our VIE, and we treat it as our consolidated affiliated entity under U.S. GAAP. We have consolidated the financial results of our VIE in our consolidated financial statements in accordance with U.S. GAAP.

The following diagram illustrates our corporate structure, including our subsidiaries and our VIE as of the date of this prospectus:



(1) Mr. Weidong Luo, our founder, chairman of our board of directors, chief executive officer and a principal beneficial owner of the shares of our company, holds 80% equity interests in our VIE. Messrs. Xiaodao Wang and Jiawen Fang are both directors and beneficial owner of the shares of our company and they each hold 10% equity interests in our VIE.

#### Contractual Arrangements with Our VIE and its Shareholders

The following is a summary of the currently effective contractual arrangements relating to Hexun Huagu, our VIE.

#### Agreements that provide us with effective control over our VIE

*Powers of Attorney.* Pursuant to the powers of attorney, dated August 5, 2014, each of the shareholders of our VIE irrevocably authorizes our WFOE to act as his attorney-in-fact to exercise all of his rights as a shareholder of our VIE, including, but not limited to, the right to convene and attend shareholders' meetings, vote on any resolution that requires a shareholder vote, such as the appointment and removal of directors, supervisors and officers, as well as the sale, transfer and disposal of all or part of the equity interests owned by such shareholder in our VIE.

*Equity Interest Pledge Agreements.* Pursuant to the equity interest pledge agreements, dated April 20, 2018, among our WFOE, our VIE and the shareholders of our VIE, the shareholders of our VIE have pledged 100% equity interests in our VIE to our WFOE to guarantee performance by the shareholders of their obligations under the exclusive option agreements, the shareholder voting proxy agreement and the financial support agreement, as well as the performance by our VIE of its obligations under the exclusive business cooperation agreement and the

exclusive option agreements. In the event of a breach by our VIE or any of its shareholder of contractual obligations under the equity interest pledge agreements, our WFOE, as pledgee, will have the right to dispose of the pledged equity interests in our VIE and will have priority in receiving the proceeds from such disposal. The shareholders of our VIE also undertake that, without the prior written consent of our WFOE, they will not dispose of, create or allow any encumbrance on the pledged equity interests. our VIE undertakes that, without the prior written consent of our WFOE, they will not assist or allow any encumbrance to be created on the pledged equity interests.

***Agreement that allows us to receive economic benefits from our VIE***

*Exclusive Business Cooperation Agreement.* Under the exclusive business cooperation agreement between our WFOE and our VIE, dated August 5, 2014, our WFOE has the exclusive right to provide to our VIE comprehensive business support, technical services, consulting services and other services. Without our WFOE's prior written consent, our VIE may not accept any services subject to this agreement from any third party. Our WFOE has the exclusive ownership of intellectual property rights created as a result of the performance of this agreement. Our VIE agrees to pay our WFOE an annual service fee at an amount equivalent to a certain percentage of our VIE's audited total operating income for the relevant year. This agreement will remain effective for an indefinite term, unless terminated in accordance with the provisions of this agreement or terminated in writing by our WFOE.

***Agreements that provide us with the option to purchase the equity interests in and assets of our VIE***

*Exclusive Option Agreements.* Pursuant to the exclusive option agreement, dated April 20, 2018, among our WFOE, our VIE and each shareholder of our VIE, each shareholder of our VIE has irrevocably granted our WFOE an exclusive option to purchase all or part of his equity interests in our VIE, and our VIE has irrevocably granted our WFOE an exclusive option to purchase all or part of its assets. Our WFOE or its designated person may exercise such options for the higher of RMB10 or the lowest price permitted under applicable PRC law. Each shareholder of our VIE undertakes that, without our WFOE's prior written consent, he will not, among other things, (i) create any pledge or encumbrance on their equity interests in our VIE, (ii) transfer or otherwise dispose of their equity interests in our VIE, (iii) change our VIE's registered capital, (iv) amend our VIE's articles of association, (v) dispose of our VIE's material assets (except in the ordinary course of business), or (vi) merge our VIE with any other entity. In addition, our VIE undertakes that, without our WFOE's prior written consent, it will not, among other things, create any pledge or encumbrance on any of its assets, or transfer or otherwise dispose of its material assets (except in the ordinary course of business). The exclusive option agreements will remain effective until the entire equity interests in and all the assets of our VIE have been transferred to our WFOE or its designated person.

In March 2018, we entered into the following agreements:

*Financial Support Agreement.* Pursuant to the financial support agreement, dated March 28, 2018, by and among our company, our WFOE and the shareholders of our VIE, we undertakes to provide unlimited financial support to our VIE to the extent permissible under the applicable PRC laws and regulations, whether or not any operational loss is actually incurred by our VIE. We will not request repayment of the loans or borrowings if our VIE or its shareholders do not have sufficient funds or are unable to repay the loans.

*Shareholder Voting Proxy Agreement.* Pursuant to the shareholder voting proxy agreement, dated March 28, 2018, by and among our company, our WFOE and each of the shareholders of our VIE, the powers of attorney described above were terminated and each of the shareholders of our VIE irrevocably authorizes our company to act as his attorney-in-fact to exercise all of his rights as a shareholder of our VIE that are substantially the same as those described above. The shareholder voting proxy agreement will remain effective until the shareholders no longer hold any equity interests in our VIE, unless terminated in accordance with the provisions of the agreement or terminated in writing by our company.

In the opinion of Han Kun Law Offices, our PRC legal counsel:

- the ownership structures of our VIE in China and our WFOE, both currently and immediately after giving effect to this offering, are not in violation of applicable PRC laws and regulations currently in effect; and
- the contractual arrangements between our company, our WFOE, our VIE and its shareholders governed by PRC laws and regulations are valid, binding and enforceable, and will not result in any violation of applicable PRC laws and regulations.

However, our PRC legal counsel has also advised us that there are substantial uncertainties regarding the interpretation and application of current and future PRC laws, regulations and rules. Accordingly, the PRC regulatory authorities may take a view that is contrary to the opinion of our PRC legal counsel. It is uncertain whether any new PRC laws or regulations relating to variable interest entity structures will be adopted or if adopted, what they would provide. If we or our VIE are found to be in violation of any existing or future PRC laws or regulations, or fail to obtain or maintain any of the required permits or approvals, the relevant PRC regulatory authorities would have broad discretion to take action in dealing with such violations or failures. See “Risk Factors—Risks Related to Our Corporate Structure—If the PRC government finds that the agreements that establish the structure for operating some of our business operations in China do not comply with PRC regulations relating to the relevant industries, or if these regulations or the interpretation of existing regulations change in the future, we could be subject to severe penalties or be forced to relinquish our interest in those operations” and “Risk Factors—Risks Related to Doing Business in China—Uncertainties with respect to the PRC legal system and changes in laws and regulations in China could adversely affect us.”

## SELECTED CONSOLIDATED FINANCIAL AND OPERATING DATA

The following selected consolidated statements of operations data for the years ended December 31, 2016 and 2017, selected consolidated balance sheet data as of December 31, 2016 and 2017 and selected consolidated cash flow data for the years ended December 31, 2016 and 2017 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. The following selected consolidated statements of operations data for the three months ended March 31, 2017 and 2018, selected consolidated balance sheet data as of March 31, 2018 and selected consolidated cash flow data for the three months ended March 31, 2017 and 2018 have been derived from our unaudited condensed consolidated financial statements included elsewhere in this prospectus and have been prepared on the same basis as our audited consolidated financial statements. Our consolidated financial statements are prepared and presented in accordance with U.S. GAAP. Our historical results do not necessarily indicate results expected for any future periods. You should read this Selected Consolidated Financial and Operating Data section together with our consolidated financial statements and the related notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included elsewhere in this prospectus.

	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017	US\$	2017	2018	US\$
	RMB	RMB	US\$	RMB	RMB	US\$
	(in thousands, except for per share data)					
<b>Selected Consolidated Statements of Operations</b>						
<b>Data:</b>						
Revenues	70,322	284,709	45,389	31,993	126,392	20,150
Cost of revenues	(47,722)	(213,370)	(34,016)	(25,680)	(91,802)	(14,635)
<b>Gross profit</b>	<b>22,600</b>	<b>71,339</b>	<b>11,373</b>	<b>6,313</b>	<b>34,590</b>	<b>5,515</b>
<b>Operating expenses:(1)</b>						
Research and development expenses	(33,717)	(71,651)	(11,423)	(13,623)	(24,413)	(3,892)
Selling and marketing expenses	(33,062)	(59,673)	(9,513)	(10,361)	(17,431)	(2,779)
General and administrative expenses	(13,480)	(32,431)	(5,170)	(6,924)	(13,587)	(2,166)
<b>Total operating expenses</b>	<b>(80,259)</b>	<b>(163,755)</b>	<b>(26,106)</b>	<b>(30,908)</b>	<b>(55,431)</b>	<b>(8,837)</b>
<b>Loss from operations</b>	<b>(57,659)</b>	<b>(92,416)</b>	<b>(14,733)</b>	<b>(24,595)</b>	<b>(20,841)</b>	<b>(3,322)</b>
Foreign exchange loss, net	(328)	(2,724)	(434)	(235)	(1,419)	(226)
Interest income	283	314	50	105	59	9
Interest expense	—	(122)	(19)	(2)	(60)	(10)
Other income	232	677	108	436	118	19
<b>Loss before income taxes</b>	<b>(57,472)</b>	<b>(94,271)</b>	<b>(15,028)</b>	<b>(24,291)</b>	<b>(22,143)</b>	<b>(3,530)</b>
Income tax (expenses) benefit	(3,910)	3,980	635	2,291	5	1
<b>Net loss</b>	<b>(61,382)</b>	<b>(90,291)</b>	<b>(14,393)</b>	<b>(22,000)</b>	<b>(22,138)</b>	<b>(3,529)</b>

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	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017		2017	2018	
	RMB	RMB	US\$	RMB	RMB	US\$
	(in thousands, except for per share data)					
<b>Net loss attributable to Aurora Mobile Limited's shareholders</b>	(61,382)	(90,291)	(14,393)	(22,000)	(22,138)	(3,529)
<b>Accretion of contingently redeemable convertible preferred shares</b>	(12,427)	(26,391)	(4,207)	(1,775)	(10,877)	(1,734)
<b>Net loss attributable to common shareholders</b>	<u>(73,809)</u>	<u>(116,682)</u>	<u>(18,600)</u>	<u>(23,775)</u>	<u>(33,015)</u>	<u>(5,263)</u>
<b>Net loss per common share:</b>						
Basic and diluted	(1.73)	(2.73)	(0.44)	(0.56)	(0.77)	(0.12)
<b>Weighted average number of shares used in calculating basic and diluted loss per common share</b>						
Basic and diluted	42,666,670	42,666,670	42,666,670	42,666,670	42,666,670	42,666,670
<b>Pro forma net loss per share attributable to common shareholders:</b>						
Basic and diluted		(1.25)	(0.20)		(0.31)	(0.05)
<b>Weighted average number of shares used in calculating pro forma basic and diluted loss per common share</b>						
Basic and diluted		72,273,327	72,273,327		70,534,607	70,534,607

(1) Share-based compensation expenses are allocated in cost of revenues and operating expenses as follows:

	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017		2017	2018	
	RMB	RMB	US\$	RMB	RMB	US\$
	(in thousands)					
Cost of revenues	—	—	—	—	23	4
Research and development expenses	664	1,408	224	100	667	106
Sales and marketing expenses	189	944	150	35	852	136
General and administrative expenses	<u>1,850</u>	<u>5,923</u>	<u>945</u>	<u>2,040</u>	<u>1,295</u>	<u>206</u>
<b>Total</b>	<u>2,703</u>	<u>8,275</u>	<u>1,319</u>	<u>2,175</u>	<u>2,837</u>	<u>452</u>

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The following table presents our selected consolidated balance sheet data as of December 31, 2016 and 2017 and March 31, 2018:

	As of December 31,			As of March 31,	
	2016	2017		2018	
	RMB	RMB	US\$	RMB	US\$
	(in thousands)				
<b>Selected Consolidated Balance Sheet Data:</b>					
Cash and cash equivalents	103,168	208,161	33,186	141,752	22,599
Accounts receivable, net	9,444	49,594	7,906	80,625	12,854
Prepayments and other current assets	13,508	34,228	5,456	39,493	6,296
<b>Total assets</b>	<b>165,944</b>	<b>359,450</b>	<b>57,303</b>	<b>329,543</b>	<b>52,537</b>
Accounts payable	1,110	8,340	1,330	9,708	1,548
Deferred revenue and customer deposits	18,148	49,557	7,901	52,170	8,317
Accrued liabilities and other current liabilities	19,737	52,639	8,389	33,010	5,263
<b>Total liabilities</b>	<b>53,819</b>	<b>117,197</b>	<b>18,682</b>	<b>110,216</b>	<b>17,571</b>
<b>Total mezzanine equity</b>	<b>220,539</b>	<b>466,637</b>	<b>74,393</b>	<b>477,514</b>	<b>76,127</b>
<b>Total shareholders' deficit</b>	<b>(108,414)</b>	<b>(224,384)</b>	<b>(35,772)</b>	<b>(258,187)</b>	<b>(41,161)</b>
<b>Total liabilities, mezzanine equity and shareholders' deficit</b>	<b>165,944</b>	<b>359,450</b>	<b>57,303</b>	<b>329,543</b>	<b>52,537</b>

The following table presents our selected consolidated cash flow data for the years ended December 31, 2016 and 2017 and the three months ended March 31, 2017 and 2018:

	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017		2017	2018	
	RMB	RMB	US\$	RMB	RMB	US\$
	(in thousands)					
<b>Selected Consolidated Cash Flow Data:</b>						
Net cash used in operating activities	(42,152)	(75,532)	(12,040)	(26,466)	(49,475)	(7,888)
Net cash provided by (used in) investing activities	(29,928)	(28,644)	(4,566)	727	(12,745)	(2,032)
Net cash provided by financing activities	135,348	217,446	34,666	18,311	–	–
Effect of exchange rate on cash and cash equivalents and restricted cash	2,450	(8,282)	(1,323)	(308)	(4,189)	(667)
Net increase in cash and cash equivalents and restricted cash	65,718	104,988	16,737	(7,736)	(66,409)	(10,587)
Cash and cash equivalents and restricted cash at the beginning of year or period	37,570	103,288	16,467	103,288	208,276	33,204
Cash and cash equivalents and restricted cash at the end of year or period	103,288	208,276	33,204	95,552	141,867	22,617

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The following table presents certain of our operating data for the years ended December 31, 2016 and 2017 and the three months ended March 31, 2017 and 2018:

	<b>For the Year Ended December 31,</b>		<b>For the Three Months Ended March 31,</b>	
	<b>2016</b>	<b>2017</b>	<b>2017</b>	<b>2018</b>
<b>Selected Operating Data:</b>				
Customers	1,168	2,263	980	1,348
Customers of developer services	743	1,118	635	894
Customers of data solutions	425	1,145	345	454
Monthly active unique mobile devices (in millions)	544	864	591	925

The following table presents certain of our operating data as of December 31, 2016 and 2017 and March 31, 2017 and 2018:

	<b>As of December 31,</b>		<b>As of March 31,</b>	
	<b>2016</b>	<b>2017</b>	<b>2017</b>	<b>2018</b>
<b>Selected Operating Data:</b>				
Cumulative SDK installations (in millions)	6,437	11,437	7,431	13,054
Cumulative app installations (in thousands)	475	707	514	785

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our consolidated financial statements and related notes included elsewhere in this prospectus. Our actual results may differ materially from those we currently anticipate as a result of many factors, including those we describe under "Risk Factors" and elsewhere in this prospectus. See "Special Note Regarding Forward-Looking Statements and Industry Data."*

### Overview

We are a leading mobile big data solutions platform in China. We provide a comprehensive suite of developer services to mobile app developers in China, through which we gain access to, aggregate, cleanse, structure and encrypt vast amounts of real-time anonymous device-level mobile behavioral data. We utilize AI and machine learning to derive actionable insights from this data, enabling our customers to make better business decisions. We have developed a variety of data solutions that offer industry-specific, actionable insights for customers. Our core data solutions include targeted marketing, market intelligence, financial risk management and location-based intelligence. We currently generate revenue primarily from our data solutions, while we adopt a freemium model for most of our developer services.

Our business has grown substantially while at the same time improving our cost efficiency. Our revenues increased by 304.9% to RMB284.7 million (US\$45.4 million) in 2017 from RMB70.3 million in 2016, and by 295.1% to RMB126.4 million (US\$20.2 million) in the three months ended March 31, 2018 from RMB32.0 million in the same period of 2017. We delivered these revenues at a net loss of RMB90.3 million (US\$14.4 million) in 2017 as compared to RMB61.4 million in 2016, and a net loss of RMB22.1 million (US\$3.5 million) in the three months ended March 31, 2018 as compared to RMB22.0 million in the same period of 2017. Our net loss margin improved from 87.3% in 2016 to 31.7% in 2017, and from 68.8% in the three months ended March 31, 2017 to 17.5% in the three months ended March 31, 2018. Our adjusted net loss, a non-GAAP measure defined as net loss excluding share-based compensation, was RMB82.0 million (US\$13.1 million) in 2017 as compared to RMB58.7 million in 2016, and RMB19.3 million (US\$3.1 million) in the three months ended March 31, 2018 as compared to RMB19.8 million in the same period of 2017. Our adjusted net loss margin improved from 83.4% in 2016 to 28.8% in 2017, and from 62.0% in the three months ended March 31, 2017 to 15.3% in the three months ended March 31, 2018. Our adjusted EBITDA, a non-GAAP measure defined as net loss excluding interest expense, depreciation of property and equipment, amortization of intangible assets, income tax (expense) benefit and share-based compensation, was negative RMB77.0 million (US\$12.3 million) in 2017 as compared to negative RMB51.3 million in 2016, and negative RMB15.9 million (US\$2.5 million) in the three months ended March 31, 2018 as compared to RMB20.5 million in the same period of 2017. See "Summary Consolidated Financial and Operating Data—Non-GAAP Financial Measures."

### Key Factors Affecting Our Results of Operations

Our business and operating results are influenced by general factors affecting China's mobile internet industry and app developer services market, as well as the application of big data technology in China. The general factors include China's overall economic growth and level of per capita disposable income, mobile internet usage and penetration, development of the app developer services market, growth of application of big data solutions in areas such as mobile marketing, financial risk management services, market intelligence and location-based intelligence services, the competitive environment and governmental policies and initiatives affecting the Chinese mobile internet industry and data technology. Unfavorable changes in any of these general industry conditions could negatively affect demand for our services and solutions and materially and adversely affect our results of operations.

While our business is influenced by general factors affecting our industry, our results of operations are more directly affected by company specific factors, including the following major factors:

- our ability to increase the number of customers and average spending per customer;
- our ability to develop new developer services and data solutions that meet market demands;
- our ability to broaden and deepen our data pool and enhance our AI and machine learning technology; and
- our ability to further improve our margins.

***Our ability to increase the number of customers and average spending per customer***

Growth in our number of customers and average spending per customer are key drivers of our revenue growth. Our total revenues increased substantially from 2016 to 2017 and from the three months ended March 31, 2017 to the three months ended March 31, 2018. Our number of customers increased from 1,168 in 2016 to 2,263 in 2017, and from 980 in the three months ended March 31, 2017 to 1,348 in the three months ended March 31, 2018. We define our customers in a given period as those that purchase at least one of our paid-for developer services or data solutions during the same period. The average spending per customer also increased from RMB60,207 in 2016 to RMB125,810 (US\$20,057) in 2017, and from RMB32,646 in the three months ended March 31, 2017 to RMB93,762 (US\$14,948) in the three months ended March 31, 2018. Our ability to expand our customer base by retaining existing customers and attracting new customers, and increase the average spending per customer depends on, among other things, our ability to continuously broaden and deepen our data pool, enhance our AI and machine learning capabilities, expand our existing developer services and data solutions, develop and productize new services and solutions, and effectively market and sell our services and solutions.

***Our ability to develop new developer services and data solutions that meet market demands***

Our future success is significantly dependent on our ability to continually develop new developer services and data solutions that meet evolving market demands. We have dedicated and will continue to dedicate significant resources and efforts to developing new developer services and data solutions. We have a team of product developers within our research and development team who identify the potential market demand and lead the development of new services and solutions and the enhancement of existing ones. We seek to develop more innovative developer services, in line with the development of mobile internet and Internet of Things (IoT) to meet the evolving demand of app developers and customers. For our data solutions, we have expanded from our original focus on targeted marketing to more data solutions such as market intelligence, financial risk management and location-based intelligence. We will continue to enrich and expand our existing data solutions to better serve existing customers and attract new customers, and also seek to expand our data solutions to exploit mobile big data opportunities in new industry verticals and sub-verticals.

***Our ability to broaden and deepen our data pool and enhance our AI and machine learning technology***

We generate revenue primarily from our data solutions. Our ability to expand and improve our existing data solutions and develop new ones depends on the size and depth of our data pool as well as the technology we use to process the data and derive actionable insights from it. It is thus critical for us to both enrich our data pool and enhance our AI and machine learning capabilities to extract deeper insights from the data. We intend to achieve the former by continuing to offer best-in-class developer services and attract more app developers to use our services in their apps, and the latter by refining our algorithms and improving our predictive capabilities. To that end, we will continue to invest in our technology and infrastructure to deliver highly reliable and scalable developer services and provide a broader range of developer services. We will also continue to invest in talent by recruiting, retaining and training AI specialists and data scientists to widen our technology advantage. The enhancement of our research and development capabilities enables us to develop new data solutions and optimize our solution offerings, thereby allowing us to obtain more favorable pricing terms for our data solutions.

### Our ability to further improve our margins

Our results of operations are directly affected by our ability to improve our margins. Our business has grown substantially while at the same time improving our cost efficiency. Our gross margin is mainly affected by the mix of our developer services and data solutions, as a majority of data solutions revenues are from targeted marketing solutions which incur cost of revenues for purchasing ad inventory, while developer services do not incur such cost of revenues. Our ability to increase our gross margin depends on our ability to expand our other vertical data solutions in addition to targeted marketing solutions and improve the margin of targeted marketing solutions. Moreover, our ability to achieve profitability is dependent on our ability to further improve our operational efficiency and reduce the total operating expenses as a percentage of our revenues. Our developer services are strategically modularized to maximize efficiency and cohesiveness of operations, and our centralized data processing platform has been designed and built to power our growth as we scale to meet demands from our expanding customer base and allow for quick and cost-effective product development. As our business grows, we expect to continue to leverage the scalability of our business model, improve the efficiency and utilization of our personnel, and thus enjoy higher operating leverage. In addition, our ability to lower our operating expenses as a percentage of revenues also depends on our ability to improve sales efficiency. Currently, we sell our data solutions through our direct sales force, which focuses on expanding our customer base and increasing the spending by existing customers, seeking to capture follow-on and cross-selling opportunities. We will also utilize the insights we gain from data analytics and mining to guide our own sales and marketing efforts as well as our product development activities to improve our margins.

### Key Components of Results of Operations

#### Revenues

We generate revenue from our developer services and data solutions. The following table breaks down our total revenues by categories, by amounts and as percentages of total revenues for the periods presented:

	For the Year Ended December 31,					For the Three Months Ended March 31,				
	2016		2017			2017		2018		
	RMB	%	RMB	US\$	%	RMB	%	RMB	US\$	%
	(in thousands, except for percentage data)									
Data solutions	47,126	67.0	245,914	39,204	86.4	24,270	75.9	113,939	18,165	90.1
Developer services	23,196	33.0	38,795	6,185	13.6	7,723	24.1	12,453	1,985	9.9
<b>Total</b>	<b>70,322</b>	<b>100.0</b>	<b>284,709</b>	<b>45,389</b>	<b>100.0</b>	<b>31,993</b>	<b>100.0</b>	<b>126,392</b>	<b>20,150</b>	<b>100.0</b>

*Data solutions.* We generate data solutions revenues primarily by creating and delivering online targeted marketing and other vertical data solutions, such as market intelligence, financial risk management and location-based intelligence. Revenue from online targeted marketing solutions accounted for a majority of our revenues from data solutions in 2016, 2017 and the three months ended March 31, 2018.

We generate targeted marketing revenue by providing targeted marketing solutions in the form of integrated marketing campaigns to advertisers through our *XiaoGuoTong* marketing platform, which is built upon our multi-dimensional device-level mobile behavioral data. We generally create, design, develop and optimize the ad content for our advertising customers. The ads are displayed on a wide spectrum of reputable publishers, through bidding for ad slots using rates directly negotiated with the various publishers.

We have contractual arrangements with customers that stipulate the types of advertising to be delivered and the pricing. Advertising customers pay for our targeted marketing solutions primarily based on a cost-per-click (CPC) or cost-per-action (CPA) basis. Revenue is recognized in the period in which the user performs the action the advertiser contracted for.

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We recognize revenue on a gross basis as the primary obligor, as we use our mobile behavioral data and leverage our data analytics capabilities and our marketing platform to conduct targeted marketing campaigns with precision. Additionally, we have pricing latitude, have sole discretion to select those publishers to purchase ad slots from, are highly involved in the determination of service specifications and bear credit risk.

For other vertical data solutions, we charge customers fees primarily based on the number of queries we process or on a subscription basis. We recognize revenue when the services have been rendered.

*Developer services.* We enter into agreements with app developers to provide developer services, such as push notification and short messaging services (SMS). While we adopt a freemium model for most of our developer services, we charge a fee for SMS based on the number of messages delivered, and we also charge a fee for the VIP premium package of certain developer services and for private cloud-based services. Revenue from the VIP premium package of push notification services is recognized ratably over the service period. SMS revenue is recognized as the SMS is successfully delivered. Private cloud-based developer services revenue is recognized ratably over the post contract customer support period, once the software has been delivered to the customer.

We expect our total revenues will continue to increase in the foreseeable future as we further expand our business.

### **Cost of revenues**

Our cost of revenues consists primarily of the cost of purchasing ad inventory associated with our targeted marketing solutions, bandwidth cost, staff cost and depreciation of servers used for revenue generating services and solutions.

In relation to our targeted marketing solutions, upon receiving orders from our customers, we first utilize our data and AI-powered data analytics capabilities to determine the ad inventory that is most suitable for the customers' ads, and then purchase the ad inventory from selected suppliers, primarily online media networks on a real-time basis. In 2017, 49.4% of the ad inventory was purchased from Tencent, and 44.0% of our cost of revenue was attributable to Tencent. In the three months ended March 31, 2018, 36.1% of the ad inventory was purchased from Tencent, and 32.9% of our cost of revenue was attributable to Tencent. We expect this percentage will decrease, as we further expand our targeted marketing customer base and engage more customers from a broader spectrum of industries.

In relation to our bandwidth cost, staff cost and depreciation of servers, we allocate such cost based on revenue generating activities. We expect such cost to increase as we further expand the scale of our business.

We expect that our cost of revenues will increase in absolute amounts in the foreseeable future as we continue to expand our business.

### **Gross margin**

The following table shows our gross profit and gross margin for each of the periods presented:

	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017		2017	2018	
	(in thousands, except for percentage data)					
Gross profit	RMB22,600	RMB71,339	US\$11,373	RMB6,313	RMB34,590	US\$5,515
Gross margin	32.1%	25.1%	25.1%	19.7%	27.4%	27.4%

Our gross margin is mainly affected by the mix of our revenues, particularly between developer services and data solutions, as a majority of data solutions revenues were from targeted marketing solutions which incurred cost of revenues for purchasing ad inventory, while developer services do not incur such cost of revenues.

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We expect our gross margin to increase in the first half of 2018, as our other vertical data solutions, which do not incur cost of revenues for purchasing ad inventory like targeted marketing solutions, are expected to grow faster than targeted marketing solutions and as we further improve the cost efficiency of targeted marketing solutions.

### **Operating expenses**

Our operating expenses consist of research and development expenses, sales and marketing expenses, and general and administrative expenses. The following table breaks down our total operating expenses by these categories, by amounts and as percentages of total operating expenses for each of the periods presented:

	For the Year Ended December 31,					For the Three Months Ended March 31,				
	2016		2017			2017		2018		
	RMB	%	RMB	US\$	%	RMB	%	RMB	US\$	%
	(in thousands, except for percentage data)									
Research and development expenses	33,717	42.0	71,651	11,423	43.8	13,623	44.1	24,413	3,892	44.0
Sales and marketing expenses	33,062	41.2	59,673	9,513	36.4	10,361	33.5	17,431	2,779	31.5
General and administrative expenses	13,480	16.8	32,431	5,170	19.8	6,924	22.4	13,587	2,166	24.5
<b>Total</b>	<b>80,259</b>	<b>100.0</b>	<b>163,755</b>	<b>26,106</b>	<b>100.0</b>	<b>30,908</b>	<b>100.0</b>	<b>55,431</b>	<b>8,837</b>	<b>100.0</b>

Our research and development expenses mainly consist of payroll and related expenses for personnel engaged in research and development activities, technical service fees paid to third-party service providers for maintaining servers as part of our technology infrastructure, and depreciation of such servers. We incurred research and development expenses primarily for the development of new services and solutions and the general improvement of our technology infrastructure to support our business operations. We expect that our research and development expenses will continue to increase in absolute amounts, as we continue to improve technology and infrastructure and expand our service and solution offerings.

Our sales and marketing expenses mainly consist of payroll and related expenses for personnel engaged in sales and marketing activities and advertising and other marketing expenses associated with brand and product promotion. We expect that our sales and marketing expenses will continue to increase in absolute amounts in the foreseeable future, as we plan to expand the sales and marketing team and engage in more sales and marketing activities to attract new customers and additional purchases from existing customers.

Our general and administrative expenses mainly consist of payroll and related costs for employees involved in general corporate functions, including accounting, finance, tax, legal and human resources, costs associated with the use of facilities and equipment by these functions, including rental and office expenses, and professional fees. We expect that our general and administrative expenses will increase in absolute amounts as we hire additional personnel and incur additional expenses related to the anticipated growth of our business and our operation as a public company after the completion of this offering.

### **Taxation**

#### **Cayman Islands**

Our company is not subject to income or capital gains tax under the current laws of the Cayman Islands. There are no other taxes likely to be material to us levied by the government of the Cayman Islands. In addition, the Cayman Islands does not impose withholding tax on dividend payments.

### ***British Virgin Islands***

UA Mobile Limited, our wholly-owned subsidiary in the British Virgin Islands, is not subject to tax on income or capital gains in the British Virgin Islands. In addition, payments of dividends by UA Mobile Limited to our company are not subject to withholding tax in the British Virgin Islands.

### ***Hong Kong***

Our subsidiary incorporated in Hong Kong, KK Mobile Investment Limited, is subject to 16.5% Hong Kong profit tax on its taxable income generated from operations in Hong Kong. Under the Hong Kong tax law, KK Mobile Investment Limited is exempted from the Hong Kong income tax on its foreign-derived income. In addition, payments of dividends from our Hong Kong subsidiary to UA Mobile Limited are not subject to any withholding tax in Hong Kong.

### ***PRC***

Generally, our WFOE and VIE in China are subject to enterprise income tax on their taxable income in China at a statutory rate of 25%. The enterprise income tax is calculated based on the entity's global income as determined under PRC tax laws and accounting standards. Our VIE has obtained High and New Technology Enterprise status, or HNTE status, and is thus eligible to enjoy a preferential tax rate of 15% for 2017, to the extent it has taxable income under the PRC Enterprise Income Tax Law. Our VIE plans to reapply for the HNTE status in 2018.

We are subject to value added tax, or VAT, at a rate of 6% on the services and solutions we provide to customers, less any deductible VAT we have already paid or borne. We are also subject to surcharges on VAT payments in accordance with PRC law.

Dividends paid by our WFOE in China to our intermediary holding company in Hong Kong will be subject to a withholding tax rate of 10%, unless the relevant Hong Kong entity satisfies all the requirements under the Arrangement between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion On Income and receives approval from the relevant tax authority. If our Hong Kong subsidiary satisfies all the requirements under the tax arrangement and receives approval from the relevant tax authority, then the dividends paid to the Hong Kong subsidiary would be subject to withholding tax at the standard rate of 5%. See "Risk Factors—Risks Related to Doing Business in China—We may rely on dividends and other distributions on equity paid by our PRC subsidiary to fund any cash and financing requirements we may have, and any limitation on the ability of our PRC subsidiary to make payments to us could have a material and adverse effect on our ability to conduct our business."

If our holding company in the Cayman Islands or any of our subsidiaries outside of China were deemed to be a "resident enterprise" under the PRC Enterprise Income Tax Law, it would be subject to enterprise income tax on its worldwide income at a rate of 25%. See "Risk Factors—Risks Related to Doing Business in China—If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders."

### **Internal Control Over Financial Reporting**

Prior to this offering, we have been a private company with limited accounting personnel and other resources with which to address our internal control over financial reporting. In connection with the audits of our consolidated financial statements included in this prospectus, we and our independent registered public accounting firm identified a material weakness in our internal control over financial reporting. As defined in the standards established by the U.S. Public Company Accounting Oversight Board, a "material weakness" is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

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The material weakness that has been identified relates to our lack of sufficient financial reporting personnel with appropriate level of knowledge and experience in application of U.S. GAAP and SEC reporting requirements to properly address complex U.S. GAAP accounting issues and to prepare and review our consolidated financial statements and related disclosures to fulfill U.S. GAAP and SEC financial reporting requirements. The material weakness, if not timely remedied, may lead to significant misstatements in our consolidated financial statements in the future.

To remedy our identified material weakness subsequent to December 31, 2017, we have started adopting measures to improve our internal control over financial reporting, including, among others: (i) hired a chief financial officer and an additional financial reporting manager with experience in U.S. GAAP accounting and SEC reporting to lead accounting and financial reporting matters; (ii) hired an internal audit manager with experience in SOX requirements and adopting accounting and internal control guidance on U.S. GAAP and SEC reporting, (iii) upgrading our financial system to enhance its effectiveness and enhance control of financial analysis, (iv) establishing effective oversight and clarifying reporting requirements for non-recurring and complex transactions to ensure consolidated financial statements and related disclosures are accurate, complete and in compliance with U.S. GAAP and SEC reporting requirements, and (v) organizing regular training for our accounting staffs, especially training related to U.S. GAAP and SEC reporting requirements. We expect that we will incur significant costs in the implementation of such measures. However, we cannot assure you that all these measures will be sufficient to remediate our material weaknesses in time, or at all. See “Risk Factors—Risks Related to Our Business and Industry—In connection with the audits of our consolidated financial statements included in this prospectus, we and our independent registered public accounting firm identified a material weakness in our internal control over financial reporting. If we fail to develop and maintain an effective system of internal control over financial reporting, we may be unable to accurately report our financial results or prevent fraud.”

As a company with less than US\$1.07 billion in revenue for our last fiscal year, we qualify as an “emerging growth company” pursuant to the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002 in the assessment of the emerging growth company’s internal control over financial reporting. The JOBS Act also provides that an emerging growth company does not need to comply with any new or revised financial accounting standards until such date that a private company is otherwise required to comply with such new or revised accounting standards and we will not opt out of such exemptions afforded to an emerging growth company.

**Results of Operations**

The following table sets forth a summary of our consolidated results of operations for the periods presented, both in absolute amount and as a percentage of our total revenues for the periods presented. Our business has grown rapidly in recent years. Period-to-period comparisons of historical results of operations should not be relied upon as indicative of future performance.

	For the Year Ended December 31,					For the Three Months Ended March 31,				
	2016		2017			2017		2018		
	RMB	%	RMB	US\$	%	RMB	%	RMB	US\$	%
(in thousands, except for per share and percentage data)										
Revenues	70,322	100.0	284,709	45,389	100.0	31,993	100.0	126,392	20,150	100.0
Cost of revenues	(47,722)	(67.9)	(213,370)	(34,016)	(74.9)	(25,680)	(80.3)	(91,802)	(14,635)	(72.7)
<b>Gross profit</b>	<b>22,600</b>	<b>32.1</b>	<b>71,339</b>	<b>11,373</b>	<b>25.1</b>	<b>6,313</b>	<b>19.7</b>	<b>34,590</b>	<b>5,515</b>	<b>27.3</b>
<b>Operating expenses:(1)</b>										
Research and development expenses	(33,717)	(47.9)	(71,651)	(11,423)	(25.2)	(13,623)	(42.6)	(24,413)	(3,892)	(19.3)
Sales and marketing expenses	(33,062)	(47.0)	(59,673)	(9,513)	(21.0)	(10,361)	(32.4)	(17,431)	(2,779)	(14.2)
General and administrative expenses	(13,480)	(19.2)	(32,431)	(5,170)	(11.4)	(6,924)	(21.6)	(13,587)	(2,166)	(11.1)
<b>Total operating expenses</b>	<b>(80,259)</b>	<b>(114.1)</b>	<b>(163,755)</b>	<b>(26,106)</b>	<b>(57.5)</b>	<b>(30,908)</b>	<b>(96.6)</b>	<b>(55,431)</b>	<b>(8,837)</b>	<b>(44.6)</b>
<b>Loss from operations</b>	<b>(57,659)</b>	<b>(82.0)</b>	<b>(92,416)</b>	<b>(14,733)</b>	<b>(32.5)</b>	<b>(24,595)</b>	<b>(76.9)</b>	<b>(20,841)</b>	<b>(3,322)</b>	<b>(17.2)</b>
Foreign exchange loss, net	(328)	(0.5)	(2,724)	(434)	(1.0)	(235)	(0.7)	(1,419)	(226)	(1.1)
Interest income	283	0.4	314	50	0.1	105	0.3	59	9	0.0
Interest expense	—	—	(122)	(19)	(0.0)	(2)	(0.0)	(60)	(10)	(0.0)
Other income	232	0.3	677	108	0.2	436	1.4	118	19	0.1
<b>Loss before income taxes</b>	<b>(57,472)</b>	<b>(81.7)</b>	<b>(94,271)</b>	<b>(15,028)</b>	<b>(33.1)</b>	<b>(24,291)</b>	<b>(75.9)</b>	<b>(22,143)</b>	<b>(3,530)</b>	<b>(18.3)</b>
Income tax (expense) benefit	(3,910)	(5.6)	3,980	635	1.4	2,291	7.2	5	1	0.0
<b>Net loss</b>	<b>(61,382)</b>	<b>(87.3)</b>	<b>(90,291)</b>	<b>(14,393)</b>	<b>(31.7)</b>	<b>(22,000)</b>	<b>(68.8)</b>	<b>(22,138)</b>	<b>(3,529)</b>	<b>(18.3)</b>

(1) Share-based compensation expenses are allocated in cost of revenues and operating expenses items as follows:

	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017		2017	2018	
	RMB	RMB	US\$	RMB	RMB	US\$
(in thousands)						
Cost of revenues	—	—	—	—	23	4
Research and development expenses	664	1,408	224	100	667	106
Sales and marketing expenses	189	944	150	35	852	136
General and administrative expenses	1,850	5,923	945	2,040	1,295	206
<b>Total</b>	<b>2,703</b>	<b>8,275</b>	<b>1,319</b>	<b>2,175</b>	<b>2,837</b>	<b>452</b>

***Three Months Ended March 31, 2018 Compared to Three Months Ended March 31, 2017***

***Revenues***

Our revenues increased by 295.1% from RMB32.0 million in the three months ended March 31, 2017 to RMB126.4 million (US\$20.2 million) in the three months ended March 31, 2018, with increases in both data solutions and developer services.

Our revenues from data solutions increased by 369.5% from RMB24.3 million in the three months ended March 31, 2017 to RMB113.9 million (US\$18.2 million) in the three months ended March 31, 2018, which was primarily due to the increase in the number of customers by 31.6% from 345 in the three months ended March 31, 2017 to 454 in the three months ended March 31, 2018 and the increase in average spending per customer by 256.8% from RMB70.3 thousand in the three months ended March 31, 2017 to RMB251.0 thousand in the three months ended March 31, 2018.

Our revenues from developer services increased by 61.2% from RMB7.7 million in the three months ended March 31, 2017 to RMB12.5 million (US\$2.0 million) in the three months ended March 31, 2018, which was mainly due to the growth in the number of customers by 40.8% from 635 in the three months ended March 31, 2017 to 894 in the three months ended March 31, 2018.

***Cost of revenues***

Our cost of revenues increased by 257.5% from RMB25.7 million in the three months ended March 31, 2017 to RMB91.8 million (US\$14.6 million) in the three months ended March 31, 2018, in line with the growth of revenues and the expansion of our business. Such increase was mainly attributable to the increases in the cost of purchasing of advertising inventory by RMB61.4 million, cost of staff directly related to revenue generation by RMB1.6 million, bandwidth cost associated with revenue generation by RMB1.5 million, and depreciation of servers associated with revenue generation by RMB0.8 million.

***Gross profit***

Our gross profit increased by 447.9% from RMB6.3 million in the three months ended March 31, 2017 to RMB34.6 million (US\$5.5 million) in the three months ended March 31, 2018. Our gross margin increased from 19.7% to 27.4% during the same period, primarily attributable to the faster growth of other vertical data solutions, which do not incur cost of revenues, as well as the improved cost efficiency of our targeted marketing solutions.

***Research and development expenses***

Our research and development expenses increased by 79.2% from RMB13.6 million in the three months ended March 31, 2017 to RMB24.4 million (US\$3.9 million) in the three months ended March 31, 2018. The increase was primarily attributable to the increases in research and development personnel compensation expenses by RMB7.7 million, bandwidth cost associated with research and development activities by RMB1.0 million, and depreciation of servers used for research and development by RMB0.9 million.

***Sales and marketing expenses***

Our sales and marketing expenses increased by 68.2% from RMB10.4 million in the three months ended March 31, 2017 to RMB17.4 million (US\$2.8 million) in the three months ended March 31, 2018. The increase was primarily attributable to the increase in the compensation expenses for personnel engaged in sales and marketing activities by RMB5.3 million.

***General and administrative expenses***

Our general and administrative expenses increased by 96.2% from RMB6.9 million in the three months ended March 31, 2017 to RMB13.6 million (US\$2.2 million) in the three months ended March 31, 2018. The increase was primarily due to the increase in professional fee by RMB2.6 million and compensation and other personnel related expenses by RMB2.0 million.

**Net loss**

As a result of the foregoing, we recorded a net loss of RMB22.1 million (US\$3.5 million) for the three months ended March 31, 2018, compared to a net loss of RMB22.0 million for the three months ended March 31, 2017. Net loss margin improved from 68.8% in the three months ended March 31, 2017 to 17.5% in the three months ended March 31, 2018.

**Year Ended December 31, 2017 Compared to Year Ended December 31, 2016**

**Revenues**

Our revenues increased by 304.9% from RMB70.3 million in 2016 to RMB284.7 million (US\$45.4 million) in 2017, with increases in both data solutions and developer services.

Our revenues from data solutions increased by 421.8% from RMB47.1 million in 2016 to RMB245.9 million (US\$39.2 million) in 2017, which was primarily due to the increase in the number of customers by 169.4% from 425 in 2016 to 1,145 in 2017 and the increase in average spending per customer by 93.7% from RMB110.9 thousand in 2016 to RMB214.8 thousand in 2017.

Our revenues from developer services increased by 67.2% from RMB23.2 million in 2016 to RMB38.8 million (US\$6.2 million) in 2017, which was mainly due to the growth in the number of customers by 50.5% from 743 in 2016 to 1,118 in 2017.

**Cost of revenues**

Our cost of revenues increased by 347.1% from RMB47.7 million in 2016 to RMB213.4 million (US\$34.0 million) in 2017, while our business expanded and our revenues grew. Such increase was mainly attributable to the increases in the cost of purchasing of ad inventory by RMB154.0 million, cost of staff directly related to revenue generation by RMB3.7 million, bandwidth cost and depreciation of servers associated with revenue generation by RMB4.9 million.

**Gross profit**

Our gross profit increased by 215.7% from RMB22.6 million in 2016 to RMB71.3 million (US\$11.4 million) in 2017. Our gross margin dropped from 32.1% to 25.1% during the same periods, primarily because our data solutions revenue grew much faster than our developer services in 2017 as we ramped up our data solutions business in the period, as a majority of data solutions revenues were from target marketing solutions which incurred cost of revenues for purchasing ad inventory, while developer services do not incur such cost of revenues.

**Research and development expenses**

Our research and development expenses increased by 112.5% from RMB33.7 million in 2016 to RMB71.7 million (US\$11.4 million) in 2017. The increase was primarily attributable to the increases in research and development personnel compensation expenses by RMB28.9 million, depreciation of servers used for research and development by RMB3.0 million, and technical service fees paid to third-party service providers for maintaining such servers by RMB2.2 million.

**Sales and marketing expenses**

Our sales and marketing expenses increased by 80.5% from RMB33.1 million in 2016 to RMB59.7 million (US\$9.5 million) in 2017. The increase was primarily attributable to the increase in the compensation expenses for personnel engaged in sales and marketing activities by RMB28.3 million, offset by the decrease in marketing

expenses for brand and product promotion by RMB5.4 million. The decrease in marketing expenses was the result of our adjustment to marketing strategies by focusing more on performance-based online marketing in 2017.

#### ***General and administrative expenses***

Our general and administrative expenses increased by 140.6% from RMB13.5 million in 2016 to RMB32.4 million (US\$5.2 million) in 2017. The increase was primarily due to the increase in compensation and other personnel related expenses.

#### ***Net loss***

As a result of the foregoing, we recorded a net loss of RMB90.3 million (US\$14.4 million) for the year ended December 31, 2017, compared to a net loss of RMB61.4 million for the year ended December 31, 2016. Net loss margin improved from 87.3% in 2016 to 31.7% in 2017.

#### **Liquidity and Capital Resources**

##### ***Cash flows and working capital***

We had net cash used in operating activities of RMB42.2 million, RMB75.5 million (US\$12.0 million) and RMB49.5 million (US\$7.9 million) for the years ended December 31, 2016 and 2017 and the three months ended March 31, 2018, respectively. The increase in net cash used in operating activities is driven by the rapid expansion of our business operations, as well as the growth in headcount to support such expansion and in preparation for our future growth. Our operating cash flow is affected by the changes in our accounts receivable, accounts payable, deferred revenue and customer deposits, prepayments and other current assets, and accrued liabilities and other current liabilities.

Our accounts receivable represent primarily accounts receivable from the customers that purchased our data solutions. As of December 31, 2016 and 2017 and March 31, 2018, our accounts receivable, net of allowance for doubtful accounts, were RMB9.4 million, RMB49.6 million (US\$7.9 million) and RMB80.6 million (US\$12.9 million), respectively. The increase reflected a significant growth in our business and revenues, especially our data solutions. Our accounts receivable turnover days increased from 36 days in 2016 to 37 days in 2017 and to 46 days in the three months ended March 31, 2018, which was due to the better credit terms we extended to certain qualified customers. Accounts receivable turnover days for a given period are equal to average balances of accounts receivable, net of allowance for doubtful accounts, at the beginning and the end of the period divided by total revenues during the period and multiplied by the number of days during the period.

Our accounts payable represent primarily accounts payable to suppliers from whom we purchased ad inventory associated with online targeted marketing solutions. As of December 31, 2016 and 2017 and March 31, 2018, our accounts payable were RMB1.1 million, RMB8.3 million (US\$1.3 million) and RMB9.7 million (US\$1.5 million), respectively. The increase reflected the growth of our targeted marketing solutions. Our accounts payable turnover days increased from 5 days in 2016 to 8 days in 2017 and to 9 days in the three months ended March 31, 2018, because we were able to negotiate better terms with the ad inventory suppliers as our business grew. Accounts payable turnover days for a given period are equal to average accounts payable balances at the beginning and the end of the period divided by total cost of revenues (excluding depreciation) during the period and multiplied by the number of days during the period.

Our deferred revenue represent the cash payments made by our customers in advance of our provision of the data solutions and/or developer services they purchased from us, and our customer deposits represent the refundable cash deposits paid by our customers to us primarily in connection with our targeted marketing solutions. Due to the growth of our business, our deferred revenue and customer deposits increased substantially from RMB18.1 million as of December 31, 2016 to RMB49.6 million (US\$7.9 million) as of December 31, 2017, and further to RMB52.2 million (US\$8.3 million) as of March 31, 2018.

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Our prepayments and other current assets represent primarily prepaid media cost, prepaid service fee and others. The increase in prepayments and other current assets from RMB13.5 million as of December 31, 2016 to RMB34.2 million (US\$5.5 million) as of December 31, 2017 and to RMB39.5 million (US\$6.3 million) as of March 31, 2018 was primarily due to the growth of our targeted marketing solutions.

Our accrued liabilities and other current liabilities represent primarily accrued payroll and welfare payables, professional fees and others. The increase in accrued liabilities and other current liabilities from RMB19.7 million as of December 31, 2016 to RMB52.6 million (US\$8.4 million) as of December 31, 2017 was mainly due to the growth in payroll and welfare accruals associated with the increase in our headcount. The decrease in accrued liabilities and other current liabilities from RMB52.6 million (US\$8.4 million) as of December 31, 2017 to RMB33.0 million (US\$5.3 million) as of March 31, 2018 was primarily due to our practice of paying year-end bonus in the first quarter of next year.

Our primary sources of liquidity have been proceeds from equity and equity linked financing. As of March 31, 2018, we had RMB141.9 million (US\$22.6 million) in cash and cash equivalents and restricted cash, of which approximately 29.8% were held in U.S. dollars and the remainder was held in Renminbi and H.K. dollars.

On April 17, 2018, we issued zero coupon convertible notes due 2021 in an aggregate principal amount of US\$35.0 million to two investors. The convertible notes are non-interest bearing, subject to certain exceptions, including when an event of default occurs, such as failure to make any payment due on the due date, and the majority noteholders have, in their sole discretion, accelerated their convertible notes by giving notice to us that their outstanding notes are due and repayable. In such event, we will be required to pay interest at a simple interest rate of 15% per annum on the aggregate outstanding principal amount of the convertible notes. Holders of the convertible notes may, at their option during a period starting from the issue date until seven days prior to the maturity of the notes, subject to certain exceptions, convert the notes into common shares of our company at the then applicable conversion price. See “Description of Share Capital—History of Securities Issuances.”

We believe our cash and cash equivalents on hand will be sufficient to meet our current and anticipated needs for general corporate purposes for at least the next 12 months. We may, however, need additional cash resources in the future if we experience changes in business conditions or other developments. We may also need additional cash resources in the future if we find and wish to pursue opportunities for investment, acquisition, capital expenditure or similar actions. If we determine that our cash requirements exceed the amount of cash and cash equivalents we have on hand, we may seek to issue equity or equity linked securities or obtain debt financing. The issuance and sale of additional equity would result in further dilution to our shareholders. The incurrence of indebtedness would result in increased fixed obligations and could result in operating covenants that would restrict our operations. We cannot assure you that financing will be available in amounts or on terms acceptable to us, if at all.

Although we consolidate the results of our VIE, we only have access to the assets or earnings of our VIE through our contractual arrangements with our VIE and its shareholders. See “Corporate History and Structure.” For restrictions and limitations on liquidity and capital resources as a result of our corporate structure, see “—Holding Company Structure.”

Substantially all of our revenues have been, and we expect they are likely to continue to be, in the form of Renminbi. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior SAFE approval as long as certain routine procedural requirements are fulfilled. Therefore, our PRC subsidiary is allowed to pay dividends in foreign currencies to us without prior SAFE approval by following certain routine procedural requirements. However, current PRC regulations permit our PRC subsidiary to pay dividends to us only out of its accumulated profits, if any, determined in accordance with Chinese accounting standards and regulations. Our PRC subsidiary is required to set aside at least 10% of its after-tax profits after making up previous years’ accumulated losses each year, if any, to fund certain reserve

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funds until the total amount set aside reaches 50% of its registered capital. These reserves are not distributable as cash dividends. Historically, our PRC subsidiary has not paid dividends to us, and it will not be able to pay dividends until it generates accumulated profits. Furthermore, capital account transactions, which include foreign direct investment and loans, must be approved by and/or registered with SAFE, its local branches and certain local banks.

As a Cayman Islands exempted company and offshore holding company, we are permitted under PRC laws and regulations to provide funding to our PRC subsidiary only through loans or capital contributions, subject to the approval of government authorities and limits on the amount of capital contributions and loans. This may delay us from using the proceeds from this offering to make loans or capital contribution to our PRC subsidiary. We expect to invest substantially all of the proceeds from this offering in our PRC operations for general corporate purposes within the business scopes of our PRC subsidiary and our VIE. See “Risk Factors—Risks Relating to Doing Business in China—PRC regulation of loans to and direct investment in PRC entities by offshore holding companies and governmental control of currency conversion may delay or prevent us from using the proceeds of this offering to make loans or additional capital contributions to our PRC subsidiary, which could materially and adversely affect our liquidity and our ability to fund and expand our business.”

The following table sets forth the movements of our cash flows for the periods presented:

	For the Year Ended December 31,			For the Three Months Ended March 31,		
	2016	2017		2017	2018	
	RMB	RMB	US\$	RMB	RMB	US\$
	(in thousands)					
<b>Selected Consolidated Cash Flow Data:</b>						
Net cash used in operating activities	(42,152)	(75,532)	(12,040)	(26,466)	(49,475)	(7,888)
Net cash provided by (used in) investing activities	(29,928)	(28,644)	(4,566)	727	(12,745)	(2,032)
Net cash provided by financing activities	135,348	217,446	34,666	18,311	—	—
Effect of exchange rate on cash and cash equivalents and restricted cash	2,450	(8,282)	(1,323)	(308)	(4,189)	(667)
Net increase in cash and cash equivalents and restricted cash	65,718	104,988	16,737	(7,736)	(66,409)	(10,587)
Cash and cash equivalents and restricted cash at the beginning of year or period	37,570	103,288	16,467	103,288	208,276	33,204
Cash and cash equivalents and restricted cash at the end of year or period	103,288	208,276	33,204	95,552	141,867	22,617

### Operating activities

Net cash used in operating activities in the three months ended March 31, 2018 was RMB49.5 million (US\$7.9 million). The principal items accounting for the difference between our net cash used in operating activities and our net loss of RMB22.1 million (US\$3.5 million) were a RMB35.1 million (US\$5.6 million) increase in accounts receivable, a RMB9.4 million (US\$1.5 million) decrease in accrued liabilities and other current liabilities and a RMB5.6 million (US\$0.9 million) increase in prepayments and other current assets, partially offset by a RMB8.7 million (US\$1.4 million) increase in amounts due to related parties, and a RMB4.1 million (US\$0.7 million) increase in accounts payable. The increases in accounts receivable, prepayments and other current assets, accounts payable, and deferred revenue and customer deposits were due to the growth of our business. The increase in amounts due to related parties was primarily due to a short-term interest-free loan extended by Mr. Weidong Luo, which was repaid in April 2018. The decrease in accrued liabilities and other current liabilities was due to our practice of paying year-end bonus in the first quarter of next year.

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Net cash used in operating activities in 2017 was RMB75.5 million (US\$12.0 million). The principal items accounting for the difference between our net cash used in operating activities and our net loss of RMB90.3 million (US\$14.4 million) were a RMB31.1 million (US\$5.0 million) increase in deferred revenue and customer deposits, a RMB26.5 million (US\$4.2 million) increase in accrued liabilities and other current liabilities, and a RMB13.0 million (US\$2.1 million) increase in accounts payable, partially offset by a RMB48.3 million (US\$7.7 million) increase in accounts receivables and a RMB21.6 million (US\$3.4 million) increase in prepayments and other current assets. The increase in accrued liabilities and other current liabilities was mainly due to the growth in payroll and welfare accruals associated with the increase in our headcount. The increases in deferred revenue and customer deposits, accounts receivable and accounts payable were due to the growth of our business. The increase in prepayments and other current assets is primarily due to the growth of our targeted marketing solutions.

Net cash used in operating activities in 2016 was RMB42.2 million. The principal items accounting for the difference between our net cash used in operating activities and our net loss of RMB61.4 million were a RMB14.5 million increase in accrued liabilities and other current liabilities and a RMB11.0 million increase in deferred revenue, partially offset by a RMB11.2 million increase in prepayments and other current assets. The increase in accrued liabilities and other current liabilities was mainly due to the growth in payroll and welfare accruals associated with the increase in our headcount. The increase in deferred revenue was due to the growth of our business. The increase in prepayment and other current assets is primarily due to the growth of our targeted marketing solutions.

### ***Investing activities***

Net cash used in investing activities in the three months ended March 31, 2018 was RMB12.7 million (US\$2.0 million), consisting of purchase of property and equipment.

Net cash used in investing activities in 2017 was RMB28.6 million (US\$4.6 million), consisting primarily of purchase of property and equipment, mainly servers, and purchase of long-term investment, partially offset by proceeds from maturity of time deposits.

Net cash used in investing activities in 2016 was RMB30.0 million, consisting primarily of purchase of property and equipment, mainly servers, and purchase of time deposits.

### ***Financing activities***

Net cash provided by financing activities in three months ended March 31, 2018 was nil.

Net cash provided by financing activities in 2017 was RMB217.4 million (US\$34.7 million), consisting of proceeds from the issuance of Series D preferred shares and certain Series C preferred shares.

Net cash provided by financing activities in 2016 was RMB135.3 million, consisting primarily of proceeds from the issuance of Series C preferred shares.

### ***Capital Expenditures***

We made capital expenditures of RMB18.9 million in 2016, RMB28.4 million (US\$4.5 million) in 2017 and RMB12.7 million (US\$2.0 million) in the three months ended March 31, 2018. Our capital expenditures mainly included our payment for purchases of property and equipment. We will continue to make such capital expenditures to support the expected growth of our business.

## Contractual Obligations

The following table sets forth our contractual obligations as of December 31, 2017:

	Total	Less than 1 year	1-3 years (in RMB thousands)	3-5 years	More than 5 years
Operating lease	25,070	7,757	9,815	7,198	300

Our operating lease obligations relate to our leases of offices and facilities.

As of March 31, 2018, we had minimum payment obligations in the amount of RMB4.9 million (US\$0.8 million) under non-cancellable purchase commitment for bandwidth, which is scheduled to be paid within one year.

## Off-Balance Sheet Commitments and Arrangements

We have not entered into any financial guarantees or other commitments to guarantee the payment obligations of any unconsolidated third parties. In addition, we have not entered into any derivative contracts that are indexed to our shares and classified as shareholders' equity or that are not reflected in our consolidated financial statements. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. Moreover, we do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing, hedging or product development services with us.

## Holding Company Structure

Aurora Mobile Limited is a holding company with no material operations of its own. We conduct our operations primarily through our WFOE and our VIE. As a result, Aurora Mobile Limited's ability to pay dividends depends upon dividends paid by our WFOE. If our WFOE or any newly formed PRC subsidiaries incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends to us. In addition, our WFOE is permitted to pay dividends to us only out of its retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. Under PRC law, each of our WFOE and our VIE is required to set aside at least 10% of its after-tax profits each year, if any, to fund certain statutory reserve funds until such reserve funds reach 50% of its registered capital. In addition, our WFOE may allocate a portion of its after-tax profits based on PRC accounting standards to enterprise expansion funds and staff bonus and welfare funds at its discretion, and our VIE may allocate a portion of their after-tax profits based on PRC accounting standards to a discretionary surplus fund at its discretion. The statutory reserve funds and the discretionary funds are not distributable as cash dividends. Remittance of dividends by a wholly foreign-owned company out of China is subject to examination by the banks designated by SAFE. Our WFOE has not paid dividends and will not be able to pay dividends until it generates accumulated profits and meets the requirements for statutory reserve funds.

## Inflation

To date, inflation in China has not materially impacted our results of operations. According to the National Bureau of Statistics of China, the year-over-year percent changes in the consumer price index for December 2016 and 2017 were increases of 2.1% and 1.8%, respectively. Although we have not been materially affected by inflation in the past, we may be affected if China experiences higher rates of inflation in the future.

## Quantitative and Qualitative Disclosures about Market Risk

### Foreign exchange risk

Substantially all of our revenues and expenses are denominated in Renminbi. We do not believe that we currently have any significant direct foreign exchange risk and have not used any derivative financial instruments to hedge exposure to such risk. Although our exposure to foreign exchange risks should be limited in general, the value of your investment in our ADSs will be affected by the exchange rate between U.S. dollar and Renminbi because the value of our business is effectively denominated in Renminbi, while our ADSs will be traded in U.S. dollars.

The value of the Renminbi against the U.S. dollar and other currencies is affected by changes in China's political and economic conditions and by China's foreign exchange policies, among other things. In July 2005, the PRC government changed its decades-old policy of pegging the value of the Renminbi to the U.S. dollar, and the Renminbi appreciated more than 20% against the U.S. dollar over the following three years. Between July 2008 and June 2010, this appreciation subsided and the exchange rate between the Renminbi and the U.S. dollar remained within a narrow band. Since June 2010, the Renminbi has fluctuated against the U.S. dollar, at times significantly and unpredictably. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between the Renminbi and the U.S. dollar in the future.

To the extent that we need to convert U.S. dollars into Renminbi for our operations, appreciation of the Renminbi against the U.S. dollar would have an adverse effect on the RMB amount we receive from the conversion. Conversely, if we decide to convert Renminbi into U.S. dollars for the purpose of making payments for dividends on our common shares or ADSs or for other business purposes, appreciation of the U.S. dollar against the Renminbi would have a negative effect on the U.S. dollar amounts available to us.

As of March 31, 2018, we had Renminbi-denominated cash balance of approximately RMB95.5 million and U.S. dollar-denominated cash balance of US\$6.7 million. Assuming we had converted RMB95.5 million into U.S. dollars at the exchange rate of RMB6.2726 for US\$1.00 as of March 30, 2018, our U.S. dollar cash balance would have been US\$21.9 million. If the Renminbi had depreciated by 10% against the U.S. dollar, our U.S. dollar cash balance would have been US\$20.5 million instead. Assuming we had converted US\$6.7 million into Renminbi at the exchange rate of RMB6.2726 for US\$1.00 as of March 30, 2018, our Renminbi cash balance would have been RMB137.5 million. If the Renminbi had depreciated by 10% against the U.S. dollar, our Renminbi cash balance would have been RMB141.7 million instead.

### ***Interest rate risk***

Our exposure to interest rate risk primarily relates to the interest income generated by excess cash, which is mostly held in interest-bearing bank deposits. We have not used derivative financial instruments in our investment portfolio. Interest earning instruments carry a degree of interest rate risk. We have not been exposed to, nor do we anticipate being exposed to, material risks due to changes in market interest rates. However, our future interest income may fall short of expectations due to changes in market interest rates.

### **Critical Accounting Policies**

We prepare our financial statements in conformity with U.S. GAAP, which requires us to make judgments, estimates and assumptions. We continually evaluate these estimates and assumptions based on the most recently available information, our own historical experiences and various other assumptions that we believe to be reasonable under the circumstances. Since the use of estimates is an integral component of the financial reporting process, actual results could differ from our expectations as a result of changes in our estimates. Some of our accounting policies require a higher degree of judgment than others in their application and require us to make significant accounting estimates.

The following descriptions of critical accounting policies, judgments and estimates should be read in conjunction with our consolidated financial statements and other disclosures included in this prospectus. The selection of critical accounting policies, the judgments and other uncertainties affecting application of those policies and the sensitivity of reported results to changes in conditions and assumptions are factors that should be considered when reviewing our financial statements. We believe the following accounting policies involve the most significant judgments and estimates used in the preparation of our financial statements.

### ***Revenue recognition***

We recognize revenue once all of the following criteria have been met: (1) persuasive evidence of an arrangement exists; (2) services have been provided; (3) the price is fixed or determinable; and (4) collectability is reasonably assured.

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### *Data solutions*

We generate data solutions revenues primarily by creating and delivering targeted marketing and other vertical data solutions. We generate targeted marketing revenue by providing targeted marketing solutions in the form of integrated marketing campaigns to advertisers through our *XiaoGuoTong* marketing platform, which is built upon our multi-dimensional device-level mobile behavioral data. We generally create, design, develop and optimize the ad content for our advertising customers. The ads are displayed on a wide spectrum of reputable publishers, through bidding for ad slots using rates directly negotiated with the various publishers.

We enter into contractual arrangements with advertisers that stipulate the types of advertising to be delivered and the pricing. Advertisers pay for our targeted marketing solutions based on the number of clicks and downloads taken by the users. Revenue is recognized in the period in which the user performs the action the advertiser contracted for.

We recognize revenue on a gross basis as the primary obligor, as we use our mobile behavioral data and leverage our data analytics capabilities and our marketing platform to conduct targeted marketing campaigns with precision. Additionally, we have pricing latitude, have discretion in selecting publishers whose ad banner space will be purchased, are highly involved in the determination of service specifications and bear credit risk. Based on the advertiser's preference to avoid lower quality publishers, we may recommend a specific reputable online media network to certain advertisers. Leveraging our mobile behavioral data, we accurately pinpoint the specific mobile device that is most suitable for the customer's ads, and then bid for the available ad slots on the online media network and place ads for the customer.

### *Developer services*

We enter into agreements with our customers to provide push notification and instant messaging (collectively "notification services"). Under the terms of the contractual agreements of notification services, we provide our customers with access to our notification services platform over the specified period. This enables customers to send notifications and messages to users. Revenue of notification services is recognized ratably over the service period.

We record deferred revenues when cash payments are received in advance of revenue recognition. Customer deposits relate to customer's unused balances that are refundable.

### *Income taxes*

We account for income taxes using the liability approach and recognize deferred tax assets and liabilities for the expected future consequences of events that have been recognized in the consolidated financial statements or in our tax returns. Deferred tax assets and liabilities are recognized on the basis of the temporary differences that exist between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements using enacted tax rates in effect for the year end period in which the differences are expected to reverse. Changes in deferred tax assets and liabilities are recorded in earnings. Deferred tax assets are reduced by a valuation allowance through a charge to income tax expense when, in the opinion of management, it is more-likely-than-not that a portion of or all of the deferred tax assets will not be realized. We evaluate the potential for recovery of deferred tax assets by estimating the future taxable profits expected and considering prudent and feasible tax planning strategies. The components of the deferred tax assets and liabilities are classified as non-current.

We account for uncertainty in income taxes recognized in the consolidated financial statements by applying a two-step process to determine the amount of the benefit to be recognized. First, the tax position must be evaluated to determine the likelihood that it will be sustained upon external examination by the taxing authorities. If the tax position is deemed more-likely-than-not to be sustained (defined as a likelihood of more

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than fifty percent of being sustained upon an audit, based on the technical merits of the tax position), the tax position is then assessed to determine the amount of benefits to recognize in the consolidated financial statements. The amount of the benefits that may be recognized is the largest amount that has a greater than 50% likelihood of being realized upon ultimate settlement. Interest and penalties on income taxes will be classified as a component of the provisions for income taxes. We did not recognize any income tax due to uncertain tax positions or incur any interest and penalties related to potential underpaid income tax expenses during the years presented.

### **Share-based compensation**

Share-based payment transactions with employees are measured based on the grant date fair value of the equity instrument. We recognize the compensation costs net of occurred forfeitures using the accelerated recognition method, over the applicable vesting period for each separately vesting portion of the award.

#### *Share Incentive Plans*

In July 2014, we adopted the 2014 Stock Incentive Plan, which we refer to as the 2014 Plan in this prospectus, to attract and retain the best available personnel, provide additional incentives to employees, directors and consultants and promote the success of our business. The maximum aggregate number of common shares that may be issued pursuant to all awards under the 2014 Plan is 5,500,000 shares. As of the date of this prospectus, awards to purchase 5,438,760 common shares have been granted and are outstanding under the 2014 Plan, excluding awards that were forfeited or canceled after the relevant grant dates.

In March 2017, we adopted the 2017 Stock Incentive Plan, which we refer to as the 2017 Plan in this prospectus, to attract and retain the best available personnel, provide additional incentives to employees, directors and consultants and promote the success of our business. The maximum aggregate number of common shares that may be issued pursuant to all awards under the 2017 Plan as amended, is 6,015,137 shares. As of the date of this prospectus, awards to purchase 1,400,316 common shares have been granted and are outstanding under the 2017 Plan, excluding awards that were forfeited or canceled after the relevant grant dates.

#### *Option Grants*

The following table sets forth information regarding the share options granted under our share incentive plans in 2016, 2017 and the three months ended March 31, 2018:

<u>Grant Date</u>	<u>Number of Options Granted</u>	<u>Weighted-Average Per Option Exercise Price</u> US\$	<u>Weighted-Average Grant-date Fair Value per Option</u> US\$
Various dates in 2016	2,423,445	0.50	0.66
Various dates in 2017	894,115	2.41	1.53
Various dates in the three months ended March 31, 2018	319,972	5.00	3.53

All share-based payments to employees are measured based on their grant-date fair values. Compensation expense is recognized based on the vesting schedule over the requisite service period. Total fair values of options vested and recognized as expenses as of December 31, 2016 and 2017 and March 31, 2018 were RMB2.7 million, RMB8.3 million (US\$1.3 million) and RMB2.8 million (US\$0.5 million), respectively.

As of March 31, 2018, there were RMB13.9 million (US\$2.2 million) of unrecognized share-based compensation expenses related to share options, which were expected to be recognized over a weighted average vesting period of 3.31 years, respectively. To the extent the actual forfeiture rate is different from our estimate, the actual share-based compensation related to these awards may be different from the expectation.

#### *Fair Value of Options*

In determining the fair value of our stock options, the binomial option pricing model was applied. The key assumptions used to determine the fair value of the options at the relevant grant dates in 2016, 2017 and 2018

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were as follows. Changes in these assumptions could significantly affect the fair value of stock options and hence the amount of compensation expenses we recognize in our consolidated financial statements.

	2016	2017	Three Months Ended March 31, 2018
Risk-free interest rate(1)	1.83% ~ 1.84%	2.27% ~ 2.41%	2.27%
Expected dividend yield(2)	—	—	—
Expected volatility range(3)	47.33% ~ 47.60%	46.33% ~ 47.15%	46.15%
Weighted average expected volatility	47.44%	46.66%	46.15%
Expected exercise multiple(4)	2.5	2.5	2.5

(1) The risk-free interest rate of periods within the contractual life of the share option was estimated based on the yield of U.S. Treasury Strips sourced from Capital IQ as of the valuation dates.

(2) The expected dividend yield is zero as we have never declared or paid any cash dividends on our shares, and we do not anticipate any dividend payments in the foreseeable future.

(3) The expected volatility was estimated based on the average of historical volatilities of the comparable companies in the same industry as of the valuation dates.

(4) Expected exercise multiple is estimated based on changes in intrinsic value of the option and likelihood of early exercises by employees.

### **Initial Measurement and Subsequent Accounting for Preferred Shares**

The convertible preferred shares do not meet the criteria of mandatorily redeemable financial instruments specified in ASC 480-10-S99, and have been classified as mezzanine equity in the consolidated balance sheets. The convertible preferred shares were initially measured at fair value. Beneficial conversion features exist when the conversion price of the convertible preferred shares is lower than the fair value of the common shares at the commitment date, which is the issuance date in our case. When a beneficial conversion feature exists as of the commitment date, our intrinsic value is bifurcated from the carrying value of the convertible preferred shares as a contribution to additional paid-in capital. On the commitment date, the most favorable conversion price used to measure the beneficial conversion feature of the preferred shares were higher than the fair value per common share and therefore no bifurcation of beneficial conversion feature was recognized. We determined the fair value of common shares with the assistance of an independent third party valuation firm.

We have determined that there was no beneficial conversion feature attributable to the preferred shares because the accounting conversion of these preferred shares upon issuance were higher than the fair value of our common shares as determined by us with the assistance from an independent valuation.

We have elected to recognize the changes in redemption value immediately as they occur and adjust the carrying amount of the preferred shares to equal the redemption value at each reporting period. The changes in redemption value including cumulative dividends shall be recorded as a reduction of income available to common shareholders in accordance with ASC 480-10-S99 3A.

### **Fair Value of Our Common Shares**

We are a private company with no quoted market prices for our common shares. We have therefore needed to make estimates of the fair value of our common shares on various dates for the following purposes:

- determining the fair value of our common shares at the date of issuance of convertible instruments as one of the inputs into determining the intrinsic value of the beneficial conversion feature, if any; and
- determining the fair value of our common shares at the date of the grant of a share-based compensation award as one of the inputs into determining the grant date fair value of the award.

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The following table sets forth the fair value of our common shares estimated at different times with the assistance from an independent valuation firm:

<b>Date</b>	<b>Fair Value per Common Share (US\$)</b>	<b>Discount Rate</b>	<b>DLOM</b>
February 5, 2016	0.70	21.0%	18%
October 31, 2016	1.024	21.0%	16.5%
May 10, 2017	2.38	20.5%	13%
September 30, 2017	2.71	20.5%	10%
January 1, 2018	5.97	18.5%	10%
April 17, 2018	9.81	16.5%	9.5%

In determining the fair value of our common shares in 2016, 2017 and 2018, we relied in part on a valuation retrospectively determined with the assistance of an independent valuation firm based on data we provided. The valuation report provided us with guidelines in determining the fair value, but the determination was made by our management. We obtained a retrospective valuation instead of a contemporaneous valuation, because, on the various valuation dates, our financial and limited human resources were principally focused on our business development efforts. This approach is consistent with the guidance prescribed by the AICPA Audit and Accounting Practice Aid, Valuation of Privately-Held-Company Equity Securities Issued as Compensation, or the Practice Aid.

We applied the income approach/discounted cash flow analysis based on our projected cash flow using our best estimate as of the valuation date. The determination of the fair value of our common shares requires complex and subjective judgments to be made regarding our projected financial and operating results, our unique business risks, the liquidity of our shares and our operating history and prospects at the time of valuation.

The major assumptions used in calculating the fair value of common shares include:

*Discount rates.* The discount rates listed out in the table above were based on the weighted average cost of capital, which was determined based on a consideration of the factors including risk-free rate, comparative industry risk, equity risk premium, company size and non-systemic risk factors.

*Comparable companies.* In deriving the weighted average cost of capital used as the discount rates under the income approach, five publicly traded companies were selected for reference as our guideline companies. The guideline companies were selected based on the following criteria: (i) they operate in similar industries as we do, and (ii) their shares are publicly traded in developed capital markets, i.e., the United States.

*Discount for lack of marketability, or DLOM.* We also applied a DLOM to reflect the fact that there is no ready market for shares in a closely-held company like us. When determining the DLOM, the Black-Scholes option pricing model was used. Under this option-pricing method, the cost of the put option, which can hedge the price change before the privately held shares can be sold, was considered as a basis to determine the DLOM. This option pricing method was used because it takes into account certain company-specific factors, including the timing of the expected initial public offering and the volatility of the share price of the guideline companies engaged in the same industry.

The income approach involves applying appropriate discount rates to estimated cash flows that are based on earnings forecasts. Our revenue growth rates, as well as major milestones that we have achieved, contributed to the increase in the fair value of our common shares from February 2016 to April 2018. However, these fair values are inherently uncertain and highly subjective. The assumptions used in deriving the fair values are consistent with our business plan. These assumptions include: no material changes in the existing political, legal and economic conditions in China; our ability to retain competent management, key personnel and staff to support our ongoing operations; and no material deviation in market conditions from economic forecasts. These assumptions are inherently uncertain.

The option-pricing method was used to allocate enterprise value to preferred and common shares, taking into account the guidance prescribed by the AICPA Audit and Accounting Practice Aid, "Valuation of Privately-

Held Company Equity Securities Issued as Compensation.” The method treats common stock and preferred stock as call options on the enterprise’s value, with exercise prices based on the liquidation preference of the preferred stock.

The option-pricing method involves making estimates of the anticipated timing of a potential liquidity event, such as a sale of our company or an initial public offering, and estimates of the volatility of our equity securities. The anticipated timing is based on the plans of our board of directors and management. Estimating the volatility of the share price of a privately held company is complex because there is no readily available market for the shares. We estimated the volatility of our shares to range from 46.33% to 47.60% based on the historical volatilities of comparable publicly traded companies engaged in similar lines of business. Had we used different estimates of volatility, the allocations between preferred and common shares would have been different.

The increase in the fair value of our common shares from US\$0.70 per share as of February 5, 2016 to US\$2.71 per share as of September 30, 2017 was primarily attributable to the rapid organic growth of our business, as evidenced by the increases in the number of customers and the average spending per customer from 2016 to 2017, the decrease of discount rate from 21.0% as of February 5, 2016 to 20.5% as of September 30, 2017, and the decrease of DLOM from 18% as of February 5, 2016 to 10% as of September 30, 2017. We raised additional capital by issuing Series C preferred shares at US\$4.725 per share on in April and October 2016 and Series D preferred shares at US\$5.3962 per share in May 2017. The funding strengthened our financial status, provided us with additional financial resources for expansion, and indicated an increase in investors’ confidence in our business prospect.

The increase in the fair value of our common shares from US\$2.71 per share as of September 30, 2017 to US\$5.97 per share as of January 1, 2018 and further to US\$9.81 as of April 17, 2018 was primarily attributable to the rapid organic growth of our business. We also made an upward adjustment to our revenue projection in January 2018 and April 2018, taking into account the following factors:

- As part of our data solution offering, we developed a new targeted marketing solution to assist app developers reconnecting with their existing users. We began testing a proof of concept in the third quarter of 2017. In the fourth quarter of 2017, the revenue generated from this data solution increased significantly. The successful monetization of this data solution marked an important milestone in our business development, and as a result we revised our financial forecast upwards as of January 2018. Subsequently, during the first quarter of 2018, the revenue and average revenue per customer from the solution doubled those of the fourth quarter of 2017, which continued to exceed our expectations and original forecast and therefore, we further revised our forecast as of April 17, 2018.
- Our revenues from financial risk management solutions increased substantially in the fourth quarter of 2017 and the first quarter of 2018. Accordingly, we adjusted upward our projected revenue from financial risk management solutions.

The increase in the fair value of our common shares was also attributable to the decrease of discount rate from 20.5% as of September 30, 2017 to 18.5% as of January 1, 2018 and further to 16.5% as of April 17, 2018, and the decrease of DLOM from 10% as of September 30, 2017 to 9.5% as of April 17, 2018.

### **Recent Accounting Pronouncements**

We discuss recently adopted and issued accounting standards in Note 2, “Summary of Significant Accounting Policies—Recently issued accounting pronouncements” of the notes to our consolidated financial statements included elsewhere in this prospectus.

## INDUSTRY

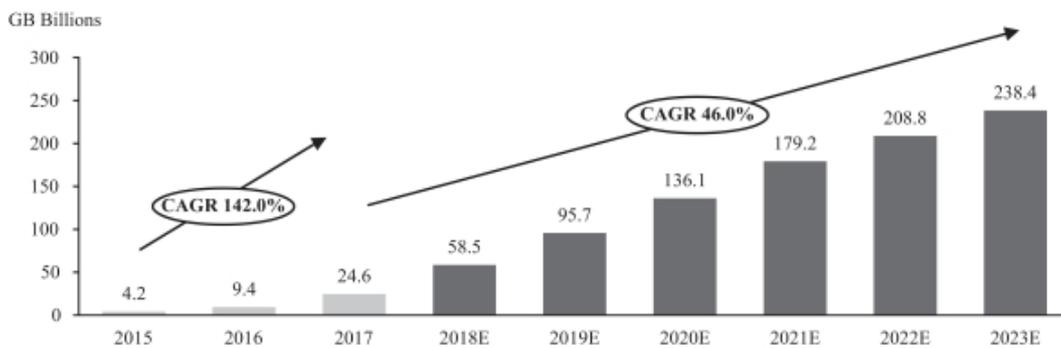
The information presented in this section have been derived from an industry report commissioned by us and prepared by Frost & Sullivan, an independent research firm, regarding our industry and our market position in China.

### Mobile Internet in China

Mobile internet penetration in China has grown substantially over the past few years driven by the rapid growth in China’s consumer income levels, the roll out of next-generation telecommunications data networks, the proliferation of smartphone devices and the launch of numerous mobile internet applications targeted to Chinese consumers. According to Frost & Sullivan, the number of mobile internet users in China grew from 619.8 million in 2015 to 752.7 million in 2017, representing a CAGR of 10.2%, and is projected to further increase to 972.6 million in 2023, representing a CAGR of 4.4% from 2017 to 2023.

Mobile has become the primary mode of accessing the internet for consumers in China, and consumers are embracing an increasingly digital lifestyle. The convenience and ubiquity offered by smartphone devices and mobile internet applications and services has contributed to increased user engagement and activity on the internet, as well as an expanded range of digital use cases. According to Frost & Sullivan, the average daily time spent on mobile devices in China increased from 2.1 hours in 2015 to 3.4 hours in 2017, and is projected to further increase to 5.5 hours in 2023. According to Frost & Sullivan, the annual volume of digital information generated by users on mobile devices in China grew from 4.2 billion gigabytes (GB) in 2015 to 24.6 billion GB in 2017, representing a CAGR of 142.0%, and is projected to further grow to 238.4 billion GB in 2023, representing a CAGR of 46.0% from 2017 to 2023.

Volume of Data Generated from Mobile Devices in China, 2015 – 2023E



Source: Frost & Sullivan

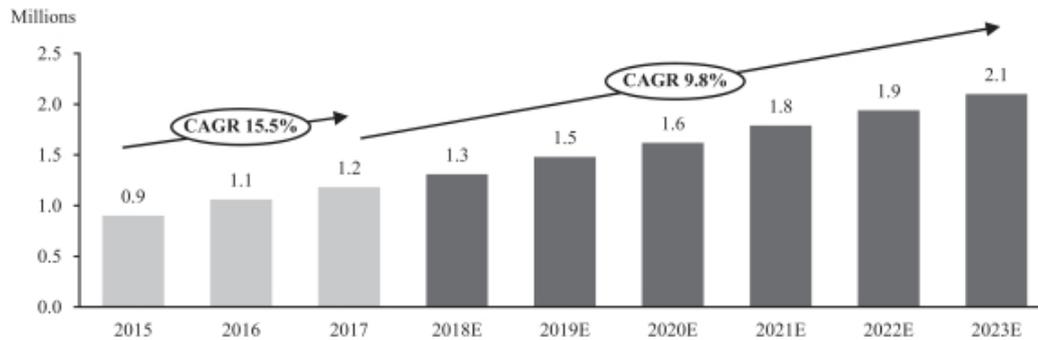
### China Mobile App Developer Services

As Chinese consumers embrace an increasingly digital lifestyle, there has been an increase in the number of mobile apps developed and used in China. According to Frost & Sullivan, there were approximately 2.2 million unique mobile apps in China in 2017, which is projected to grow to 3.3 million by 2023, representing a CAGR of 7.0% from 2017 to 2023. In addition, the average number of mobile apps installed per smartphone device in China grew from 25 in 2015 to 40 in 2017 contributing to heightened competition among mobile apps for user attention and engagement, and is expected to further grow to 75 in 2023.

Proliferation of mobile apps, intense competition among mobile apps and growing user expectations have contributed to the development of a robust third-party app developer services market in China. Through

leveraging third-party app developer services, mobile app developers can focus their efforts on optimizing their app operations, and choose to outsource generic yet critical features to ensure optimal app performance and customer experience. According to Frost & Sullivan, as of December 31, 2017, 54,263 of the top 100,000 mobile apps in China, as measured by install base, had integrated app developer services, out of which 82.0% of these apps had integrated more than one developer services. The number of unique mobile apps which have utilized third-party app developer services in China grew from 0.9 million in 2015 to 1.2 million in 2017, representing a CAGR of 15.5% and an increase of penetration rate from 50.0% to 54.5%, and is projected to further increase to 2.1 million in 2023 with a penetration rate of 63.6%, representing a CAGR of 9.8% from 2017 to 2023, according to Frost & Sullivan.

Number of Unique Mobile Apps Using Third-party App Developer Services in China, 2015 – 2023E

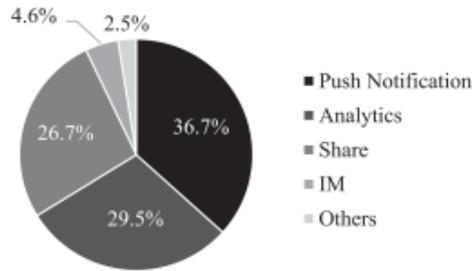


Source: Frost & Sullivan

The main types of app developer services used by Chinese apps include the following:

- *Push Notification*—Push notification service involves sending a customized message or alert to the mobile app users initiated by the app developer. It is often user or context specific, and triggered by geographic location, time, action or other contextual situations. Unlike other forms of user communication, it does not require that the app user have the mobile app open to receive the message.
- *Analytics*—Analytics service provides app developers with insights on users’ interaction with the app including clicks, usage time and crashes, allowing developers to improve product design and user experience.
- *Share*—Share service enables cross-platform social sharing by app users. Its common uses include sharing of app content, typically on social media platforms, and user credential authentication with user accounts from other platforms.
- *Instant Messaging (“IM”)*—IM service is a form of internet communication built within the app where two or more parties can communicate with each other in real-time via text, voice, image, videos or files.

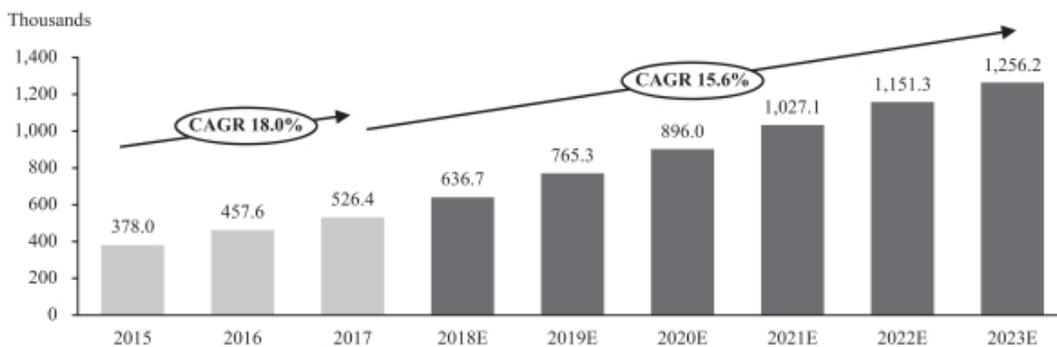
Split of Third-party App Developer Services, Used by the Top 100,000 Mobile Apps<sup>(1)</sup> in China (%), 2017



(1) as measured by install base  
Source: Frost & Sullivan

According to Frost & Sullivan, push notification is the most popular app developer service in China, accounting for 36.7% of the app developer services used by the top 100,000 mobile apps as measured by install base in 2017. This is primarily because it allows mobile apps to proactively communicate with their users, driving user activity, engagement and monetization. The number of mobile apps using push notification services grew at a CAGR of 18.0% from approximately 378,000 in 2015 to approximately 526,400 in 2017, representing 23.9% of all mobile apps in China, and is projected to further increase to approximately 1.3 million in 2023, accounting for approximately 38.1% of all mobile apps in China.

Number of Mobile Apps Using Third-party Push Notification Services in China, 2015 – 2023E



Source: Frost & Sullivan

A number of factors are critical to mobile app developers in their selection of push notification service vendors, including reliability and stability (ability to consistently deliver push notifications to users), timeliness (ability to deliver push notifications in a quick manner, in-line or ahead of competitors), as well as coverage (ability to offer a similar experience to all users). These requirements present significant entry barriers as they cannot be achieved without investments in a nationwide high-quality data infrastructure, sufficient bandwidth and technical know-how. Most push notification services are provided on a free or freemium model, driving app developers to migrate to the best service providers as there is limited price differentiation. This has led to the industry becoming concentrated among the top three players who controlled approximately 96.8% of the total market (based on the top 100,000 mobile apps as measured by install base) in 2017, according to Frost & Sullivan.

## Growing Application of Big Data Technology in China

Big data technology refers to extraction of value from voluminous and complex data sets for the use of predictive analytics, user behavior analytics, or certain other advanced data analytics methods. Advancements in AI and machine learning technology along with the broadening and deepening of the available data pool have contributed to the growing importance of big data technologies in China. New computational approaches and the decreasing costs of computing power enables companies to process and draw increasingly complex and relevant insights from data. Consequently, organizations are leveraging big data to gain operational intelligence in sales, marketing, human resources, product development, operations and more, enabling better engagement and monetization with customers.

According to Frost & Sullivan, the key drivers for increased usage of big data in China include:

- *Improved computing efficiency and effectiveness:* Hardware and software technology advancements have reduced computing costs and contributed to computing power and capacity expansion, enhancing economic viability of big data business models.
- *Enhanced decision sciences:* Advancements in decision sciences and computational approaches have contributed to the improved ability and precision in extracting relevant insights from increasing amounts of data. Batch analytics has also transitioned to real-time analytics, further improving the ability to create value from data.
- *Growing amount of useful data:* The growing penetration of mobile internet has driven the generation of increasingly large amounts of mobile data such as market, transaction and customer data. Comprehensive data accumulation forms the basis for big data applications. With the development of third-party data providers, the availability of data is easier and more convenient, which lays the foundation for the growth of big data industries.
- *Favorable government policies:* China's "13th Five Year Plan" champions a "National Big Data Strategy" through promoting the development of big data, propelling the construction of big data infrastructure such as data centers nationwide, as well as accelerating sharing of data resources and development of big data applications.

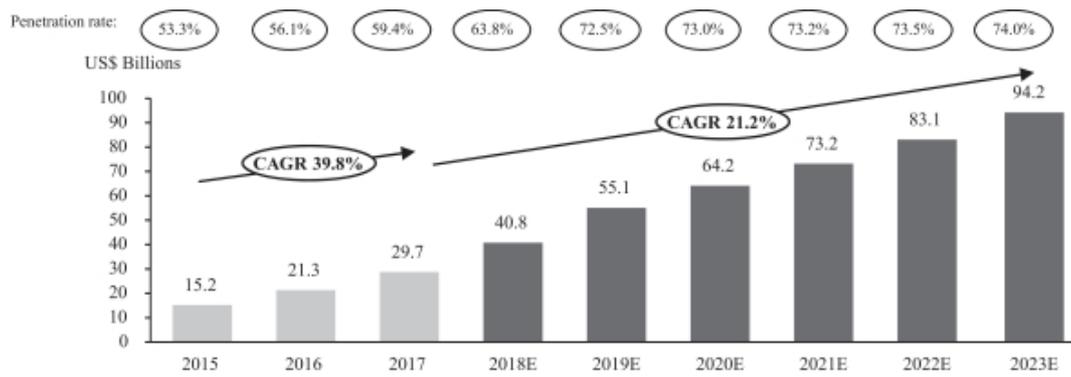
Success in big data requires extensive and unbiased data and investment in technology and infrastructure.

### Mobile Marketing Industry

The large and growing consumer-driven Chinese economy has contributed to the steady expansion of China's advertising market, which is expected to grow from US\$111.7 billion in 2017 to US\$172.1 billion in 2023, representing a CAGR of 7.5%, according to Frost & Sullivan. Online marketing represented 44.8% of China's advertising market in 2017 and is expected to grow from US\$50.0 billion in 2017 to US\$127.3 billion in 2023, representing a CAGR of 16.9% and a market penetration rate of 74.0% in 2023.

Within China's online marketing industry, mobile marketing has experienced the most robust growth in recent years as advertisers shift marketing budgets to mobile platforms following the proliferation of mobile internet in China. According to Frost & Sullivan, China's mobile marketing is expected to grow from US\$29.7 billion in 2017, representing 59.4% of online marketing industry, to US\$94.2 billion in 2023, representing 74.0% of online marketing industry with a CAGR of 21.2%.

**Mobile Marketing Market Size in China, 2015 – 2023E**



Source: Frost & Sullivan

The key trends shaping China’s online marketing industry include:

- *Rise of mobile marketing:* With a growing mobile user base and innovation in mobile marketing technology, advertisers are able to more effectively connect to consumers on-the-go.
- *Development of targeted marketing technologies:* Advertisers seek to leverage technology and data to enhance returns on their marketing spend. For example, the programmatic targeted marketing industry is expected to increase in importance, growing from 11.7% of online marketing in 2017 to 23.0% in 2023. The use of technology has also enabled advertisers to optimize the personalization of content for users.
- *Accessibility and usability of big data:* The emergence and use of big data have transformed the planning and execution of marketing campaigns, including allowing for deeper segmentation of customers and enhanced targeting and effectiveness. Location data and contextual data offered by mobile has further fueled this development by providing richer data for deriving insights.

**Financial Risk Management Services Market**

According to Frost & Sullivan, China’s consumer financial services market is poised to experience rapid growth driven by economic development and improved technology. According to Frost & Sullivan, the consumer finance industry in China increased from approximately US\$2.7 trillion in 2015 to approximately US\$4.0 trillion in 2017, representing a CAGR of 21.7%, and is expected to increase to approximately US\$9.9 trillion in 2023, representing a CAGR of 16.3%. Enhanced consumer finance products and services, together with the rising customer base is expected to drive continued growth in the consumer finance market in China. The number of consumer loan borrowers in China increased from 341.9 million in 2015 to 410.6 million in 2017, representing a CAGR of 9.6%, and is forecasted to further increase to almost 613.8 million in 2023, representing a CAGR of 6.9% from 2017 to 2023.

Big data plays a significant role in managing financial risks in the consumer financial services market in China, including developing more refined and accurate borrower profiles and assessment of creditworthiness. Big data-driven financial risk management solutions have brought about the following benefits, which in turn drive the demand for financial risk management services:

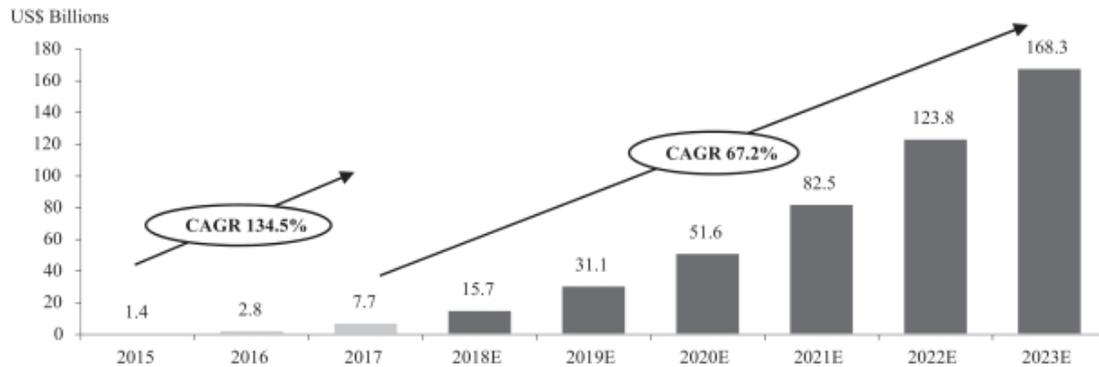
- *Benefits to traditional financial services:* Through leveraging big data solutions, traditional financial services providers have sought to address the lack of an established universal credit score system in China.
- *Benefits to emerging online financial service companies:* Big data technology has also helped to drive the emergence of a large number of online micro loan companies and other online financial service

companies in China, which are also in need of support from big data-driven financial risk management solutions.

Demand for robust financial risk management services is also growing as regulators emphasize more stringent financial risk management and anti-fraud measures. Demand for financial risk management products also extend beyond consumer finance into insurance and other financial services.

According to Frost & Sullivan, China's financial risk management services market grew from US\$1.4 billion in 2015 to US\$7.7 billion in 2017, representing a CAGR of 134.5%, and is projected to continue to grow at a CAGR of 67.2% to reach US\$168.3 billion by 2023.

China Financial Risk Management Services Market, 2015 – 2023E



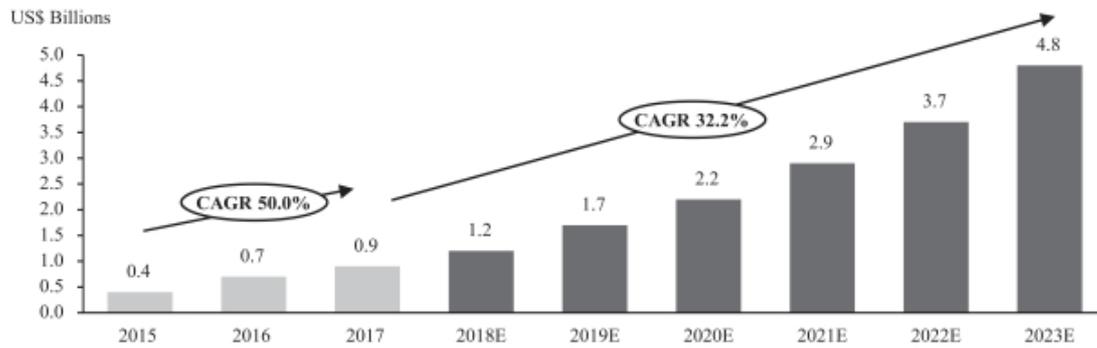
Source: Frost & Sullivan

There continues to be a significant opportunity to deliver simple and inclusive financial risk management services to support the growth of the consumer finance market. Traditional financial institutions have historically faced challenges in adopting new technology, including their lack of in-house capabilities and slow progress in technology upgrades while at the same time emerging financial technology companies lack data resources to build in-house financial risk management solutions. Third-party financial risk management services that offer real-time risk modeling and post-lending monitoring capabilities benefit both traditional and emerging industry participants alike.

#### *Market Intelligence Industry*

Market intelligence refers to organized data and information provided by third-party providers offering valuable insights on markets and market participants. Deriving meaningful insights with the help of big data requires both access to large quantities of data and data processing and interpretation capabilities, the scarcity of which is driving demand for third-party market intelligence services. According to Frost & Sullivan, corporate spending on market intelligence services in China has reached US\$0.9 billion in 2017, growing at a CAGR of 50.0% from 2015, and is expected to grow further to reach US\$4.8 billion by 2023, representing a CAGR of 32.2% from 2017 to 2023.

Total Corporate Spending on Market Intelligence in China, 2015 – 2023E



Source: Frost & Sullivan

The key trends shaping China’s market intelligence industry include:

- *Growing need for data-driven decision making:* Companies’ need to reduce wasted investment and spending and to increase the accuracy of their business decision-making has given rise to new opportunities and potential for the market intelligence industry.
- *Emphasis on quality and reliability of data:* The precision and completeness of data drive the accuracy and effectiveness of decision-making.
- *Increased focus on real-time intelligence and decision-making:* The fast changing and highly competitive industry dynamics in China require faster reaction and decision-making.
- *Shift towards automation of insight collection and interpretation process:* Increasingly, crucial steps such as data preparation and the interpretation of key data features will be automated and the overall efficiency and speed of developing and providing market intelligence will be enhanced.

#### *Location-Based Intelligence Services*

Traditional businesses in China are increasingly searching for more effective ways to engage and acquire customers using data and technology. Offline industries such as retail, automotive, real estate and tourism are utilizing location-based intelligence services to improve their operating efficiency in an effort to more effectively compete with online business models that benefit from better customer data and targeting abilities.

In addition to some of the trends that are shaping the market intelligence industry noted above, some of the specific trends driving growth in location-based intelligence services include:

- *Availability of increasingly precise consumer location data:* Location data collection is becoming more sophisticated and precise, including the ability to pinpoint approximate locations within a building. This granularity and precision of consumer data allows for a hyper-local perspective in business applications that was not previously available.
- *Rapid development of the Internet of Things (IoT):* With more connected devices providing a wider variety of location-based data, geographical intelligence can be applied in more consumer scenarios.

Enormous opportunities exist as data insights on consumer preferences and purchase intent facilitate higher conversion of in-store traffic into transactions. Other application scenarios include, but are not limited to, site selection, targeted marketing and optimization of operations, using a combination of foot traffic monitoring and user-profiling to address the lack of rich and real-time consumer data traditionally faced by offline businesses.

## BUSINESS

### Our Mission

Our mission is to improve productivity for businesses and society through harnessing the power of mobile big data to derive actionable insights and knowledge.

### Overview

We are a leading mobile big data solutions platform in China. Through our developer services, we reached approximately 864 million monthly active unique mobile devices, accounting for approximately 90% of mobile device coverage in China, in December 2017. This number further increased to 925 million in March 2018. From these mobile devices, we gain access to, aggregate, cleanse, structure and encrypt vast amounts of real-time and anonymous device-level mobile behavioral data. We utilize artificial intelligence (AI) and machine learning to derive actionable insights and knowledge from this data, enabling our customers to make better business decisions. We are proud to have received the “2017 Best Technology Company Award” from CCTV-Securities News Channel and have been recognized as the “2016 Most Influential Big Data Service Provider” from 36Kr, a well-known technology news platform in China, for our data solutions.

We provide a comprehensive suite of services to mobile app developers in China. Our developer services easily integrate with all types of mobile apps and provide core in-app functionalities needed by developers, including push notification, instant messaging, analytics, sharing and short message service (SMS). Our services had been used by approximately 318,000 mobile app developers in a great variety of industries, such as media, entertainment, gaming, financial services, tourism, ecommerce, education and healthcare, as of March 31, 2018. We are the partner of choice for many major internet companies such as SINA and Kuaishou, as well as leading consumer brands such as Starbucks, Yum China and ICBC. Our leading developer service, push notifications, or JPush had approximately 50% market share in 2017, according to Frost & Sullivan. The market is defined as those mobile apps that use any third-party push notification service out of the top 100,000 mobile apps in China as measured by install base. The number of mobile apps utilizing at least one of our developer services increased from over 475,000 as of December 31, 2016 to over 707,000 as of December 31, 2017, and further to over 784,000 as of March 31, 2018.

Since our inception, we had accumulated data from over 13 billion installations of our software development kits (SDKs) as part of our developer services as of March 31, 2018. We only gain access to selected anonymous device-level data that is necessary for, and relevant to, the services provided. Once the original mobile behavioral data is collected, our data processing platform then stores, cleanses, structures and encrypts data for AI-powered modeling exercises in an aggregated and anonymized fashion. Our developer services can be integrated into multiple apps on the same device, which allows us to receive device-based data from different and multiple dimensions, both online and offline. We believe that our data is differentiated in its volume, variety, velocity and veracity.

AI and machine learning are the key technologies we utilize to gain actionable and marketing effective insights from our data and to develop and refine our data solutions. Leveraging these technologies built upon our massive and quality data foundation, we have developed a variety of data solutions that offer industry-specific, actionable insights for customers in a number of different areas. Our core data solutions include:

- *Targeted marketing (“XiaoGuoTong”)*: We help advertisers improve their effectiveness by enabling them to target the right audience with the right content at the right time.
- *Financial risk management*: We assist financial institutions and financial technology companies in making informed lending and credit decisions.
- *Market intelligence*: We provide investment funds and corporations with real-time market intelligence solutions, such as our product iApp, which provides analysis and statistical results on the usage and trends of mobile apps in China.

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- *Location-based intelligence (“iZone”)*: We help retailers and those from other traditional brick-and-mortar industries, such as real estate developers, track and analyze foot traffic, conduct targeted marketing and make more informed and impactful operating decisions, such as site selection.

We are also in the process of developing and launching new data solutions that will further leverage our data and insights to increase productivity for additional industries and customers.

We have built a robust technology infrastructure to support the usage of our developer services and data solutions throughout China on a real-time basis. We have developed a proprietary network of over 4,600 servers strategically located around the country to provide high-quality and cost-effective services across all telecom providers throughout China. This extensive and carefully designed server network allows us to provide customers with real-time access and usage of our developer services and data solutions with great stability, immense speed and high reliability.

We have grown rapidly while at the same time improving our cost efficiency. We increased the number of our customers from 1,168 in 2016 to 2,263 in 2017, and from 980 in the three months ended March 31, 2017 to 1,348 in the three months ended March 31, 2018. We generate revenue primarily from our data solutions. Our revenues increased by 304.9% to RMB284.7 million (US\$45.4 million) in 2017 from RMB70.3 million in 2016, and by 295.1% to RMB126.4 million (US\$20.2 million) in the three months ended March 31, 2018 from RMB32.0 million in the same period of 2017. We delivered these revenues at a net loss of RMB90.3 million (US\$14.4 million) in 2017 as compared to RMB61.4 million in 2016, and a net loss of RMB22.1 million (US\$3.5 million) in the three months ended March 31, 2018 as compared to RMB22.0 million in the same period of 2017. Our net loss margin improved from 87.3% in 2016 to 31.7% in 2017, and from 68.8% in the three months ended March 31, 2017 to 17.5% in the three months ended March 31, 2018. Our adjusted net loss, a non-GAAP measure defined as net loss excluding share-based compensation was RMB82.0 million (US\$13.1 million) in 2017 as compared to RMB58.7 million in 2016, and RMB19.3 million (US\$3.1 million) in the three months ended March 31, 2018 as compared to RMB19.8 million in the same period of 2017. Our adjusted net loss margin improved from 83.4% in 2016 to 28.8% in 2017, and from 62.0% in the three months ended March 31, 2017 to 15.3% in the three months ended March 31, 2018. Our adjusted EBITDA, a non-GAAP measure defined as net loss excluding interest expense, depreciation of property and equipment, amortization of intangible assets, income tax (expense) benefit and share-based compensation, was negative RMB77.0 million (US\$12.3 million) in 2017, compared to negative RMB51.3 million in 2016, and negative RMB15.9 million (US\$2.5 million) in the three months ended March 31, 2018 as compared to RMB20.5 million in the same period of 2017. See “Summary Consolidated Financial and Operating Data—Non-GAAP Financial Measures.”

### **Our Competitive Strengths**

We believe that the following strengths contribute to our success and differentiate us from our competitors:

#### ***Leader in big data solutions built on dominant position in developer services***

We are the leading provider of developer services in China, with approximately 50% market share in 2017, according to Frost & Sullivan. The market is defined as those mobile apps that use any third-party push notification service out of the top 100,000 mobile apps in China as measured by install base. Our developer services are core to the apps that use them and require sophisticated and costly technology and infrastructure. We have built a network of over 4,600 servers strategically located across China, which enables messaging across and between all of the China telecom networks efficiently. Our technology infrastructure delivers:

- the stability needed to support our high messaging and data volume;
- the high-speed message delivery required for real-time apps;
- the reliability exemplified by notification delivery success rate;

- the scalability to support increased volumes over time; and
- the flexibility to allow for new product development and the integration of multiple developer services into a single app.

Our ability to deliver services with these features, coupled with our freemium model, offer compelling values to the app developers. For example, timely and reliable delivery of notifications can translate into a more engaged and larger active user base for developers, mobile apps and, ultimately, the scalability of their businesses and higher return on their investment. Leveraging our dominant position as the market leader in developer services, we have accumulated vast amounts of anonymous device-level mobile behavioral data. We utilize AI and machine learning technologies to derive actionable insights and have developed and productized a suite of data solutions. Continuing to do this, we believe we are well positioned to maintain and reinforce our leadership as a mobile big data solutions platform and capture more monetization opportunities in the market.

### ***Extensive online and offline mobile data differentiated by its volume, variety, velocity and veracity***

We have accumulated massive amounts of data that is differentiated by its combination of scale, real-time usability, continuous updates and independence. We generated data from 864 million monthly active unique mobile devices that account for approximately 90% of mobile device coverage in China in December 2017. This number further increased to 925 million in March 2018. In March 2018, we captured data from 1.5 billion monthly active SDKs and 162.5 billion geographic location data records. Our data is independent. It is not associated with a specific family of apps, which increases the variety of the data we capture, its accuracy, and its usability. We also have the ability to combine online and offline data from many dimensions such as app usage, app installation metrics, device information and location-based data. Through our data processing platform, we cleanse, structure and encrypt the vast amounts of real-time data. Together, the anonymous, aggregated and processed data with our AI-driven data mining capability lay a solid foundation for our big data solutions.

### ***Proven product development and commercialization capabilities across multiple industry verticals***

Throughout our history, we have proven the ability to develop and productize solutions from our data and to improve those solutions over time. The development of innovative data solutions requires tremendous focus and resources. Based on our deep understanding of the customer needs and the experience accumulated over the years, we are able to identify industry-specific problems that our data is particularly adept at solving and develop tailored solutions. As part of the product development efforts, we have been making continuous efforts to proactively enhance and refine our data solutions by interacting with our customers and incorporating their feedback on our solutions. Over time, we have been able to shorten the product development cycle with the knowledge we accumulated. Moreover, by purposefully designing our data solutions to be standardized, we make our data solution offerings easily scalable to serve an increasing number of customers. Because of the comprehensiveness and inter-connectedness of our data and solutions, we can offer one-stop solutions to our customers and cross-sell other suitable or newly developed solutions to existing customers. For example, for financial institution customers, our targeted marketing solutions can help them acquire new customers; our financial risk management solutions can assist them with assessing the creditworthiness of borrowers; our developer services, such as JPush, enable them to communicate and engage with their own customers easily and in a timely manner; and our market intelligence solutions can help them better understand industry trends, user behavior and the competitive landscape of the industry.

### ***Continuously improving data solutions driven by AI and machine learning***

We use AI and machine learning to develop more effective insights from our data over time, continuously improving the data solutions that we provide to our customers. The core leaders of our product lines are data scientists with extensive industry experience. We utilize machine learning to glean insights from massive data sets in real time and extract, generate and tag meaningful data patterns that are widely used in our data solutions.

In particular, leveraging our optimized data warehouse structure that is suitable for AI and machine learning processes, we constantly refine rules engines and machine learning algorithms to improve the accuracy and comprehensiveness of tags generated and design and tailor machine learning algorithms based on the nature of our data solutions. For example, we improve traditional deep learning algorithms to refine our financial risk management solutions for our financial services customers as we incorporate new variables and additional data. AI and machine learning also enable us to continuously increase the effectiveness of targeted marketing campaigns by drilling down to, and exposing the root cause of, inefficiencies of marketing expenses. As a result, we have experienced tremendous growth in our customer base, which has grown from 1,168 in 2016 to 2,263 in 2017, and from 980 in the three months ended March 31, 2017 to 1,348 in the three months ended March 31, 2018, and the average revenue per customer has also increased from RMB60,207 in 2016 to approximately RMB125,810 in 2017, and from RMB32,646 in the three months ended March 31, 2017 to RMB93,763 in the three months ended March 31, 2018. We also benefit from a virtuous cycle in which by capturing more and better quality data, we refine our data solutions leveraging our machine learning capability, leading to more customers and developers, thereby further enhancing and enriching our data.

***Highly scalable and flexible business model with multiple monetization opportunities***

Our developer services are strategically modularized to maximize efficiency and cohesiveness of operations, and our data processing platform has been designed and built to power our growth as we scale to meet demands from our increasing customer base and allow for new product development. Our developer services are built upon our proprietary common module JCore, allowing developers to easily integrate additional and multiple functionalities provided by our developer services, as well as enabling us to react to market change and customer demand by developing and adding additional functionalities quickly and cost-effectively. Our centralized data processing platform is the backbone that supports and powers our data solutions, ensuring high-quality data features of variety, consistency and integrity across our data solutions. Our centralized data processing platform significantly lowers our costs of product design and allows for quick development and integration of new data solutions. Moreover, the insights we gain from data analytics and mining not only help customers improve their productivity but also enable ourselves to increase operational efficiency by guiding product development and sales and marketing efforts.

***Passionate and visionary management with complementary backgrounds and strong execution capabilities***

Our company is built on new technology and an innovative business model, and we benefit from the vision, passion and experience of our founding and senior management team, who bring a strong track record of execution. In particular, Weidong Luo, our co-founder, chairman and CEO, brings 12 years of experience building successful technology companies and identifying and developing new products. Fei Chen, our co-founder and president, has 18 years of experience across technology and finance as well as entrepreneurship. Our co-founders have been partners for over 12 years and have relentless passion and commitment to making our company the leading mobile big data solution platform it is today. They are joined by a talented team, including Xin Huang, our CTO, who previously served as a leading data scientist at Douban and senior product director at Zhen'ai. The team under our founders and CTO brings expertise across infrastructure technology, data science, industry domain, marketing, operations and finance. We have also benefited from the support of renowned key investors such as Fidelity, Fosun, Goldman Sachs, IDG and Mandra Capital.

## **Our Growth Strategies**

We intend to grow our business using the following key strategies:

### *Our Data Strategies*

#### ***Broaden and deepen our data pool by expanding our developer services***

We seek to enrich our data pool by continuing to offer best-in-class developer services. We intend to leverage our industry leading position and recognition among the developer community to further increase our penetration of apps and app developers, including those apps that attract the most traffic and active usage as well as those “long-tail” apps that contribute to the variety of mobile data we have access to. We will continue to invest in our technology and infrastructure to deliver highly reliable and scalable developer services. We will also offer more features and functions and provide a broader range of developer services in order to further strengthen our relationship with app developers. We also seek to develop more innovative services, for example, services related to Internet of Things (IoT), to meet the evolving demand of customers. Expanding the developer services we offer will provide us with access to a greater volume and variety of data from smart devices.

#### ***Source and integrate alternative and complementary data***

We will enhance our data pool by strategically identifying alternative and complementary data and pursuing strategic partnerships with, and investments in, data sources and aggregators using a disciplined and targeted approach. Through integrating complementary data into our data pool, we can cross reference our data to extract more information and enhance our existing data solutions. In addition, with a broader range of data, we are able to not only develop new data solutions for customers in our existing industry verticals, but also gain relevance and access to new industry verticals and hence expand our data solution offerings.

#### ***Enhance our AI and machine learning capabilities***

We seek to enhance our AI and machine learning capabilities to extract the deepest insights from our vast amounts of real-time online and offline data. Leveraging our large and growing data pool, we will continue to refine our algorithms and improve our predictive capabilities. We will continue to invest in talent by recruiting, retaining and training AI specialists and data scientists to widen our technology advantage. We will also explore strategic opportunities to expand our AI and data science capabilities through partnering with and investing in cutting-edge AI and data science companies and teams in China and globally.

### *Our Product Strategies*

#### ***Enrich and expand our existing mobile big data solutions***

We will continue to enrich and expand our existing mobile big data solutions to better serve existing customers and attract new customers. We will continue to proactively collect customer feedback on our existing data solution offerings, including targeted marketing, financial risk management, market intelligence and location-based intelligence, and gain more insights into customer needs, so as to identify and better serve new requirements of our customers. We seek to enhance the effectiveness of, and add new features to, our existing data solutions through leveraging our growing data pool and AI capabilities, while ensuring that our data solutions continue to be highly scalable to preserve our business model. At the same time, we will continue to identify and expand cross-selling opportunities, which we believe will in turn increase customer loyalty and spending.

#### ***Develop new data solutions to address evolving customer needs***

We seek to expand our data solutions to exploit mobile big data opportunities in new industry verticals and sub-verticals. We believe significant commercial opportunities exist in adjacent markets that are prime for

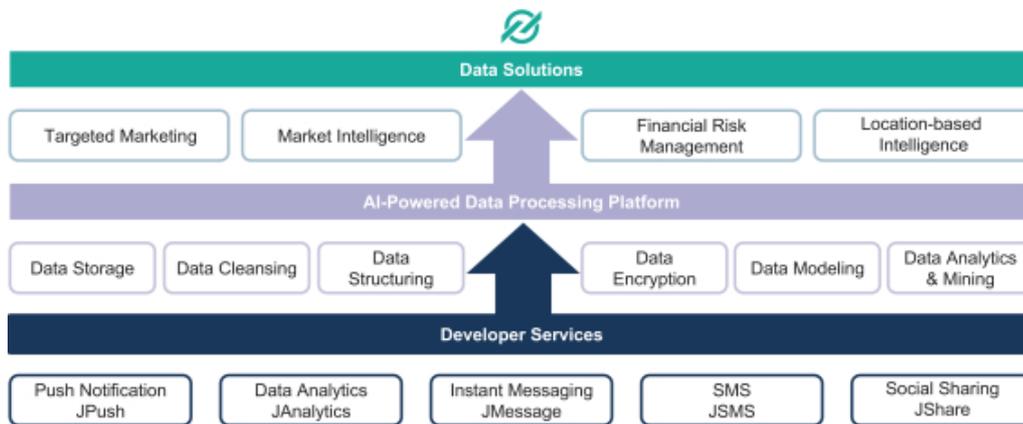
mobile big data technology disruption, and we will prioritize the development of data solutions in new industry verticals that our data is uniquely able to address and where there is a large addressable market. For example, the customers that have used our market intelligence solutions have also requested market survey solutions, and we have begun developing new survey solutions to better address the customers' needs. We believe that we will be able to continue to launch new data solutions to address large, new market opportunities.

**Expand into selected global markets**

We seek to replicate our success in China in selected markets overseas, specifically those with large market potential and relevance for our mobile big data expertise. Our first opportunity is to follow our existing app developers and data solutions customers into overseas markets as they internationalize their own businesses. We intend to focus on overseas markets with a large and vibrant app developer ecosystem, allowing us to actively incubate our developer services and build significant data pools which we can then productize into effective data solutions for those markets. Through strategic business expansion overseas, we will be able to gain a more holistic view of the global market and increase our value to existing app developers and data solutions customers.

**Our Business Model**

We are a leading mobile big data solutions platform in China. Our business model is built upon our massive and quality data foundation, which we have established by leveraging the comprehensive suite of developer services we provide to mobile app developers in China. Our developer services provide core in-app functionalities, including push notification, instant messaging, analytics, sharing and short message service (SMS). Through our developer services, we gain access to selected and anonymous device-level data that is necessary for, and relevant to, the services provided. Our centralized data processing platform stores, cleanses, structures and encrypts data that was collected and aggregated. We utilize AI and machine learning technologies to conduct modeling exercises and data mining in order to gain actionable and effective insights from the data. Based on our data foundation and leveraging our AI-powered centralized data processing platform, we have developed a variety of data solutions that offer industry-specific, actionable insights for customers. Our core data solutions include targeted marketing, market intelligence, financial risk management and location-based intelligence.



**Developer Services**

We provide a comprehensive suite of services to mobile app developers in China. Our developer services provide core in-app functionalities needed by developers, including push notification, instant messaging, analytics, sharing and short message service (SMS). The functionalities of our developer services are delivered in the form of SDKs that contain ready-to-use source codes and allow for simple integration into a wide variety of

mobile apps. We also offer application programming interfaces (APIs) that create connectivity and automate the process of message exchange between the mobile apps and our backend network. Moreover, we also provide app developers using our services with an interactive web-based service dashboard, allowing them to utilize and monitor our services through simple controls on an ongoing basis. Our developer services easily integrate with all types of mobile apps and support all major mobile operating systems, including iOS, Android and Winphone. Through these functionalities, developers are able to accelerate the development and deployment of their apps into the market and focus their efforts on optimizing their app operations and improving end-user experience.

Our developer services had been used by approximately 318,000 developers in mobile apps in a wide variety of industries, such as media, entertainment, gaming, financial services, tourism, ecommerce, education and healthcare, as of March 31, 2018. The number of mobile apps utilizing at least one of our developer services increased from over 475,000 as of December 31, 2016 to over 707,000 as of December 31, 2017, and further to over 784,000 as of March 31, 2018. Almost all of the app developers who use our developer services use our push notification services, and a portion of those developers also use other developer services in addition to push notification. We believe as we expand and deepen our relationship with developers, more developers will utilize multiple services we offer. We are proud to have been recognized as the “Best 2016-2017 SaaS Service Provider” by China SaaS Application Conference Committee in 2017, and as the “2015 Developers’ Choice of Services Platform” by MAIC Mobile Innovation Conference Committee in 2015, among other awards.

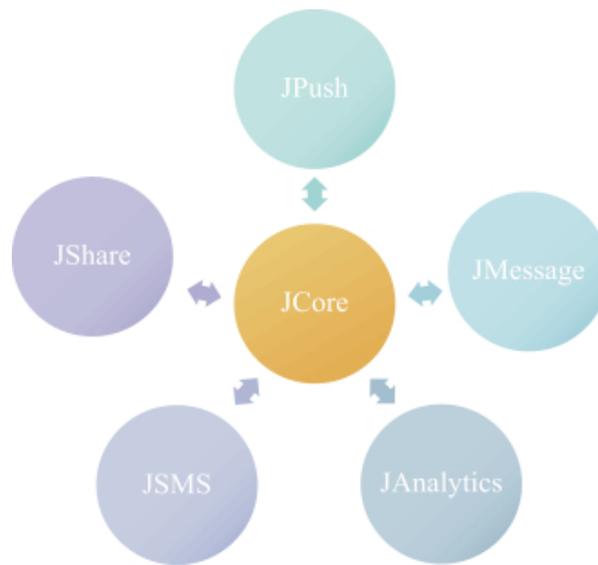
Our developer services are standardized to maximize efficiency and cohesiveness of operations. Our developer services are built upon our proprietary common module JCore, allowing developers to easily integrate additional and multiple functionalities provided by our developer services, as well as enabling us to react to market change and customer demand by developing and adding additional functionalities quickly and cost-effectively.

### ***JCore—Foundation of Our Developer Services***

Our developer services are built as modules on top of JCore. JCore powers and seamlessly integrates with our other service functionality modules and provides uniform code-level support to other modules. The modularity brought by JCore allows developers to conveniently integrate additional modules, enabling mobile app developers to scale their business, reducing app development costs and improving efficiency.

JCore provides key functions that are shared across all of our developer services modules, including dynamic loading, which uploads and downloads code-level communications to and from servers, logging and uploading error messages, protecting core source code from leakage and tampering, and securing data sharing.

We integrate the basic and commonly used code-level functionalities, such as transmission protocols and dynamic loading, into JCore, and build our developer services based on JCore. This enables us to focus on addressing the specific needs of app developers, develop new services and add new functionalities to existing services quickly and cost-effectively and reduce potential errors.



***JPush—Push Notification***

Our push notification service, JPush, effectively enables developers to deliver notifications across different formats and different types of internet access devices. Push notifications are a critical tool in mobile strategy as they go directly to the top of the notification stack for mobile users and the resulting higher open rates of push notifications drive increased engagement, retention and monetization. The challenge for app developers in effectively communicating with end users is establishing and maintaining a message distribution network from scratch that can meet the real-time communication demand generated by a growing mobile app user base and, at the same time, save costs. As the telecom networks in China are fragmented and inefficient in connecting with each other, the message distribution network required by the developers must be able to deliver messages across and between all of the China telecom networks effectively and efficiently. Establishing and maintaining such a message distribution network can be costly, time-consuming and technically challenging. JPush, leveraging our technology infrastructure and our strong technological capabilities, provides effective solutions to those challenges. See “—Technology Infrastructure.”

Through JPush, developers can push customizable messages and rich media messages. Rich media includes advanced messaging functionality such as emoji, picture messaging and localized languages. Developers can also push notifications to a target group of end users classified by tagging those users automatically or manually.

We also share statistics regarding delivery results with developers that use JPush, including their history of notifications pushed. Other performance statistics include cumulative number of notifications transmitted, number of users who open the app, the time users spent in the app, daily active users (DAU) and the number of users who are using the app in real time. As part of the VIP premium package, certain developers choose to pay for additional capabilities, including the ability to monitor the results of transmissions in real time and access in-depth customized statistical reports.

Leveraging our technology infrastructure built upon a network of over 4,600 servers strategically located across China, JPush enables timely and reliable delivery of notifications, which can translate into a more engaged

and larger active user base for developers and, ultimately, scalability of their businesses and higher return on their investment. JPush pushed over 7.2 billion messages to various app end users on an average daily basis in the three months ended March 31, 2018. JPush ranks first in the push notification service market, with approximately 50% market share in 2017, according to Frost & Sullivan. The market is defined as those mobile apps that use any third-party push notification service out of the top 100,000 mobile apps in China as measured by install base.

Currently, we offer a basic package of push notification services free of charge, and we charge subscription fees, primarily on a monthly basis, for our VIP premium package. Compared to the basic package, the VIP premium package includes more real-time pushes, more offline message storage, exclusive high-speed channels for VIP push notification traffic and customized SDK features.

#### ***JAnalytics—Data Analytics***

JAnalytics enables developers and business decision makers to quickly understand the operating performance of their apps and customer base. Leveraging our data analytics capabilities, we are able to process large amounts of device-level mobile behavioral and app operational data in an aggregated and anonymized fashion and generate market trend reports, industry rankings and other customizable statistical reports, allowing app developers to understand their own market position.

JAnalytics includes basic and customizable service offerings. For our basic service offering, we have ready-to-use event models for real-time querying. Events typically relate to device owners' in-app behavior. Based on the event type selected by the developer, JAnalytics processes and distills data to generate statistical reports. Our customizable service offering gives developers the flexibility to change the data dimension and the event type according to their choices.

Developers can review JAnalytics results on our proprietary dashboard and receive some results on their own backend system through APIs provided by us. Currently, we offer JAnalytics free of charge.

#### ***JMessage—Instant Messaging***

Our real-time internet-based instant messaging services, or JMessage, enables developers to easily embed instant messaging functionality into their apps. Built upon JPush's robust message distribution system, JMessage provides end users with stable and reliable chat features. JMessage features customizable personal chats, group chats and chat rooms. JMessage also supports rich media messaging, voice messaging, pictures, files, offline messaging and location sharing.

Similar to JPush, we currently offer a basic package of instant messaging services free of charge, and we charge subscription fees, primarily on a monthly basis, for our VIP premium package. In comparison to the basic package, the VIP premium package allows for more message exchanges, higher frequency usage of API, more chat rooms and dedicated communication channels.

#### ***JSMS—SMS***

Our SMS services, or JSMS, enable developers to easily integrate SMS text message functions for authentication and serves as an incremental channel for user communication in addition to JPush. Leveraging our strong message distribution system and telecom operators' networks, we provide fast and reliable delivery of messages to end users with low latency. Developers can also programmatically send, receive and track SMS messages. We charge a fee for JSMS based on the number of messages delivered.

#### ***JShare—Social Sharing***

Our cross-platform social sharing services, or JShare, enable developers to quickly integrate social sharing functionality, such as the ability to share content with selected apps or to authenticate using credentials from

another platform. Developers can also track end users' sharing behavior based on the analytics function integrated into JShare. Currently, JShare is offered free of charge.

### ***Private Cloud-based Developer Services***

While most of our developer services are provided through public-cloud servers, we also provide fee-based private cloud-based developer services. Our private cloud-based packages are designed to provide customizable services to app developers who want a more controlled software environment and more comprehensive technology and customer support. Currently, we offer a private cloud-based service option to our JPush and JMessage customers. We charge a fee for the private cloud-based packages on a project basis and a monthly fee for the ongoing maintenance of the private cloud.

### ***Others***

We seek to develop more innovative services to meet the evolving demand of app developers. For example, we have customized our push notification services for smart home applications to satisfy the needs of IoT customers.

### **Our AI-Powered Data Processing Platform**

By providing services to mobile app developers, we gain access to and aggregate massive amounts of anonymous device-level mobile behavioral data that we use to develop our industry-specific data solutions. We only gain access to selected device-level data that is necessary for, and relevant to, the services provided based on our agreements with app developers and the consents they obtain from end users. Our developer services can be integrated into various apps on a single device which allows us to receive data from different and multiple dimensions, both online and offline. The data received through developer services primarily consists of unstructured metadata.

We also collaborate with third-party data service providers to supplement our dataset and maintain a strict vetting process before engaging third-party data service providers to ensure the integrity and quality of our data.

### ***Four Vs of Our Data***

We believe the key differentiating features of our data set is its volume, variety, velocity and veracity.

- *Volume—massive and ever-growing data pool.* We had accumulated data from over 13 billion installations of our SDKs as part of our developer services since our inception as of March 31, 2018. In December 2017, we generated data from approximately 864 million monthly active unique mobile devices, which account for approximately 90% of mobile device coverage in China. This number further increased to 925 million in March 2018.
- *Variety—multi-dimensional data.* Our services had been used by approximately 318,000 developers representing over 784,000 mobile apps in a variety of industries, such as media, entertainment, gaming, financial services, tourism, ecommerce, education and healthcare, as of March 31, 2018. This allows us to have access to a diverse array of mobile behavioral data. For online activities, we have access to data relating to app installations and uninstallations, app usage and device and operating system information. Regarding offline activities, we have access to location-based data.
- *Velocity—data timeliness.* We access and process a large volume of data in real time. In March 2018, we captured data from 1.5 billion monthly active SDKs and 162.5 billion geographic location data records. To increase the speed of data processing and ensure data timeliness, we routinely and frequently upgrade our technology and infrastructure used for data processing and data analytics.
- *Veracity—data accuracy.* Through our data processing platform, we cleanse, structure and encrypt raw data to ensure its accuracy. We also have strict policies and internal procedures in place to ensure our data security. Moreover, our data is not associated with a specific family of apps, which increases the unbiasedness of the data we capture.

### **Data Processing**

The backbone of our technology is our centralized proprietary data processing platform. Once the original device-level mobile behavioral data is collected, the platform stores, cleanses, structures and encrypts data for modeling exercises in an aggregated and anonymized fashion. The centralized platform delivers speed and scalability, providing data and analytics support across our product lines.

- *Storage.* We systematically organize and store unstructured data in our Hadoop server cluster. As part of our data security measures, original data is all stored on our local servers protected by firewalls.
- *Cleansing.* The data processing platform cleanses data stored in our server cluster. Our cleansing system reduces noise in the unstructured data by detecting anomalies in the original data, evaluating data authenticity and sifting out non-usable, corrupted or redundant data.
- *Structuring.* The data processing platform further structures cleansed data and stores it as structured datasets.
- *Encrypting.* Our data processing platform then automatically encrypts device-level data to enhance data security.
- *Modeling.* We utilize AI technology, including machine learning algorithms, and other data processing and statistics tools to automate the process of finding patterns and generating basic tags associated with each mobile device that we reach through our developer services. Basic tags include, among others, demographic profile, app usage habits and consumption preference, which are widely used in our big data solutions as well as developer services. In addition to basic tags, we can further design and generate industry-specific tags based on the characteristics of a specific industry and tailored requests from customers.

### **AI, Data Analytics and Data Mining**

Our AI, data analytics and data mining capabilities form the basis of our mobile big data solutions, developed for specific industries. We utilize data analytics to gain further statistical insight and employ automated data mining processes to find meaningful correlations and intelligent patterns.

We believe we have the following advantages in our AI and machine learning capabilities:

- We have optimized our data warehouse structure to make it more suitable for AI and machine learning processes. We have also designed and built our data warehouse based on the types and features of our data to allow for flexible yet secured access by our engineers and data scientists for developing and maintaining multiple solutions.
- Based on the features of our data sets, we constantly refine rules engines and machine learning algorithms to improve the accuracy and comprehensiveness of tags generated.
- We design and tailor machine learning algorithms based on the nature of our data solutions. For example, to enhance our financial risk management solutions, we improve traditional deep learning algorithms by utilizing the machine learning technique of GBDT (gradient boosting decision tree), which not only preserves the correlations between variables but also maximizes the explanatory ability of patterns.

Our team of data scientists works continually to optimize our proprietary analytical models and improve our analytics capabilities. First, our data scientists input and index more accurate sample training data to train machine learning models more effectively. Second, we also analyze various features of sample data and adopt more suitable and complex modeling algorithms such as deep learning. Third, by gaining access to more data, we can find more features that can be used to further improve the predictive capabilities of our data analytics

engines. Fourth, our data scientists, equipped with industry knowledge and insights, can refine and optimize the parameters of algorithms by taking into account industry specific or event specific factors.

### **Data Security**

To ensure the confidentiality and integrity of our data, we maintain a comprehensive and rigorous data security program. We gain access to vast amounts of anonymous device-level mobile behavioral data based on services provided to app developers and store the data on our servers protected by firewalls. We generate internal IDs that label and identify mobile devices and encrypt device-level data to enhance data security. Our core data can only be accessed through computers designated for authorized use. These computers cannot be connected to the internet, and no data can be outputted to an external device. Only authorized staff can access those computers for designated purposes. Moreover, we maintain data access logs that record all attempted and successful access to our data and conduct routine manual verifications of large data requests. We also have clear and strict authorization and authentication procedures and policies in place. Our employees only have access to data which is directly relevant and necessary to their job responsibilities and for limited purposes and are required to verify authorization upon every access attempt. See also “Risk Factors—Risks Related to Our Business and Industry—Security and privacy breaches may hurt our business.”

### **Our Data Solutions**

Our data solutions currently comprise of targeted marketing, market intelligence, financial risk management and location-based intelligence (“iZone”). Based on our deep understanding of the customer needs and the experience accumulated over the years, we are able to identify industry-specific problems that our data is particularly adept at solving and develop tailored solutions. We are constantly evaluating market opportunities and will strategically expand our solution offerings that use our data and insights to increase productivity for additional industries and customers.

From tag generation to product design to day-to-day deployment of our solutions, we leverage our high-quality and ever-growing data pool and utilize AI and machine learning technology and other advanced data technology to productize our data solutions. During the development stage of our data solutions, proprietary indices and tags are generated by our centralized data processing platform. These tags and indices cover multiple dimensions which we then selectively utilize for different solutions depending on solution specific requirements. We have been making continuous efforts to enhance our data solutions by interacting with our customers and incorporating their feedback on our solutions. Over time, we have been able to shorten our product development cycle as we increase the size of our data pool and the depth of our data and accumulated more market intelligence and experiences through a trial and error process.

Moreover, by purposefully designing our data solutions to be standardized, we make our data solutions easily scalable to serve an increasing number of customers. Because of the comprehensiveness and inter-connectedness of our data and solutions, we can offer one-stop solutions to our customers and cross-sell other suitable or newly developed solutions to existing customers.

We have received numerous awards for our innovative data solutions, including the “2017 Big Data Innovative Solution Award” from Big Data Magazine and the “2016 Innovative Big Data Company in China” from Data Technology Industry Innovative Institute.

### **Targeted Marketing**

We provide targeted marketing solutions in the form of integrated marketing campaigns to our advertising customers through our *XiaoGuoTong* marketing platform, which is built upon our massive amounts of multiple-dimensional data. We have developed and maintain on-going business relationships with many reputable ad inventory suppliers and our marketing platform is connected with theirs through APIs to streamline and automate

the ad slots bidding and ad placement process. We utilize our massive amount of data and leverage our AI-driven data mining capabilities to choose the right targeted audience and the ad inventory that is most suitable for the customer's marketing needs through our platform. We vet our targeted marketing customers and screen their proposed ad content to ensure that they have the required licenses and qualifications to engage us for posting ads online and are otherwise in compliance with regulatory requirements. We also create, design, develop and optimize the content for our customers' ads, utilizing a wide variety of ad formats, such as graphics or videos. Through our *XiaoGuoTong* marketing platform, we bid for ad slots and place ads on a real-time basis on behalf of advertisers and monitor results. Our marketing solutions help our advertising customers generate higher ROIs on their advertising spend. Customers can also access our platform through a web-based dashboard to see the marketing results and direct to us any customer service inquiries.

We launched targeted marketing solutions in 2016. Our targeted marketing customers mainly include financial institutions, large media and entertainment app publishers, online game companies and ecommerce platforms. We intend to expand into other industry verticals and capture more market opportunities in the future.

Customers use our targeted marketing solutions for two main purposes: new user acquisition and existing user re-engagement. We assist our customers with ad placements that most effectively reach the potential group of people who, based on the results of our profiling analysis, are most likely to be attracted to our customers' products or services.

Upon receiving orders from our customers, we first utilize our data and AI-powered data analytics capabilities to decide which ad inventory suppliers to use, taking into account the volume and quality of their traffic and the relevance to the advertisers, and then we purchase ad inventory from ad inventory suppliers on a real-time basis by bidding for ad slots on the ad inventory suppliers' online media networks using rates negotiated with various ad inventory suppliers. We then sell to our advertising customers our targeted marketing solutions in the form of integrated marketing campaigns, which include primarily creating and designing the right content for our customers' ads and placing the ads on the ad slots selected. Utilizing our multi-dimensional, as well as industry specific, data and leveraging our proprietary machine learning algorithms, we can better estimate targeted user click-through-rates (CTRs). Based on these estimates, we bid strategically and intelligently for ad placement, generating higher ROI for our advertising customers. We typically pay for ad placements on online media networks on a cost-per-thousand impressions (CPM) basis. For our targeted marketing solutions, we use performance-based fee arrangements whereby we charge the marketing customers primarily on a cost-per-click (CPC) or cost-per-action (CPA) basis. Based on our contractual relationships with our customers, we are obligated to satisfy the integrated marketing campaign objectives of the advertising customers and bear credit risk in case of advertisers' failure to pay.

In 2017 and the three months ended March 31, 2018, we sourced 49.4% and 36.1% of our ad inventories from Tencent, respectively, because we believed the user traffic provided by Tencent was more suitable for meeting our current customer mix and their marketing needs. We have entered into a framework agreement with Tencent in 2016, pursuant to which we may select and purchase suitable ad inventories provided by Tencent's social networking platforms, such as *GuangDianTong* and *WeChat/Weixin*. Under the framework agreement, we have to prepay for the ad inventories through an account designated by Tencent, and Tencent may charge us fees based on a cost-per-click (CPC), cost-per-thousand impressions (CPM) or other basis. The framework agreement has an initial term that ended on December 31, 2016, and will automatically extend for successive one-year periods unless otherwise terminated with written notice prior to the expiration of the then current term. In addition, Tencent may terminate the agreement earlier if it is of the view that we or the ads placed by us are in violation of applicable laws and regulations. As of the date of this prospectus, the agreement is still in full force and effect. In 2017 and the three months ended March 31, 2018, we paid for the ad inventories purchased from Tencent on a CPM basis. As we expand our targeted marketing customer base and engage more customers from a broader spectrum of industries, we expect to diversify our sources of ad inventory by increasing the number of suppliers we work with and purchasing more ad inventories from other existing suppliers.

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*Case study.* Tencent News is a news application offering round-the-clock, timely and high-quality news coverage. In 2018, Tencent News used our targeted marketing data solutions to re-engage inactive users in multiple categories that Tencent News identified. Our solutions helped them to optimize the placement of ads and save advertising costs. We also employed our deep learning technology to intelligently target inactive users with different content and styles of ads based on type of users. The system greatly enhanced Tencent News' user re-engagement efficiency, delivering approximately 10 million re-engaged users in Tencent News' selected inactive user categories during a campaign period of approximately 30 days, the most among all of its service providers.

*Case study.* China Everbright Bank Credit Card Center, or Everbright, under the direct management of China Everbright Bank's head office, offers a wide variety of credit cards for consumers to choose from based on their individual needs. Everbright engaged us for our targeted marketing solutions. We tailored, tested and optimized our ad placement strategies based on the type of credit cards being promoted and the corresponding group of potential consumers targeted. Utilizing AI-powered analytics such as two-sample hypothesis testing, we were able to target potential consumers with precision and tailor our ad content design based on specific user preferences. For example, we developed customized tags that differentiated groups of potential credit card users who carry similar characteristics, which allowed us to strategically target potential users based on their estimated consumption level and purchase behaviors. Our targeted marketing solutions helped Everbright attract new credit card applicants cost-effectively.

### **Market Intelligence**

By leveraging our access to massive amounts of data relating to mobile app operations, our market intelligence solutions empower corporations and investors to make business and investment decisions.

We provide the following three versions of market intelligence solutions:

- *Enterprise-oriented solutions:* We provide industry ranking, competitive analysis and operational analysis for corporate customers.
- *Fund-oriented solutions:* We provide industry trends analysis, track portfolio company growth and conduct project-oriented case studies for fund managers.
- *Project-based tailor-made solutions:* We provide more in-depth analytics services and generate customized statistics reports based on customers' specific requirements.

Customers can subscribe to each version of our market intelligence solutions based on either the number of apps covered under the solution or the number of queries. Customers who subscribe to our market intelligence solution based on the number of apps covered can review the operating metrics of those apps they have subscribed to on our interactive dashboard. The query-based subscription package provides functions that accommodate ad hoc requests from customers and gives customers more flexibility when they want to search for and review the statistical results of a particular mobile app.

We primarily provide market intelligence solutions under annual subscriptions. Subscription prices are quoted based on either the number of apps customers subscribe to or the number of queries customers need within a subscription period.

*Case study.* Primavera Capital Group, or Primavera Capital, is a leading China-based investment firm, focusing on private equity and special situations opportunities. To supplement its customary research methods for identifying potential companies for investment, Primavera Capital, after a careful review of similar solutions available in the market, purchased our market intelligence solutions. In particular, Primavera Capital subscribed to our iApp mobile app operating performance tracking solution, which offers real-time access to the operational results of a broad spectrum of mobile apps in China, including key metrics such as DAUs, MAUs, installation

penetration rate, retention rate, end-user distribution and competitive analysis through a data analytics dashboard and a broad array of user-friendly functions. Our iApp solutions allow Primavera Capital to make better investment decisions. Since the launch of iApp, Primavera Capital has purchased two consecutive subscriptions of our iApp solutions. Apart from standard subscriptions, we also provided project-oriented customized in-depth analysis to Primavera Capital, including trend analysis of app users' aggregated profiles, distribution of active devices by tier of cities, user loyalty analysis and uninstallation and re-installation rate, which enables Primavera Capital to assess the selected apps' strengths and differentiation as compared to other competitive products.

### **Financial Risk Management**

Financial risk management solutions help our customers better assess and control their credit and fraud risk exposure, facilitating enterprise risk management and innovative decision-making. Our target customers for financial risk management solutions include financial institutions such as banks and insurance companies, as well as emerging financial technology companies. We provide three types of financial risk management solutions to help our customers make pre-lending decisions: anti-fraud risk features, blacklist and location verification.

*Anti-fraud risk features.* We offer standard packages that include over 10,000 unique risk features that are similar to the basic tags we generate but are more advanced in terms of their structural complexity and tailored for risk assessment in financial industry. We provide anti-fraud risk features to customers through APIs that automate querying processes, enabling customers to incorporate these risk features into their own risk modeling.

We develop the risk features based on anonymous device-level mobile behavioral data. We only exchange such risk features with our customers' backend systems based on their queries, and we do not have access to credit applicants' identification information which is in our customers' sole control. We utilize our proprietary algorithms to help customers determine the broader creditworthiness of a borrower. Our algorithms can translate complex data and intelligently combine different types of data organized by advanced tags into explainable patterns of behavior that are relevant to the borrower's financial status and creditworthiness. We believe these selected risk features we offer, such as those relating to payment behaviors and usage of consumer finance mobile apps, are most relevant to credit assessments.

For customers who subscribe to our customizable package, we work closely with them to jointly develop credit assessment models, tailor-made risk features as well as internal risk management policies.

*Blacklist.* We maintain a blacklist that includes primarily potential defaults or frauds predicted based on our data analytics capabilities. We create an initial blacklist that contains default and delinquency history based on publicly available data and data provided by third parties. We then utilize our AI and data analytics capabilities to study this data, identify the behavioral features and patterns that may lead to future default or fraud, apply the identified features and patterns to our own data sets, predict potential default or fraud based on the features and patterns and include the results in our blacklist.

*Location verification.* Our customers utilize information voluntarily submitted by credit applicants to them and verify it against the device-level location-based data that we have access to, in order to assess the potential fraud risk associated with the credit applicants.

We provide our financial risk management solutions using a query-based model and charge our customers based on the volume of queries we process and the number of features they utilize. We also provide a yearly subscription package that sets an upper limit on the number of queries we process during the subscription period.

*Case study.* Shanghai Pudong Development Bank Credit Card Center, or SPDB, was established in January 2004 and is one of the earliest credit card centers with licensed credit card services. SPDB implements stringent compliance standards regarding financial risk controls. Besides utilizing credit data provided by government agencies, SPDB has been broadening its data sources and looking for data solution providers who not only

implement high compliance standards but also can provide customizable data solutions with complementary datasets. We are one of the very few data solution providers that meet SPDB's stringent standards. We co-developed anti-fraud risk features with SPDB and have provided location verification services that significantly improved SPDB's own risk modeling results and the efficiency of its online credit application approval process while saving risk control costs.

### ***Location-based Intelligence (iZone)***

Our location-based intelligence solutions track foot traffic, providing insights through real-time simulations that are generated based on carefully gauged sample data, helping our customers make smarter and more impactful operational decisions. To provide location-based intelligence solutions, we first build "geofences," virtual perimeters established around a real-world targeted location, such as car dealerships, shopping malls, tourism sites and neighborhoods. After the geofences are established, we process and analyze the location-based data within the "geofences" in an aggregated and anonymized fashion in order to quantify the impact of specific business decisions by tracking changes in foot traffic. Our target customers for location-based intelligence solutions include retailers and those from other traditional brick-and-mortar industries, such as auto dealerships, real estate developers and shopping malls. We intend to further broaden the customer base of our location-based intelligence solutions and expand into other industry verticals.

We offer three main categories of location-based intelligence solutions based on the different goals our customers wish to achieve:

- *Customer insights:* We utilize various data analytics and statistical tools to dissect and analyze a customer's user base, facilitating informed decision making and strategic planning. By tracking and analyzing foot traffic and sample subsets of foot traffic data within the "geofences," we generate simulated models and present these statistical results in easy-to-use and intuitive formats, such as in the form of customized interactive dashboards that visualize visitor volume and call customers' attention to emerging and existing trends in their visitors' behaviors. We charge monthly fees for subscription-based customer insights solutions and a single fee for each customer insights report delivered to the customers.
- *Customer acquisition and re-targeting:* Based on the location-based intelligence and other insights we have derived from our datasets, we provide targeted user acquisition and existing user re-engagement plans through our targeted marketing platform. We charge a performance-based fee for our customer acquisition and re-targeting solutions based on a CPC or CPA pricing model.
- *Operation optimization:* We help our customers optimize their business operations. For example, we provide site selection support and make recommendations to our retailer clients. We charge service fees on a project-by-project basis for our operation optimization solutions.

*Case study.* Beijing Electric Vehicle Company, or BJEV, a subsidiary of the Fortune 500 company BAIC Group, is a leading new energy car manufacturer operating in the pure electric passenger vehicles market in China. In April 2017, BJEV engaged our iZone solution team to conduct real-time analysis of visitor traffic in its exhibition area at the 17th Shanghai International Automobile Industry Exhibition. Our iZone system generated various real-time data that showed the length and frequency of visits to each exhibition area, as well as the behavioral preferences of about 30,000 visitors in total, which allowed BJEV to understand the exhibition visitor traffic in a real time fashion, and provided assistance in guiding visitors. After the car exhibition, we generated comprehensive analytical reports, which provided BJEV with insights into the efficiency of their outdoor advertising during the exhibit period and in-depth analysis of visitor traffic and on-site visitors' behavior, such as their online and offline behavioral characteristics and where those visitors came from. In particular, our reports included in-store behavioral analysis of visitors who visited car dealerships or 4S stores after the car exhibition. With the help of our analysis, for example, BJEV was able to learn the approximate percentage of the exhibition visitors subsequently visiting their 4S stores. Our collaboration with BJEV exemplifies how our iZone data solutions can provide solid and concrete data support for our customers' future sales and marketing activities.

## **Technology Infrastructure**

We have built a robust technology infrastructure to support the usage of our developer services and delivery of data solutions throughout China on a real-time basis. We have strategically selected our data center locations in China. In total, we run over 4,600 servers in 9 data centers located in 4 cities in China, including Guangzhou, Beijing, Wuxi and Xiamen, to ensure broad network coverage and minimize disruptions in our services. We also utilize cloud servers provided by industry leading third-party cloud service providers.

For our core data centers in Beijing, Guangzhou and Wuxi, we employ advanced active-active data center architecture that allows multiple data centers to service the same application at any given time, maximizing continuous availability of our servers and minimizing instability caused by single point failure. Specifically, our active-active data center architecture effectively addresses problems that are commonly encountered when communications are transmitted cross-regionally and across different telecom providers in China.

Our technology infrastructure delivers the stability needed to support our high messaging and data volume, the high speed required for real-time apps, the scalability to support increased volumes over time and the flexibility to allow for new product development and the integration of multiple developer services into a single app. Leveraging our extensive and carefully designed technology infrastructure, we are able to provide app developers and data solution customers with more cost-effective solutions with great stability, immense speed and high reliability.

## **Research and Development**

We invest substantial resources in research and development to improve our technology, develop new solutions that are complementary to existing ones and find ways to better support app developers and our data solutions customers. We believe our ability to develop innovative solutions and enhance our existing service offerings is the key to maintaining our leadership. We incurred RMB33.7 million and RMB71.7 million (US\$11.4 million) of research and development expenses in 2016 and 2017, respectively, and RMB13.6 million and RMB24.4 million (US\$3.9 million) of research and development expenses in the three months ended March 31, 2017 and 2018, respectively.

Our research and development teams are primarily organized into three groups. A team of software engineers and technology infrastructure architects work closely together to develop and upgrade new and existing developer services. We have a dedicated team of data scientists who focus on data modeling using machine learning technology and maintain and upgrade our data processing platform. We also have another team of product developers who identify the potential market demand and lead the development of new data solutions and enhancement of existing solutions. Most of our research and development personnel are based in Shenzhen, and we also maintain a research and development center in Beijing.

## **Our Customers**

We have a broad and diverse customer base, which has expanded rapidly since our inception. In 2016, 2017 and the three months ended March 31, 2018, we had 1,168, 2,263 and 1,348 customers who purchased our developer services or data solutions within the periods, respectively. We define customers in a given period as those that purchase at least one of our paid-for developer services or data solutions during the same period. No single customer represented more than 10% of our total revenues in the years ended December 31, 2016 and 2017 and the three months ended March 31, 2018.

*Customers of developer services.* While we adopt a freemium model for most of our developer services, we charge a fee for JSMS based on the number of messages delivered, and we also charge a subscription fee for the VIP premium package of certain developer services such as JPush and JMessage and a project-based fee for private cloud-based services provided upon the request of customers. Our paying customers for developer services increased from 743 in 2016 to 1,118 in 2017, and from 635 in the three months ended March 31, 2017 to 894 in the three months ended March 31, 2018.

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*Customers of data solutions.* We have paying customers for each line of data solutions we provide. The number of our customers for data solutions increased from 425 in 2016 to 1,145 in 2017, and from 345 in the three months ended March 31, 2017 to 454 in the three months ended March 31, 2018. The following describes our customer base for each of our core data solutions:

- *Targeted marketing.* Our targeted marketing customers include companies across multiple industries, including financial institutions, media and entertainment app publishers, online game companies and e-commerce platforms, such as Baidu, Haier Consumer Finance, NetEase, Tencent and Wanda Consumer Finance.
- *Market intelligence.* Our customers for our market intelligence solutions primarily consist of investment funds and corporations that have specific needs to capture real-time market intelligence, such as DiDi Chuxing, ofo and Primavera Capital.
- *Financial risk management.* Our customers for financial risk management solutions are mainly financial institutions including banks and insurance companies and financial technology companies, such as Home Credit and SPDB.
- *Location-based intelligence (“iZone”).* Our customers for our location-based intelligence solutions primarily include retailers such as automobile dealers and those from other traditional brick-and-mortar industries ranging from real estate developers to shopping malls. Our customers include BJEV, Carrefour, Volvo and Yum China.

## **Sales and Marketing**

### **Sales**

We sell our solutions through our experienced direct sales force. Our sales force is first organized by product line, with each team responsible for one line of our developer services or data solution offerings, and then further organized into multiple regional teams covering different regions across China.

We incentivize our sales teams by setting specific key performance goals for each team responsible for the corresponding line of developer services or data solutions and by adopting a commission-based reward mechanism linked to the sales personnel’s performance. We design the mechanism to encourage and incentivize our sales teams to sell not only newly developed service or solution offerings but also the existing developer services and data solutions.

Our sales teams focus on expanding our customer base and increasing the spending by existing customers, seeking to capture follow-on and cross-selling opportunities to drive purchases and subscriptions of additional functionalities and solutions. Due to the comprehensiveness and inter-connectedness of our data solutions, we can offer one-stop solutions to our customers across their full customer lifecycle management and cross-sell other suitable and newly developed solutions to our customers. For example, we provide targeted marketing solutions to financial institutions clients to help them acquire new users, provide push notification services for continued user engagement and offer our financial risk management solutions to assist them with assessing the creditworthiness of borrowers. We are also able to use our own data solutions for more precise targeted marketing on our own behalf.

We also operate a proprietary customer management system comprising a number of functions, including customer management, contract management and processing and keeping records of financial related matters. Our sales teams uses our customer management system to manage our customers, contracts and orders. This integrated system enhances our ability to manage our customers and allows us to react to customer needs in a fast and efficient way. We believe that our customer management system has been a key factor in enabling us to manage the rapid growth of our business to date and provides us with scalability going forward.

### **Service Support**

At the stage of initial engagement with a customer, we have our research and development personnel that is responsible for developing and enhancing the relevant developer services or data solutions provide technical and customer support to the customer, and our sales personnel serves as the contact point for the customer and facilitates communication between the customer and support personnel.

The vast majority of our developers use automated self-service tools that are available on our website for support features. We share a wide variety of information directly with developers on our website, *Jiguang.cn*, including detailed service information, downloadable SDKs and APIs, and post technical support threads on Jiguang developer community sites. Our developer services team is available for online and email support. We also provide tailored one-on-one customer support to a portion of developers who pay for our developer services.

We also have dedicated account managers to ensure customer satisfaction by gathering ongoing feedback and seek to expand their usage of our solutions once they reach a certain spending level with us. We also encourage them to use our customer portal to facilitate self-service after sales, except for customers who purchase customized solutions such as targeted marketing. Customers can log into their web-based user portals to track the status of usage and renew their subscriptions with a few clicks.

### **Marketing**

We have a marketing team responsible for increasing the awareness of our brand, promoting our new and existing solutions, maintaining our relationship with business partners and managing public relations. We deploy comprehensive strategies for our marketing efforts, including:

- *Collaboration with media partners.* We have established collaboration selectively with traditional and online media partners. In 2017, our data analysis was quoted in approximately 13,300 articles. We also issued 43 data reports and 45 market intelligence reports.
- *Offline events.* We host and participate in various events, such as industry conferences and developer and industry salons, to develop and maintain relationships with industry participants and app developers.
- *Online channels.* We also utilize online channels to deepen the interaction with developers, engage developers in our online communities and create more traffic for our follow-up marketing attempts.
- *Online customer acquisition.* We conduct online targeted marketing for ourselves mainly in cooperation with our marketing partners. For example, we work with leading search engine companies to enable our potential customers to locate us more easily by searching certain keywords.

### **Intellectual Property**

We seek to protect our technology, including our proprietary technology infrastructure and core software system, through a combination of patent, copyright, trademark and trade secret laws, as well as license agreements and other contractual protections. In addition, we enter into confidentiality and non-disclosure agreements with our employees and business partners. The agreements we enter into with our employees also provide that all software, inventions, developments, works of authorship and trade secrets created by them during the course of their employment are our property.

Our intellectual property rights are critical to our business. As of March 31, 2018, we have 34 patent applications pending in China and own 24 computer software copyrights in China, relating to various aspects of our developer services and data solutions. In addition, we have filed 2 trademark applications and maintained 7 trademark registrations in China. We have also registered 11 domain names, including *jiguang.cn*, among others.

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We intend to protect our technology and proprietary rights vigorously. We have employed internal policies, confidentiality agreements, encryptions and data security measures to protect our proprietary rights. However, there can be no assurance that our efforts will be successful. Even if our efforts are successful, we may incur significant costs in defending our rights. From time to time, third parties may initiate litigation against us alleging infringement of their proprietary rights or declaring their non-infringement of our intellectual property rights. See “Risk Factors—Risks Related to Our Business and Industry—We may not be able to prevent unauthorized use of our intellectual property, which could harm our business and competitive position” and “Risk Factors—Risks Related to Our Business and Industry—We may be subject to intellectual property infringement claims or other allegations, which could result in our payment of substantial damages, penalties and fines, removal of data or technology from our system.”

### **Competition**

We believe that we are positioned favorably against our competitors. See “—Our Strengths.” However, the markets for developer services and data solutions are rapidly evolving. Our competitors may compete with us in a variety of ways, including by launching competing products, expanding their product offerings or functionalities, conducting brand promotions and other marketing activities and making acquisitions. In addition, many of our competitors are large, incumbent companies who are better capitalized than we are.

We face competition in all lines of business. Our developer services face competition from other major mobile app developer services providers in China. For our targeted marketing solutions, we may face competition from major internet companies, such as Tencent, Baidu and Alibaba, in the future as we further grow, although we currently collaborate with them to source ad inventory from them. We also face competition from traditional media for advertising spending. We also directly compete with market intelligence service providers with respect to our market intelligence solutions and financial risk management service providers with respect to our financial risk management solutions.

As we introduce new developer services and data solutions, as our existing solutions continue to evolve or as other companies introduce new products and services, we may become subject to additional competition. See “Risk Factors—Risks Related to Our Business and Industry—We may not be able to compete successfully with our current or future competitors.”

### **Employees**

We had a total of 296 and 518 employees as of December 31, 2016 and 2017, respectively. The following table gives a breakdown of our employees as of December 31, 2017, by function:

<b>Function</b>	<b>Number</b>
Research and Development	245
Sales and Marketing	215
General and Administrative	58
Total	518

As of December 31, 2017, we had 398 employees based in our headquarters in Shenzhen and a total of 120 employees in Beijing, Shanghai, Guangzhou, Chengdu and Hong Kong.

Our employees, who are energetic and aged below 30 on average, drive the rapid growth of our business. We devote management and organizational focus and resources to ensure that our culture and brand remain highly attractive to potential and existing employees. We have established comprehensive training programs that cover topics such as our corporate culture, employee rights and responsibilities, team-building, professional behavior and job performance.

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Under PRC regulations, we are required to participate in and make contributions to housing funds and various employee social security plans that are organized by applicable local municipal and provincial governments, including pension, medical, work-related injury and unemployment benefit plans. See “Risk Factors—Risks Related to Our Business and Industry—Failure to make adequate contributions to various employee benefit plans as required by PRC regulations may subject us to penalties.” Bonuses are generally discretionary and based in part on employee performance and in part on the overall performance of our business. We have granted, and plan to continue to grant, share-based incentive awards to our employees in the future to incentivize their contributions to our growth and development.

We enter into standard labor contracts with our employees. We also enter into standard confidentiality agreements with our senior managements that contain non-compete restrictions.

We believe that we maintain a good working relationship with our employees, and we have not experienced any major labor disputes.

### **Properties and Facilities**

Our headquarters is located in Shenzhen, China where we lease and occupy our office space with an aggregate floor area of approximately 7,680 square meters. A substantial majority of our employees are based at our headquarters in Shenzhen. We also lease and occupy office buildings in Beijing, Shanghai, Guangzhou and Chengdu with an aggregate floor area of approximately 613, 505, 168 and 44 square meters, respectively. These leases vary in duration from one to five years.

Our servers are hosted in different cities of China, including Guangzhou, Beijing, Wuxi and Xiamen. These data centers are owned and maintained by third-party data center operators. We believe that our existing facilities are sufficient for our current needs, and we will obtain additional facilities, principally through leasing, to accommodate our future expansion plans as needed.

### **Insurance**

We do not maintain insurance policies covering damages to our network infrastructures or information technology systems. We also do not maintain business interruption insurance or general third-party liability insurance, nor do we maintain product liability insurance or key-man insurance. See “Risk Factors—Risks Related to Our Business and Industry—We have limited business insurance coverage.”

### **Legal Proceedings**

We are currently not a party to any material legal or administrative proceedings. We may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management’s time and attention.

## REGULATIONS

As the mobile internet industry, app developer services market and the application of big data technology in China are still evolving, new laws and regulations may be adopted from time to time to require new licenses and permits in addition to those we currently have. There are substantial uncertainties on the interpretation and implementation of any current and future PRC laws and regulations, including those applicable to our industries. See “Risk Factors—Risks Related to Doing Business in China—Uncertainties with respect to the PRC legal system and changes in laws and regulations in China could adversely affect us.” And this section sets forth the most important laws and regulations that govern our current business activities in China and that affect the dividends payment to our shareholders.

### **Regulations on Telecommunications Services and Foreign Ownership Restrictions**

The PRC Telecommunications Regulations, which became effective on September 25, 2000 and was latest amended on February 6, 2016, are the core regulations on telecommunications services in China. The PRC Telecommunications Regulations set out basic guidelines on different types of telecommunications business activities, including the distinction between “basic telecommunications services” and “value-added telecommunications services.” According to the latest revised Catalog of Classification of Telecommunication Business, which took effect on March 1, 2016, information services, whether provided via internet networks or public communication networks, are classified as B2 type of value-added telecommunications services. The PRC Telecommunications Regulations require the operators of value-added telecommunications services to obtain value-added telecommunications business operation licenses from MIIT or its provincial delegates prior to the commencement of such services.

The Regulations on the Administration of Foreign-Invested Telecommunications Enterprises, or the FITE Regulations, which took effect on January 1, 2002 and were amended on September 10, 2008, and February 6, 2016, respectively, are the major rules on foreign investment in telecommunications companies in China. The FITE Regulations stipulate that except as otherwise provided by the MIIT, a foreign investor is prohibited from holding more than 50% of the equity interest in a foreign-invested enterprise that provides value-added telecommunications services, including internet information services. Moreover, such foreign investor shall demonstrate a good track record and experience in operating value-added telecommunications services when a company invested by such foreign investor applies for the value-added telecommunications business operation license from the MIIT.

On July 13, 2006, the MIIT issued the Circular on Strengthening the Administration of Foreign Investment in Value-added Telecommunications Services, or the MIIT Circular 2006, which stipulates that (a) foreign investors may only operate a telecommunications business in China through establishing a telecommunications enterprise with a valid telecommunications business operation license; (b) domestic license holders are prohibited from leasing, transferring or selling telecommunications business operation licenses to foreign investors in any form, or providing any resources, sites or facilities to foreign investors to facilitate the unlicensed operation of telecommunications business in China; (c) value-added telecommunications service providers or their shareholders must directly own the domain names and registered trademarks used by such service provider in their daily operations; (d) each value-added telecommunications service provider must have the necessary facilities for its approved business operations and maintain such facilities in the geographic regions covered by its license; and (e) all value-added telecommunications service providers should improve network and information security, enact relevant information safety administration regulations and set up emergency plans to ensure network and information safety. The provincial communications administration bureaus, as local authorities in charge of regulating telecommunications services, may revoke the value-added telecommunications business operation licenses of those that fail to comply with the above requirements and fail to rectify such non-compliance within specified time limits. Due to the lack of any additional interpretation from the regulatory authorities, it remains unclear what impact MIIT Circular 2006 will have on us or the other PRC internet companies with similar corporate and contractual structures.

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To comply with such foreign ownership restrictions, we operate our businesses in China through Hexun Huagu which is owned by PRC citizens. Hexun Huagu is controlled by WFOE, our wholly-owned subsidiary, through a series of contractual arrangements. See “Corporate History and Structure.” Based on our PRC legal counsel, Han Kun Law Offices’ understanding of the current PRC laws and regulations, our corporate structure complies with all applicable PRC laws and regulations in all material respects, and subject to the disclosure and risks disclosed under “Risk Factors—Risks Related to Our Corporate Structure”, our contractual arrangements are valid and binding on all parties to these arrangements and do not violate current PRC laws or regulations. However, we were further advised by our PRC legal counsel that there are substantial uncertainties with respect to the interpretation and application of existing or future PRC laws and regulations and thus there is no assurance that Chinese governmental authorities would take a view consistent with the opinions of our PRC legal counsel.

### *Internet Information Services*

The Administrative Measures on Internet Information Services, or the ICP Measures, issued by the State Council on September 25, 2000 and amended on January 8, 2011, regulate the provision of internet information services. According to the ICP Measures, “internet information services” refer to services that provide internet information to online users, and are categorized as either commercial services or non-commercial services. Pursuant to the ICP Measures, internet information commercial service providers shall obtain a value-added telecommunications business operation license concerning internet information services, or the ICP License, from the relevant local authorities before engaging in the provision of any commercial internet information services in China. In addition, if the internet information services involve provision of news, publication, education, medicine, health, pharmaceuticals, medical equipment and other services that statutorily require approvals from other additional governmental authorities, such approvals must be obtained before applying for the ICP License.

We currently hold a valid ICP License through our VIE Hexun Huagu, covering the provision of internet information services, issued by Guangdong Communications Administration Bureau. Besides, the ICP Measures and other relevant measures also ban the internet activities that constitute publication of any content that propagates obscenity, pornography, gambling and violence, incite the commission of crimes or infringe upon the lawful rights and interests of third parties, among others. If an internet information service provider detects information transmitted on their system that falls within the specifically prohibited scope, such provider must terminate such transmission, delete such information immediately, keep records and report to the governmental authorities in charge. Any provider’s violation of these prescriptions will lead to the revocation of its ICP License and, in serious cases, the shutting down of its internet systems.

### *Short Message Services*

The Administrative Provisions on Short Message Services issued by MIIT on May 19, 2015, regulate the provisions of short message services. According to the Administrative Provisions on Short Message Services, in case of operation of short message services, a telecommunications business operating license shall be obtained in accordance with the law. The Administrative Provisions on Short Message Services further regulate that (a) short message services refer to the telecommunications services of providing the limited-length information including characters, data, voices and images for the users of such communications terminals as mobile phone and fixed-line telephone via the telecommunications network; (b) short message services providers refer to the telecommunications business operators that render the basic network services relating to sending, storage, forwarding and receipt of short messages and take advantage of basic network facilities and services to offer a platform for sending short messages for other organizations and individuals (including but not limited to the operators of the basic telecommunications business and the information service business and mobile communications resale business among the value-added telecommunications business).

We currently hold a valid value-added telecommunications business operation license through our VIE Hexun Huagu covering information services of the B2 type of value-added telecommunication business (excluding Internet information services) issued by the MIIT.

### **Regulations on Mobile Internet Applications**

In June 2016, the SIIO promulgated the Administrative Provisions on Mobile Internet Application Information Services, or the Mobile Application Administrative Provisions. Pursuant to the Mobile Application Administrative Provisions, a mobile internet app refers to an app software that runs on mobile smart devices providing information services after being pre-installed, downloaded or embedded through other means. Mobile internet app providers refer to the owners or operators of mobile internet apps.

Pursuant to the Mobile Application Administrative Provisions, a mobile internet app provider must not enable functions that can collect a user's geographical location information, access user's contact list, activate the camera or recorder of the user's mobile smart device or other functions irrelevant to its services, nor is it allowed to conduct bundle installations of irrelevant app programs, unless it has clearly indicated to the user and obtained the user's consent on such functions and app programs. If an app provider violates the regulations, the internet app store service provider must take measures to stop the violations, including giving a warning, suspension of release, withdrawal of the app from the platform, keeping a record of the incident and reporting the incident to the relevant governmental authorities.

### **Regulations on Advertising Business**

The PRC government regulates advertising, including online advertising, principally through SAIC. The PRC Advertising Law, as recently amended in April 2015, outlines the regulatory framework for the advertising industry, and allows foreign investors to own up to all equity interests in PRC advertising companies.

We conduct advertising business through our VIE in China and holds a business license that covers advertising in its business scope. Our targeted marketing business may be subject to the PRC Advertising Law and related regulations.

Advertisers, advertising operators and advertising distributors are required by the PRC Advertising Law to ensure that the contents of the advertisements they prepare or distribute are true and in full compliance with applicable laws and regulations. For example, pursuant to the PRC Advertising Law, advertisements must not contain, among other prohibited contents, terms such as "the state-level," "the highest grade," "the best" or other similar words. In addition, where a special government review is required for certain categories of advertisements before publishing, the advertisers, advertising operators and advertising distributors are obligated to confirm that such review has been performed and the relevant approval has been obtained. Pursuant to the PRC Advertising Law, the use of the internet to distribute advertisements shall not affect the normal use of the internet by users. Particularly, advertisements distributed on internet pages such as pop-up advertisements shall be indicated with a conspicuous mark for "close" to ensure the close of such advertisements by one click. Where internet information service providers know or should know that illegal advertisements are being distributed using their services, they shall prevent such advertisements from being distributed.

In addition to the above regulations, the Interim Measures for the Administration of Internet Advertising, effective on September 1, 2016, or the Internet Advertising Measures, also set forth certain compliance requirements for online advertising businesses. For example, advertising operators and distributors of internet advertisements must examine, verify and record identity information, such as name, address and contact information, of advertisers, and maintain an updated verification record on a regular basis. Moreover, advertising operators and advertising distributors must examine supporting documentation provided by advertisers and verify the contents of the advertisements against supporting documents before publishing. If the contents of advertisements are inconsistent with the supporting documentation, or the supporting documentation is incomplete, advertising operators and distributors must refrain from providing design, production, agency or publishing services. The Internet Advertising Measures also prohibit the following activities: (i) providing or using apps and hardware to block, filter, skip over, tamper with, or cover up lawful advertisements; (ii) using network access, network equipment and apps to disrupt the normal transmission of lawful advertisements or adding or uploading advertisements without authorization; and (iii) harming the interests of a third party by using fake statistics or traffic data.

Violation of these regulations may result in penalties, including fines, confiscation of advertising income, orders to cease dissemination of the advertisements and orders to publish an advertisement correcting the misleading information. In the case of serious violations, the SAIC or its local branches may force the violator to terminate its advertising operation or even revoke its business license. Furthermore, advertisers, advertising operators or advertising distributors may be subject to civil liability if they infringe on the legal rights and interests of third parties.

### **Regulations on Information Security**

The PRC government has enacted laws and regulations with respect to internet information security. Internet information in China is regulated and restricted from a national security standpoint. PRC laws impose criminal penalties for any effort to: (i) gain improper entry into a computer or system of strategic importance; (ii) disseminate politically disruptive information; (iii) leak state secrets; (iv) spread false commercial information; or (v) infringe intellectual property rights. In addition, the Ministry of Public Security has promulgated measures prohibiting use of the internet in ways which result in a leak of state secrets or a spread of socially destabilizing content, among other things. If an internet information service provider violates any of these measures, competent authorities may revoke its operating license and shut down its websites.

The PRC Cyber Security Law, which was promulgated on November 7, 2016 and took effect on June 1, 2017, requires a network operator, including internet information services providers among others, to adopt technical measures and other necessary measures in accordance with applicable laws and regulations as well as compulsory national and industrial standards to safeguard the safety and stability of network operations, effectively respond to network security incidents, prevent illegal and criminal activities, and maintain the integrity, confidentiality and availability of network data. The PRC Cyber Security Law emphasizes that any individuals and organizations that use networks must not endanger network security or use networks to engage in unlawful activities such as those endangering national security, economic order and the social order or infringing the reputation, privacy, intellectual property rights and other lawful rights and interests of others. Any violation of the provisions and requirements under the PRC Cyber Security Law may subject an internet service provider to warnings, fines, confiscation of illegal gains, revocation of licenses, cancellation of filings, closedown of websites or even criminal liabilities.

Our VIE Hexun Huagu, as an internet information services provider, is therefore subject to the regulations relating to information security. Hexun Huagu has adopted data security, data recovery and backup measures to comply with these regulations and holds valid information security management system certificate of conformity issued by Beijing Zhong-An-Zhi-Huan Certification Center. See “Risk Factors—Risks Related to Our Business and Industry—Actual or alleged failure to comply with data privacy and protection laws and regulations could damage our reputation, and discourage current and potential app developers and customers from doing business with us” and “Risk Factors—Risks Related to Our Business and Industry—Security and privacy breaches may hurt our business.”

### **Regulations on Privacy Protection**

The PRC Constitution states that PRC law protects the freedom and privacy of communications of citizens and prohibits infringement of these rights. In recent years, PRC government authorities have enacted laws and regulations on internet use to protect personal information from any unauthorized disclosure and use.

Pursuant to the Several Provisions on Regulating the Market Order of Internet Information Service issued by the MIIT in December 2011, an internet information service operator can not collect any user personal information or provide any such information to third parties without the consent of such user. An internet information service operator must expressly inform each user of the method, content and purpose of the collection and processing of such user’s personal information and may only collect such information necessary for the provision of its services. An internet information service operator is also required to properly maintain the user personal information, and in case of any leak or potential leak of the user personal information, the internet

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information service operator must take immediate remedial measures and, in severe circumstances, make an immediate report to the telecommunications regulatory authority.

Pursuant to the Decision on Strengthening the Protection of Online Information issued by the Standing Committee of the PRC National People's Congress on December 28, 2012 and the Order for the Protection of Telecommunication and Internet User Personal Information issued by the MIIT on July 16, 2013, any collection and use of user personal information must be subject to the consent of the user, abide by the principles of legality, rationality and necessity and be within the specified purposes, methods and scopes. "Personal information" is defined in these regulations as information that identifies a citizen, the time or location for his use of telecommunication and internet services, or involves privacy of any citizen such as his name, birth date, ID card number, address, telephone number, accounts and passwords. An internet services provider must also keep information collected strictly confidential, and is further prohibited from divulging, tampering or destroying of any such information, or selling or providing such information to other parties. Any violation of the above decision or order may subject the internet service provider to warnings, fines, confiscation of illegal gains, revocation of licenses, cancellation of filings, closedown of websites or even criminal liabilities.

Pursuant to the Ninth Amendment to the PRC Criminal Law issued by the Standing Committee of the PRC National People's Congress in August 2015, which became effective in November 2015, any internet service provider that fails to fulfill the obligations related to internet information security administration as required by applicable laws and refuses to rectify upon orders, shall be subject to criminal penalty for the result of (i) any dissemination of illegal information in large scale; (ii) any severe effect due to the leakage of the client's information; (iii) any serious loss of criminal evidence; or (iv) other severe situation, and any individual or entity that (i) sells or provides personal information to others in a way violating the applicable law, or (ii) steals or illegally obtains any personal information, shall be subject to criminal penalty in severe situation.

The General Rules of the Civil Law of the PRC adopted by the PRC National People's Congress on March 15, 2017, effective as of October 1, 2017, also stipulate that: (i) natural persons' personal information shall be protected by law; (ii) any organizations and individuals who need to obtain personal information of others shall obtain the information according to law and shall ensure the information safety; and (iii) it is not allowed to illegally collect, use, process or transfer the personal information of others. It is illegal to buy and sell, supply or publish the personal information of others.

To further regulate cyber security and privacy protection, the PRC Cyber Security Law provides that: (i) to collect and use personal information, network operators shall follow the principles of legitimacy, rightfulness and necessity, disclose their rules of data collection and use, clearly express the purposes, means and scope of collecting and using the information, and obtain the consent of the persons whose data is gathered; (ii) network operators shall neither gather personal information unrelated to the services they provide, nor gather or use personal information in violation of the provisions of laws and administrative regulations or the scopes of consent given by the persons whose data is gathered; and shall dispose of personal information they have saved in accordance with the provisions of laws and administrative regulations and agreements reached with users; (iii) network operators shall not divulge, tamper with or damage the personal information they have collected, and shall not provide the personal information to others without the consent of the persons whose data is collected. However, if the information has been processed and cannot be recovered and thus it is impossible to match such information with specific persons, such circumstance is an exception. According to the PRC Cyber Security Law, personal information refers to all kinds of information recorded by electronic or otherwise that can be used to independently identify or be combined with other information to identify natural persons' personal information including but not limited to: natural persons' names, dates of birth, ID numbers, biologically identified personal information, addresses and telephone numbers, etc. Any internet information services provider that violates these privacy protection requirements under the PRC Cyber Security Law and related laws and regulations may be ordered to turn in illegal gains generated from unlawful operations and pay a fine of no less than one but no more than ten times the illegal gains, and may be ordered to cease the relevant business operations where the circumstances are serious.

As an internet information services provider, our VIE Hexun Huagu is subject to these laws and regulations relating to protection of personal information. Although Hexun Huagu only gains access to anonymous device-

level mobile behavioral data that is necessary for, and relevant to, the services provided, and the data we obtain and use may include information that is deemed as “personal information” under the PRC Cyber Security Law and related data privacy and protection laws and regulations. Hexun Huagu has adopted a series of measures in order to comply with relevant laws and regulations relating to the protection of personal information. It enters into a service agreement with each app developer that uses our developer services in their mobile apps and displays privacy policies on its official website. The service agreement as well as the privacy policies require each app developer to obtain consent from the end users of its apps in connection with data collection and use pursuant to the PRC Cyber Security Law and related laws and regulations. We periodically check the app developers’ own agreements with their end users on a sampling basis, and we remind the app developers to rectify the situation where we find instances of non-compliance with the service agreements with Hexun Huagu. Moreover, once the original mobile behavioral data is collected through developer services, our data processing platform immediately stores, cleanses, structures and encrypts the data, and we then utilize AI and machine learning technologies to conduct modeling exercises and data mining and develop data solutions that offer industry-specific, actionable insights for customers, in aggregated and anonymized form. In addition, we have adopted rigorous data security measures to prevent our data from unauthorized access or use or being retrieved to establish any connection with the device owners’ identities. While we take all these measures to comply with all applicable data privacy and protection laws and regulations, we cannot guarantee the effectiveness of the measures undertaken by us, app developers and business partners. See “Risk Factors—Risks Related to Our Business and Industry—Actual or alleged failure to comply with data privacy and protection laws and regulations could damage our reputation, and discourage current and potential app developers and customers from doing business with us.”

### **Regulations on Foreign-related Investigation**

On October 13, 2004, the National Bureau of Statistics promulgated the Measures on the Administration of Foreign-related Investigations, to regulate and administrate the foreign-related investigations. According to the Measures on the Administration of Foreign-related Investigations, no individual and no organization without a foreign-related investigation license may conduct any foreign-related investigation in any form, and foreign-related investigations include: (i) market and social investigations conducted under the entrustment or financial aid of any foreign organization, individual or the agency in the PRC of any foreign organization; (ii) market and social investigations conducted in cooperation with any foreign organization, individual or the agency in the PRC of any foreign organization; (iii) market investigations lawfully conducted by the agency in the PRC of any foreign organization; and (iv) market and social investigations of which the materials and results are to be provided to any foreign organization, individual or the agency in the PRC of any foreign organization.

Our VIE Hexun Huagu provides mobile app data analysis product to both domestic and foreign financial industry clients. Except for the general descriptions of market and social investigation defined in the relevant PRC laws or regulations, there is no further clarification or specific guidance on the characteristics and scope of “foreign-related investigations.” Due to the lack of further interpretation of the relevant rules, it is uncertain whether Hexun Huagu is required to obtain a license for our business. Hexun Huagu does not hold a foreign-related investigation license. Lack of the license may restrain our ability to expand our business scope and may subject us to fines and other regulatory actions by relevant regulators if the provision of our data solutions to foreign financial industry clients is deemed as violating the applicable regulations. To be prudent, Hexun Huagu has started the application process for a foreign-related investigation license. We cannot assure you that we will be able to obtain the license.

### **Regulations on Credit Reporting**

In accordance with the Administrative Regulations on Credit Reporting Industry issued by the State Council on January 21, 2013, a credit reporting company that engages in individual credit reporting business shall obtain the individual credit reporting business license. Individual credit reporting business refers to activities in which credit information on individuals are collected, sorted, stored, processed and provided to users, and shall be supervised and regulated by the People’s Bank of China and its local resident offices. The Administrative

Regulations on Credit Reporting Industry does not contain any explanation to “personal credit information”, but the People’s Bank of China holds in the Provisional Rules on Management of the Individual Credit Information Database that “individual credit information” covers basic individual information, individual information on loans and transactions and any other information that may reflect the individual credit situation. “Basic individual information” refers to such information as the identity information of a natural person, career and habitation address. “Individual information on loans and transactions” refers to the transactional records as provided by commercial banks, which are formed in the credit activities of natural persons such as loans, credit cards, semi credit cards and guaranty. “Any other information that may reflect the individual credit standing” refers to the relevant information that reflects the individual credit information, apart from the information on loans and transactions.

Our VIE Hexun Huagu provides financial risk management solutions to its customers. Due to the lack of further interpretations of the current regulations governing personal credit reporting businesses, the exact definition and scope of “information related to credit standing” and “personal credit reporting business” under the current regulations are unclear, it is uncertain whether financial risk management solutions Hexun Huagu provides would be deemed to engage in personal credit reporting business. Hexun Huagu confirms that it has never provided credit information related to the mobile terminal user, such as credit transaction information, default frequency information, asset information, liability information, etc. to the customer, and as of the date of this prospectus, has not been subject to any fines or other penalties under any PRC laws or regulations related to personal credit reporting business. However, given the evolving regulatory environment of the personal credit reporting industry, we cannot assure you that Hexun Huagu will not be required in the future by the relevant governmental authorities to obtain approval or license for personal credit reporting business in order to continue offering its financial risk management solutions.

## **Regulations on Intellectual Property Rights**

### *Software Registration*

The State Council and National Copyright Administration, or the NCA, have promulgated various rules and regulations and rules relating to protection of software in China, including the Regulations on Protection of Computer Software promulgated by State Council on January 30, 2013 and effective since March 1, 2013, and the Measures for Registration of Copyright of Computer Software promulgated by NCA on February 20, 2002 and effective since the same date. According to these rules and regulations, software owners, licensees and transferees may register their rights in software with the NCA or its local branches and obtain software copyright registration certificates. Although such registration is not mandatory under PRC law, software owners, licensees and transferees are encouraged to go through the registration process and registered software rights may be entitled to better protections. As of March 31, 2018, we had registered copyrights to 24 software programs in China.

### *Domain Name*

In September 2002, China Internet Network Information Center, or the CNNIC issued the Implementing Rules for Domain Name Registration setting forth detailed rules for registration of domain names, which were amended on May 29, 2012. On November 5, 2004, the MIIT promulgated the Measures for Administration of Domain Names for the Chinese Internet, or the Domain Name Measures. The Domain Name Measures regulate the registration of domain names, such as the top level domain name “.cn.” On August 24, 2017, MIIT promulgated Administrative Measures for Internet Domain Names, repealing the Domain Name Measures since November 1, 2017. The efforts to undertake internet domain name services as well as the operation, maintenance, supervision and administration thereof and other relevant activities within the territory of the PRC shall thereafter be made in compliance with Administrative Measures for Internet Domain Names. In accordance with the Measures on the Regulation of Domain Name Disputes promulgated by the CNNIC, which became effective on September 1, 2014, domain name dispute can be resolved by a domain name dispute resolution institution recognized by the CNNIC. As of March 31, 2018, we had registered 11 domain names, 6 of which are Chinese top level domain names.

### *Trademark*

The PRC Trademark Law, adopted in 1982 and amended in 1993, 2001 and 2013, with its implementation rules adopted in 2002 and amended in 2014, protects registered trademarks. The Trademark Office of the SAIC handles trademark registrations and grants a protection term of ten years to registered trademarks. Trademark license agreements must be filed with the Trademark Office for record. As of March 31, 2018, we had registered 7 trademarks and had filed 2 trademark applications in China.

### *Patent*

The Standing Committee of the National People's Congress adopted the PRC Patent Law in 1984 and amended it in 1992, 2000 and 2008, respectively. A patentable invention, utility model or design must meet three conditions: novelty, inventiveness and practical applicability. Patents cannot be granted for scientific discoveries, rules and methods for intellectual activities, methods used to diagnose or treat diseases, animal and plant breeds or substances obtained by means of nuclear transformation. The Patent Office under the State Intellectual Property Office is responsible for receiving, examining and approving patent applications. A patent is valid for a twenty-year term for an invention and a ten-year term for a utility model or design, starting from the application date. Except under certain specific circumstances provided by law, any third party user must obtain consent or a proper license from the patent owner to use the patent, or else the use will constitute an infringement of the rights of the patent holder. We are in the process of applying for 34 patents.

### **Regulations on Internet Infringement**

On December 26, 2009, the Standing Committee of National People's Congress promulgated the PRC Tort Law, which became effective on July 1, 2010. Under the PRC Tort Law, an internet user or an internet service provider that infringes upon the civil rights or interests of others through using the internet assumes tort liability. If an internet user infringes upon the civil rights or interests of another through using the internet, the person being infringed upon has the right to notify and request the internet service provider whose internet services are facilitating the infringement to take necessary measures including the deletion, blocking or disconnection of an internet link. If, after being notified, the internet service provider fails to take necessary measures in a timely manner to end the infringement, it will be jointly and severally liable for any additional harm caused by its failure to act. According to the PRC Tort Law, civil rights and interests include the personal rights and rights of property, such as the right to life, right to health, right to name, right to reputation, right to honor, right of portraiture, right of privacy, right of marital autonomy, right of guardianship, right to ownership, right to usufruct, right to security interests, copyright, patent right, exclusive right to use trademarks, right to discovery, right to equity interests and right of heritage, among others.

### **Regulations on Foreign Currency Exchange**

#### *Foreign Currency Exchange*

Pursuant to the Foreign Currency Administration Rules, as amended, and various regulations issued by SAFE and other relevant PRC government authorities, Renminbi is freely convertible to the extent of current account items, such as trade related receipts and payments, interest and dividends. Capital account items, such as direct equity investments, loans and repatriation of investment, unless expressly exempted by laws and regulations, still require prior approval from SAFE or its provincial branch for conversion of Renminbi into a foreign currency, such as U.S. dollars, and remittance of the foreign currency outside of the PRC. After a Notice on Further Simplifying and Improving Foreign Exchange Administration Policy on Direct Investment, or SAFE Notice 13, became effective on June 1, 2015, instead of applying for approvals regarding foreign exchange registrations of foreign direct investment and overseas direct investment from SAFE, entities and individuals will be required to apply for such foreign exchange registrations from qualified banks. The qualified banks, under the supervision of SAFE, directly examine the applications and conduct the registration.

Payments for transactions that take place within the PRC must be made in Renminbi. Foreign currency revenues received by PRC companies may be repatriated into China or retained outside of China in accordance with requirements and terms specified by SAFE.

*Foreign Exchange Registration of Offshore Investment by PRC Residents*

Pursuant to SAFE's Notice on Relevant Issues Concerning Foreign Exchange Administration for PRC Residents to Engage in Financing and Inbound Investment via Overseas Special Purpose Vehicles, or SAFE Circular 75, which became effective on November 1, 2005, PRC residents, including PRC resident natural persons or PRC companies, must register with local branches of SAFE in connection with their direct or indirect offshore investment in an overseas special purpose vehicle, or SPV, for the purposes of overseas equity financing activities, and to update such registration in the event of any significant changes with respect to that offshore company. SAFE promulgated the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Offshore Investment and Financing and Roundtrip Investment through Special Purpose Vehicles, or SAFE Circular 37, on July 4, 2014, which replaced SAFE Circular 75. SAFE Circular 37 requires PRC residents to register with local branches of SAFE in connection with their direct establishment or indirect control of an offshore entity, for the purpose of overseas investment and financing, with such PRC residents' legally owned assets or equity interests in domestic enterprises or offshore assets or interests, referred to in SAFE Circular 37 as a "special purpose vehicle." The term "control" under SAFE Circular 37 is broadly defined as the operation rights, beneficiary rights or decision-making rights acquired by the PRC residents in the offshore special purpose vehicles or PRC companies by such means as acquisition, trust, proxy, voting rights, repurchase, convertible bonds or other arrangements. SAFE Circular 37 further requires amendment to the registration in the event of any changes with respect to the basic information of the special purpose vehicle, such as changes in a PRC resident individual shareholder, name or operation period; or any significant changes with respect to the special purpose vehicle, such as an increase or decrease of capital contributed by PRC individuals, a share transfer or exchange, merger, division or other material event. If the shareholders of the offshore holding company who are PRC residents do not complete their registration with the local SAFE branches, the PRC subsidiaries may be prohibited from distributing their profits and proceeds from any reduction in capital, share transfer or liquidation to the offshore company, and the offshore company may be restricted in its ability to contribute additional capital to its PRC subsidiaries. Moreover, failure to comply with the SAFE registration and amendment requirements described above could result in liability under PRC law for evasion of applicable foreign exchange restrictions. We have notified holders of common shares of our company whom we know are PRC residents to register with the local SAFE branch and update their registrations as required under the SAFE regulations described above. After SAFE Notice 13 became effective on June 1, 2015, entities and individuals are required to apply for foreign exchange registration of foreign direct investment and overseas direct investment, including those required under SAFE Circular 37, with qualified banks, instead of SAFE. The qualified banks, under the supervision of SAFE, directly examine the applications and conduct the registration. We are aware that Mr. Weidong Luo, Mr. Xiaodao Wang and Mr. Jiawen Fang, our shareholders who are PRC residents, have registered with the relevant local SAFE branch. We, however, cannot provide any assurances that all of our shareholders who are PRC residents will file all applicable registrations or update previously filed registrations as required by these SAFE regulations. The failure or inability of our PRC resident shareholders to comply with the registration procedures may subject the PRC resident shareholders to fines and legal sanctions, restrict our cross-border investment activities, or limit our PRC subsidiaries' ability to distribute dividends to or obtain foreign exchange-dominated loans from our company.

*Stock Option Rules*

The Administration Measures on Individual Foreign Exchange Control were promulgated by the People's Bank of China on December 25, 2006, and their Implementation Rules, issued by the SAFE on January 5, 2007, became effective on February 1, 2007. Under these regulations, all foreign exchange matters involved in employee stock ownership plans and stock option plans participated in by onshore individuals, among others, require approval from the SAFE or its authorized branch. Furthermore, the Notices on Issues concerning the

Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plans of Overseas Publicly-Listed Companies, or the Stock Option Rules, were promulgated by SAFE on February 15, 2012, that replaced the Application Procedures of Foreign Exchange Administration for Domestic Individuals Participating in Employee Stock Ownership Plans or Stock Option Plans of Overseas Publicly-Listed Companies issued by SAFE on March 28, 2007. Pursuant to the Stock Option Rules, PRC residents who are granted shares or stock options by companies listed on overseas stock exchanges based on the stock incentive plans are required to register with SAFE or its local branches, and PRC residents participating in the stock incentive plans of overseas listed companies shall retain a qualified PRC agent, which could be a PRC subsidiary of such overseas publicly-listed company or another qualified institution selected by such PRC subsidiary, to conduct the SAFE registration and other procedures with respect to the stock incentive plans on behalf of these participants. Such participants must also retain an overseas entrusted institution to handle matters in connection with their exercise of stock options, purchase and sale of corresponding stocks or interests, and fund transfer. In addition, the PRC agents are required to amend the SAFE registration with respect to the stock incentive plan if there is any material change to the stock incentive plan, the PRC agents or the overseas entrusted institution or other material changes. The PRC agents shall, on behalf of the PRC residents who have the right to exercise the employee share options, apply to SAFE or its local branches for an annual quota for the payment of foreign currencies in connection with the PRC residents' exercise of the employee share options. The foreign exchange proceeds received by the PRC residents from the sale of shares under the stock incentive plans granted and dividends distributed by the overseas listed companies must be remitted into the bank accounts in the PRC opened by the PRC agents before distribution to such PRC residents. In addition, the PRC agents shall file each quarter the form for record-filing of information of the Domestic Individuals Participating in the Stock Incentive Plans of Overseas Listed Companies with SAFE or its local branches.

We and our PRC citizen employees who have been granted share options, or PRC optionees, will be subject to the Stock Option Rules when our company becomes an overseas listed company upon the completion of this offering. If we or our PRC optionees fail to comply with the Individual Foreign Exchange Rule and the Stock Option Rules, we and/or our PRC optionees may be subject to fines and other legal sanctions. See “Risk Factors—Risks Relating to Doing Business in China—Any failure to comply with PRC regulations regarding the registration requirements for employee stock incentive plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.”

In addition, the State Administration for Taxation has issued circulars concerning employee share options, under which our employees working in the PRC who exercise share options will be subject to PRC individual income tax. Our PRC subsidiary and VIE have obligations to file documents related to employee share options with relevant tax authorities and to withhold individual income taxes of those employees who exercise their share options. If our employees fail to pay or if we fail to withhold their income taxes as required by relevant laws and regulations, we may face sanctions imposed by the PRC tax authorities or other PRC government authorities.

## **Regulations on Tax**

### *PRC Enterprise Income Tax*

The PRC enterprise income tax is calculated based on the taxable income determined under the applicable Enterprise Income Tax Law, or the EIT Law, and its implementation rules. On March 16, 2007, the National People's Congress of China enacted the EIT Law, which became effective on January 1, 2008 and was amended in 2017. On December 6, 2007, the State Council promulgated the implementation rules to the EIT Law, which also became effective on January 1, 2008. The EIT Law imposes a uniform enterprise income tax rate of 25% on all resident enterprises in China, including foreign-invested enterprises and domestic enterprises, unless they qualify for certain exceptions, and terminates most of the tax exemptions, reductions and preferential treatment available under the previous tax laws and regulations. According to the EIT Law and relevant regulations, subject to the approval of competent tax authorities, the income tax of an enterprise that has been determined to be a high and new technology enterprise shall be reduced to a preferential rate of 15%.

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Moreover, under the EIT Law, enterprises organized under the laws of jurisdictions outside China with their “de facto management bodies” located within China may be considered PRC resident enterprises and are therefore subject to PRC enterprise income tax at the rate of 25% on their worldwide income. Though the implementation rules of the EIT Law define “de facto management bodies” as “establishments that carry out substantial and overall management and control over the manufacturing and business operations, personnel, accounting, properties, etc. of an enterprise,” the only detailed guidance currently available for the definition of “de facto management body” as well as the determination of offshore incorporated PRC tax resident status and its administration are set forth in the Circular Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Tax Resident Enterprise on the Basis of De Facto Management Bodies, or Circular 82, and the Administrative Measures for Enterprise Income Tax of Chinese-Controlled Offshore Incorporated Resident Enterprises (Trial), or SAT Bulletin 45, both issued by the SAT, which provide guidance on the administration as well as determination of the tax residency status of a Chinese-controlled offshore-incorporated enterprise, defined as an enterprise that is incorporated under the law of a foreign country or territory and that has a PRC company or PRC corporate group as its primary controlling shareholder.

According to Circular 82, a Chinese-controlled offshore-incorporated enterprise will be regarded as a PRC tax resident by virtue of having its “de facto management body” in China and will be subject to PRC enterprise income tax on its global income only if all of the following conditions set forth in Circular 82 are met:

- the primary location of the day-to-day operational management and the places where they perform their duties are in the PRC;
- decisions relating to the enterprise’s financial and human resource matters are made or are subject to approval of organizations or personnel in the PRC;
- the enterprise’s primary assets, accounting books and records, company seals and board and shareholder resolutions are located or maintained in the PRC; and
- 50% or more of voting board members or senior executives habitually reside in the PRC.

In addition, SAT Bulletin 45 provides clarification on the resident status determination, post-determination administration, and competent tax authorities. It also specifies that when provided with a copy of a PRC resident determination certificate from a resident Chinese-controlled offshore-incorporated enterprise, the payer should not withhold 10% income tax when paying certain PRC-sourced income such as dividends, interest and royalties to the Chinese-controlled offshore-incorporated enterprise.

In the event that we are considered a PRC resident enterprise, we would be subject to the PRC enterprise income tax at the rate of 25% on our worldwide income.

In addition, although the EIT Law provides that dividend income between “qualified resident enterprises” is exempted income, and the implementation rules refer to “qualified resident enterprises” as enterprises with “direct equity interest,” it is unclear whether dividends we receive from our PRC subsidiary are eligible for exemption.

On February 3, 2015, the SAT issued the Announcement of the State Administration of Taxation on Several Issues Concerning the Enterprise Income Tax on Indirect Property Transfer by Non-Resident Enterprises, or SAT Bulletin 7. SAT Bulletin 7 extends the PRC’s tax jurisdiction to transactions involving the transfer of taxable assets through offshore transfer of a foreign intermediate holding company. In addition, SAT Bulletin 7 has introduced safe harbors for internal group restructurings and the purchase and sale of equity through a public securities market. SAT Bulletin 7 also brings challenges to both foreign transferor and transferee (or other person who is obligated to pay for the transfer) of taxable assets as they have to make self-assessment on whether the transaction should be subject to PRC tax and to file or withhold the PRC tax accordingly.

On October 17, 2017, the SAT issued the Announcement of the State Administration of Taxation on Matters Concerning Withholding of Income Tax of Non-resident Enterprises at Source, or SAT Bulletin 37, which came

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into effect on December 1, 2017. According to SAT Bulletin 37, the income from property transfer obtained by a non-resident enterprise, as stipulated in the second item under Article 19 of the EIT Law, shall include the income derived from transferring equity investment assets as stock equity. The withholding agent shall, within seven days of the day on which the withholding obligation occurs, declare and remit the withholding tax to the competent tax authority at its locality.

Where non-resident investors were involved in our private equity financing, if such transactions were determined by the tax authorities to lack reasonable commercial purpose, we and our non-resident investors may become at risk of being required to file a return and taxed under SAT Bulletin 37 and/or SAT Bulletin 7 and we may be required to expend valuable resources to comply with SAT Bulletin 37 and/or SAT Bulletin 7 or to establish that we should not be held liable for any obligations under SAT Bulletin 37 and/or SAT Bulletin 7. See “Risk Factors—Risks Relating to Doing Business in China—We face uncertainty with respect to indirect transfer of equity interests in PRC resident enterprises by their non-PRC holding companies.”

### VAT

Pursuant to the Provisional Regulations on Value-added Tax, which was promulgated by the State Council on December 13, 1993, as amended and the Implementing Rules of the Provisional Regulations on Value-added Tax, which was promulgated by the Ministry of Finance on December 18, 2008, as amended, all individuals and entities selling goods, providing labor services of processing or repairing, selling services, intangible assets or real property within, or importing goods into, the PRC must pay value-added tax.

On January 1, 2012, the Ministry of Finance and SAT implemented a pilot VAT reform program, or Pilot Program, applicable to businesses in selected industries. Businesses in the Pilot Program would pay VAT instead of business tax. The Pilot Industries in Shanghai included industries involving the leasing of tangible movable property, transportation services, research and development and technical services, information technology services, cultural and creative services, logistics and ancillary services and certification and consulting services. Revenues generated by advertising services, a type of “cultural and creative services,” are subject to the VAT tax rate of 6%. According to official announcements made by competent authorities in Guangdong province, Guangdong province launched the same Pilot Program on November 1, 2012. On May 24, 2013, the Ministry of Finance and the State Administration of Taxation, or SAT, issued the Circular on Tax Policies in the Nationwide Pilot Collection of Value Added Tax in Lieu of Business Tax in the Transportation Industry and Certain Modern Services Industries, or the Pilot Collection Circular. On August 1, 2013, the Pilot Program was implemented throughout China. On December 12, 2013, the Ministry of Finance and the SAT issued the Circular on the Inclusion of the Railway Transport Industry and Postal Service Industry in the Pilot Collection of Value-added Tax in Lieu of Business Tax, or the 2013 VAT Circular. Among other things, the 2013 VAT Circular abolished the Pilot Collection Circular, and refined the policies for the Pilot Program. On April 29, 2014, the Ministry of Finance and the SAT issued the Circular on the Inclusion of Telecommunications Industry in the Pilot Collection of Value-added Tax in Lieu of Business Tax, or the 2014 VAT Circular. On March 23, 2016, the Ministry of Finance and the SAT issued the Circular on Comprehensively Promoting the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax, pursuant to which the 2013 VAT Circular and the 2014 VAT Circular shall be repealed accordingly unless otherwise specified. Effective from May 1, 2016, the PRC tax authorities collect VAT in lieu of business tax on a trial basis, and in industries such as construction industries, real estate industries, financial industries, and living service industries.

On November 19, 2017, the State Council promulgated the Decision of the State Council on Abolishing the Interim Regulations of the People’s Republic of China on Business Tax and Amending the Interim Value-Added Tax Regulations of the People’s Republic of China, deciding to abolish the Interim Regulations of the People’s Republic of China on Business Tax. Since then, business tax has been comprehensively canceled. We currently pay the VAT instead of business taxes for our revenue derived from the provision of some modern services.

### *Dividends Withholding Tax*

Pursuant to the EIT Law and its implementation rules, dividends from income generated from the business of a PRC subsidiary after January 1, 2008 and distributed to its foreign investor are subject to withholding tax at a rate of 10% if the PRC tax authorities determine that the foreign investor is a non-resident enterprise, unless there is a tax treaty with China that provides for a preferential withholding tax rate. Pursuant to the Arrangement between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income, the withholding tax rate in respect to the payment of dividends by a PRC enterprise to a Hong Kong enterprise may be reduced to 5% from a standard rate of 10% if the Hong Kong enterprise directly holds at least 25% of the PRC enterprise. Pursuant to the Notice on the Issues concerning the Application of the Dividend Clauses of Tax Agreements issued by the SAT on February 20, 2009, or SAT Circular 81, a Hong Kong resident enterprise must meet the following conditions, among others, in order to apply the reduced withholding tax rate: (i) it must be a company; (ii) it must directly own the required percentage of equity interests and voting rights in the PRC resident enterprise; and (iii) it must have directly owned such required percentage in the PRC resident enterprise throughout the 12 months prior to receiving the dividends. However, according to SAT Circular 81, if the relevant tax authorities consider the transactions or arrangements we have are for the primary purpose of enjoying a favorable tax treatment, the relevant tax authorities may adjust the favorable withholding tax in the future.

As uncertainties remain regarding the interpretation and implementation of the EIT Law and its implementation rules, we cannot assure you that, if we are deemed a PRC resident enterprise, any dividends to be distributed by us to our non-PRC shareholders and ADS holders would not be subject to any PRC withholding tax. See “Risk Factors—Risks Relating to Doing Business in China—If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders.”

### **Regulations on Dividend Distribution**

Wholly foreign-owned enterprises and Sino-foreign equity joint ventures in the PRC may pay dividends only out of their accumulated profits, if any, as determined in accordance with PRC accounting standards and regulations. Additionally, these foreign-invested enterprises may not pay dividends unless they set aside at least 10% of their respective accumulated profits after tax each year, if any, to fund certain reserve funds, until such time as the accumulative amount of such fund reaches 50% of the enterprise’s registered capital. In addition, these companies also may allocate a portion of their after-tax profits based on PRC accounting standards to employee welfare and bonus funds at their discretion. These reserves are not distributable as cash dividends.

### **Labor Laws and Social Insurance**

The principle laws that govern employment include:

- PRC Labor Law, promulgated by the Standing Committee of the National People’s Congress on July 5, 1994, effective since January 1, 1995 and amended on August 27, 2009;
- PRC Labor Contract Law, promulgated by the Standing Committee of the National People’s Congress on June 29, 2007 and effective since January 1, 2008 and amended on December 28, 2012;
- Implementation Rules of the PRC Labor Contract Law, promulgated by the State Council on September 18, 2008 and effective since September 18, 2008;
- Work-related Injury Insurance Regulations, promulgated by the State Council on April 27, 2003 and effective since January 1, 2004 and amended on December 20, 2010;
- Interim Provisions on Registration of Social Insurance, promulgated by the Ministry of Human Resources and Social Security (formerly the Ministry of Labor and Social Security) on March 19, 1999 and effective since March 19, 1999;

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- Interim Regulations on the Collection and Payment of Social Insurance Fees, promulgated by the State Council on January 22, 1999 and effective since January 22, 1999; and
- PRC Social Insurance Law promulgated by the National People’s Congress on October 28, 2010, effective since July 1, 2011.

According to the PRC Labor Law and PRC Labor Contract Law, employers must execute written labor contracts with full-time employees. All employers must compensate their employees with wages equal to at least the local minimum wage standards. All employers are required to establish a system for labor safety and workplace sanitation, strictly comply with state rules and standards and provide employees with workplace safety training. Violations of the PRC Labor Contract Law and the PRC Labor Law may result in the imposition of fines and other administrative penalties. For serious violations, criminal liability may arise.

In addition, pursuant to the PRC Social Insurance Law, employers in China are required to provide employees with welfare schemes covering pension insurance, unemployment insurance, maternity insurance, work-related injury insurance, medical insurance and housing funds.

Our WFOE and VIE Hexun Huagu have not fully contributed to the social insurance plan and the housing fund plan as required by applicable PRC regulations. We have recorded accruals for estimated underpaid amounts in our consolidated financial statements.

### **M&A Regulations and Overseas Listings**

On August 8, 2006, six PRC governmental agencies jointly promulgated the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, or the M&A Rules, which became effective on September 8, 2006 and amended on June 22, 2009. The M&A Rules require offshore special purpose vehicles formed to pursue overseas listing of equity interests in PRC companies and controlled directly or indirectly by PRC companies or individuals to obtain the approval of the Chinese Securities Regulatory Commission, or the CSRC, prior to the listing and trading of such special purpose vehicle’s securities on any stock exchange overseas.

The application of the M&A Rules remains unclear. Based on the understanding on the current PRC laws, rules and regulations and the M&A Rules of our PRC Legal Counsel, Han Kun Law Offices, prior approval from the CSRC is not required under the M&A Rules for the listing and trading of the ADSs on [NYSE/NASDAQ] because the CSRC approval requirement applies to SPVs that acquired equity interests of any PRC company that are held by PRC companies or individuals controlling such SPV and seek overseas listing, and our WFOE were incorporated as wholly foreign-owned enterprises by means of direct investment rather than by merger or acquisition by our company of the equity interest or assets of any “domestic company” as defined under the M&A Rules, and no provision in the M&A Rules classifies the contractual arrangements between our WFOE and our VIE, either by each agreement itself or taken as a whole, as a type of acquisition transaction falling under the M&A Rules. However, as there has been no official interpretation or clarification of the M&A Rules, there is uncertainty as to how this regulation will be interpreted or implemented.

Considering the uncertainties that exist with respect to the issuance of new laws, regulations or interpretation and implementing rules, the opinion of Han Kun Law Offices, summarized above, is subject to change. If the CSRC or another PRC regulatory agency subsequently determines that prior CSRC approval was required, we may face regulatory actions or other sanctions from the CSRC or other PRC regulatory agencies. For more information and discussion on this, see “Risk Factors—Risks Relating to Doing Business in China—The approval of the China Securities Regulatory Commission may be required in connection with this offering, and, if required, we cannot predict whether we will be able to obtain such approval.”

## MANAGEMENT

### Directors and Executive Officers

The following table sets forth information regarding our directors and executive officers as of the date of this prospectus.

<u>Directors and Executive Officers</u>	<u>Age</u>	<u>Position/Title</u>
Weidong Luo	37	Co-founder, Chairman of the Board of Directors and Chief Executive Officer
Fei Chen	45	Co-founder and President
Xin Huang	30	Chief Technology Officer
Shan-Nen Bong	46	Chief Financial Officer
Guangyan Chen	38	Director
Xiaodao Wang	40	Co-founder and Director
Jiawen Fang	41	Co-founder and Director
Feng Wang	39	Director
Donghui Pan	48	Director
Jianhuan Zhu	56	Director
Kwok Hin Tang	39	Director
Meng Lang	35	Director

*Mr. Weidong Luo* is our co-founder and has served as our chairman of the board of directors and chief executive office since May 2012. Mr. Luo has over 12 years of experience building successful technology companies. Mr. Luo was a general manager of Shenzhen Zhiwo Information Technology Company Limited from September 2007 to September 2010 responsible for its general business operations. Mr. Luo received a master of philosophy degree in computing from Hong Kong Polytechnic University and a bachelor's degree in management information systems from Renmin University of China.

*Mr. Fei Chen* is our co-founder and has served as our president since October 2016. Mr. Chen has over 18 years of experience in the technology, media and telecom (TMT) sector, including 9 years of investment banking and research experience with Morgan Stanley, Merrill Lynch and Citigroup, and 9 years of corporate and startup experience in the high tech industry. From October 2013 to August 2016, he served as a managing director at Citigroup Asia, responsible for the China TMT investment banking business. Mr. Chen received a bachelor's degree from Tsinghua University in Beijing and received an MBA degree from University of Chicago Booth School of Business.

*Mr. Xin Huang* has served as our chief technology officer since January 2015. Mr. Huang has over 8 years of experience in software development, specializing in data mining. Prior to joining us, Mr. Huang served as a senior product director in charge of data mining and product development at Zhen'ai from February 2014 to November 2014. Prior to that, Mr. Huang served as a leading data scientist at Douban from June 2011 to February 2014. Mr. Huang received his bachelor's degree in software engineering from Northeastern University in China.

*Mr. Shan-Nen Bong* has served as our chief financial officer since November 2017. Mr. Bong has over 20 years of experience in financial accounting and auditing. Prior to joining us, Mr. Bong served as the chief financial officer of Nam Tai Property Inc., an NYSE-listed property development and management company, from May 2015 to May 2016. Prior to that, Mr. Bong worked in Ernst & Young, for 17 years in Singapore, New Zealand, San Jose (USA) and Beijing, and was an audit partner at Ernst & Young before joining Nam Tai Property. Mr. Bong is a member of Institute of Chartered Accountants in England and Wales, Hong Kong Institute of Certified Public Accountants and Chartered Accountants Australia and New Zealand. Mr. Bong received his bachelor's degrees in accounting, finance and computer science from Lincoln University.

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*Mr. Guangyan Chen* has served as our director since April 2016. Mr. Chen has also served as our vice president of finance, in charge of auditing and internal risk control, since September 2015. Mr. Chen has over 13 years of experience in finance. Prior to joining us, Mr. Chen served as a manager of finance, director of marketing and sales and manager of human resources at China Mobile Shenzhen branch office from July 2004 to August 2015. Mr. Chen received his bachelor's and master's degrees in economics from Renmin University of China.

*Mr. Xiaodao Wang* is our co-founder and has served as our director since April 2014. Mr. Wang has been responsible for our business development since our inception. Mr. Wang has nearly 20 years of experience in sales and marketing. Mr. Wang received a bachelor's degree in engineering from Southeast Forestry University of China.

*Mr. Jiawen Fang* is our co-founder and has served as our director since November 2014. Mr. Fang has served as a head of our Jiguang developer community since January 2015. Prior to this role, Mr. Fang was the chief technology officer of our company since our inception. Mr. Fang received a bachelor's degree in economics and management from Beijing Normal University of China.

*Mr. Feng Wang* has served as our director since May 2015. Mr. Wang has also served as our chief architect and senior technology director since May 2012, responsible for technology support for our push notification service, JPush. Prior to joining us, Mr. Wang served as a system architect at Shenzhen Gumi Science and Technology Company Limited from July 2011 to May 2012, responsible for technology research and development. Mr. Wang received a bachelor's degree in computer science and technology from Beijing University of Aeronautics and Astronautics of China.

*Mr. Donghui Pan* has served as our director since April 2017. Mr. Pan has extensive experience in effective execution and value creation related to leveraged buyouts and initial public offerings from managing investments in telecom, media and technology and directing investor relations affairs. Mr. Pan joined Fosun in 1994 and now holds various offices within Fosun, including the senior vice president of Fosun International Limited, an investment holding company listed on the Main Board of the Hong Kong Stock Exchange, the president of Fosun's TMT and Entertainment Investment Group as well as the Internet and Global Strategy Group. Mr. Pan received a bachelor's degree from Shanghai Jiao Tong University and an MBA degree from University of Southern California.

*Dr. Jianhuan Zhu* has served as our director since November 2014. Dr. Zhu has served as a venture partner of IDG Capital Partners since 2013, where he focuses on investments in technology, media and telecommunications. Prior to joining IDG Capital Partners, Dr. Zhu served as managing director at Envision Capital, a private equity firm in Shanghai, from February 2011 to March 2013. From 2005 to 2011, Dr. Zhu was a managing director at JAFCO Asia, where he was responsible for the venture capital fund's investment in Southern and Eastern China. Prior to that, Dr. Zhu worked at the venture capital team of CDP Capital in Quebec Canada and later relocated to Hong Kong. Dr. Zhu received a bachelor's degree in chemical engineering from Zhejiang University, a Ph.D. in chemical engineering from University of Bordeaux and an MBA degree from McGill University.

*Mr. Kwok Hin Tang* has served as our director since November 2014. Mr. Tang is a venture capitalist with 13 years of experience in corporate finance and venture capital investment in China and the U.S. Mr. Tang joined Mandra Capital in 2008 and is responsible for managing a portfolio of private company investments in the life science, technology and internet space. In addition to his responsibilities at Mandra Capital, Mr. Tang is also a member of the Intellectual Property Assessment Committee at the Hong Kong Polytechnic University. Prior to joining Mandra Capital, Mr. Tang was an investment analyst at KGR Capital (now LGT Capital Partners) from 2005 to 2008. Mr. Tang received a master's degree in engineering from Stanford University in 2004.

*Mr. Meng Lang* has served as our director since April 2016. Mr. Lang has over 11 years of experience in private equity investment. Since October 2014, Mr. Lang has served as the general manager and executive

director of Guohai Chuangxin Capital Management Limited Corporation. Prior to that, Mr. Lang worked at Guotai Junan Innovation Investment Management Co., Ltd., an investment firm specializing in pre-IPO, growth stage, and emerging growth investments from June 2011 to October 2014. From March 2007 to June 2011, Mr. Lang worked in the Merger and Acquisition Department of Ping An Insurance (Group) Company of China, a China-based financial services conglomerate listed on the Main Board of the Hong Kong Stock Exchange. Mr. Lang received a bachelor's degree in management from Qingdao University and a master's degree in management from Shanghai University of Finance and Economics.

### **Board of Directors**

Our board of directors will consist of \_\_\_\_\_ directors upon the SEC's declaration of effectiveness of our registration statement on Form F-1 of which this prospectus is a part. A director is not required to hold any shares in our company by way of qualification. A director may vote with respect to any contract, proposed contract or arrangement in which he is materially interested provided (a) such director, if his interest in such contract or arrangement is material, has declared the nature of his interest at the earliest meeting of the board at which it is practicable for him to do so, either specifically or by way of a general notice, (b) such director has not been disqualified by the chairman of the relevant board meeting, and (c) if such contract or arrangement is a transaction with a related party, such transaction has been approved by the audit committee in accordance with the NASDAQ/NYSE rules. The directors may exercise all the powers of the company to borrow money, mortgage its undertaking, property and uncalled capital, and issue debentures or other securities whenever money is borrowed or as security for any obligation of the company or of any third party. None of our non-executive directors has a service contract with us that provides for benefits upon termination of service. The directors may exercise all the powers of the company to borrow money, mortgage its undertaking, property and uncalled capital, and issue debentures or other securities whenever money is borrowed or as security for any obligation of the company or of any third party. None of our non-executive directors has a service contract with us that provides for benefits upon termination of service.

### **Committees of the Board of Directors**

We will establish three committees under the board of directors immediately upon the effectiveness of our registration statement on Form F-1, of which this prospectus is a part: an audit committee, a compensation committee and a nominating and corporate governance committee. We will adopt a charter for each of the three committees. Each committee's members and functions are described below.

**Audit Committee.** Our audit committee will consist of \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_. \_\_\_\_\_ will be the chairman of our audit committee. We have determined that \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ satisfy the "independence" requirements of [Section 303A of the Corporate Governance Rules of the New York Stock Exchange/Rule 5605(c)(2) of the Listing Rules of the NASDAQ Stock Market] and Rule 10A-3 under the Exchange Act. We have determined that \_\_\_\_\_ qualifies as an "audit committee financial expert." The audit committee will oversee our accounting and financial reporting processes and the audits of the financial statements of our company. The audit committee will be responsible for, among other things:

- appointing the independent auditors and pre-approving all auditing and non-auditing services permitted to be performed by the independent auditors;
- reviewing with the independent auditors any audit problems or difficulties and management's response;
- discussing the annual audited financial statements with management and the independent auditors;
- reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures and any steps taken to monitor and control major financial risk exposures;
- reviewing and approving all proposed related party transactions;
- meeting separately and periodically with management and the independent auditors; and

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- monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance.

*Compensation Committee.* Our compensation committee will consist of \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_. \_\_\_\_\_ will be the chairman of our compensation committee. We have determined that \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ satisfy the “independence” requirements of [Section 303A of the Corporate Governance Rules of the New York Stock Exchange/Rule5605(c)(2) of the Listing Rules of the NASDAQ Stock Market]. The compensation committee will assist the board in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. Our chief executive officer may not be present at any committee meeting during which his compensation is deliberated. The compensation committee will be responsible for, among other things:

- reviewing and approving, or recommending to the board for its approval, the compensation for our chief executive officer and other executive officers;
- reviewing and recommending to the board for determination with respect to the compensation of our non-employee directors;
- reviewing periodically and approving any incentive compensation or equity plans, programs or similar arrangements; and
- selecting compensation consultant, legal counsel or other adviser only after taking into consideration all factors relevant to that person’s independence from management.

*Nominating and Corporate Governance Committee.* Our nominating and corporate governance committee will consist of \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_. \_\_\_\_\_ will be the chairperson of our nominating and corporate governance committee. \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ satisfy the “independence” requirements of [Section 303A of the Corporate Governance Rules of the New York Stock Exchange/Rule5605(c)(2) of the Listing Rules of the NASDAQ Stock Market]. The nominating and corporate governance committee will assist the board of directors in selecting individuals qualified to become our directors and in determining the composition of the board and its committees. The nominating and corporate governance committee will be responsible for, among other things:

- selecting and recommending to the board nominees for election by the shareholders or appointment by the board;
- reviewing annually with the board the current composition of the board with regards to characteristics such as independence, knowledge, skills, experience and diversity;
- making recommendations on the frequency and structure of board meetings and monitoring the functioning of the committees of the board; and
- advising the board periodically with regards to significant developments in the law and practice of corporate governance as well as our compliance with applicable laws and regulations, and making recommendations to the board on all matters of corporate governance and on any remedial action to be taken.

### **Duties of Directors**

Under Cayman Islands law, our directors owe fiduciary duties to our company, including a duty of loyalty, a duty to act honestly, and a duty to act in what they consider in good faith to be in our best interests. Our directors must also exercise their powers only for a proper purpose. Our directors also owe to our company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association, as

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amended and restated from time to time. Our company has the right to seek damages if a duty owed by our directors is breached. In certain limited exceptional circumstances, a shareholder may have the right to seek damages in our name if a duty owed by our directors is breached.

Our board of directors has all the powers necessary for managing, and for directing and supervising, our business affairs. The functions and powers of our board of directors include, among others:

- convening shareholders' annual and extraordinary general meetings and reporting its work to shareholders at such meetings;
- declaring dividends and distributions;
- appointing officers and determining the term of office of the officers;
- exercising the borrowing powers of our company and mortgaging the property of our company; and
- approving the transfer of shares in our company, including the registration of such shares in our share register.

### **Terms of Directors and Officers**

Our officers are elected by and serve at the discretion of the board of directors. Our directors are not subject to a term of office and hold office until such time as they are removed from office by ordinary resolution of the shareholders or by the board. A director will be removed from office automatically if, among other things, the director (i) becomes bankrupt or makes any arrangement or composition with his creditors; or (ii) is found by our company to be or becomes of unsound mind.

### **Employment Agreements and Indemnification Agreements**

We have entered into employment agreements with each of our executive officers. Under these agreements, each of our executive officers is employed for a specified time period. We may terminate employment for cause, at any time, without advance notice or remuneration, for certain acts of the executive officer, such as conviction or plea of guilty to a felony or any crime involving moral turpitude, negligent or dishonest acts to our detriment, or misconduct or a failure to perform agreed duties. We may also terminate an executive officer's employment without cause upon three-month advance written notice. In such case of termination by us, we will provide severance payments to the executive officer as expressly required by applicable law of the jurisdiction where the executive officer is based. The executive officer may resign at any time with a three-month advance written notice.

Each executive officer has agreed to hold, both during and after the termination or expiry of his or her employment agreement, in strict confidence and not to use, except as required in the performance of his or her duties in connection with the employment or pursuant to applicable law, any of our confidential information or trade secrets, any confidential information or trade secrets of our clients or prospective clients, or the confidential or proprietary information of any third party received by us and for which we have confidential obligations. The executive officers have also agreed to disclose in confidence to us all inventions, designs and trade secrets which they conceive, develop or reduce to practice during the executive officer's employment with us and to assign all right, title and interest in them to us, and assist us in obtaining and enforcing patents, copyrights and other legal rights for these inventions, designs and trade secrets.

In addition, each executive officer has agreed to be bound by non-competition and non-solicitation restrictions during the term of his or her employment and typically for one year following the last date of employment. Specifically, each executive officer has agreed not to (i) approach our suppliers, clients, customers or contacts or other persons or entities introduced to the executive officer in his or her capacity as a representative of us for the purpose of doing business with such persons or entities that will harm our business

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relationships with these persons or entities; (ii) assume employment with or provide services to any of our competitors, or engage, whether as principal, partner, licensor or otherwise, any of our competitors, without our express consent; or (iii) seek directly or indirectly, to solicit the services of any of our employees who is employed by us on or after the date of the executive officer's termination, or in the year preceding such termination, without our express consent.

We have also entered into indemnification agreements with each of our directors and executive officers. Under these agreements, we agree to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being a director or officer of our company.]

### **Compensation of Directors and Executive Officers**

For the fiscal year ended December 31, 2017, we paid compensation in an aggregate amount of approximately RMB4.2 million (US\$0.7 million) to our executive officers, and we did not pay any compensation to our non-executive directors. We have not set aside or accrued any amount to provide pension, retirement or other similar benefits to our directors and executive officers. Our PRC subsidiary and VIE are required by law to make contributions equal to certain percentages of each employee's salary for his or her pension insurance, medical insurance, unemployment insurance and other statutory benefits and a housing provident fund.

### **2014 Stock Incentive Plan**

In July 2014, our shareholders and board of directors adopted the 2014 Stock Incentive Plan, which we refer to as the 2014 Plan in this prospectus, to attract and retain the best available personnel, provide additional incentives to employees, directors and consultants and promote the success of our business. The maximum aggregate number of common shares that may be issued pursuant to all awards under the 2014 Plan is 5,500,000 shares. As of the date of this prospectus, awards to purchase 5,438,760 common shares have been granted and are outstanding under the 2014 Plan, excluding awards that were forfeited or canceled after the relevant grant dates.

The following paragraphs summarize the terms of the 2014 Plan.

**Types of Awards.** The plan permits the awards of options, restricted shares and restricted share units or other right or benefit under the plan.

**Plan Administration.** The board of directors or a committee designated by the board of directors acts as the plan administrator. The plan administrator will determine the participants who are to receive awards, the type or types of awards to be granted, the number of awards to be granted, and the terms and conditions of each award grant. The plan administrator can amend outstanding awards and interpret the terms of the 2014 Plan and any award agreement.

**Award Agreement.** Awards granted under the 2014 Plan are evidenced by an award agreement that sets forth the terms and conditions for each grant.

**Exercise Price.** The exercise price of an award will be determined by the plan administrator. In certain circumstances, such as a recapitalization, a spin-off, reorganization, merger, separation and split-up, the plan administrator may adjust the exercise price of outstanding options and share appreciation rights.

**Eligibility.** We may grant awards to our employees, consultants, and all members of the board of directors.

**Term of the Awards.** The term of each share award granted under the 2014 Plan may not exceed ten years after the date of grant.

**Vesting Schedule.** In general, the plan administrator determines the vesting schedule, which is set forth in the relevant award agreement.

**Transfer Restrictions.** Awards may not be transferred in any manner by the recipient other than by will or the laws of descent and distribution, except as otherwise provided by the plan administrator.

**Termination.** The plan shall terminate in July 2024, provided that our board of directors may terminate the plan at any time and for any reason.

#### **2017 Stock Incentive Plan**

In March 2017, our shareholders and board of directors adopted the 2017 Stock Incentive Plan, which we refer to as the 2017 Plan in this prospectus, to attract and retain the best available personnel, provide additional incentives to employees, directors and consultants and promote the success of our business. The maximum aggregate number of common shares that may be issued pursuant to all awards under the 2017 Plan, as amended, is 6,015,137 shares. As of the date of this prospectus, awards to purchase 1,400,316 common shares have been granted and are outstanding under the 2017 Plan, excluding awards that were forfeited or canceled after the relevant grant dates.

The following paragraphs summarize the terms of the 2017 Plan.

**Types of Awards.** The plan permits the awards of options, restricted shares and restricted share units or other right or benefit under the plan.

**Plan Administration.** The board of directors or a committee designated by the board of directors acts as the plan administrator. The plan administrator will determine the participants who are to receive awards, the type or types of awards to be granted, the number of awards to be granted, and the terms and conditions of each award grant. The plan administrator can amend outstanding awards and interpret the terms of the 2017 Plan and any award agreement.

**Award Agreement.** Awards granted under the 2017 Plan are evidenced by an award agreement that sets forth the terms and conditions for each grant.

**Exercise Price.** The exercise price of an award will be determined by the plan administrator. In certain circumstances, such as a recapitalization, a spin-off, reorganization, merger, separation and split-up, the plan administrator may adjust the exercise price of outstanding options and share appreciation rights.

**Eligibility.** We may grant awards to our employees, consultants, and all members of the board of directors.

**Term of the Awards.** The term of each share award granted under the 2017 Plan may not exceed ten years after the date of grant.

**Vesting Schedule.** In general, the plan administrator determines the vesting schedule, which is set forth in the relevant award agreement.

**Transfer Restrictions.** Awards may not be transferred in any manner by the recipient other than by will or the laws of descent and distribution, except as otherwise provided by the plan administrator.

**Termination.** The plan shall terminate in March 2027, provided that our board of directors may terminate the plan at any time and for any reason.

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The following table summarizes, as of the date of this prospectus, the awards granted under the 2014 Plan and the 2017 Plan to several of our directors and executive officers, excluding awards that were forfeited or canceled after the relevant grant dates.

<u>Name</u>	<u>Common Shares Underlying Options</u>	<u>Exercise Price (US\$/Share)</u>	<u>Date of Grant</u>	<u>Date of Expiration</u>
Fei Chen	1,186,030	—	October 31, 2016	October 31, 2026
Xin Huang	*	0.360	May 13, 2015	May 13, 2025
	*	0.945	February 5, 2016	February 5, 2026
	*	0.945	May 10, 2017	May 10, 2027
Shan-Nen Bong	*	5.396	November 13, 2017	November 13, 2027
Guangyan Chen	*	0.945	February 5, 2016	February 5, 2026
Xiaodao Wang	*	—	November 18, 2014	November 18, 2024
Jiawen Fang	*	—	November 18, 2014	November 18, 2024
Feng Wang	*	0.140	November 18, 2014	November 18, 2024
	*	—	November 18, 2014	November 18, 2024
<b>Total</b>	<b>3,266,369</b>			

\* Less than one percent of our total outstanding shares.

As of the date of this prospectus, other employees as a group held outstanding options to purchase 3,572,707 common shares of our company, at a weighted average exercise price of US\$1.17 per share.

**PRINCIPAL [AND SELLING] SHAREHOLDERS**

Except as specifically noted, the following table sets forth information with respect to the beneficial ownership of our common shares as of the date of this prospectus by:

- each of our directors and executive officers;
- each of our principal shareholders who beneficially own 5% or more of our total outstanding shares on an as-converted basis; and
- [each selling shareholder.]

The calculations in the table below are based on 70,534,607 common shares on an as-converted basis outstanding as of the date of this prospectus, and common shares outstanding immediately after the completion of this offering, assuming the underwriters do not exercise their over-allotment option, excluding (i) 2,975,897 common shares issuable upon the conversion of the zero coupon convertible notes due 2021 in the aggregate principal amount of US\$35.0 million issued in April 2018, at an assumed initial conversion price of US\$11.7612 per common share, and (ii) 6,839,076 common shares issuable upon the exercise of outstanding options and 4,676,061 common shares reserved for future issuance under our 2014 and 2017 Stock Incentive Plans.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire within 60 days, including through the exercise of any option, warrant or other right or the conversion of any other security, after the date of this prospectus. These shares, however, are not included in the computation of the percentage ownership of any other person.

	Common Shares Beneficially Owned Prior to This Offering		[Common Shares Being Sold in This Offering]		Common Shares Beneficially Owned Immediately After This Offering	
	Number	%	Number	%	Number	%
<b>Directors and Executive Officers**:</b>						
Weidong Luo(1)	24,100,189	34.2%				
Fei Chen(2)	5,002,056	7.0%				
Xin Huang(3)	*	*				
Shan-Nen Bong	—	—				
Guangyan Chen(4)	*	*				
Xiaodao Wang(5)	1,879,410	2.7%				
Jiawen Fang(6)	1,626,555	2.3%				
Feng Wang(7)	*	*				
Donghui Pan	—	—				
Jianhuan Zhu	—	—				
Kwok Hin Tang	—	—				
Meng Lang	—	—				
All Directors and Executive Officers as a Group	33,740,325	46.3%				
<b>Principal [and Selling] Shareholders:</b>						
KK Mobile Limited(8)	24,100,189	34.2%				
Mandra iBase Limited(9)	13,644,708	19.2%				
IDG-Accel affiliates(10)	7,837,640	11.1%				
Greatest Investments Limited(11)	6,584,370	9.3%				
Fidelity affiliates(12)	5,559,487	7.9%				
Elite Bright International Limited(13)	3,816,026	5.4%				

Notes:

\* Less than 1% of our total outstanding shares.

- \*\* Messrs. Weidong Luo, Xiaodao Wang, Jiawen Fang, Feng Wang, Guangyan Chen, Fei Chen, Xin Huang and Shan-Nen Bong's business address is 5/F, Building No. 7, Zhiheng Industrial Park, Nantou Guankou Road 2, Nanshan District, Shenzhen, Guangdong, 518052, People's Republic of China. Mr. Jianhuan Zhu's business address is Room 903D, Shenye Tairan Tower, No. 6 Tairan Road, Futian District, Shenzhen, 518000, People's Republic of China. Mr. Kwok Hin Tang's business address is 10/F, Fung House, 19-20 Connaught Road Central, Hong Kong. Mr. Meng Lang's business address is 3/F, China Everbright Bank Building, Zhuzilin Road, Futian District, Shenzhen, 518040, People's Republic of China. Mr. Donghui Pan's business address is 18/F, Building S1, Bund Finance Center, No. 600 Zhongshan No. 2 Road, Huangpu District, Shanghai, 200010, People's Republic of China.
- (1) Represents 23,864,895 common shares and 235,294 preferred shares held by KK Mobile Limited, a British Virgin Islands company. KK Mobile Limited is wholly owned by Mr. Weidong Luo. The registered address of KK Mobile Limited is Unit 8, 3/F., Qwomar Trading Complex, Blacburne Road, Port Purcell, Road Town, Tortola, British Virgin Islands. All the preferred shares held by KK Mobile Limited will be automatically converted to common shares immediately prior to the completion of this offering.
  - (2) Represents 2,133,330 common shares and 1,682,696 preferred shares held by Elite Bright International Limited, a British Virgin Islands company, and 1,186,030 common shares Mr. Fei Chen has the right to acquire upon exercise of option within 60 days after the date of this prospectus. Elite Bright International Limited is wholly owned by Mr. Fei Chen. The registered address of Elite Bright International Limited is Akara Bldg, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands. All the preferred shares held by Elite Bright International Limited will be automatically converted to common shares immediately prior to the completion of this offering.
  - (3) Represents the common shares Mr. Xin Huang has the right to acquire upon exercise of option within 60 days after the date of this prospectus.
  - (4) Represents the common shares Mr. Guangyan Chen has the right to acquire upon exercise of option within 60 days after the date of this prospectus.
  - (5) Represents 1,846,310 common shares held by Stable View Limited, a British Virgin Islands company, and 33,100 common shares Mr. Xiaodao Wang has the right to acquire upon exercise of option within 60 days after the date of this prospectus. Stable View Limited is wholly owned by Mr. Xiaodao Wang. The registered address of Stable View Limited is Unit 8, 3/F., Qwomar Trading Complex, Blacburne Road, Port Purcell, Road Town, Tortola, British Virgin Islands.
  - (6) Represents 1,593,455 common shares held by Focus Axis Limited, a British Virgin Islands company, and 33,100 common shares Mr. Jiawen Fang has the right to acquire upon exercise of option within 60 days after the date of this prospectus. Focus Axis Limited is wholly owned by Mr. Jiawen Fang. The registered address of Focus Axis Limited is Unit 8, 3/F., Qwomar Trading Complex, Blacburne Road, Port Purcell, Road Town, Tortola, British Virgin Islands.
  - (7) Represents the common shares Mr. Feng Wang has the right to acquire upon exercise of option within 60 days after the date of this prospectus.
  - (8) Represents 23,864,895 common shares and 235,294 preferred shares held by KK Mobile Limited, a British Virgin Islands company. KK Mobile Limited is wholly owned by Mr. Weidong Luo. The registered address of KK Mobile Limited is Unit 8, 3/F., Qwomar Trading Complex, Blacburne Road, Port Purcell, Road Town, Tortola, British Virgin Islands. All the preferred shares held by KK Mobile Limited will be automatically converted to common shares immediately prior to the completion of this offering.
  - (9) Represents 10,666,670 common shares and 2,552,910 preferred shares held by Mandra iBase Limited, a British Virgin Islands company and 425,128 common shares issuable to Mandra iBase Limited upon the conversion of the three-year convertible note in the principal amount of US\$5.0 million issued in April 2018, at an assumed initial conversion price of US\$11.7612 per common share. The registered address of Mandra iBase Limited is 3rd Floor J&C Building, PO Box 933, Road Town, Tortola, British Virgin Islands, VG1110. Mandra iBase Limited is wholly owned by Beansprouts Ltd., a British Virgin Islands company. The shareholders of Beansprouts Ltd. are Bing How Mui and Song Yi Zhang, each holding 50% of the issued and outstanding share capital of Beansprouts Ltd. All the preferred shares held by Mandra iBase Limited will be automatically converted to common shares immediately prior to the completion of this offering.
  - (10) Represents (i) 7,318,780 preferred shares held by IDG-Accel China Growth Fund III L.P., a Cayman Islands limited partnership, and (ii) 518,860 preferred shares held by IDG-Accel China III Investors L.P., a Cayman Islands limited partnership. The registered address of IDG-Accel China Growth Fund III L.P. and IDG-Accel China III Investors L.P. is 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands. The general partner of IDG-Accel China Growth Fund III L.P. is IDG-Accel China Growth Fund III Associates L.P., and the general partner of IDG-Accel China Growth Fund III Associates L.P. is IDG-Accel China Growth Fund GP III Associates Ltd. The general partner of IDG-Accel China III Investors L.P. is IDG-Accel China Growth Fund GP III Associates Ltd. IDG-Accel China Growth Fund GP III Associates Ltd. is 50% owned by Mr. Chi Sing Ho, its largest shareholder, and the current members of its board of directors are Mr. Quan Zhou and Mr. Chi Sing Ho.
  - (11) Represents 6,584,370 preferred shares held by Greatest Investments Limited, a British Virgin Islands company. The registered address of Greatest Investments Limited is c/o Vistra Corporate Service Centre, Wickhams Cay II, Road Town, Tortola, VG110, British Virgin Islands. Greatest Investments Limited is wholly owned by Fosun Financial Holdings Limited. Fosun Financial Holdings Limited is wholly owned by Fosun International Limited, a company listed on the Main Board of the Hong Kong Stock Exchange. All the preferred shares held by Greatest Investments Limited will be automatically converted to common shares immediately prior to the completion of this offering.
  - (12) Represents (i) 3,089,853 preferred shares held by Fidelity Funds, a corporation established in Luxembourg, (ii) 2,441,572 preferred shares held by Fidelity China Special Situations PLC, a corporation incorporated in the United Kingdom and (iii) 28,062 preferred shares held by Fidelity Investment Funds, a corporation incorporated in the United Kingdom. The registered address of Fidelity Funds is 2a Rue

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Albert Borschette, BP 2174, L-1021 Luxembourg. The registered address of Fidelity China Special Situations PLC is Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP, United Kingdom. The registered address of Fidelity Investment Funds is Oakhill House, 130 Tonbridge Road, Hildenborough, Tonbridge, Kent TN11 9DZ, United Kingdom. All the preferred shares held by each of Fidelity Funds, Fidelity China Special Situations PLC and Fidelity Investment Funds will be automatically converted to common shares immediately prior to the completion of this offering.

- (13) Represents 2,133,330 common shares and 1,682,696 preferred shares held by Elite Bright International Limited, a British Virgin Islands company. Elite Bright International Limited is wholly owned by Mr. Fei Chen. The registered address of Elite Bright International Limited is Akara Bldg, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands. All the preferred shares held by Elite Bright International Limited will be automatically converted to common shares immediately prior to the completion of this offering.

As of the date of this prospectus, none of our common shares or preferred shares are held by record holder in the United States.

We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

## RELATED PARTY TRANSACTIONS

### Contractual Arrangements with our VIE and its Shareholders

See “Corporate History and Structure.”

### Shareholders Agreement and Investor Rights Agreement

See “Description of Share Capital—History of Securities Issuances.”

### Employment Agreements and Indemnification Agreements

See “Management—Employment Agreements and Indemnification Agreements.”

### Share Incentive Plans

See “Management—2014 Stock Incentive Plan” and “Management—2017 Stock Incentive Plan.”

### Private Placements

See “Description of Share Capital—History of Securities Issuances.”

### Transactions with Our Chief Executive Officer and Related Entities

*Amount due to Our Chief Executive Officer.* As of December 31, 2016 and 2017, we had amounts of RMB5.6 million and RMB5.6 million (US\$0.9 million), respectively, due to Mr. Weidong Luo, our chief executive officer and chairman of our board of directors, representing the capital he contributed to fund our operations at the early stage of our development. Such amounts are interest free. As of March 31, 2018, our amounts due to Mr. Luo increased to RMB14.5 million (US\$2.3 million) as a result of a short-term interest-free loan extended by Mr. Luo, which loan was repaid in April 2018. We expect to repay the outstanding balance to Mr. Luo in the first half of 2018.

*Transactions with Shenzhen Weixunyitong Information Technology Co., Ltd.* Shenzhen Weixunyitong Information Technology Co., Ltd., or Shenzhen Weixunyitong, engages in mobile game business, and Mr. Weidong Luo, our chief executive officer and chairman of our board of directors, has significant influence over Shenzhen Weixunyitong.

In 2016, 2017 and the three months ended March 31, 2018, we provided targeted marketing services to Shenzhen Weixunyitong in the amount of RMB344,000, RMB2.8 million (US\$0.4 million) and RMB3,596 (US\$573), respectively. As of December 31, 2016 and 2017 and March 31, 2018, we had amounts of RMB65,000, RMB0.9 million (US\$0.1 million) and RMB0.7 million (US\$0.1 million), respectively, due from Shenzhen Weixunyitong.

In 2016, 2017 and the three months ended March 31, 2018, we purchased ad inventory from and placed ads on the game apps of Shenzhen Weixunyitong in the amount of RMB0.4 million, RMB0.7 million (US\$0.1 million) and RMB0.8 million (US\$0.1 million), respectively. During the same periods, we also sub-leased office space from Shenzhen Weixunyitong for amounts of RMB1.2 million, RMB1.6 million (US\$0.2 million) and RMB0.2 million (US\$27 thousand), respectively. As of December 31, 2016 and 2017 and March 31, 2018, we had aggregate amounts of RMB0.5 million, RMB0.5 million (US\$73 thousand) and RMB0.2 million (US\$34 thousand), respectively, due to Shenzhen Weixunyitong.

*Transactions with Guangzhou Tianlang Network Technology Co., Ltd.* Guangzhou Tianlang Network Technology Co., Ltd., Guangzhou Tianlang, engages in advertising business, and Mr. Weidong Luo, our chief executive officer and chairman of our board of directors, has significant influence over Guangzhou Tianlang.

In 2017, we provided certain data solutions to Guangzhou Tianlang in an amount of RMB0.8 million (US\$0.1 million). As of December 31, 2017 and March 31, 2018, we had amount of RMB0.3 million and RMB0.3 million (US\$48 thousand), respectively, due from Guangzhou Tianlang.

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In 2016, we incurred marketing expenses of RMB0.9 million through Guangzhou Tianlang. As of December 31, 2016 and 2017, we had amounts of RMB0.2 million and nil, respectively, due to Guangzhou Tianlang.

### **Amounts due from Our Shareholders**

*Amount due from KK Mobile Limited.* KK Mobile Limited is a principal shareholder of our company and wholly owned by Mr. Weidong Luo, our chief executive officer and chairman of our board of directors. As of December 31, 2016 and 2017 and March 31, 2018, we had amounts of RMB26,000, RMB40,000 (US\$6,000) and RMB38,000 (US\$6,000), respectively, due from KK Mobile Limited, representing unpaid capital contribution. We expect to receive payment of the outstanding balance from the shareholder in the next few months.

*Amounts due from Stable View Limited and Focus Axis Limited.* Stable View Limited and Focus Axis Limited are holders of our common shares and wholly owned by Xiaodao Wang and Jiawen Fang, each a director of our company, respectively. As of December 31, 2016 and 2017 and March 31, 2018, we had amounts of RMB2,000, RMB17,000 (US\$3,000) and RMB16,000 (US\$3,000), respectively, due from each of Stable View Limited and Focus Axis Limited, representing unpaid capital contribution. We expect to receive payment of the outstanding balance from these shareholders in the next few months.

## DESCRIPTION OF SHARE CAPITAL

We are a Cayman Islands company and our affairs are governed by our memorandum and articles of association, the Companies Law (2018 Revision) of the Cayman Islands, which we refer to as the Companies Law below, and the common law of the Cayman Islands.

As of the date of this prospectus, our authorized share capital is US\$50,000 divided into 500,000,000 shares, comprising of (i) 470,393,343 common shares with a par value of US\$0.0001 each, (ii) 11,111,120 Series A preferred shares with a par value of US\$0.0001 each, (iii) 7,936,510 Series B preferred shares with a par value of US\$0.0001 each, (iv) 4,999,540 Series C preferred shares with a par value of US\$0.0001 each, and (v) 5,559,487 Series D preferred shares with a par value of US\$0.0001 each. As of the date of this prospectus, 42,666,670 common shares, 11,111,120 Series A preferred shares, 7,936,510 Series B preferred shares, 3,260,820 Series C preferred shares, and 5,559,487 Series D preferred shares are issued and outstanding. All of our issued and outstanding shares are fully paid.

Immediately prior to the completion of this offering, all of the preferred shares that are issued and outstanding will be converted to common shares on a one-for-one basis, and our authorized share capital will consist of \_\_\_\_\_ common shares with a par value of US\$0.0001 each.

### **Our Post-Offering Memorandum and Articles of Association**

Our shareholders have adopted an amended and restated memorandum and articles of association, which will become effective and replace our current amended and restated memorandum and articles of association in its entirety immediately prior to the completion of this offering. The following are summaries of material provisions of the post-offering memorandum and articles of association and of the Companies Law, insofar as they relate to the material terms of our common shares.

*Objects of Our Company.* Under our post-offering memorandum and articles of association, the objects of our company are unrestricted and we have the full power and authority to carry out any object not prohibited by the Cayman Islands law.

*Common Shares.* Our common shares are issued in registered form and are issued when registered in our register of shareholders. We may not issue shares to bearer. Our shareholders who are nonresidents of the Cayman Islands may freely hold and vote their shares.

*Dividends.* The holders of our common shares are entitled to such dividends as may be declared by our board of directors. Our post-offering memorandum and articles of association provide that dividends may be declared and paid out of our profits, realized or unrealized, or from any reserve set aside from profits which our board of directors determine is no longer needed. Dividends may also be declared and paid out of share premium account or any other fund or account which can be authorized for this purpose in accordance with the Companies Law. Under the laws of the Cayman Islands, our company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business.

*Voting Rights.* Voting at any shareholders' meeting is by show of hands unless a poll is demanded. A poll may be demanded by the chairman of such meeting or any one or more shareholders who together hold not less than 10% of the votes attaching to the total common shares which are present in person or by proxy at the meeting.

An ordinary resolution to be passed at a meeting by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the common shares cast at a meeting, while a special resolution requires the affirmative vote of no less than two-thirds of the votes cast attaching to the outstanding common shares at a

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meeting. A special resolution will be required for important matters such as a change of name or making changes to our post-offering memorandum and articles of association. Holders of the common shares may, among other things, divide or combine their shares by ordinary resolution.

*General Meetings of Shareholders.* As a Cayman Islands exempted company, we are not obliged by the Companies Law to call shareholders' annual general meetings. Our post-offering memorandum and articles of association provide that we may (but are not obliged to) in each year hold a general meeting as our annual general meeting in which case we shall specify the meeting as such in the notices calling it, and the annual general meeting shall be held at such time and place as may be determined by our directors.

Shareholders' general meetings may be convened by a majority of our board of directors. Advance notice of at least seven days is required for the convening of our annual general shareholders' meeting (if any) and any other general meeting of our shareholders. A quorum required for any general meeting of shareholders consists of at least one shareholder present or by proxy, representing not less than one-third of all votes attaching to all of our shares in issue and entitled to vote.

The Companies Law provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our post-offering memorandum and articles of association provide that upon the requisition of shareholders representing in aggregate not less than one-third of the votes attaching to the outstanding shares of our company entitled to vote at general meetings, our board will convene an extraordinary general meeting and put the resolutions so requisitioned to a vote at such meeting. However, our post-offering memorandum and articles of association do not provide our shareholders with any right to put any proposals before annual general meetings or extraordinary general meetings not called by such shareholders.

*Transfer of Common Shares.* Subject to the restrictions set out in our post-offering memorandum and articles of association as set out below, any of our shareholders may transfer all or any of his or her common shares by an instrument of transfer in the usual or common form or any other form approved by our board of directors.

Our board of directors may, in its absolute discretion, decline to register any transfer of any common share which is not fully paid up or on which we have a lien. Our board of directors may also decline to register any transfer of any common share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the common shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of common shares;
- the instrument of transfer is properly stamped, if required;
- in the case of a transfer to joint holders, the number of joint holders to whom the common share is to be transferred does not exceed four; and
- a fee of such maximum sum as [the New York Stock Exchange/NASDAQ Stock Market] may determine to be payable or such lesser sum as our directors may from time to time require is paid to us in respect thereof.

If our directors refuse to register a transfer they shall, within three months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, after compliance with any notice required of [the New York Stock Exchange/NASDAQ Stock Market], be suspended and the register closed at such times and for such periods as

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our board of directors may from time to time determine, provided, however, that the registration of transfers shall not be suspended nor the register closed for more than 30 days in any year as our board may determine.

*Liquidation.* On the winding up of our company, if the assets available for distribution amongst our shareholders shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst our shareholders in proportion to the par value of the shares held by them at the commencement of the winding up, subject to a deduction from those shares in respect of which there are monies due, of all monies payable to our company for unpaid calls or otherwise. If our assets available for distribution are insufficient to repay all of the paid-up capital, the assets will be distributed so that the losses are borne by our shareholders in proportion to the par value of the shares held by them.

*Calls on Shares and Forfeiture of Shares.* Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their shares in a notice served to such shareholders at least 14 days prior to the specified time and place of payment. The shares that have been called upon and remain unpaid are subject to forfeiture.

*Redemption, Repurchase and Surrender of Shares.* We may issue shares on terms that such shares are subject to redemption, at our option or at the option of the holders of these shares, on such terms and in such manner as may be determined by our board of directors. Our Company may also repurchase any of our shares on such terms and in such manner as have been approved by our board of directors or by an ordinary resolution of our shareholders. Under the Companies Law, the redemption or repurchase of any share may be paid out of our Company's profits or out of the proceeds of a new issue of shares made for the purpose of such redemption or repurchase, or out of capital (including share premium account and capital redemption reserve) if our company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business. In addition, under the Companies Law no such share may be redeemed or repurchased (a) unless it is fully paid up, (b) if such redemption or repurchase would result in there being no shares outstanding or (c) if the company has commenced liquidation. In addition, our company may accept the surrender of any fully paid share for no consideration.

*Variations of Rights of Shares.* If at any time, our share capital is divided into different classes or series of shares, the rights attached to any class or series of shares (unless otherwise provided by the terms of issue of the shares of that class or series), whether or not our company is being wound-up, may be varied with the consent in writing of all the holders of the issued shares of that class or series or with the sanction of a resolution passed by a majority of the votes cast at a separate meeting of the holders of the shares of the class or series. The rights conferred upon the holders of the shares of any class issued shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with such existing class of shares.

*Issuance of Additional Shares.* Our post-offering memorandum of association authorizes our board of directors to issue additional common shares from time to time as our board of directors shall determine, to the extent of available authorized but unissued shares.

Our post-offering memorandum of association also authorizes our board of directors to establish from time to time one or more series of preference shares and to determine, with respect to any series of preference shares, the terms and rights of that series, including:

- the designation of the series;
- the number of shares of the series;
- the dividend rights, dividend rates, conversion rights, voting rights; and
- the rights and terms of redemption and liquidation preferences.

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Our board of directors may issue preference shares without action by our shareholders to the extent authorized but unissued. Issuance of these shares may dilute the voting power of holders of common shares.

*Inspection of Books and Records.* Holders of our common shares will have no general right under Cayman Islands law to inspect or obtain copies of our list of shareholders or our corporate records. However, we will provide our shareholders with annual audited financial statements. See “Where You Can Find Additional Information.”

*Anti-Takeover Provisions.* Some provisions of our post-offering memorandum and articles of association may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including provisions that:

- authorize our board of directors to issue preference shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preference shares without any further vote or action by our shareholders; and
- limit the ability of shareholders to requisition and convene general meetings of shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our post-offering memorandum and articles of association for a proper purpose and for what they believe in good faith to be in the best interests of our company.

*Exempted Company.* We are an exempted company with limited liability under the Companies Law. The Companies Law distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except that an exempted company:

- does not have to file an annual return of its shareholders with the Registrar of Companies;
- is not required to open its register of members for inspection;
- does not have to hold an annual general meeting;
- may issue negotiable or bearer shares or shares with no par value;
- may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- may register as a limited duration company; and
- may register as a segregated portfolio company.

“Limited liability” means that the liability of each shareholder is limited to the amount unpaid by the shareholder on the shares of the company (except in exceptional circumstances, such as involving fraud, the establishment of an agency relationship or an illegal or improper purpose or other circumstances in which a court may be prepared to pierce or lift the corporate veil).

### **Differences in Corporate Law**

The Companies Law is derived, to a large extent, from the older Companies Acts of England but does not follow recent English statutory enactments and accordingly there are significant differences between the Companies Law and the current Companies Act of England. In addition, the Companies Law differs from laws applicable to U.S. corporations and their shareholders. Set forth below is a summary of certain significant differences between the provisions of the Companies Law applicable to us and the laws applicable to companies incorporated in the United States and their shareholders.

*Mergers and Similar Arrangements.* The Companies Law permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (i) “merger” means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (ii) a “consolidation” means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of the shareholders of each constituent company, and (b) such other authorization, if any, as may be specified in such constituent company’s articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

A merger between a Cayman parent company and its Cayman subsidiary or subsidiaries does not require authorization by a resolution of shareholders of that Cayman subsidiary if a copy of the plan of merger is given to every member of that Cayman subsidiary to be merged unless that member agrees otherwise. For this purpose a company is a “parent” of a subsidiary if it holds issued shares that together represent at least ninety percent (90%) of the votes at a general meeting of the subsidiary.

The consent of each holder of a fixed or floating security interest over a constituent company is required unless this requirement is waived by a court in the Cayman Islands.

Save in certain limited circumstances, a shareholder of a Cayman constituent company who dissents from the merger or consolidation is entitled to payment of the fair value of his shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) upon dissenting to the merger or consolidation, provided the dissenting shareholder complies strictly with the procedures set out in the Companies Law. The exercise of dissenter rights will preclude the exercise by the dissenting shareholder of any other rights to which he or she might otherwise be entitled by virtue of holding shares, save for the right to seek relief on the grounds that the merger or consolidation is void or unlawful.

Separate from the statutory provisions relating to mergers and consolidations, the Companies Law also contains statutory provisions that facilitate the reconstruction and amalgamation of companies by way of schemes of arrangement, provided that the arrangement is approved by a majority in number of each class of shareholders and creditors with whom the arrangement is to be made, and who must in addition represent three-fourths in value of each such class of shareholders or creditors, as the case may be, that are present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

- the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his interest; and
- the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Law.

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The Companies Law also contains a statutory power of compulsory acquisition which may facilitate the “squeeze out” of dissentient minority shareholder upon a tender offer. When a tender offer is made and accepted by holders of 90.0% of the shares affected within four months, the offeror may, within a two-month period commencing on the expiration of such four month period, require the holders of the remaining shares to transfer such shares to the offeror on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands but this is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion.

If an arrangement and reconstruction is thus approved, or if a tender offer is made and accepted, a dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

*Shareholders’ Suits.* In principle, we will normally be the proper plaintiff to sue for a wrong done to us as a company, and as a general rule a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, the Cayman Islands court can be expected to follow and apply the common law principles (namely the rule in *Foss v. Harbottle* and the exceptions thereto) so that a non-controlling shareholder may be permitted to commence a class action against or derivative actions in the name of the company to challenge actions where:

- a company acts or proposes to act illegally or ultra vires;
- the act complained of, although not ultra vires, could only be effected duly if authorized by more than a simple majority vote that has not been obtained; and
- those who control the company are perpetrating a “fraud on the minority.”

*Indemnification of Directors and Executive Officers and Limitation of Liability.* Cayman Islands law does not limit the extent to which a company’s memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our post-offering memorandum and articles of association provide that that we shall indemnify our officers and directors against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by such directors or officer, other than by reason of such person’s dishonesty, willful default or fraud, in or about the conduct of our company’s business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by such director or officer in defending (whether successfully or otherwise) any civil proceedings concerning our company or its affairs in any court whether in the Cayman Islands or elsewhere. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation.

In addition, we have entered into indemnification agreements with our directors and executive officers that provide such persons with additional indemnification beyond that provided in our post-offering memorandum and articles of association.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling us under the foregoing provisions, we have been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

*Directors’ Fiduciary Duties.* Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: the duty of care and the

duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director acts in a manner he reasonably believes to be in the best interests of the corporation. He must not use his corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interest of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, the director must prove the procedural fairness of the transaction, and that the transaction was of fair value to the corporation.

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company and therefore it is considered that he owes the following duties to the company—a duty to act bona fide in the best interests of the company, a duty not to make a profit based on his position as director (unless the company permits him to do so), a duty not to put himself in a position where the interests of the company conflict with his personal interest or his duty to a third party, and a duty to exercise powers for the purpose for which such powers were intended. A director of a Cayman Islands company owes to the company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands.

*Shareholder Action by Written Consent.* Under the Delaware General Corporation Law, a corporation may eliminate the right of shareholders to act by written consent by amendment to its certificate of incorporation. Cayman Islands law and our post-offering memorandum and articles of association provide that our shareholders may approve corporate matters by way of a unanimous written resolution signed by or on behalf of each shareholder who would have been entitled to vote on such matter at a general meeting without a meeting being held.

*Shareholder Proposals.* Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

The Companies Law provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our post-offering memorandum and articles of association allow our shareholders holding in aggregate not less than one-third of all votes attaching to the outstanding shares of our company entitled to vote at general meetings to requisition an extraordinary general meeting of our shareholders, in which case our board is obliged to convene an extraordinary general meeting and to put the resolutions so requisitioned to a vote at such meeting. Other than this right to requisition a shareholders' meeting, our post-offering memorandum and articles of association do not provide our shareholders with any other right to put proposals before annual general meetings or extraordinary general meetings. As an exempted Cayman Islands company, we are not obliged by law to call shareholders' annual general meetings.

*Cumulative Voting.* Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director,

which increases the shareholder's voting power with respect to electing such director. There are no prohibitions in relation to cumulative voting under the laws of the Cayman Islands but our post-offering memorandum and articles of association do not provide for cumulative voting. As a result, our shareholders are not afforded any less protections or rights on this issue than shareholders of a Delaware corporation.

*Removal of Directors.* Under the Delaware General Corporation Law, a director of a corporation with a classified board may be removed only for cause with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under our post-offering memorandum and articles of association, directors may be removed with or without cause, by an ordinary resolution of our shareholders.

*Transactions with Interested Shareholders.* The Delaware General Corporation Law contains a business combination statute applicable to Delaware corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date that such person becomes an interested shareholder. An interested shareholder generally is a person or a group who or which owns or owned 15% or more of the target's outstanding voting share within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction which resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

*Cayman Islands law has no comparable statute.* As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that such transactions must be entered into bona fide in the best interests of the company and not with the effect of constituting a fraud on the minority shareholders.

*Dissolution; Winding up.* Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board.

Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or, if the company is unable to pay its debts as they fall due, by an ordinary resolution of its members. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so. Under the Companies Law and our post-offering memorandum and articles of association, our company may be dissolved, liquidated or wound up by a special resolution of our shareholders.

*Variation of Rights of Shares.* Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under Cayman Islands law and our post-offering memorandum and articles of association, if our share capital is divided into more than one class of shares, we may vary the rights attached to any class with the unanimous written consent of the holders of a majority of the issued shares of that class or with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class.

*Amendment of Governing Documents.* Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under the Companies Law and our post-offering memorandum and articles of association, our memorandum and articles of association may only be amended by a special resolution of our shareholders.

*Rights of Non-resident or Foreign Shareholders.* There are no limitations imposed by our post-offering memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our post-offering memorandum and articles of association governing the ownership threshold above which shareholder ownership must be disclosed.

## **History of Securities Issuances**

The following is a summary of our securities issuances in the past three years.

### ***Share Split***

On March 1, 2017, we effected a 10-for-1 share split whereby each of our then authorized and outstanding common shares, par value US\$0.001 each, was divided into ten common shares, par value US\$0.0001 each, and each of our then authorized and outstanding preferred shares, par value US\$0.001 each, was divided into ten preferred shares of the same series, par value US\$0.0001 each. The share split has been retroactively reflected for all periods presented in this prospectus.

### ***Preferred Shares***

On May 13, 2015, we issued an aggregate of 7,936,510 Series B preferred shares to Greatest Investments Limited, IDG-Accel China Growth Fund III L.P., IDG-Accel China III Investors L.P., Elite Bright International Limited and Mandra iBase Limited for an aggregate consideration of US\$7.5 million.

On April 1, 2016, we issued an aggregate of 2,351,560 Series C preferred shares to Shenzhen Guohai Chuangxin Investment Management Limited Corporation and Greatest Investments Limited for an aggregate consideration of approximately US\$11.1 million.

On October 31, 2016, we issued an aggregate of 2,539,680 Series C preferred shares to T.C.L. Industries Holdings (H.K.) Ltd., Mandra iBase Limited and Genesis Ventures Limited for an aggregate consideration of US\$12.0 million.

On March 1, 2017, we issued an aggregate of 108,300 Series C preferred shares to Shenzhen Guohai Chuangxin Investment Management Limited Corporation, T.C.L. Industries Holdings (H.K.) Ltd. and Genesis Ventures Limited in accordance with the shareholders' agreement dated October 31, 2016 so that the shareholding percentage of these shareholders in our company would not be diluted as a result of the adoption of the 2017 Stock Incentive Plan.

On May 10, 2017, we issued an aggregate of 5,559,487 Series D preferred shares to Fidelity Investment Funds, Fidelity China Special Situations PLC and Fidelity Funds for an aggregate consideration of US\$30 million.

On April 11, 2018, we repurchased the 1,738,720 Series C preferred shares held by T.C.L. Industries Holdings (H.K.) Ltd. for an aggregate price of approximately US\$9.1 million.

### ***Convertible Notes***

On April 17, 2018, we issued zero coupon non-guaranteed and unsecured convertible notes due 2021 in the principal amount of US\$35.0 million, of which US\$30.0 million is held by Mercer Investments (Singapore) Pte.

Ltd., an indirectly wholly-owned subsidiary of The Goldman Sachs Group, Inc., and US\$5.0 million is held by Mandra iBase Limited. The convertible notes are non-interest bearing, except when, subject to certain exceptions, an event of default occurs, such as failure to make any payment due on the due date, and the majority noteholders have, in their sole discretion, accelerated their convertible notes by giving notice to us that their outstanding notes are due and repayable. In such event, we will be required to pay interest at a simple interest rate of 15% per annum on the aggregate outstanding principal amount of the convertible notes. Holders of the convertible notes may, at their discretion during a period starting from the issue date of the notes until seven days prior to the maturity of the notes, subject to certain exceptions, convert the notes into common shares of our company at the then applicable conversion price, which is initially US\$11.7612 per common share, subject to certain anti-dilution adjustments. Assuming all the notes are converted into our common shares at this initial conversion price, we would issue 2,550,769 and 425,128 common shares to Mercer Investments (Singapore) Pte. Ltd. and Mandra iBase Limited, respectively.

### ***Option Grant***

We have granted options to purchase our common shares to certain of our directors, executive officers and employees.

As of the date of this prospectus, the aggregate number of our common shares underlying our outstanding options is 6,839,076. See “Management—2014 Stock Incentive Plan” and “Management—2017 Stock Incentive Plan.”

### ***Shareholders Agreement and Registration Rights***

We entered into our shareholders agreement on May 10, 2017 with our shareholders, which consist of holders of common shares and preferred shares. The shareholders agreement provides for certain special rights, including right of first refusal, co-sale rights, preemptive rights and contains provisions governing the board of directors and other corporate governance matters. Those special rights, as well as the corporate governance provisions, will automatically terminate upon the completion of a qualified initial public offering.

#### ***Registration Rights Granted to Shareholders***

We have granted certain registration rights to our shareholders under the shareholders agreement. Set forth below is a description of the registration rights.

***Demand Registration Rights.*** At any time after the earlier of (i) January 1, 2020 or (ii) one year following the closing of an initial public offering, holders of at least 50% of the preferred shares (or common shares issued on conversion of preferred shares) then outstanding or Mandra iBase Limited has the right to demand that we file a registration statement covering at least 20% (or any lesser percentage if the anticipated gross proceeds to us from such proposed offering would exceed US\$5.0 million) of the registrable securities. We have the right to defer filing of a registration statement for a period of not more than 90 days (except for a registration statement on Form F-3, which shall be 60 days) after the receipt of the request of the initiating holders if we furnish to the holders requesting registration a certificate signed by our chief executive officer stating that in the good faith judgment of our board of directors, it would be materially detrimental to us and our shareholders for such registration statement to be filed at such time. However, we cannot exercise the deferral right more than once in any 12-month period. We are obligated to effect no more than two demand registrations, other than demand registration to be effected pursuant to registration statement on Form F-3, for which an unlimited number of demand registrations shall be permitted.

***Piggyback Registration Rights.*** If we propose to file a registration statement for a public offering of our securities, we must offer our shareholders an opportunity to include in the registration all or any part of the registrable securities held by such holders. If the managing underwriters of any underwritten offering determine in good faith that marketing factors require a limitation of the number of shares to be underwritten, the

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underwriters may (i) in the event the offering is the initial public offering, exclude from the underwritten offering all of the registrable securities (so long as the only securities included in such offering are those sold by us), or (ii) otherwise exclude up to 75% of the registrable securities requested to be registered but only after first excluding all other equity interests from the registration and underwritten offering and so long as the number of registrable securities to be included in the registration is allocated among all holders on a pro rata basis.

*Form F-3 Registration Rights.* Our shareholders may request us in writing to file an unlimited number of registration statements on Form F-3 so long as such registration offerings are in excess of US\$500,000. We shall effect the registration of the securities on Form F-3 as soon as practicable, except in certain circumstances.

*Expenses of Registration.* We will bear all registration expenses, other than underwriting discounts and selling commissions, and fees for special counsel of the holders participating in such registration, incurred in connection with any demand, piggyback or Form F-3 registration.

*Termination of Registration Rights.* Our shareholders' registration rights will terminate on the earlier of (i) the date that is five years after the closing of an initial public offering, and (ii) with respect to any shareholder, when the registrable securities proposed to be sold by such shareholder may then be sold without registration in any 90-day period pursuant to Rule 144 under the Securities Act.

### **Investor Rights Agreement and Registration Rights**

In connection with the issuance of convertible notes to Mercer Investments (Singapore) Pte. Ltd. and Mandra iBase Limited on April 17, 2018, we entered into an investor rights agreement on the same date. The investor rights agreement provides for certain special rights to the investors and contains provisions governing the board of directors and other corporate governance matters. Those special rights, as well as the corporate governance provisions, will automatically terminate immediately prior to the completion of this offering.

#### *Registration Rights Granted to Holders of Convertible Notes*

We have granted certain registration rights to the holders of our convertible notes under the investor rights agreement. Set forth below is a description of the registration rights.

*Demand Registration Rights.* At any time after the date that is 12 months after the closing of an initial public offering, holders of at least 50% of the convertible notes (or shares issued on conversion of the notes) then outstanding have the right to demand that we file a registration statement covering at least 20% (or any lesser percentage if the anticipated gross proceeds to us from such proposed offering would exceed US\$5.0 million) of the registrable securities. We have the right to defer filing of a registration statement for a period of not more than 90 days (except for a registration statement on Form F-3, which shall be 60 days) after the receipt of the request of the initiating holders if we furnish to the holders requesting registration a certificate signed by our chief executive officer stating that in the good faith judgment of our board of directors, it would be materially detrimental to us and our shareholders for such registration statement to be filed at such time. However, we cannot exercise the deferral right more than once in any 12-month period. We are obligated to effect no more than two demand registrations, other than demand registration to be effected pursuant to registration statement on Form F-3, for which an unlimited number of demand registrations shall be permitted.

*Piggyback Registration Rights.* If we propose to file a registration statement for a public offering of our securities, we must offer holders of our convertible notes an opportunity to include in the registration all or any part of the registrable securities held by such holders. If the managing underwriters of any underwritten offering determine in good faith that marketing factors require a limitation of the number of shares to be underwritten, the underwriters may (i) in the event the offering is the first initial public offering, exclude from the underwritten offering all of the registrable securities (so long as the only securities included in such offering are those sold by us), or (ii) otherwise exclude up to 75% of the registrable securities requested to be registered but only after first excluding all other equity interests from the registration and underwritten offering and so long as the number of registrable securities to be included in the registration is allocated among all holders on a pro rata basis.

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*Form F-3 Registration Rights.* Our noteholders may request us in writing to file an unlimited number of registration statements on Form F-3 so long as such registration offerings are in excess of US\$500,000. We shall effect the registration of the securities on Form F-3 as soon as practicable, except in certain circumstances.

*Expenses of Registration.* We will bear all registration expenses, other than underwriting discounts and selling commissions, and fees for special counsel of the holders participating in such registration, incurred in connection with any demand, piggyback or Form F-3 registration.

*Termination of Registration Rights.* Our noteholders' registration rights will terminate on the earlier of (i) the date that is five years after the closing of an initial public offering, and (ii) with respect to any convertible noteholder, when the registrable securities proposed to be sold by such holder may then be sold without registration in any 90-day period pursuant to Rule 144 under the Securities Act.

## DESCRIPTION OF AMERICAN DEPOSITARY SHARES

### **[American Depositary Receipts**

, as depositary will issue the ADSs which you will be entitled to receive in this offering. Each ADS will represent an ownership interest in common shares which we will deposit with the custodian, as agent of the depositary, under the deposit agreement among ourselves, the depositary and yourself as an ADR holder. In the future, each ADS will also represent any securities, cash or other property deposited with the depositary but which they have not distributed directly to you. Unless specifically requested by you, all ADSs will be issued on the books of our depositary in book-entry form and periodic statements will be mailed to you which reflect your ownership interest in such ADSs. In our description, references to American depositary receipts or ADRs shall include the statements you will receive which reflect your ownership of ADSs.

The depositary's office is located at .

You may hold ADSs either directly or indirectly through your broker or other financial institution. If you hold ADSs directly, by having an ADS registered in your name on the books of the depositary, you are an ADR holder. This description assumes you hold your ADSs directly. If you hold the ADSs through your broker or financial institution nominee, you must rely on the procedures of such broker or financial institution to assert the rights of an ADR holder described in this section. You should consult with your broker or financial institution to find out what those procedures are.

As an ADR holder, we will not treat you as a shareholder of ours and you will not have any shareholder rights. Cayman Islands law governs shareholder rights. Because the depositary or its nominee will be the shareholder of record for the shares represented by all outstanding ADSs, shareholder rights rest with such record holder. Your rights are those of an ADR holder. Such rights derive from the terms of the deposit agreement to be entered into among us, the depositary and all registered holders from time to time of ADSs issued under the deposit agreement. The obligations of the depositary and its agents are also set out in the deposit agreement. Because the depositary or its nominee will actually be the registered owner of the shares, you must rely on it to exercise the rights of a shareholder on your behalf. The deposit agreement and the ADSs are governed by New York law.

The following is a summary of what we believe to be the material terms of the deposit agreement. Notwithstanding this, because it is a summary, it may not contain all the information that you may otherwise deem important. For more complete information, you should read the entire deposit agreement and the form of ADR which contains the terms of your ADSs. You can read a copy of the deposit agreement which is filed as an exhibit to the registration statement of which this prospectus forms apart. You may also obtain a copy of the deposit agreement at the SEC's Public Reference Room which is located at 100 F Street, NE, Washington, DC 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-732-0330. You may also find the registration statement and the attached deposit agreement on the SEC's website at <http://www.sec.gov>.

### **Share Dividends and Other Distributions**

#### ***How will I receive dividends and other distributions on the shares underlying my ADSs?***

We may make various types of distributions with respect to our securities. The depositary has agreed that, to the extent practicable, it will pay to you the cash dividends or other distributions it or the custodian receives on shares or other deposited securities, after converting any cash received into U.S. dollars and, in all cases, making any necessary deductions provided for in the deposit agreement. You will receive these distributions in proportion to the number of underlying securities that your ADSs represent.

Except as stated below, the depositary will deliver such distributions to ADR holders in proportion to their interests in the following manner:

- *Cash.* The depositary will distribute any U.S. dollars available to it resulting from a cash dividend or other cash distribution or the net proceeds of sales of any other distribution or portion thereof (to the extent applicable), on an averaged or other practicable basis, subject to (i) appropriate adjustments for taxes withheld, (ii) such distribution being impermissible or impracticable with respect to certain registered ADR holders, and (iii) deduction of the depositary's expenses in (1) converting any foreign currency to U.S. dollars to the extent that it determines that such conversion may be made on a reasonable basis, (2) transferring foreign currency or U.S. dollars to the United States by such means as the depositary may determine to the extent that it determines that such transfer may be made on a reasonable basis, (3) obtaining any approval or license of any governmental authority required for such conversion or transfer, which is obtainable at a reasonable cost and within a reasonable time and (4) making any sale by public or private means in any commercially reasonable manner. The depositary will hold any cash amounts it is unable to distribute in a non-interest-bearing account for the benefit of the applicable holders and beneficial owners of ADSs until the distribution can be effected or the funds that the depositary holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States. If exchange rates fluctuate during a time when the depositary cannot convert a foreign currency, you may lose some or all of the value of the distribution.
- *Shares.* In the case of a distribution in shares, the depositary will issue additional ADRs to evidence the number of ADSs representing such shares. Only whole ADSs will be issued. Any shares which would result in fractional ADSs will be sold and the net proceeds will be distributed in the same manner as cash to the ADR holders entitled thereto.
- *Rights to Receive Additional Shares.* In the case of a distribution of rights to subscribe for additional shares or other rights, if we provide evidence satisfactory to the depositary that it may lawfully distribute such rights, the depositary will distribute warrants or other instruments in the discretion of the depositary representing such rights. However, if we do not furnish such evidence, the depositary may:
  - sell such rights if practicable and distribute the net proceeds in the same manner as cash to the ADR holders entitled thereto; or
  - if it is not practicable to sell such rights, do nothing and allow such rights to lapse, in which case ADR holders will receive nothing.

We have no obligation to file a registration statement under the Securities Act in order to make any rights available to ADR holders.

- *Other Distributions.* In the case of a distribution of securities or property other than those described above, the depositary may either (i) distribute such securities or property in any manner it deems equitable and practicable or (ii) to the extent the depositary deems distribution of such securities or property not to be equitable and practicable, sell such securities or property and distribute any net proceeds in the same way it distributes cash.

If the depositary determines that any distribution described above is not practicable with respect to any specific registered ADR holder, the depositary may choose any method of distribution that it deems practicable for such ADR holder, including the distribution of foreign currency, securities or property, or it may retain such items, without paying interest on or investing them, on behalf of the ADR holder as deposited securities, in which case the ADSs will also represent the retained items.

Any U.S. dollars will be distributed by checks drawn on a bank in the United States for whole dollars and cents. Fractional cents will be withheld without liability and dealt with by the depositary in accordance with its then current practices.

The depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any ADR holders.

There can be no assurance that the depositary will be able to convert any currency at a specified exchange rate or sell any property, rights, shares or other securities at a specified price, nor that any of such transactions can be completed within a specified time period.

## **Deposit, Withdrawal and Cancellation**

### ***How does the depositary issue ADSs?***

The depositary will issue ADSs if you or your broker deposit shares or evidence of rights to receive shares with the custodian and pay the fees and expenses owing to the depositary in connection with such issuance. In the case of the ADSs to be issued under this prospectus, we will arrange with the underwriters named herein to deposit such shares.

Shares deposited in the future with the custodian must be accompanied by certain delivery documentation and shall, at the time of such deposit, be registered in the name of \_\_\_\_\_, as depositary for the benefit of holders of ADRs or in such other name as the depositary shall direct.

The custodian will hold all deposited shares (including those being deposited by or on our behalf in connection with the offering to which this prospectus relates) for the account of the depositary. ADR holders thus have no direct ownership interest in the shares and only have such rights as are contained in the deposit agreement. The custodian will also hold any additional securities, property and cash received on or in substitution for the deposited shares. The deposited shares and any such additional items are referred to as “deposited securities”.

Upon each deposit of shares, receipt of related delivery documentation and compliance with the other provisions of the deposit agreement, including the payment of the fees and charges of the depositary and any taxes or other fees or charges owing, the depositary will issue an ADR or ADRs in the name or upon the order of the person entitled thereto evidencing the number of ADSs to which such person is entitled. All of the ADSs issued will, unless specifically requested to the contrary, be part of the depositary’s direct registration system, and a registered holder will receive periodic statements from the depositary which will show the number of ADSs registered in such holder’s name. An ADR holder can request that the ADSs not be held through the depositary’s direct registration system and that a certificated ADR be issued.

### ***How do ADR holders cancel an ADS and obtain deposited securities?***

When you turn in your ADR certificate at the depositary’s office, or when you provide proper instructions and documentation in the case of direct registration ADSs, the depositary will, upon payment of certain applicable fees, charges and taxes, deliver the underlying shares to you or upon your written order. At your risk, expense and request, the depositary may deliver deposited securities at such other place as you may request.

The depositary may only restrict the withdrawal of deposited securities in connection with:

- temporary delays caused by closing our transfer books or those of the depositary or the deposit of shares in connection with voting at a shareholders’ meeting, or the payment of dividends;
- the payment of fees, taxes and similar charges; or
- compliance with any U.S. or foreign laws or governmental regulations relating to the ADRs or to the withdrawal of deposited securities.

This right of withdrawal may not be limited by any other provision of the deposit agreement.

## **Record Dates**

The depositary may, after consultation with us if practicable, fix record dates for the determination of the registered ADR holders who will be entitled (or obligated, as the case may be):

- to receive any distribution on or in respect of shares,
- to give instructions for the exercise of voting rights at a meeting of holders of shares,
- to pay the fee assessed by the depositary for administration of the ADR program and for any expenses as provided for in the ADR, or
- to receive any notice or to act in respect of other matters all subject to the provisions of the deposit agreement.

## **Voting Rights**

### ***How do I vote?***

If you are an ADR holder and the depositary asks you to provide it with voting instructions, you may instruct the depositary how to exercise the voting rights for the shares which underlie your ADSs. As soon as practicable after receiving notice of any meeting or solicitation of consents or proxies from us, the depositary will distribute to the registered ADR holders a notice stating such information as is contained in the voting materials received by the depositary and describing how you may instruct the depositary to exercise the voting rights for the shares which underlie your ADSs. For instructions to be valid, the depositary must receive them in the manner and on or before the date specified. No voting instructions may be deemed given to the depositary to give a discretionary proxy to a person designated by us if no instructions are received by the depositary from you on or before the response date established by the depositary. The depositary will try, as far as is practical, subject to the provisions of and governing the underlying shares or other deposited securities, to vote or to have its agents vote the shares or other deposited securities as you instruct. The depositary will only vote or attempt to vote as you instruct. The depositary will not itself exercise any voting discretion. Furthermore, neither the depositary nor its agents are responsible for any failure to carry out any voting instructions, for the manner in which any vote is cast or for the effect of any vote. Notwithstanding anything contained in the deposit agreement or any ADR, the depositary may, to the extent not prohibited by law or regulations, or by the requirements of the stock exchange on which the ADSs are listed, in lieu of distribution of the materials provided to the depositary in connection with any meeting of, or solicitation of consents or proxies from, holders of deposited securities, distribute to the registered holders of ADRs a notice that provides such holders with, or otherwise publicizes to such holders, instructions on how to retrieve such materials or receive such materials upon request (i.e., by reference to a website containing the materials for retrieval or a contact for requesting copies of the materials).

Under our constituent documents the depositary would be able to provide us with voting instructions without having to personally attend meetings in person or by proxy. Such voting instructions may be provided to us via facsimile, email, mail, courier or other recognized form of delivery and we agree to accept any such delivery so long as it is timely received prior to the meeting. We will endeavor to provide the depositary with written notice of each meeting of shareholders promptly after determining the date of such meeting so as to enable it to solicit and receive voting instructions. In general, the depositary will require that voting instructions be received by the depositary no less than five business days prior to the date of each meeting of shareholders. Under the post-offering amended and restated memorandum and articles of association that we expect to adopt, the minimum notice period required to convene a general meeting is seven days. The depositary may not have sufficient time to solicit voting instructions, and it is possible that you, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote.

Notwithstanding the above, we have advised the depositary that under the Cayman Islands law and our constituent documents, each as in effect as of the date of the deposit agreement, voting at any meeting of shareholders is by show of hands unless a poll is (before or on the declaration of the results of the show of hands)

demand. In the event that voting on any resolution or matter is conducted on a show of hands basis in accordance with our constituent documents, the depositary will refrain from voting and the voting instructions (or the deemed voting instructions, as set out above) received by the depositary from holders shall lapse. The depositary will not demand a poll or join in demanding a poll, whether or not requested to do so by holders of ADSs.

There is no guarantee that you will receive voting materials in time to instruct the depositary to vote and it is possible that you, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote.

## **Reports and Other Communications**

### ***Will ADR holders be able to view our reports?***

The depositary will make available for inspection by ADR holders at the offices of the depositary and the custodian the deposit agreement, the provisions of or governing deposited securities, and any written communications from us which are both received by the custodian or its nominee as a holder of deposited securities and made generally available to the holders of deposited securities.

Additionally, if we make any written communications generally available to holders of our shares, and we furnish copies thereof (or English translations or summaries) to the depositary, it will distribute the same to registered ADR holders.

## **Fees and Expenses**

### ***What fees and expenses will I be responsible for paying?***

The depositary may charge each person to whom ADSs are issued, including, without limitation, issuances against deposits of shares, issuances in respect of share distributions, rights and other distributions, issuances pursuant to a stock dividend or stock split declared by us or issuances pursuant to a merger, exchange of securities or any other transaction or event affecting the ADSs or deposited securities, and each person surrendering ADSs for withdrawal of deposited securities or whose ADRs are canceled or reduced for any other reason, US\$5.00 for each 100 ADSs (or any portion thereof) issued, delivered, reduced, canceled or surrendered, as the case may be. The depositary may sell (by public or private sale) sufficient securities and property received in respect of a share distribution, rights and/or other distribution prior to such deposit to pay such charge.

The following additional charges shall be incurred by the ADR holders, by any party depositing or withdrawing shares or by any party surrendering ADSs or to whom ADSs are issued (including, without limitation, issuance pursuant to a stock dividend or stock split declared by us or an exchange of stock regarding the ADRs or the deposited securities or a distribution of ADSs), whichever is applicable:

- a fee of US\$            per ADR or ADRs for transfers of certificated or direct registration ADRs;
- a fee of up to US\$            per ADS for any cash distribution made pursuant to the deposit agreement;
- a fee of up to US\$            per ADS per calendar year (or portion thereof) for services performed by the depositary in administering the ADRs (which fee may be charged on a periodic basis during each calendar year and shall be assessed against holders of ADRs as of the record date or record dates set by the depositary during each calendar year and shall be payable in the manner described in the next succeeding provision);
- reimbursement of such fees, charges and expenses as are incurred by the depositary and/or any of the depositary's agents (including, without limitation, the custodian and expenses incurred on behalf of holders in connection with compliance with foreign exchange control regulations or any law or regulation relating to foreign investment) in connection with the servicing of the shares or other

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deposited securities, the delivery of deposited securities or otherwise in connection with the depository's or its custodian's compliance with applicable law, rule or regulation (which charge shall be assessed on a proportionate basis against holders as of the record date or dates set by the depository and shall be payable at the sole discretion of the depository by billing such holders or by deducting such charge from one or more cash dividends or other cash distributions);

- a fee for the distribution of securities (or the sale of securities in connection with a distribution), such fee being in an amount equal to the fee for the execution and delivery of ADSs which would have been charged as a result of the deposit of such securities (treating all such securities as if they were shares and there would be a fee of five cents per ADS outstanding);
- stock transfer or other taxes and other governmental charges;
- cable, telex and facsimile transmission and delivery charges incurred at your request in connection with the deposit or delivery of shares;
- transfer or registration fees for the registration of transfer of deposited securities on any applicable register in connection with the deposit or withdrawal of deposited securities; and
- expenses of the depository in connection with the conversion of foreign currency into U.S. dollars.

We will pay all other charges and expenses of the depository and any agent of the depository (except the custodian) pursuant to agreements from time to time between us and the depository. The charges described above may be amended from time to time by agreement between us and the depository.

Our depository has agreed to reimburse us for certain expenses we incur that are related to establishment and maintenance of the ADR program, including investor relations expenses and exchange application and listing fees. Neither the depository nor we can determine the exact amount to be made available to us because (i) the number of ADSs that will be issued and outstanding, (ii) the level of fees to be charged to holders of ADSs and (iii) our reimbursable expenses related to the ADR program are not known at this time. The depository collects its fees for issuance and cancellation of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depository collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depository may collect its annual fee for depository services by deduction from cash distributions, or by directly billing investors, or by charging the book-entry system accounts of participants acting for them. The depository will generally set off the amounts owing from distributions made to holders of ADSs. If, however, no distribution exists and payment owing is not timely received by the depository, the depository may refuse to provide any further services to holders that have not paid those fees and expenses owing until such fees and expenses have been paid. At the discretion of the depository, all fees and charges owing under the deposit agreement are due in advance and/or when declared owing by the depository.

### **Payment of Taxes**

ADR holders must pay any tax or other governmental charge payable by the custodian or the depository on any ADS or ADR, deposited security or distribution. If an ADR holder owes any tax or other governmental charge, the depository may (i) deduct the amount thereof from any cash distributions, or (ii) sell deposited securities (by public or private sale) and deduct the amount owing from the net proceeds of such sale. In either case the ADR holder remains liable for any shortfall. Additionally, if any taxes or other governmental charges (including any penalties and/or interest) shall become payable by or on behalf of the custodian or the depository with respect to any ADR, any deposited securities represented by the ADSs evidenced thereby or any distribution thereon, including, without limitation, any Chinese Enterprise Income Tax owing if Circular 82 issued by the Chinese State Administration of Taxation or any other circular, edict, order or ruling, as issued and as from time to time amended, is applied or otherwise, such tax or other governmental charge shall be paid by the holder thereof to the depository. and by holding or having held an ADR the holder and all prior holders thereof, jointly

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and severally, agree to indemnify, defend and save harmless each of the depositary and its agents in respect thereof. If any tax or governmental charge is unpaid, the depositary may also refuse to effect any registration, registration of transfer, split-up or combination of deposited securities or withdrawal of deposited securities until such payment is made. If any tax or governmental charge is required to be withheld on any cash distribution, the depositary may deduct the amount required to be withheld from any cash distribution or, in the case of a non-cash distribution, sell the distributed property or securities (by public or private sale) to pay such taxes and distribute any remaining net proceeds to the ADR holders entitled thereto.

By holding an ADR or an interest therein, you will be agreeing to indemnify us, the depositary, its custodian and any of our or their respective directors, employees, agents and affiliates against, and hold each of them harmless from, any claims by any governmental authority with respect to taxes, additions to tax, penalties or interest arising out of any refund of taxes, reduced rate of withholding at source or other tax benefit obtained.

### **Reclassifications, Recapitalizations and Mergers**

If we take certain actions that affect the deposited securities, including (i) any change in par value, split-up, consolidation, cancellation or other reclassification of deposited securities or (ii) any distributions not made to holders of ADRs or (iii) any recapitalization, reorganization, merger, consolidation, liquidation, receivership, bankruptcy or sale of all or substantially all of our assets, then the depositary may choose to:

- amend the form of ADR;
- distribute additional or amended ADRs;
- distribute cash, securities or other property it has received in connection with such actions;
- sell any securities or property received and distribute the proceeds as cash; or
- none of the above.

If the depositary does not choose any of the above options, any of the cash, securities or other property it receives will constitute part of the deposited securities and each ADS will then represent a proportionate interest in such property.

### **Amendment and Termination**

#### ***How may the deposit agreement be amended?***

We may agree with the depositary to amend the deposit agreement and the ADSs without your consent for any reason. ADR holders must be given at least 30 days' notice of any amendment that imposes or increases any fees or charges (other than stock transfer or other taxes and other governmental charges, transfer or registration fees, cable, telex or facsimile transmission costs, delivery costs or other such expenses), or otherwise prejudices any substantial existing right of ADR holders. Such notice need not describe in detail the specific amendments effectuated thereby, but must give ADR holders a means to access the text of such amendment. If an ADR holder continues to hold an ADR or ADRs after being so notified, such ADR holder is deemed to agree to such amendment and to be bound by the deposit agreement as so amended. Notwithstanding the foregoing, if any governmental body or regulatory body should adopt new laws, rules or regulations which would require amendment or supplement of the deposit agreement or the form of ADR to ensure compliance therewith, we and the depositary may amend or supplement the deposit agreement and the ADR at any time in accordance with such changed laws, rules or regulations, which amendment or supplement may take effect before a notice is given or within any other period of time as required for compliance. No amendment, however, will impair your right to surrender your ADSs and receive the underlying securities, except in order to comply with mandatory provisions of applicable law.

***How may the deposit agreement be terminated?***

The depositary may, and shall at our written direction, terminate the deposit agreement and the ADRs by mailing notice of such termination to the registered holders of ADRs at least 30 days prior to the date fixed in such notice for such termination; provided, however, if the depositary shall have (i) resigned as depositary under the deposit agreement, notice of such termination by the depositary shall not be provided to registered holders unless a successor depositary shall not be operating under the deposit agreement within 45 days of the date of such resignation, and (ii) been removed as depositary under the deposit agreement, notice of such termination by the depositary shall not be provided to registered holders of ADRs unless a successor depositary shall not be operating under the deposit agreement on the 90th day after our notice of removal was first provided to the depositary. After termination, the depositary's only responsibility will be (i) to deliver deposited securities to ADR holders who surrender their ADRs, and (ii) to hold or sell distributions received on deposited securities. As soon as practicable after the expiration of six months from the termination date, the depositary will sell the deposited securities which remain and hold the net proceeds of such sales (as long as it may lawfully do so), without liability for interest, in trust for the ADR holders who have not yet surrendered their ADRs. After making such sale, the depositary shall have no obligations except to account for such proceeds and other cash.

**Limitations on Obligations and Liability to ADS Holders**

***Limits on our obligations and the obligations of the depositary; limits on liability to ADR holders and holders of ADSs***

Prior to the issue, registration, registration of transfer, split-up, combination, or cancellation of any ADRs, or the delivery of any distribution in respect thereof, and from time to time, we or the depositary or its custodian may require:

- payment with respect thereto of (i) any stock transfer or other tax or other governmental charge, (ii) any stock transfer or registration fees in effect for the registration of transfers of shares or other deposited securities upon any applicable register and (iii) any applicable fees and expenses described in the deposit agreement;
- the production of proof satisfactory to it of (i) the identity of any signatory and genuineness of any signature and (ii) such other information, including without limitation, information as to citizenship, residence, exchange control approval, beneficial ownership of any securities, compliance with applicable law, regulations, provisions of or governing deposited securities and terms of the deposit agreement and the ADRs, as it may deem necessary or proper; and
- compliance with such regulations as the depositary may establish consistent with the deposit agreement.

The issuance of ADRs, the acceptance of deposits of shares, the registration, registration of transfer, split-up or combination of ADRs or the withdrawal of shares, may be suspended, generally or in particular instances, when the ADR register or any register for deposited securities is closed or when any such action is deemed advisable by the depositary; provided that the ability to withdrawal shares may only be limited under the following circumstances: (i) temporary delays caused by closing transfer books of the depositary or our transfer books or the deposit of shares in connection with voting at a shareholders' meeting, or the payment of dividends, (ii) the payment of fees, taxes, and similar charges, and (iii) compliance with any laws or governmental regulations relating to ADRs or to the withdrawal of deposited securities.

The deposit agreement expressly limits the obligations and liability of the depositary, ourselves and our respective agents. Neither we nor the depositary nor any such agent will be liable if:

- any present or future law, rule, regulation, fiat, order or decree of the United States, the Cayman Islands, the People's Republic of China or any other country, or of any governmental or regulatory authority or securities exchange or market or automated quotation system, the provisions of or

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governing any deposited securities, any present or future provision of our charter, any act of God, war, terrorism or other circumstance beyond our, the depositary's or our respective agents' control shall prevent or delay, or shall cause any of them to be subject to any civil or criminal penalty in connection with, any act which the deposit agreement or the ADRs provide shall be done or performed by us, the depositary or our respective agents (including, without limitation, voting);

- it exercises or fails to exercise discretion under the deposit agreement or the ADR;
- it performs its obligations under the deposit agreement and ADRs without gross negligence or bad faith;
- it takes any action or refrains from taking any action in reliance upon the advice of or information from legal counsel, accountants, any person presenting shares for deposit, any registered holder of ADRs, or any other person believed by it to be competent to give such advice or information; or
- it relies upon any written notice, request, direction or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

Neither the depositary nor its agents have any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any deposited securities or the ADRs. We and our agents shall only be obligated to appear in, prosecute or defend any action, suit or other proceeding in respect of any deposited securities or the ADRs, which in our opinion may involve us in expense or liability, if indemnity satisfactory to us against all expense (including fees and disbursements of counsel) and liability is furnished as often as may be required. The depositary and its agents may fully respond to any and all demands or requests for information maintained by or on its behalf in connection with the deposit agreement, any registered holder or holders of ADRs, any ADRs or otherwise related to the deposit agreement or ADRs to the extent such information is requested or required by or pursuant to any lawful authority, including without limitation laws, rules, regulations, administrative or judicial process, banking, securities or other regulators. The depositary shall not be liable for the acts or omissions made by any securities depositary, clearing agency or settlement system in connection with or arising out of book-entry settlement of deposited securities or otherwise. Furthermore, the depositary shall not be responsible for, and shall incur no liability in connection with or arising from, the insolvency of any custodian that is not a branch or affiliate of . The depositary and the custodian(s) may use third party delivery services and providers of information regarding matters such as pricing, proxy voting, corporate actions, class action litigation and other services in connection with the ADRs and the deposit agreement, and use local agents to provide extraordinary services such as attendance at annual meetings of issuers of securities. Although the depositary and the custodian will use reasonable care (and cause their agents to use reasonable care) in the selection and retention of such third party providers and local agents, they will not be responsible for any errors or omissions made by them in providing the relevant information or services.

Additionally, none of us, the depositary or the custodian shall be liable for the failure by any registered holder of ADRs or beneficial owner therein to obtain the benefits of credits on the basis of non-U.S. tax paid against such holder's or beneficial owner's income tax liability. Neither we nor the depositary shall incur any liability for any tax consequences that may be incurred by holders or beneficial owners on account of their ownership of ADRs or ADSs.

Neither the depositary nor its agents will be responsible for any failure to carry out any instructions to vote any of the deposited securities, for the manner in which any such vote is cast or for the effect of any such vote. Neither the depositary nor any of its agents shall be liable to registered holders of ADRs or beneficial owners of interests in ADSs for any indirect, special, punitive or consequential damages (including, without limitation, lost profits) of any form incurred by any person or entity, whether or not foreseeable and regardless of the type of action in which such a claim may be brought.

In the deposit agreement each party thereto (including, for avoidance of doubt, each holder and beneficial owner and/or holder of interests in ADRs) irrevocably waives, to the fullest extent permitted by applicable law,

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any right it may have to a trial by jury in any suit, action or proceeding against the depositary and/or the company directly or indirectly arising out of or relating to the shares or other deposited securities, the ADSs or the ADRs, the deposit agreement or any transaction contemplated therein, or the breach thereof (whether based on contract, tort, common law or any other theory).

The depositary may own and deal in any class of our securities and in ADSs.

### **Disclosure of Interest in ADSs**

To the extent that the provisions of or governing any deposited securities may require disclosure of or impose limits on beneficial or other ownership of deposited securities, other shares and other securities and may provide for blocking transfer, voting or other rights to enforce such disclosure or limits, you agree to comply with all such disclosure requirements and ownership limitations and to comply with any reasonable instructions we may provide in respect thereof. We reserve the right to instruct you to deliver your ADSs for cancellation and withdrawal of the deposited securities so as to permit us to deal with you directly as a holder of shares and, by holding an ADS or an interest therein, you will be agreeing to comply with such instructions.

### **Books of Depositary**

The depositary or its agent will maintain a register for the registration, registration of transfer, combination and split-up of ADRs, which register shall include the depositary's direct registration system. Registered holders of ADRs may inspect such records at the depositary's office at all reasonable times, but solely for the purpose of communicating with other holders in the interest of the business of our company or a matter relating to the deposit agreement. Such register may be closed from time to time, when deemed expedient by the depositary.

The depositary will maintain facilities for the delivery and receipt of ADRs.

### **Pre-release of ADSs**

In its capacity as depositary, the depositary shall not lend shares or ADSs; provided, however, that the depositary may issue ADSs prior to the receipt of shares (each such transaction a "pre-release"). The depositary may receive ADSs in lieu of shares (which ADSs will promptly be canceled by the depositary upon receipt by the depositary). Each such pre-release will be subject to a written agreement whereby the person or entity (the "applicant") to whom ADSs are to be delivered (a) represents that at the time of the pre-release the applicant or its customer owns the shares that are to be delivered by the applicant under such pre-release, (b) agrees to indicate the depositary as owner of such shares in its records and to hold such shares in trust for the depositary until such shares are delivered to the depositary or the custodian, (c) unconditionally guarantees to deliver to the depositary or the custodian, as applicable, such shares, and (d) agrees to any additional restrictions or requirements that the depositary deems appropriate. Each such pre-release will be at all times fully collateralized with cash, U.S. government securities or such other collateral as the depositary deems appropriate, terminable by the depositary on not more than five (5) business days' notice and subject to such further indemnities and credit regulations as the depositary deems appropriate. The depositary will normally limit the number of ADSs involved in such pre-release at any one time to thirty percent (30%) of the ADSs outstanding (without giving effect to pre-released ADSs outstanding), provided, however, that the depositary reserves the right to change or disregard such limit from time to time as it deems appropriate. The depositary may also set limits with respect to the number of ADSs involved in pre-release with any one person on a case-by-case basis as it deems appropriate. The depositary may retain for its own account any compensation received by it in conjunction with the foregoing. Collateral provided in connection with pre-release transactions, but not the earnings thereon, shall be held for the benefit of the registered holders of ADRs (other than the applicant).

### **Appointment**

In the deposit agreement, each registered holder of ADRs and each person holding an interest in ADSs, upon acceptance of any ADSs (or any interest therein) issued in accordance with the terms and conditions of the deposit agreement will be deemed for all purposes to:

- be a party to and bound by the terms of the deposit agreement and the applicable ADR or ADRs, and
- appoint the depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in the deposit agreement and the applicable ADR or ADRs, to adopt any and all procedures necessary to comply with applicable laws and to take such action as the depositary in its sole discretion may deem necessary or appropriate to carry out the purposes of the deposit agreement and the applicable ADR and ADRs, the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof.

### **Governing Law**

The deposit agreement and the ADRs shall be governed by and construed in accordance with the laws of the State of New York. In the deposit agreement, we have submitted to the jurisdiction of the courts of the State of New York and appointed an agent for service of process on our behalf. Notwithstanding the foregoing, any action based on the deposit agreement or the transactions contemplated thereby may be instituted by the depositary and holders in any competent court in the Cayman Islands, Hong Kong, the People's Republic of China and/or the United States or through the commencement of an English language arbitration either in New York, New York in accordance with the Commercial Arbitration Rules of the American Arbitration Association or in Hong Kong following the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL.)]

## SHARES ELIGIBLE FOR FUTURE SALE

Upon completion of this offering, we will have \_\_\_\_\_ ADSs outstanding, representing approximately \_\_\_\_\_ % of our outstanding common shares, assuming the underwriters do not exercise their over-allotment option to purchase additional ADSs. All of the ADSs sold in this offering will be freely transferable by persons other than by our “affiliates” without restriction or further registration under the Securities Act. Sales of substantial amounts of our ADSs in the public market could adversely affect prevailing market prices of our ADSs. Prior to this offering, there has been no public market for our common shares or the ADSs. We intend to apply to list the ADSs on the [New York Stock Exchange/NASDAQ Stock Market], but we cannot assure you that a regular trading market will develop in the ADSs. We do not expect that a trading market will develop for our common shares not represented by the ADSs.

### Lock-up Agreements

We have agreed, for a period of 180 days after the date of this prospectus, [not to offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale, lend or otherwise dispose of, except in this offering, any of our common shares or ADSs or securities that are substantially similar to our common shares or ADSs, including but not limited to any options or warrants to purchase our common shares, ADSs or any securities that are convertible into or exchangeable for, or that represent the right to receive, our common shares, ADSs or any such substantially similar securities (other than pursuant to employee stock option plans existing on, or upon the conversion or exchange of convertible or exchangeable securities outstanding as of, the date such lock-up agreement was executed),] without the prior written consent of the representatives of the underwriters.

Furthermore, [each of our directors, executive officers and existing shareholders] has also entered into a similar lock-up agreement for a period of 180 days from the date of this prospectus, subject to certain exceptions, with respect to our common shares, ADSs and securities that are substantially similar to our common shares or ADSs. These parties collectively own [all] of our outstanding common shares, without giving effect to this offering.

In addition, through a letter agreement, we will instruct \_\_\_\_\_, as depositary, not to accept any deposit of any common shares or issue any ADSs for 180 days after the date of this prospectus unless we consent to such deposit or issuance, and we have agreed not to provide consent without the prior written consent of the representatives on behalf of the underwriters. The foregoing does not affect the right of ADS holders to cancel their ADSs and withdraw the underlying common shares.

The restrictions described in the preceding paragraphs will be automatically extended under certain circumstances. See “Underwriting.”

Other than this offering, we are not aware of any plans by any significant shareholders to dispose of significant numbers of our ADSs or common shares. However, one or more existing shareholders or owners of securities convertible or exchangeable into or exercisable for our ADSs or common shares may dispose of significant numbers of our ADSs or common shares in the future. We cannot predict what effect, if any, future sales of our ADSs or common shares, or the availability of ADSs or common shares for future sale, will have on the trading price of our ADSs from time to time. Sales of substantial amounts of our ADSs or common shares in the public market, or the perception that these sales could occur, could adversely affect the trading price of our ADSs.

### Rule 144

All of our common shares that will be outstanding upon the completion of this offering, other than those common shares sold in this offering, are “restricted securities” as that term is defined in Rule 144 under the Securities Act and may be sold publicly in the United States only if they are subject to an effective registration

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statement under the Securities Act or pursuant to an exemption from the registration requirement such as those provided by Rule 144 and Rule 701 promulgated under the Securities Act. In general, beginning 90 days after the date of this prospectus, a person (or persons whose shares are aggregated) who at the time of a sale is not, and has not been during the three months preceding the sale, an affiliate of ours and has beneficially owned our restricted securities for at least six months will be entitled to sell the restricted securities without registration under the Securities Act, subject only to the availability of current public information about us, and will be entitled to sell restricted securities beneficially owned for at least one year without restriction. Persons who are our affiliates and have beneficially owned our restricted securities for at least six months may sell a number of restricted securities within any three-month period that does not exceed the greater of the following:

- 1% of the then outstanding common shares of the same class, in the form of ADSs or otherwise, which immediately after this offering will equal common shares, assuming the underwriters do not exercise their over-allotment option; or
- the average weekly trading volume of our common shares of the same class, in the form of ADSs or otherwise, during the four calendar weeks preceding the date on which notice of the sale is filed with the SEC.

Sales by our affiliates under Rule 144 are also subject to certain requirements relating to manner of sale, notice and the availability of current public information about us.

### **Rule 701**

In general, under Rule 701 of the Securities Act as currently in effect, each of our employees, consultants or advisors who purchases our common shares from us in connection with a compensatory stock plan or other written agreement executed prior to the completion of this offering is eligible to resell those common shares in reliance on Rule 144, but without compliance with some of the restrictions, including the holding period, contained in Rule 144. However, the Rule 701 shares would remain subject to lock-up arrangements and would only become eligible for sale when the lock-up period expires.

## TAXATION

*The following summary of the material Cayman Islands, PRC and U.S. federal income tax consequences of an investment in our ADSs or common shares is based upon laws and relevant interpretations thereof in effect as of the date of this registration statement, all of which are subject to change. This summary does not deal with all possible tax consequences relating to an investment in our ADSs or common shares, such as the tax consequences under U.S. state and local tax laws or under the tax laws of jurisdictions other than the Cayman Islands, the People's Republic of China and the United States.*

### **Cayman Islands Taxation**

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or, after execution, brought within the jurisdiction of the Cayman Islands. The Cayman Islands is not party to any double tax treaties that are applicable to any payments made to or by our company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

Payments of dividends and capital in respect of our common shares will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of a dividend or capital to any holder of our common shares, nor will gains derived from the disposal of our common shares or ADSs be subject to Cayman Islands income or corporation tax.

No stamp duty is payable in respect of the issue of our common shares or on an instrument of transfer in respect of our common shares.

### **People's Republic of China Taxation**

Under the PRC Enterprise Income Tax Law and its implementation rules, an enterprise established outside of the PRC with a "de facto management body" within the PRC is considered a resident enterprise and will be subject to the enterprise income tax at the rate of 25% on its global income. The implementation rules define the term "de facto management body" as the body that exercises full and substantial control over and overall management of the business, productions, personnel, accounts and properties of an enterprise. In April 2009, the State Administration of Taxation issued a circular, known as Circular 82, which provides certain specific criteria for determining whether the "de facto management body" of a PRC-controlled enterprise that is incorporated offshore is located in China. Although this circular only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners, the criteria set forth in the circular may reflect the State Administration of Taxation's general position on how the "de facto management body" test should be applied in determining the tax resident status of all offshore enterprises. According to Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its "de facto management body" in China only if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in the PRC; (ii) decisions relating to the enterprise's financial and human resource matters are made or are subject to approval by organizations or personnel in the PRC; (iii) the enterprise's primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in the PRC; and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC.

We believe that Aurora Mobile Limited is not a PRC resident enterprise for PRC tax purposes. Aurora Mobile Limited is not controlled by a PRC enterprise or PRC enterprise group and we do not believe that Aurora Mobile Limited meets all of the conditions above. Aurora Mobile Limited is a company incorporated outside the PRC. As a holding company, its key assets are its ownership interests in its subsidiaries, and its key assets are

located, and its records (including the resolutions of its board of directors and the resolutions of its shareholders) are maintained, outside the PRC. For the same reasons, we believe our other entities outside of China are not PRC resident enterprises either. However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term “de facto management body.” There can be no assurance that the PRC government will ultimately take a view that is consistent with us.

If the PRC tax authorities determine that Aurora Mobile Limited is a PRC resident enterprise for enterprise income tax purposes, we may be required to withhold a 10% withholding tax from dividends we pay to our shareholders that are non-resident enterprises, including the holders of our ADSs. In addition, non-resident enterprise shareholders (including our ADS holders) may be subject to a 10% PRC tax on gains realized on the sale or other disposition of ADSs or common shares, if such income is treated as sourced from within the PRC, unless a reduced rate is available under an applicable tax treaty. It is unclear whether our non-PRC individual shareholders (including our ADS holders) would be subject to any PRC tax on dividends or gains obtained by such non-PRC individual shareholders in the event we are determined to be a PRC resident enterprise. If any PRC tax were to apply to such dividends or gains, it would generally apply at a rate of 20% unless a reduced rate is available under an applicable tax treaty. It is also unclear whether non-PRC shareholders of Aurora Mobile Limited would be able to claim the benefits of any tax treaties between their country of tax residence and the PRC in the event that Aurora Mobile Limited is treated as a PRC resident enterprise.

Provided that our Cayman Islands holding company, Aurora Mobile Limited, is not deemed to be a PRC resident enterprise, holders of our ADSs and common shares who are not PRC residents will not be subject to PRC income tax on dividends distributed by us or gains realized from the sale or other disposition of our shares or ADSs. However, under SAT Bulletin 7 and SAT Bulletin 37, where a non-resident enterprise conducts an “indirect transfer” by transferring taxable assets, including, in particular, equity interests in a PRC resident enterprise, indirectly by disposing of the equity interests of an overseas holding company, the non-resident enterprise, being the transferor, or the transferee or the PRC entity which directly owned such taxable assets may report to the relevant tax authority such indirect transfer. Using a “substance over form” principle, the PRC tax authority may disregard the existence of the overseas holding company if it lacks a reasonable commercial purpose and was established for the purpose of reducing, avoiding or deferring PRC tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax, and the transferee or other person who is obligated to pay for the transfer is obligated to withhold the applicable taxes, currently at a rate of 10% for the transfer of equity interests in a PRC resident enterprise. We and our non-PRC resident investors may be at risk of being required to file a return and being taxed under SAT Bulletin 7 and SAT Bulletin 37, and we may be required to expend valuable resources to comply with SAT Bulletin 7 and SAT Bulletin 37, or to establish that we should not be taxed under these circulars. See “Risk Factors—Risks Related to Doing Business in China—We face uncertainty with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies.”

#### **United States Federal Income Tax Considerations**

The following discussion is a summary of U.S. federal income tax considerations generally applicable to the ownership and disposition of our ADSs or common shares by a U.S. Holder (as defined below) that acquires our ADSs in this offering and holds our ADSs or common shares as “capital assets” (generally, property held for investment) under the U.S. Internal Revenue Code of 1986, as amended, or the Code. This discussion is based upon existing U.S. federal tax law, which is subject to differing interpretations or change, possibly with retroactive effect. No ruling has been sought from the Internal Revenue Service, or the IRS, with respect to any U.S. federal income tax consequences described below, and there can be no assurance that the IRS or a court will not take a contrary position. This discussion, moreover, does not address the U.S. federal estate, gift, Medicare, and alternative minimum tax considerations, or any state, local and non-U.S. tax considerations, relating to the ownership or disposition of our ADSs or common shares (other than the discussion below relating to certain withholding rules and the U.S.-PRC income tax treaty (the “Treaty”). The following summary does not address

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all aspects of U.S. federal income taxation that may be important to particular investors in light of their individual circumstances or to persons in special tax situations such as:

- banks and other financial institutions;
- insurance companies;
- pension plans;
- cooperatives;
- regulated investment companies;
- real estate investment trusts;
- broker-dealers;
- traders that elect to use a mark-to-market method of accounting;
- certain former U.S. citizens or long-term residents;
- tax-exempt entities (including private foundations);
- persons liable for alternative minimum tax;
- holders who acquire their ADSs or common shares pursuant to any employee share option or otherwise as compensation;
- investors that will hold their ADSs or common shares as part of a straddle, hedge, conversion, constructive sale or other integrated transaction for U.S. federal income tax purposes;
- investors that have a functional currency other than the U.S. dollar;
- persons that actually or constructively own 10% or more of our stock (by vote or value);
- persons required to accelerate the recognition of any item of gross income with respect to their ADSs or common shares as a result of such income being recognized on an applicable financial statement; or
- partnerships or other entities taxable as partnerships for U.S. federal income tax purposes, or persons holding ADSs or common shares through such entities.

all of whom may be subject to tax rules that differ significantly from those discussed below.

Each U.S. Holder is urged to consult its tax advisor regarding the application of U.S. federal taxation to its particular circumstances, and the state, local, non-U.S. and other tax considerations of the ownership and disposition of our ADSs or common shares.

### **General**

For purposes of this discussion, a “U.S. Holder” is a beneficial owner of our ADSs or common shares that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created in, or organized under the law of the United States or any state thereof or the District of Columbia;
- an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust (A) the administration of which is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (B) that has otherwise validly elected to be treated as a U.S. person under the Code.

If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of our ADSs or common shares, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. Partnerships holding our ADSs or common shares and their partners are urged to consult their tax advisors regarding an investment in our ADSs or common shares.

For U.S. federal income tax purposes, a U.S. Holder of ADSs will generally be treated as the beneficial owner of the underlying shares represented by the ADSs. The remainder of this discussion assumes that a U.S. Holder of our ADSs will be treated in this manner. Accordingly, deposits or withdrawals of common shares for ADSs will generally not be subject to U.S. federal income tax.

### ***Passive Foreign Investment Company Considerations***

A non-U.S. corporation, such as our company, will be classified as a PFIC, for U.S. federal income tax purposes for any taxable year, if either (i) 75% or more of its gross income for such year consists of certain types of “passive” income or (ii) 50% or more of the value of its assets (determined on the basis of a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income (the “asset test”). For this purpose, cash and assets readily convertible into cash are categorized as passive assets and the company’s goodwill and other unbooked intangibles are taken into account. Passive income generally includes, among other things, dividends, interest, rents, royalties, and gains from the disposition of passive assets. We will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation in which we own, directly or indirectly, more than 25% (by value) of the stock.

Although the law in this regard is not entirely clear, we treat our consolidated VIE as being owned by us for U.S. federal income tax purposes because we control its management decisions and are entitled to substantially all of the economic benefits associated with it, and, as a result, we consolidate its results of operations in our consolidated U.S. GAAP financial statements. If it were determined, however, that we are not the owner of the consolidated VIE for U.S. federal income tax purposes, we may be treated as a PFIC for the current taxable year and any subsequent taxable year.

Assuming that we are the owner of the VIE for U.S. federal income tax purposes, and based upon our current and projected income and assets, including the proceeds from this offering, and projections as to the value of our assets, we do not expect to be a PFIC for the current taxable year or the foreseeable future. However, no assurance can be given in this regard because the determination of whether we will be or become a PFIC is a factual determination made annually that will depend, in part, upon the composition of our income and assets. Fluctuations in the market price of our ADSs may cause us to be classified as a PFIC for the current or future taxable years because the value of our assets for purposes of the asset test, including the value of our goodwill and unbooked intangibles, may be determined by reference to the market price of our ADSs from time to time (which may be volatile). If our market capitalization subsequently declines, we may be or become classified as a PFIC for the current taxable year or future taxable years. Furthermore, the composition of our income and assets may also be affected by how, and how quickly, we use our liquid assets and the cash raised in this offering. Under circumstances where our revenue from activities that produce passive income significantly increases relative to our revenue from activities that produce non-passive income, or where we determine not to deploy significant amounts of cash for active purposes, our risk of becoming classified as a PFIC may substantially increase.

If we are classified as a PFIC for any year during which a U.S. Holder holds our ADSs or common shares, the PFIC rules discussed below under “—Passive Foreign Investment Company Rules” generally will apply to such U.S. Holder for such taxable year, and unless the U.S. Holder makes certain elections, will apply in future years even if we cease to be a PFIC.

The discussion below under “—Dividends” and “—Sale or Other Disposition” is written on the basis that we will not be or become classified as a PFIC for U.S. federal income tax purposes. The U.S. federal income tax

rules that apply generally if we are treated as a PFIC are discussed below under “—Passive Foreign Investment Company Rules.”

### ***Dividends***

Any cash distributions paid on our ADSs or common shares (including the amount of any PRC tax withheld) out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles, will generally be includible in the gross income of a U.S. Holder as dividend income on the day actually or constructively received by the U.S. Holder, in the case of common shares, or by the depository, in the case of ADSs. Because we do not intend to determine our earnings and profits on the basis of U.S. federal income tax principles, any distribution we pay will generally be treated as a “dividend” for U.S. federal income tax purposes. Dividends received on our ADSs or common shares will not be eligible for the dividends received deduction allowed to corporations in respect of dividends received from U.S. corporations.

Individuals and other non-corporate U.S. Holders will be subject to tax on any such dividends at the lower capital gain tax rate applicable to “qualified dividend income,” provided that certain conditions are satisfied, including that (1) our ADSs or common shares on which the dividends are paid are readily tradable on an established securities market in the United States, or, in the event that we are deemed to be a PRC resident enterprise under the PRC tax law, we are eligible for the benefit of the Treaty, (2) we are neither a PFIC nor treated as such with respect to a U.S. Holder (as discussed below) for the taxable year in which the dividend is paid and the preceding taxable year, and (3) certain holding period requirements are met. For this purpose, ADSs listed on the [New York Stock Exchange/NASDAQ Stock Market] will generally be considered to be readily tradable on an established securities market in the United States. U.S. Holders are urged to consult their tax advisors regarding the availability of the lower rate for dividends paid with respect to our ADSs or common shares.

In the event that we are deemed to be a PRC resident enterprise under the PRC Enterprise Income Tax Law (see “Taxation—People’s Republic of China Taxation”), we may be eligible for the benefits of the Treaty. If we are eligible for such benefits, dividends we pay on our common shares, regardless of whether such shares are represented by the ADSs, and regardless of whether our ADSs are readily tradable on an established securities market in the United States, would be eligible for the reduced rates of taxation described in the preceding paragraph.

For U.S. foreign tax credit purposes, dividends paid on our ADSs or common shares generally will be treated as income from foreign sources and generally will constitute passive category income. If PRC withholding taxes apply to dividends paid to a U.S. Holder with respect to our ADSs or common shares, such U.S. Holder may be able to obtain a reduced rate of PRC withholding taxes under the Treaty if certain requirements are met. In addition, subject to certain conditions and limitations, PRC withholding taxes on dividends that are non-refundable under the Treaty may be treated as foreign taxes eligible for credit against a U.S. Holder’s U.S. federal income tax liability. A U.S. Holder who does not elect to claim a foreign tax credit for foreign tax withheld may instead claim a deduction for U.S. federal income tax purposes, in respect of such withholding, but only for a year in which such holder elects to do so for all creditable foreign income taxes. The rules governing the foreign tax credit are complex and U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

### ***Sale or Other Disposition***

A U.S. Holder will generally recognize gain or loss upon the sale or other disposition of ADSs or common shares in an amount equal to the difference between the amount realized upon the disposition and the holder’s adjusted tax basis in such ADSs or common shares. The gain or loss will generally be capital gain or loss. Individuals and other non-corporate U.S. Holders who have held the ADSs or common shares for more than one year will generally be eligible for reduced tax rates. The deductibility of a capital loss may be subject to

limitations. Any such gain or loss that the U.S. Holder recognizes will generally be treated as U.S. source income or loss for foreign tax credit limitation purposes, which will generally limit the availability of foreign tax credits. However, in the event we are deemed to be a PRC resident enterprise under the PRC Enterprise Income Tax Law, we may be eligible for the benefits of the Treaty. In such event, if PRC tax were to be imposed on any gain from the disposition of the ADSs or common shares, a U.S. Holder that is eligible for the benefits of the Treaty may elect to treat such gain as PRC source income. U.S. Holders are urged to consult their tax advisors regarding the creditability of any PRC tax.

### ***Passive Foreign Investment Company Rules***

If we are classified as a PFIC for any taxable year during which a U.S. Holder holds our ADSs or common shares, and unless the U.S. Holder makes a mark-to-market election (as described below), the U.S. Holder will generally be subject to special tax rules on (i) any excess distribution that we make to the U.S. Holder (which generally means any distribution paid during a taxable year to a U.S. Holder that is greater than 125 percent of the average annual distributions paid in the three preceding taxable years or, if shorter, the U.S. Holder's holding period for the ADSs or common shares), and (ii) any gain realized on the sale or other disposition including, under certain circumstances, a pledge, of ADSs or common shares. Under the PFIC rules:

- the excess distribution or gain will be allocated ratably over the U.S. Holder's holding period for the ADSs or common shares;
- the amount allocated to the current taxable year and any taxable years in the U.S. Holder's holding period prior to the first taxable year in which we are classified as a PFIC (each, a "pre-PFIC year"), will be taxable as ordinary income; and
- the amount allocated to each prior taxable year, other than a pre-PFIC year, will be subject to tax at the highest tax rate in effect for individuals or corporations, as appropriate, for that year, increased by an additional tax equal to the interest on the resulting tax deemed deferred with respect to each such taxable year.

If we are a PFIC for any taxable year during which a U.S. Holder holds our ADSs or common shares and any of our subsidiaries, our VIE or any of the subsidiaries of our VIE entity is also a PFIC, such U.S. Holder would be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of these rules. U.S. Holders are urged to consult their tax advisors regarding the application of the PFIC rules to any of our subsidiaries, our VIE or any of the subsidiaries of our VIE.

As an alternative to the foregoing rules, a U.S. Holder of "marketable stock" (as defined below) in a PFIC may make a mark-to-market election with respect to such stock. If a U.S. Holder makes this election with respect to our ADSs, the holder will generally (i) include as ordinary income for each taxable year that we are a PFIC the excess, if any, of the fair market value of ADSs held at the end of the taxable year over the adjusted tax basis of such ADSs and (ii) deduct as an ordinary loss the excess, if any, of the adjusted tax basis of the ADSs over the fair market value of such ADSs held at the end of the taxable year, but such deduction will only be allowed to the extent of the amount previously included in income as a result of the mark-to-market election. The U.S. Holder's adjusted tax basis in the ADSs would be adjusted to reflect any income or loss resulting from the mark-to-market election. If a U.S. Holder makes a mark-to-market election in respect of our ADSs and we cease to be classified as a PFIC, the holder will not be required to take into account the gain or loss described above during any period that we are not classified as a PFIC. If a U.S. Holder makes a mark-to-market election, any gain such U.S. Holder recognizes upon the sale or other disposition of our ADSs in a year when we are a PFIC will be treated as ordinary income and any loss will be treated as ordinary loss, but such loss will only be treated as ordinary loss to the extent of the net amount previously included in income as a result of the mark-to-market election.

The mark-to-market election is available only for "marketable stock," which is stock that is traded in other than de minimis quantities on at least 15 days during each calendar quarter ("regularly traded") on a qualified

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exchange or other market, as defined in applicable United States Treasury regulations (although a lower threshold applies for the quarter in which the initial public offering occurs). Our ADSs, but not our common shares, will be treated as marketable stock upon their listing on the [New York Stock Exchange/NASDAQ Stock Market]. We anticipate that our ADSs should qualify as being regularly traded, but no assurances may be given in this regard.

Because a mark-to-market election cannot be made for any lower-tier PFICs that we may own, a U.S. Holder may continue to be subject to the PFIC rules with respect to such U.S. Holder's indirect interest in any investments held by us that are treated as an equity interest in a PFIC for U.S. federal income tax purposes.

We do not intend to provide information necessary for U.S. Holders to make qualified electing fund elections which, if available, would result in tax treatment different from (and generally less adverse than) the general tax treatment for PFICs described above.

If a U.S. Holder owns our ADSs or common shares during any taxable year that we are a PFIC, the holder must generally file an annual IRS Form 8621. You should consult your tax advisor regarding the U.S. federal income tax consequences of owning and disposing of our ADSs or common shares if we are or become a PFIC.

**UNDERWRITING**

We[, the selling shareholders] and the underwriters named below have entered into an underwriting agreement with respect to the ADSs being offered. Subject to certain conditions, each underwriter has severally agreed to purchase the number of ADSs indicated in the following table. Goldman Sachs (Asia) L.L.C., Credit Suisse Securities (USA) LLC and Deutsche Bank Securities Inc. are the representatives of the underwriters.

<u>Underwriters</u>	<u>Number of ADSs</u>
Goldman Sachs (Asia) L.L.C.	
Credit Suisse Securities (USA) LLC	
Deutsche Bank Securities Inc.	
<b>Total</b>	

The underwriters are offering the ADSs subject to their acceptance of the ADSs from us and subject to prior sale. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the ADSs offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated, severally and not jointly, to take and pay for all of the ADSs offered by this prospectus if any such ADSs are taken, other than the ADSs covered by the underwriters' option to purchase additional ADSs described below. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non defaulting underwriters may be increased or the offering may be terminated.

The underwriters have an option to buy up to an additional ADSs from us and the [selling shareholders] at the initial public offering price less the underwriting discounts and commissions. The underwriters may exercise this option solely to cover sales by the underwriters of a greater number of ADSs than the total number set forth in the table above. They may exercise that option for 30 days from the date of this prospectus. If any ADSs are purchased pursuant to this option, the underwriters will severally purchase ADSs in approximately the same proportion as set forth in the table above.

The following tables show the per ADS and total underwriting discounts and commissions to be paid to the underwriters by us [and the selling shareholders]. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional ADSs.

Paid by the Company.

	<u>No Exercise</u>	<u>Full Exercise</u>
Per ADS	US\$	US\$
Total	US\$	US\$

[Paid by the Selling Shareholders

	<u>No Exercise</u>	<u>Full Exercise</u>
Per ADS	US\$	US\$
Total	US\$	US\$ ]

Some of the underwriters are expected to make offers and sales both inside and outside the United States through their respective selling agents. Any offers or sales in the United States will be conducted by broker-dealers registered with the SEC. Goldman Sachs (Asia) L.L.C. will offer ADSs in the United States through its SEC-registered broker-dealer affiliate in the United States, Goldman Sachs & Co. L.L.C.

[We have agreed that, without the prior written consent of the representatives on behalf of the underwriters and subject to certain exceptions, we will not, during the period ending 180 days after the date of this prospectus,

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(i) issue, offer, pledge, sell, contract to sell, offer or issue, contract to purchase or grant any option, right or warrant to purchase, or otherwise dispose of, any common shares or ADSs or any securities convertible into or exercisable or exchangeable for such common shares or ADSs or enter into a transaction which would have the same effect; (ii) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the common shares or ADSs; (iii) establish or increase a put equivalent position or liquidate or decrease a call equivalent position in the common shares or ADSs within the meaning of Section 16 of the Exchange Act; (iv) file any registration statement with the SEC relating to the offering of any common shares, ADSs or any securities convertible into or exercisable or exchangeable for common shares or ADSs; or (v) publicly disclose the intention to make any offer, sale, pledge, disposition or filing, in each case regardless of whether any such transaction described above is to be settled by delivery of common shares, ADSs or such other securities, in cash or otherwise.

Each of our [directors and executive officers and current shareholders] has agreed that, without the prior written consents of the representative on behalf of the underwriters and subject to certain exceptions, it will not, during the period ending 180 days after the date of this prospectus, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of directly or indirectly, any common shares or ADSs or any securities convertible into or exercisable or exchangeable for such common shares or ADSs, (ii) enter into a transaction which would have the same effect or enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the common shares, ADSs or any of our securities that are substantially similar to the ADSs or common shares or any options or warrants to purchase any of the ADSs or common shares or any securities convertible into, exchangeable for or that represent the right to receive the ADSs or common shares, whether now owned or hereinafter acquired, owned directly by it or with respect to which it has beneficial ownership within the rules and regulations of the SEC, whether any of these transactions is to be settled by delivery of common shares or ADSs or such other securities, in cash or otherwise or (iii) publicly disclose the intention to make any such offer, sale, pledge or disposition, or enter into any such transaction, swap, hedge or other arrangement.]

The restrictions described in the preceding paragraph are subject to certain exceptions.

Goldman Sachs (Asia) L.L.C., Credit Suisse Securities (USA) LLC and Deutsche Bank Securities Inc. may, in their sole discretion, release the common shares, ADSs and other securities subject to the lock-up agreements described above in whole or in part at any time.

We will apply to list the ADSs on the [New York Stock Exchange/NASDAQ Stock Market] under the symbol “JG.”

In connection with the offering, the underwriters may purchase and sell ADSs in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of ADSs than they are required to purchase in the offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. A “covered short position” is a short position that is not greater than the amount of additional ADSs for which the underwriters’ option described above may be exercised. The underwriters may cover any covered short position by either exercising their option to purchase additional ADSs or purchasing ADSs in the open market. In determining the source of ADSs to cover the covered short position, the underwriters will consider, among other things, the price of ADSs available for purchase in the open market as compared to the price at which they may purchase additional ADSs pursuant to the option described above. “Naked” short sales are any short sales that create a short position greater than the amount of additional ADSs for which the option described above may be exercised. The underwriters must cover any such naked short position by purchasing ADSs in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the ADSs in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of the ADSs made by the underwriters in the open market prior to the completion of the offering.

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The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased ADSs sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of our ADSs, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the ADSs. As a result, the price of the ADSs may be higher than the price that otherwise might exist in the open market. The underwriters are not required to engage in these activities and may end any of these activities at any time. These transactions may be effected on [New York Stock Exchange/NASDAQ Stock Market], in the over-the-counter market or otherwise. Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the ADSs.

The estimated offering expenses payable by us, excluding underwriting discounts and commissions, are approximately US\$ .

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

The address of Goldman Sachs (Asia) L.L.C. is 68th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong. The address of Credit Suisse Securities (USA) LLC is Eleven Madison Avenue, New York, NY 10010, United States of America. The address of Deutsche Bank Securities Inc. is 60 Wall Street, New York, New York 10005, United States of America.

### ***Pricing of the Offering***

ADSs sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any ADSs sold by the underwriters to securities dealers may be sold at a discount of up to US\$ per ADS from the initial public offering price. After the initial offering of the ADSs, the representatives may change the offering price and the other selling terms. The offering of the ADSs by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

Prior to the offering, there has been no public market for the ADSs. The initial public offering price has been negotiated among us and the representatives. Among the factors considered in determining the initial public offering price of the ADSs, in addition to prevailing market conditions, were our historical performance, estimates of the business potential and earnings prospects of us, an assessment of our management and the consideration of the above factors in relation to market valuation of companies in related businesses.

### ***Relationships***

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to us and to persons and entities with relationships with us, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve

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or relate to our assets, securities and/or instruments (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with us. The underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

Mercer Investments (Singapore) Pte. Ltd., an affiliate of Goldman Sachs (Asia) L.L.C., is the registered holder of US\$30.0 million in the principal amount of our US\$35.0 million zero coupon non-guaranteed and unsecured convertible notes due 2021 (the “Notes”). Each holders of the Notes may, at its discretion during a period starting from the issue date of the Notes until seven days prior to the maturity of the Notes, subject to certain exceptions, convert the Notes into common shares of our company at the then applicable conversion price, which is initially US\$11.7612 per common share, subject to certain anti-dilution adjustments. Assuming all the Notes held by Mercer Investments (Singapore) Pte. Ltd. are converted into our common shares at this initial conversion price, we would issue 2,550,769 common shares to such holder. Pursuant to FINRA Rule 5110(g)(1), such securities may not be sold during this offering or sold, transferred, assigned, pledged or hypothecated, or be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of the shares for a period of 180 days immediately following the date of effectiveness of this offering or commencement of sales of this offering.

### ***Electronic Distribution***

A prospectus in electronic format will be made available on the websites maintained by one or more of the underwriters or one or more securities dealers. One or more of the underwriters may distribute prospectuses electronically. The underwriters may agree to allocate a number of ADSs for sale to their online brokerage account holders. ADSs to be sold pursuant to an Internet distribution will be allocated on the same basis as other allocations. In addition, ADSs may be sold by the underwriters to securities dealers who resell ADSs to online brokerage account holders. Other than the prospectus in electronic format, the information on the underwriters’ websites and any information contained in any other website maintained by any of the underwriters is not part of this prospectus, has not been approved and/or endorsed by us or the underwriters and should not be relied upon by investors.

### ***[Directed ADS Program***

At our request, the underwriters have reserved up to % of the ADSs being offered by this prospectus (assuming exercise in full by the underwriters of their option to purchase additional ADSs) for sale at the initial public offering price to certain of our directors, executive officers, employees, business associates and members of their families. The directed ADS program will be administered by . We do not know if these individuals will choose to purchase all or any portion of these reserved ADSs, but any purchases they do make will reduce the number of ADSs that are available to the general public. Any reserved ADSs that are not so purchased will be offered by the underwriters to the general public on the same terms as the other ADSs offered by this prospectus.]

### ***Selling Restrictions***

No action may be taken in any jurisdiction other than the United States that would permit a public offering of the ADSs or the possession, circulation or distribution of this prospectus in any jurisdiction where action for that purpose is required. Accordingly, the ADSs may not be offered or sold, directly or indirectly, and neither the prospectus nor any other offering material or advertisements in connection with the ADSs may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable laws, rules and regulations of any such country or jurisdiction.

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### *Australia*

This document has not been lodged with the Australian Securities & Investments Commission and is only directed to certain categories of exempt persons. Accordingly, if you receive this document in Australia:

- (a). You confirm and warrant that you are either:
  - (i) “sophisticated investor” under section 708(8)(a) or (b) of the Corporations Act 2001 (Cth) of Australia, or the Corporations Act;
  - (ii) “sophisticated investor” under section 708(8)(c) or (d) of the Corporations Act and that you have provided an accountant’s certificate to the company which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer has been made;
  - (iii) person associated with the company under section 708(12) of the Corporations Act; or
  - (iv) “professional investor” within the meaning of section 708(11)(a) or (b) of the Corporations Act. and to the extent that you are unable to confirm or warrant that you are an exempt sophisticated investor, associated person or professional investor under the Corporations Act, any offer made to you under this document is void and incapable of acceptance;
- (b). you warrant and agree that you will not offer any of the ADSs issued to you pursuant to this document for resale in Australia within 12 months of those ADSs being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

### *Canada*

The securities may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions, and Ongoing Registrant Obligations. Any resale of the securities must be made in accordance with an exemption form, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

### *Cayman Islands*

This prospectus does not constitute a public offer of the ADSs or common shares, whether by way of sale or subscription, in the Cayman Islands. The underwriters have not offered or sell, directly or indirectly, any ADSs in the Cayman Islands.

### *Dubai International Financial Centre (“DIFC”)*

This prospectus relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority (“DFSA”). This prospectus is intended for distribution only to persons of a type

specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this prospectus. The securities to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

In relation to its use in the DIFC, this prospectus is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

#### *European Economic Area*

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), an offer of ADSs to the public may not be made in that Relevant Member State, except that an offer of ADSs to the public may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- To any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer; or
- In any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of ADSs shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State and each person who initially acquires any ADSs or to whom an offer is made will be deemed to have represented, warranted and agreed to and with the underwriters that it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of ADSs to the public” in relation to any ADSs in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the ADSs to be offered so as to enable an investor to decide to purchase or subscribe the ADSs, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State.

In the case of any ADSs being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the ADSs acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of ADSs to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the underwriters has been obtained to each such proposed offer or resale.

#### *Hong Kong*

The ADSs may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up

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and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (“Companies (Winding Up and Miscellaneous Provisions) Ordinance”) or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (“Securities and Futures Ordinance”), or (ii) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the ADSs may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to ADSs which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

### *Japan*

The securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended), or the FIEA. The securities may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws and regulations of Japan.

### *Korea*

The ADSs may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for reoffering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the Korea Securities and Exchange Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder. The ADSs have not been registered with the Financial Services Commission of Korea for public offering in Korea. Furthermore, the ADSs may not be resold to Korean residents unless the purchaser of the ADSs complies with all applicable regulatory requirements (including but not limited to government approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with the purchase of the ADSs.

### *Kuwait*

Unless all necessary approvals from the Kuwait Ministry of Commerce and Industry required by Law No. 31/1990 “Regulating the Negotiation of Securities and Establishment of Investment Funds,” its Executive Regulations and the various Ministerial Orders issued pursuant thereto or in connection therewith, have been given in relation to the marketing and sale of the ADSs, these may not be marketed, offered for sale, nor sold in the State of Kuwait. Neither this prospectus (including any related document), nor any of the information contained therein is intended to lead to the conclusion of any contract of whatsoever nature within Kuwait.

### *Malaysia*

No prospectus or other offering material or document in connection with the offer and sale of the ADSs has been or will be registered with the Securities Commission of Malaysia (“Commission”) for the Commission’s approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the ADSs may not be circulated or distributed, nor may the ADSs be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who

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acquires the ADSs, as principal, if the offer is on terms that the ADSs may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the ADSs is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this prospectus is subject to Malaysian laws. This prospectus does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

### *People's Republic of China*

This prospectus may not be circulated or distributed in the PRC and the ADSs may not be offered or sold, and will not offer or sell to any person for re-offering or resale directly or indirectly to any resident of the PRC except pursuant to applicable laws, rules and regulations of the PRC. For the purpose of this paragraph only, the PRC does not include Taiwan and the special administrative regions of Hong Kong and Macau.

### *Qatar*

In the State of Qatar, the offer contained herein is made on an exclusive basis to the specifically intended recipient thereof, upon that person's request and initiative, for personal use only and shall in no way be construed as a general offer for the sale of securities to the public or an attempt to do business as a bank, an investment company or otherwise in the State of Qatar. This prospectus and the underlying securities have not been approved or licensed by the Qatar Central Bank or the Qatar Financial Centre Regulatory Authority or any other regulator in the State of Qatar. The information contained in this prospectus shall only be shared with any third parties in Qatar on a need to know basis for the purpose of evaluating the contained offer. Any distribution of this prospectus by the recipient to third parties in Qatar beyond the terms hereof is not permitted and shall be at the liability of such recipient.

### *Saudi Arabia*

This prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this prospectus you should consult an authorized financial adviser.

### *Singapore*

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the ADSs may not be circulated or distributed, nor may the ADSs be

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offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined under Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”)) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to conditions set forth in the SFA.

Where the ADSs are subscribed or purchased under Section 275 of the SFA by a relevant person which is a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor, the securities (as defined in Section 239(1) of the SFA) of that corporation shall not be transferable for 6 months after that corporation has acquired the ADSs under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer in that corporation’s securities pursuant to Section 275(1A) of the SFA, (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore (“Regulation 32”)

Where the ADSs are subscribed or purchased under Section 275 of the SFA by a relevant person which is a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole purpose is to hold investments and each beneficiary of the trust is an accredited investor, the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that trust has acquired the ADSs under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction (whether such amount is to be paid for in cash or by exchange of securities or other assets), (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32.

### *Switzerland*

The ADSs will not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX, or on any other stock exchange or regulated trading facility in Switzerland. This prospectus has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this prospectus nor any other offering or marketing material relating to our company or the ADSs have been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus will not be filed with, and the offer of the ADSs will not be supervised by, the Swiss Financial Market Supervisory Authority, and the offer of the ADSs has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (the “CISA”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of the ADSs.

### *Taiwan*

The ADSs have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of

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Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the ADSs in Taiwan.

### *United Arab Emirates*

The ADSs have not been offered or sold, and will not be offered or sold, directly or indirectly, in the United Arab Emirates, except: (1) in compliance with all applicable laws and regulations of the United Arab Emirates; and (2) through persons or corporate entities authorized and licensed to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in the United Arab Emirates. The information contained in this prospectus does not constitute a public offer of securities in the United Arab Emirates in accordance with the Commercial Companies Law (Federal Law No. 8 of 1984 (as amended)) or otherwise and is not intended to be a public offer and is addressed only to persons who are sophisticated investors.

### *United Kingdom*

In the United Kingdom, this prospectus is only addressed to and directed as qualified investors who are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order); or (ii) high net worth entities and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). Any investment or investment activity to which this prospectus relates is available only to relevant persons and will only be engaged with relevant persons. Any person who is not a relevant person should not act or relay on this prospectus or any of its contents.

**EXPENSES RELATED TO THIS OFFERING**

Set forth below is an itemization of the total expenses, excluding underwriting discounts and commissions, that we expect to incur in connection with this offering. With the exception of the SEC registration fee, the Financial Industry Regulatory Authority, or FINRA, filing fee, and the [NYSE/NASDAQ market entry and listing fee], all amounts are estimates.

SEC Registration Fee	US\$
FINRA Filing Fee	
[NYSE/NASDAQ Market Entry and Listing Fee]	
Printing and Engraving Expenses	
Legal Fees and Expenses	
Accounting Fees and Expenses	
Miscellaneous	
<b>Total</b>	<b><u>US\$</u></b>

**LEGAL MATTERS**

We are being represented by Skadden, Arps, Slate, Meagher & Flom LLP with respect to certain legal matters as to United States federal securities and New York State law. The underwriters are being represented by Simpson Thacher & Bartlett LLP with respect to certain legal matters as to United States federal securities and New York State law. The validity of the common shares represented by the ADSs offered in this offering will be passed upon for us by Maples and Calder (Hong Kong) LLP. Certain legal matters as to PRC law will be passed upon for us by Han Kun Law Offices and for the underwriters by Haiwen & Partners. Skadden, Arps, Slate, Meagher & Flom LLP may rely upon Maples and Calder (Hong Kong) LLP with respect to matters governed by Cayman Islands law and Han Kun Law Offices with respect to matters governed by PRC law. Simpson Thacher & Bartlett LLP may rely upon Haiwen & Partners with respect to matters governed by PRC law.

**EXPERTS**

The consolidated financial statements of Aurora Mobile Limited as of December 31, 2016 and 2017, and for each of the two years in the period ended December 31, 2017, appearing in this prospectus, have been audited by Ernst & Young Hua Ming LLP, an independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The registered office of Ernst & Young Hua Ming LLP is located at 21<sup>st</sup> Floor, China Resources Building, No. 5001 Shennan Dong Road, Shenzhen, 518001, People's Republic of China.

**WHERE YOU CAN FIND ADDITIONAL INFORMATION**

We have filed a registration statement, including relevant exhibits, with the SEC on Form F-1 under the Securities Act with respect to the underlying common shares represented by the ADSs to be sold in this offering. We will also file a related registration statement on Form F-6 with the SEC to register the ADSs. This prospectus, which constitutes a part of the registration statement on Form F-1, does not contain all of the information contained in the registration statement. You should read our registration statements and their exhibits and schedules for further information with respect to us and our ADSs.

Immediately upon the effectiveness of the registration statement on Form F-1 of which this prospectus forms a part, we will become subject to periodic reporting and other informational requirements of the Exchange Act as applicable to foreign private issuers. Accordingly, we will be required to file reports, including annual reports on Form 20-F, and other information with the SEC. All information filed with the SEC can be obtained over the internet at the SEC's website at [www.sec.gov](http://www.sec.gov) or inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. You can request copies of documents, upon payment of a duplicating fee, by writing to the SEC.

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Shareholders and the Board of Directors of Aurora Mobile Limited

**Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of Aurora Mobile Limited (the Company) as of December 31, 2016 and 2017, the related consolidated statements of comprehensive loss, shareholders' deficit and cash flows for each of the two years in the period ended December 31, 2017 and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2016 and 2017, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2017, in conformity with U.S. generally accepted accounting principles.

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young Hua Ming LLP

We have served as the Company's auditor since 2018.  
Shenzhen, the People's Republic of China  
April 20, 2018

**AURORA MOBILE LIMITED**  
**CONSOLIDATED BALANCE SHEETS**  
(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

	Note	As of December 31,			Pro forma shareholders' equity as of December 31,	
		2016 RMB	2017 RMB	US\$	2017 RMB	US\$
<b>ASSETS</b>						
<b>Current assets:</b>						
Cash and cash equivalents		103,168	208,161	33,186		
Restricted cash		—	115	18		
Short-term investment	3	10,000	—	—		
Accounts receivable, net of allowances of RMB1,035 and RMB3,462 (US\$552) as of December 31, 2016 and 2017, respectively	4	9,444	49,594	7,906		
Prepayments and other current assets	5	13,508	34,228	5,456		
Amounts due from related parties	14	95	1,260	201		
<b>Total current assets</b>		<b>136,215</b>	<b>293,358</b>	<b>46,767</b>		
<b>Non-current assets:</b>						
Restricted cash		120	—	—		
Other non-current assets		1,313	1,806	288		
Long-term investments		1,041	10,980	1,750		
Property and equipment, net	6	23,718	53,023	8,453		
Intangible assets, net		—	283	45		
Deferred tax assets, net	11	3,537	—	—		
<b>Total non-current assets</b>		<b>29,729</b>	<b>66,092</b>	<b>10,536</b>		
<b>Total assets</b>		<b>165,944</b>	<b>359,450</b>	<b>57,303</b>		
<b>LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' DEFICIT</b>						
<b>Current liabilities:</b>						
Accounts payable (including accounts payable of the variable interest entity ("VIE") without recourse to the Company of RMB1,110 and RMB8,340 (US\$1,330) as of December 31, 2016 and 2017, respectively)		1,110	8,340	1,330		
Deferred revenue and customer deposits (including deferred revenue and customer deposits of the VIE without recourse to the Company of RMB17,718 and RMB48,085 (US\$7,666) as of December 31, 2016 and 2017, respectively)	7	18,148	49,557	7,901		
Accrued liabilities and other current liabilities (including accrued liabilities and other current liabilities of the VIE without recourse to the Company of RMB16,087 and RMB31,631 (US\$5,043) as of December 31, 2016 and 2017, respectively)	8	19,737	52,639	8,389		

**AURORA MOBILE LIMITED**  
**CONSOLIDATED BALANCE SHEETS (continued)**  
**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

	Note	As of December 31,			Pro forma shareholders' equity as of December 31,	
		2016 RMB	2017 RMB	US\$	2017 RMB	US\$
Amounts due to related parties (including amount due to related parties of the VIE without recourse to the Company of RMB550 and RMB459 (US\$73) as of December 31, 2016 and 2017, respectively)	14	6,353	6,110	974		
<b>Total current liabilities</b>		<b>45,348</b>	<b>116,646</b>	<b>18,594</b>		
<b>Non-current liabilities:</b>						
Other non-current liabilities (including other non-current liabilities of the VIE without recourse to the Company of RMB292 and RMB216 (US\$34) as of December 31, 2016 and 2017, respectively)		292	216	34		
Deferred tax liabilities (including deferred tax liabilities of the VIE without recourse to the Company of RMB47 and RMB5 (US\$1) as of December 31, 2016 and 2017, respectively)	11	7,522	5	1		
Deferred revenue (including deferred revenue of the VIE without recourse to the Company of RMB657 and RMB330 (US\$53) as of December 31, 2016 and 2017, respectively)		657	330	53		
<b>Total non-current liabilities</b>		<b>8,471</b>	<b>551</b>	<b>88</b>		
<b>Total liabilities</b>		<b>53,819</b>	<b>117,197</b>	<b>18,682</b>		

**AURORA MOBILE LIMITED**  
**CONSOLIDATED BALANCE SHEETS (continued)**

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

	Note	As of December 31,			Pro forma shareholders' equity as of December 31,	
		2016 RMB	2017 RMB	US\$	2017 RMB (Unaudited)	US\$
Commitments and contingencies	13					
<b>Mezzanine equity</b>						
Series A contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; 11,111,120 shares authorized, issued and outstanding as of December 31, 2016 and 2017; As of December 31, 2017, aggregate liquidation preference and redemption amounts were US\$4,000 and US\$4,374, respectively (2016: US\$4,000 and US\$4,347, respectively))	9	26,804	26,979	4,301	—	—
Series B contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; 7,936,510 shares authorized, issued and outstanding as of December 31, 2016 and 2017; As of December 31, 2017, aggregate liquidation preference and redemption amounts were US\$7,500 and US\$8,531, respectively (2016: US\$7,500 and US\$8,427, respectively))	9	52,044	52,723	8,405	—	—
Series C contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; 4,891,240 and 4,999,540 shares authorized, issued and outstanding as of December 31, 2016 and 2017, respectively; As of December 31, 2017, aggregate liquidation preference and redemption amounts were US\$ 23,111 and US\$25,422, respectively (2016: US\$23,111 and US\$24,496, respectively))	9	141,691	168,317	26,834	—	—
Series D contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; nil and 5,559,487 shares authorized, issued and outstanding as of December 31, 2016 and 2017, respectively; As of December 31, 2017, aggregate liquidation preference and redemption amounts were US\$30,000 and US\$32,982, respectively (2016: US\$ nil and US\$ nil, respectively))	9	—	218,618	34,853	—	—
<b>Total mezzanine equity</b>		<b>220,539</b>	<b>466,637</b>	<b>74,393</b>	<b>—</b>	<b>—</b>
<b>Shareholders' (deficit) equity</b>						
Common shares (par value of US\$0.0001 per share; 475,952,830 and 470,393,343 shares authorized, 42,666,670 shares issued and outstanding as of December 31, 2016 and 2017, 500,000,000 shares authorized; 72,273,327 shares issued and outstanding, unaudited, pro forma)		26	26	4	45	7
Additional paid-in capital		5,414	13,689	2,182	480,307	76,572
Accumulated deficit		(118,128)	(234,810)	(37,434)	(234,810)	(37,434)
Accumulated other comprehensive income (loss)		4,274	(3,289)	(524)	(3,289)	(524)
<b>Total shareholders' (deficit) equity</b>		<b>(108,414)</b>	<b>(224,384)</b>	<b>(35,772)</b>	<b>242,253</b>	<b>38,621</b>
<b>Total liabilities, mezzanine equity and shareholders' deficit</b>		<b>165,944</b>	<b>359,450</b>	<b>57,303</b>		

The accompanying notes are an integral part of the consolidated financial statements.

**AURORA MOBILE LIMITED**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

	Note	Year ended December 31,		
		2016 RMB	2017 RMB	US\$
<b>Revenues</b> (including related party amounts of RMB344 and RMB3,507 (US\$559) for the years ended December 31, 2016 and 2017, respectively)	15	70,322	284,709	45,389
<b>Cost of revenues</b> (including related party amounts of RMB442 and RMB788 (US\$126) for the years ended December 31, 2016 and 2017, respectively)		(47,722)	(213,370)	(34,016)
<b>Gross profit</b>		22,600	71,339	11,373
<b>Operating expenses</b>				
Research and development (including related party amounts of RMB639 and RMB762 (US\$121) for the years ended December 31, 2016 and 2017, respectively)		(33,717)	(71,651)	(11,423)
Sales and marketing (including related party amounts of RMB1,317 and RMB541 (US\$86 ) for the years ended December 31, 2016 and 2017, respectively)		(33,062)	(59,673)	(9,513)
General and administrative (including related party amounts of RMB98 and RMB138 (US\$22) for the years ended December 31, 2016 and 2017, respectively)		(13,480)	(32,431)	(5,170)
<b>Total operating expenses</b>		(80,259)	(163,755)	(26,106)
<b>Loss from operations</b>		(57,659)	(92,416)	(14,733)
Foreign exchange loss, net		(328)	(2,724)	(434)
Interest income		283	314	50
Interest expense		—	(122)	(19)
Other income		232	677	108
<b>Loss before income taxes</b>		(57,472)	(94,271)	(15,028)
Income tax (expense) benefit	11	(3,910)	3,980	635
<b>Net loss</b>		(61,382)	(90,291)	(14,393)
<b>Net loss attributable to Aurora Mobile Limited’s shareholders</b>		(61,382)	(90,291)	(14,393)
Accretion of contingently redeemable convertible preferred shares		(12,427)	(26,391)	(4,207)
<b>Net loss attributable to common shareholders</b>		(73,809)	(116,682)	(18,600)
<b>Net loss per share:</b>	12			
Basic		(1.73)	(2.73)	(0.44)
Diluted		(1.73)	(2.73)	(0.44)
<b>Shares used in net loss per share computation:</b>				
Basic		42,666,670	42,666,670	42,666,670
Diluted		42,666,670	42,666,670	42,666,670
<b>Pro forma net loss per share attributable to common shareholders (unaudited):</b>				
Basic			(1.25)	(0.20)
Diluted			(1.25)	(0.20)
<b>Other comprehensive income (loss)</b>				
Foreign currency translation adjustments		1,896	(7,563)	(1,206)
<b>Total other comprehensive income (loss), net of tax</b>		1,896	(7,563)	(1,206)
<b>Comprehensive loss</b>		(59,486)	(97,854)	(15,599)
<b>Comprehensive loss attributable to Aurora Mobile Limited</b>		(59,486)	(97,854)	(15,599)

The accompanying notes are an integral part of the consolidated financial statements.

AURORA MOBILE LIMITED

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' DEFICIT

(Amounts in thousands of Renminbi ("RMB") and US dollars ("US\$"), except for number of shares)

	Common shares		Additional paid-in capital RMB	Accumulated other comprehensive income RMB	Accumulated deficit RMB	Total shareholders' deficit RMB
	Number of shares	Amount RMB				
<b>Balance as of January 1, 2016</b>	42,666,670	26	1,711	2,378	(44,319)	(40,204)
Net loss	—	—	—	—	(61,382)	(61,382)
Other comprehensive loss	—	—	—	1,896	—	1,896
Contribution from shareholder	—	—	1,000	—	—	1,000
Accretion of contingently redeemable convertible preferred shares	—	—	—	—	(12,427)	(12,427)
Share-based compensation	—	—	2,703	—	—	2,703
<b>Balance as of December 31, 2016</b>	<b>42,666,670</b>	<b>26</b>	<b>5,414</b>	<b>4,274</b>	<b>(118,128)</b>	<b>(108,414)</b>

	Common shares		Additional paid-in capital RMB	Accumulated other comprehensive income (loss) RMB	Accumulated deficit RMB	Total shareholders' deficit RMB
	Number of shares	Amount RMB				
<b>Balance as of January 1, 2017</b>	42,666,670	26	5,414	4,274	(118,128)	(108,414)
Net loss	—	—	—	—	(90,291)	(90,291)
Other comprehensive loss	—	—	—	(7,563)	—	(7,563)
Accretion of contingently redeemable convertible preferred shares	—	—	—	—	(26,391)	(26,391)
Share-based compensation	—	—	8,275	—	—	8,275
<b>Balance as of December 31, 2017</b>	<b>42,666,670</b>	<b>26</b>	<b>13,689</b>	<b>(3,289)</b>	<b>(234,810)</b>	<b>(224,384)</b>
<b>Balance as of December 31, 2017 in US\$</b>	<b>42,666,670</b>	<b>4</b>	<b>2,182</b>	<b>(524)</b>	<b>(37,434)</b>	<b>(35,772)</b>

The accompanying notes are an integral part of the consolidated financial statements.

**AURORA MOBILE LIMITED**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

	Year ended December 31,		
	2016	2017	
	RMB	RMB	US\$
<b>Cash flows from operating activities:</b>			
Net loss	(61,382)	(90,291)	(14,393)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation of property and equipment	3,433	8,805	1,404
Amortization of intangible assets	—	35	6
Unrealized exchange (gain) loss	(369)	339	54
Allowance for doubtful accounts	1,049	2,427	387
Deferred tax expense (benefit)	3,910	(3,980)	(635)
Share-based compensation	2,703	8,275	1,319
Changes in operating assets and liabilities,			
Accounts receivable	(5,870)	(48,266)	(7,695)
Prepayments and other current assets	(11,233)	(21,558)	(3,437)
Amounts due from related parties	(65)	(1,169)	(186)
Other non-current assets	—	(492)	(78)
Accounts payable	822	13,015	2,075
Deferred revenue and customer deposits	11,018	31,144	4,965
Accrued liabilities and other current liabilities	14,469	26,503	4,225
Amounts due to related parties	676	(243)	(39)
Other non-current liabilities	(1,313)	(76)	(12)
<b>Net cash used in operating activities</b>	<u>(42,152)</u>	<u>(75,532)</u>	<u>(12,040)</u>
<b>Cash flows from investing activities:</b>			
Purchase of time deposits	(10,000)	—	—
Proceeds from maturity of time deposits	—	10,053	1,603
Purchase of long-term investment	(1,041)	(10,000)	(1,594)
Purchase of property and equipment	(18,887)	(28,378)	(4,524)
Purchase of intangible assets	—	(319)	(51)
<b>Net cash used in investing activities</b>	<u>(29,928)</u>	<u>(28,644)</u>	<u>(4,566)</u>
<b>Cash flows from financing activities:</b>			
Proceeds from issuance of contingently redeemable convertible preferred shares	134,348	217,446	34,666
Contribution from shareholder	1,000	—	—
<b>Net cash provided by financing activities</b>	<u>135,348</u>	<u>217,446</u>	<u>34,666</u>
Effect of exchange rate on cash and cash equivalents and restricted cash	2,450	(8,282)	(1,323)
<b>Net increase in cash and cash equivalents and restricted cash</b>	<u>65,718</u>	<u>104,988</u>	<u>16,737</u>
Cash and cash equivalents and restricted cash at the beginning of year	37,570	103,288	16,467
<b>Cash and cash equivalents and restricted cash at the end of year</b>	<u>103,288</u>	<u>208,276</u>	<u>33,204</u>
<b>Supplemental disclosures of cash flow information:</b>			
Interest expense paid	—	122	19
Purchase of property and equipment included in accrued liabilities and other current liabilities	—	9,731	1,551

The accompanying notes are an integral part of the consolidated financial statements.

**AURORA MOBILE LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**1 Organization and principal activities**

Aurora Mobile Limited (the “Company” and where appropriate, the term “Company” also refers to its subsidiaries and variable interest entity) is a limited company incorporated in the Cayman Islands under the laws of the Cayman Islands on April 9, 2014. The Company, through its subsidiaries and variable interest entity (“VIE”), are principally engaged in providing data solutions which include targeted marketing, industry insights, financial risk management and location-based intelligence services in the People’s Republic of China (the “PRC”).

In preparation of its initial public offering (“IPO”) in the United States, the Company was restructured in 2014, in order to establish the Company as the parent company. As part of the restructuring, the business operations of Shenzhen Hexun Huagu Information Technology Co., Ltd (“Hexun Huagu” or “VIE”) were transferred to the Company. As the Company and the VIE are all under the control of Mr. Weidong Luo, the restructuring was accounted for as a transaction under common control in a manner similar to a pooling of interests. Therefore, the accompanying consolidated financial statements have been prepared as if the corporate structure of the Company has been in existence since the beginning of the periods presented.

As PRC laws and regulations prohibit and restrict foreign ownership of internet value-added businesses, the Company operates its business, primarily through the VIE. The Company, through JPush Information Consulting (Shenzhen) Co., Ltd. (“Shenzhen JPush” or “WFOE”) entered into powers of attorney and an exclusive option agreement with the nominee shareholders of the VIE, that gave WFOE the power to direct the activities that most significantly affect the economic performance of the VIE and to acquire the equity interests in the VIE when permitted by the PRC laws, respectively. Certain exclusive agreements have been entered into with the VIE through WFOE, which obligate WFOE to absorb a majority of the risk of loss from the VIE’s activities and entitle WFOE to receive a majority of its residual returns.

Therefore, the WFOE is considered the primary beneficiary of the VIE and consolidates the VIE as required by SEC Regulation S-X Rule 3A-02 and Accounting Standards Codification (“ASC”) 810, *Consolidation*.

The following is a summary of the VIE agreements:

*Exclusive Option Agreements*

Pursuant to the exclusive option agreement entered into between VIE’s nominee shareholders and the WFOE, the nominee shareholders irrevocably granted the WFOE an option to request the nominee shareholders to transfer or sell any part or all of its equity interests in the VIE, or any or all of the assets of the VIE, to the WFOE, or their designees. The purchase price of the equity interests in the VIE is equal to the minimum price required by PRC law. Without the WFOE’s prior written consent, the VIE and its nominee shareholders cannot amend its articles of association, increase or decrease the registered capital, sell or otherwise dispose of its assets or beneficial interest, create or allow any encumbrance on its assets or other beneficial interests and provide any loans or guarantees. The nominee shareholders cannot request any dividends or other form of assets. If dividends or other form of assets were distributed, the nominee shareholders are required to transfer all received distribution to the WFOE or their designees. These agreements are not terminated until all of the equity interest of the VIE is transferred to the WFOE or the person(s) designated by the WFOE. None of the nominee shareholders have the right to terminate or revoke the agreement under any circumstance unless otherwise regulated by law.

*Equity Interest Pledge Agreements*

Pursuant to the equity interest pledge agreements, each nominee shareholder of the VIE has pledged all of their respective equity interests in the VIE to WFOE as continuing first priority security interest to guarantee the

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**1 Organization and principal activities (continued)**

*Equity Interest Pledge Agreements (continued)*

performance of their and the VIE’s obligations under the powers of attorney agreement, the shareholder voting proxy agreement, the financial support agreement, the exclusive option agreement and the exclusive business cooperation agreement. WFOE is entitled to all dividends during the effective period of the share pledge except as it agrees otherwise in writing. If VIE or any of the nominee shareholder breaches its contractual obligations, WFOE will be entitled to certain rights regarding the pledged equity interests, including receiving proceeds from the auction or sale of all or part of the pledged equity interests of VIE in accordance with PRC law. None of the nominee shareholders shall, without the prior written consent of WFOE, assign or transfer to any third party, distribute dividends and create or cause any security interest and any liability in whatsoever form to be created on, all or any part of the equity interests it holds in the VIE. This agreement is not terminated until all of the technical support and consulting and service fees have been fully paid under the exclusive business cooperation agreement and all of VIE’s obligations have been terminated under the other controlling agreements. On December 16, 2014, the Company registered the equity pledge with the relevant office of the administration for industry and commerce in accordance with the PRC Property Rights Law.

*Exclusive Business Cooperation Agreement*

Pursuant to the exclusive business cooperation agreement entered into by WFOE and VIE, WFOE provides exclusive technical support and consulting services in return for an annual service fee based on a certain percentage of the VIE’s audited total operating income, which is adjustable at the sole discretion of WFOE. Without WFOE’s consent, the VIE cannot procure services from any third party or enter into similar service arrangements with any other third party, except for those from WFOE. In addition, the profitable consolidated VIE has granted WFOE an exclusive right to purchase any or all of the business or assets of each of the profitable consolidated VIE at the lowest price permitted under PRC law. This agreement is irrevocable or can only be unilaterally revoked/amended by WFOE.

*Powers of Attorney*

Pursuant to the powers of attorney signed between VIE’s nominee shareholders and WFOE, each nominee shareholder irrevocably appointed WFOE as its attorney-in-fact to exercise on each shareholder’s behalf any and all rights that each shareholder has in respect of its equity interest in VIE (including but not limited to executing the exclusive right to purchase agreements, the voting rights and the right to appoint directors and executive officers of VIE). This agreement is effective and irrevocable as long as the nominee shareholder remains a shareholder of VIE.

Subsequently, in March 2018, the following supplementary agreements were entered into:

*Financial Support Agreement*

Pursuant to the financial support undertaking letter dated March 28, 2018, the Company is obligated to provide unlimited financial support to the VIE, to the extent permissible under the applicable PRC laws and regulations. The Company will not request repayment of the loans or borrowings if the VIE or its shareholders do not have sufficient funds or are unable to repay. The financial support agreement does not contain termination and extension provisions.

*Shareholder Voting Proxy Agreement (“Proxy Agreement”)*

The Nominee Shareholders also re-signed the powers of attorney agreement whereby they granted an irrevocable proxy of the voting rights underlying their respective equity interests in VIE from the WFOE to the Company,

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**1 Organization and principal activities (continued)**

*Shareholder Voting Proxy Agreement (“Proxy Agreement”) (continued)*

which includes, but are not limited to, all the shareholders’ rights and voting rights empowered to the Nominee Shareholders by the company law and the Company’s Article of Association. These rights include the sale, transfer, pledge, or disposition of the equity interests in the VIE, electing and changing members of management, revising and approving the VIE’s profit sharing plans, and amending the articles of association etc. The Proxy Agreement shall remain effective as long as the nominee shareholders hold the equity interests in the VIE. Unless otherwise provided by PRC law, the nominee shareholders shall not rescind, early terminate or dissolve the Proxy Agreement. However, the Company has the right to terminate the Proxy Agreement at any time. Finally, unless agreed upon by the Company, the nominee shareholders shall not transfer their rights and obligations under the Proxy Agreement to any other third party. The Proxy Agreement does not contain any extension provisions.

Accordingly, as a result of the power to direct the activities of the VIE pursuant to the powers of attorney agreement and the obligation to absorb the expected losses of VIE through the unlimited financial support, the WFOE ceased to be the primary beneficiary and the Company became the primary beneficiary of the VIE on March 28, 2018.

In the opinion of the Company’s legal counsel, (i) the ownership structure of the PRC subsidiary and the VIE are in compliance with the existing PRC laws and regulations in all material respects; (ii) each of the VIE agreements is valid, binding and enforceable in accordance with its terms and applicable PRC laws or regulations and will not violate applicable PRC laws in effect and regulations in all material respects; and (iii) each of the VIE agreements are valid in accordance with the articles of association of the Company.

However, uncertainties in the PRC legal system could cause the Company’s current ownership structure to be found in violation of existing and/or future PRC laws or regulations and could limit the Company’s ability to enforce its rights under these contractual arrangements. Furthermore, the nominee shareholders of the VIE may have interests that are different than those of the Company, which could potentially increase the risk that they would seek to act contrary to the terms of the contractual agreements with the VIE.

In addition, if the current structure or any of the contractual arrangements is found to be in violation of any existing or future PRC laws or regulations, the Company could be subject to penalties, which could include, but not be limited to, revocation of business and operating licenses, discontinuing or restricting business operations, restricting the Company’s right to collect revenues, temporary or permanent blocking of the Company’s internet platforms, restructuring of the Company’s operations, imposition of additional conditions or requirements with which the Company may not be able to comply, or other regulatory or enforcement actions against the Company that could be harmful to its business. The imposition of any of these or other penalties could have a material adverse effect on the Company’s ability to conduct its business.

**AURORA MOBILE LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

**1 Organization and principal activities (continued)**

The following table set forth the assets and liabilities of the VIE included in the Company’s consolidated balance sheets:

	As of December 31,		
	2016 RMB	2017 RMB	US\$
<b>ASSETS:</b>			
<b>Current assets:</b>			
Cash and cash equivalents	8,832	49,853	7,948
Restricted cash	—	115	18
Accounts receivable	9,432	49,561	7,901
Prepayments and other current assets	13,377	29,637	4,725
Amounts due from the Company and its subsidiaries	7,297	3,806	607
Amounts due from related parties	65	1,186	189
<b>Total current assets</b>	<b>39,003</b>	<b>134,158</b>	<b>21,388</b>
<b>Non-current assets:</b>			
Restricted cash	120	—	—
Long-term investments	—	10,000	1,594
Other receivables-non-current	1,017	1,354	216
Property and equipment, net	23,718	24,258	3,867
Intangible assets, net	—	283	45
<b>Total non-current assets</b>	<b>24,855</b>	<b>35,895</b>	<b>5,722</b>
<b>Total assets</b>	<b>63,858</b>	<b>170,053</b>	<b>27,110</b>
<b>LIABILITIES:</b>			
<b>Current liabilities:</b>			
Accounts payable	1,110	8,340	1,330
Deferred revenue and customer deposits	17,718	48,085	7,666
Accrued liabilities and other current liabilities	16,087	31,631	5,043
Amounts due to the Company and its subsidiaries	7,709	39,861	6,355
Amounts due to related parties	550	459	73
<b>Total current liabilities</b>	<b>43,174</b>	<b>128,376</b>	<b>20,467</b>
<b>Non-current liabilities:</b>			
Amounts due to the Company and its subsidiaries	—	60,000	9,565
Other non-current liabilities	292	216	34
Deferred tax liabilities	47	5	1
Deferred revenue and customer deposits	657	330	53
<b>Total non-current liabilities</b>	<b>996</b>	<b>60,551</b>	<b>9,653</b>
<b>Total liabilities</b>	<b>44,170</b>	<b>188,927</b>	<b>30,120</b>

**AURORA MOBILE LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))****1 Organization and principal activities (continued)**

The table sets forth the results of operations and cash flows of the VIE included in the company’s consolidated statements of comprehensive loss and cash flows.

	As of December 31,		
	2016 RMB	2017 RMB	2017 US\$
Revenues	70,148	284,348	45,332
Cost of revenues	(47,559)	(206,789)	(32,967)
Net income (loss)	18,681	(40,003)	(6,377)
Net cash used in operating activities	7,590	(51,016)	(8,133)
Net cash used in investing activities	—	(10,000)	(1,594)
Net cash provided by financing activities	1,000	—	—

The aggregate carrying amounts of the total assets and total liabilities of the VIE as of December 31, 2017 were RMB170,053 (US\$27,110) and RMB188,927 (US\$30,120), respectively (2016: RMB63,858 and RMB44,170). There were no pledges or collateralization of the VIE’s assets. Creditors of the VIE have no recourse to the general credit of the primary beneficiary of the VIE, and such amounts have been parenthetically presented on the face of the consolidated balance sheets. The VIE holds certain assets, including data servers and related equipment for use in their operations. The VIE does not own any facilities except for the rental of certain office premises and data centers from third parties under operating lease arrangements. The VIE also holds certain value-added technology licenses, registered copyrights, trademarks and registered domain names, including the official website, which are also considered as revenue-producing assets. However, none of such assets was recorded on the Company’s consolidated balance sheets as such assets were all internally developed and expensed as incurred as they did not meet the capitalization criteria. The Company has not provided any financial or other support that it was not previously contractually required to provide to the VIE during the periods presented.

**2 Summary of Significant Accounting Policies*****Basis of presentation***

The consolidated financial statements of the Company have been prepared in accordance with the generally accepted accounting principles of the United States (“U.S. GAAP”).

***Principles of Consolidation***

The consolidated financial statements include the financial statements of the Company, its subsidiaries, and the VIE (where the WFOE is the primary beneficiary). All intercompany transactions and balances have been eliminated.

***Use of estimates***

The preparation of the Company’s consolidated financial statements in conformity with U.S. GAAP requires the use of estimates and judgments that affect the reported amounts in the consolidated financial statements and accompanying notes. These estimates form the basis for judgments that management make about the carrying values of assets and liabilities, which are not readily apparent from other sources. Management base their

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**2 Summary of Significant Accounting Policies (continued)**

***Use of estimates (continued)***

estimates and judgments on historical information and on various other assumptions that they believe are reasonable under the circumstances. U.S. GAAP requires management to make estimates and judgments in several areas, including, but not limited to, those related to revenue recognition, collectability of accounts receivable, commitments, fair value of financial instruments, useful lives and impairment assessment of intangible assets, property and equipment, long-term investment, income taxes and share-based compensation. These estimates are based on management’s knowledge about current events and expectations about actions that the Company may undertake in the future. Actual results could differ from those estimates.

***Pro forma information (unaudited)***

The unaudited pro forma equity information as of December 31, 2017 assumes the automatic conversion of all of the outstanding contingently redeemable convertible preferred shares into 29,606,657 common shares upon the completion of the qualified initial public offering (“IPO”). Unaudited pro forma shareholders’ equity as of December 31, 2017, as adjusted for the assumed conversion of the contingently redeemable convertible preference shares, is set forth on the consolidated balance sheets. Unaudited pro forma earnings per share for year ended December 31, 2017, as adjusted, for the assumed conversion of the outstanding contingently redeemable convertible preferred shares as of January 1, 2017, is also set forth on the consolidated statements of comprehensive loss (Note 12).

***Revenue recognition***

The Company recognizes revenue once all of the following criteria have been met: (1) persuasive evidence of an arrangement exists; (2) services have been provided; (3) the price is fixed or determinable; and (4) collectability is reasonably assured.

***Data solutions***

The Company generates data solutions revenues primarily by creating and delivering targeted marketing and other vertical data solutions. Targeted marketing revenue is generated by the Company providing an integrated marketing campaign to advertisers through the Company’s Xiaoguotong marketing platform, which is built upon the Company’s multi-dimensional mobile device dataset. The Company generally will create, design, develop and optimize the advertising content for its advertisers. The advertisements are displayed on a wide spectrum of reputable publishers, through bidding for advertisement slots using rates directly negotiated with the various publishers.

The arrangements with advertisers are evidenced through contractual agreements that stipulate the types of advertising to be delivered, the timing and the pricing. Advertisers pay for targeted advertisements based on the number of clicks and downloads taken by the users. Revenue is recognized in the period in which the user performs the action the advertiser contracted the Company for.

The Company recognizes revenue on a gross basis as the primary obligor, as it uses its own platform’s mobile device dataset with its comprehensive demographic targeting ability to accurately pinpoint the specific mobile devices that is most suitable for the customer’s ads. Additionally, the Company has pricing latitude, has

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**2 Summary of Significant Accounting Policies (continued)**

***Revenue recognition (continued)***

*Data solutions (continued)*

discretion in selecting publishers whose advertisement slots will be purchased, is highly involved in the determination of service specifications and bears credit risk. Based on the advertiser’s preference to avoid lower quality publishers, the Company may recommend a specific reputable online media network to certain advertisers. After pinpointing the specific mobile devices that are most suitable for the customer’s ads using its mobile device dataset, it bids for the available advertising slots on the network and then places the advertisement.

*Developer services*

The Company enters into agreements with its customers to provide push notification and instant messaging (collectively “notification services”). Under the terms of the contractual agreements of notification services, the Company provides its customers with access to its notification services platform over the specified period of the respective agreements. The Company charges a fixed fee for access to the notification services platform, and this enables customers to send notifications and messages to users. Revenue from notification services is recognized ratably over the service period.

***Costs of revenues***

Cost of revenues consists primarily of depreciation, labor, bandwidth costs and purchasing of advertising inventory. The Company incurs various sales tax and surcharges such as, city construction tax and education surcharges and cultural development fee in connection with the services provided. In accordance with ASC subtopic 605-45, *Revenue Recognition, Principal Agent Considerations* (“ASC 605-45”), the Company includes the sales tax and surcharges incurred in cost of revenues.

***Convenience translation***

Translations of amounts from RMB into US\$ for the convenience of the reader have been calculated at the exchange rate of RMB6.2726 per US\$1.00 on March 30, 2018, as published on the website of the United States Federal Reserve Board. No representation is made that the RMB amounts could have been, or could be, converted into US\$ at such rate.

***Foreign currency translation***

The functional currency of the Company is US\$, The Company’s subsidiaries and VIE with operations in the PRC adopted RMB as their functional currencies. The determination of the respective functional currency is based on the criteria stated in ASC 830, *Foreign Currency Matters*. The Company uses RMB as its reporting currency. The consolidated financial statements of the Company, are translated into RMB using the exchange rate as of the balance sheet date for assets and liabilities and average exchange rate for the year for income and expense items. Translation gains and losses are recorded in accumulated other comprehensive loss, as a component of shareholders’ deficit.

Transactions in currencies other than the functional currency are measured and recorded in the functional currency at the exchange rate prevailing on the transaction date.

Monetary assets and liabilities denominated in currencies other than the functional currency are remeasured into the functional currency at the rates of exchange prevailing at the balance sheet dates. Transaction gains and

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**2 Summary of Significant Accounting Policies (continued)**

***Foreign currency translation (continued)***

losses are recognized in the consolidated statements of comprehensive loss during the period or year in which they occur.

***Fair value measurements***

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and the market-based risk measurement or assumptions that market participants would use when pricing the asset or liability.

Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1-Quoted prices in active markets for identical assets or liabilities.

Level 2-Observable inputs other than quoted prices in active markets, quoted prices for identical or similar assets and liabilities in inactive markets or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3-Inputs that are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability.

The carrying amounts of financial assets and liabilities, such as cash equivalents, restricted cash, accounts receivable, other receivables within prepaid expenses and other current assets, balances with related parties, accounts payable, and other payables with accrued liabilities and other current liabilities, approximate their fair values because of the short maturity of these instruments. The carrying amounts of restricted cash (non-current) approximate its fair value since it bears interest rates which approximate market interest rates.

***Cash and cash equivalents***

Cash and cash equivalents primarily consist of cash and demand deposits which are highly liquid. The Company considers highly liquid investments that are readily convertible to known amounts of cash and with original maturities from the date of purchase of three months or less to be cash equivalents. All cash and cash equivalents are unrestricted as to withdrawal and use.

***Restricted cash***

Restricted cash represents cash granted by the government and designated only for the purchase of property and equipment for certain approved projects.

***Other income***

Other income represents government grants which are recognized when there is reasonable assurance that the Company will comply with the attached conditions. When the grant relates to an expense item, it is recognized

AURORA MOBILE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

2 Summary of Significant Accounting Policies (continued)

*Other income (continued)*

on a systemic basis in the consolidated statement of comprehensive loss over the period necessary to match the grant to the related costs. Where the grant relates to an asset acquisition, it is recognized in the consolidated statements of comprehensive loss in proportion to the depreciation of the related assets.

*Short-term investments*

Short-term investments consist of time deposits in commercial banks with maturities of less than one year.

The Company recorded interest income from its short-term investments of RMB50 and RMB42 (US\$ 6), for the years ended December 31, 2016 and 2017, respectively.

*Accounts receivable and allowance for doubtful accounts*

Accounts receivable are recorded at the invoiced amount, net of allowances for doubtful accounts. An allowance for doubtful accounts is recorded in the period when loss is probable based on many factors, including the age of the balance, the customer’s payment history and credit quality of the customers, current economic trends and other factors that may affect the Company’s ability to collect from customers. Bad debts are written off after all collection efforts have been exhausted.

*Long-term investments*

In accordance with ASC 325-20, *Investments-Other: Cost Method Investments*, the Company carries at cost its investments in investees which do not have readily determinable fair value and the Company does not have significant influence. The Company only adjusts for other-than-temporary declines in fair value and distributions of earnings that exceed the Company’s share of earnings since its investment.

Management regularly evaluates the impairment of the cost method investments based on performance and financial position of the investee as well as other evidence of market value. Such evaluation includes, but is not limited to, reviewing the investee’s cash position, recent financing, projected and historical financial performance, cash flow forecasts and financing needs. An impairment loss is recognized in earnings equal to the excess of the investment’s cost over its fair value at the balance sheet date of the reporting period for which the assessment is made. The fair value would then become the new cost basis of investment.

*Property and equipment, net*

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets or the remaining lease term, whichever is shorter. The estimated useful lives of property and equipment are as follows:

Computer equipment and servers	3 – 5 years
Office furniture and equipment	3 – 5 years
Leasehold improvements	over the shorter of lease terms or estimated useful lives of the assets

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**2 Summary of Significant Accounting Policies (continued)**

***Property and equipment, net (continued)***

Expenditures for repair and maintenance are expensed as incurred. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from their respective accounts, and any gain or loss on such sale or disposal is reflected in the consolidated statements of comprehensive loss.

***Intangible assets***

Intangible assets represent purchased computer software. All intangible assets with finite lives are amortized using the straight-line method over the estimated economic lives, which are as follows:

Computer software and systems	3 years
-------------------------------	---------

***Impairment of long-lived assets other than goodwill***

The Company evaluates long-lived assets, such as property and equipment and purchased intangible assets with finite lives, for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable in accordance with ASC 360, *Property, Plant and Equipment*. When such events occur, the Company assesses the recoverability of the asset group based on the undiscounted future cash flow the asset group is expected to generate and recognizes an impairment loss when estimated undiscounted future cash flow expected to result from the use of the asset group plus net proceeds expected from disposition of the asset group, if any, is less than the carrying value of the asset group. If the Company identifies an impairment, the Company reduces the carrying amount of the asset group to its estimated fair value based on a discounted cash flow approach or, when available and appropriate, to comparable market values. The Company uses estimates and judgments in its impairment tests and if different estimates or judgments had been utilized, the timing or the amount of any impairment charges could be different. No impairment loss was recognized for the years ended December 31, 2016 and 2017, respectively.

***Deferred revenue and customer deposits***

Deferred revenue consists of payments from customers in advance of revenue recognition. Customer deposits relate to customer’s unused balances that are refundable. Once this balance is utilized by the customer, the corresponding amount would be recognized as revenue.

***Research and development***

Research and development expenses are primarily incurred in the development of new services, new features, and general improvement of the Company’s technology infrastructure to support its business operations. Research and development costs are expensed as incurred unless such costs qualify for capitalization as software development costs. In order to qualify for capitalization, (i) the preliminary project should be completed, (ii) management has committed to funding the project and it is probable that the project will be completed and the software will be used to perform the function intended, and (iii) it will result in significant additional functionality in the Company’s services. No research and development costs were capitalized during any of the years presented as the Company has not met all of the necessary capitalization requirements.

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**2 Summary of Significant Accounting Policies (continued)**

***Operating leases***

Leases where substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating leases. Rent applicable to such operating leases are recognized on a straight-line basis over the lease term. The Company had no capital leases during the years presented.

***Employee defined contribution plan***

Full time employees of the Company in the PRC participate in a government mandated defined contribution plan pursuant to which certain pension benefits, medical care, unemployment insurance, employee housing fund, and other welfare benefits are provided to employees. Chinese labor regulations require that the Company make contributions to the government for these benefits based on a certain percentage of the employee’s salaries. The Company has no legal obligation for the benefits beyond the contributions. The total amount that was expensed as incurred was RMB5,455 and RMB12,121 (US\$1,932) for the year ended December 31, 2016 and 2017, respectively.

***Value added taxes (“VAT”)***

Pursuant to the PRC tax legislation, VAT is generally imposed in lieu of business tax in the modern service industries, on a nationwide basis. VAT of 6% applies to revenue derived from the provision of certain modern services. The Company is allowed to offset the qualified input VAT paid on taxable purchases against the output VAT chargeable on the modern services provided.

***Advertising expense***

Advertising expenses, including promotion expenses, are charged to “sales and marketing expenses” as incurred. Advertising expenses amounted to RMB10,377 and RMB5,277 (US\$841) for the year ended December 31, 2016 and 2017, respectively.

***Income taxes***

The Company accounts for income taxes using the liability approach and recognizes deferred tax assets and liabilities for the expected future consequences of events that have been recognized in the consolidated financial statements or in the Company’s tax returns. Deferred tax assets and liabilities are recognized on the basis of the temporary differences that exist between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements using enacted tax rates in effect for the year end in which the differences are expected to reverse. Changes in deferred tax assets and liabilities are recorded in earnings. Deferred tax assets are reduced by a valuation allowance through a charge to income tax expense when, in the opinion of management, it is more-likely-than-not that a portion of or all of the deferred tax assets will not be realized. The Company evaluates the potential for recovery of deferred tax assets by estimating the future taxable profits expected and considering prudent and feasible tax planning strategies. The components of the deferred tax assets and liabilities are classified as non-current.

The Company accounts for uncertainty in income taxes recognized in the consolidated financial statements by applying a two-step process to determine the amount of the benefit to be recognized. First, the tax position must be evaluated to determine the likelihood that it will be sustained upon external examination by the taxing

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**2 Summary of Significant Accounting Policies (continued)**

***Income taxes (continued)***

authorities. If the tax position is deemed more-likely-than-not to be sustained (defined as a likelihood of more than fifty percent of being sustained upon an audit, based on the technical merits of the tax position), the tax position is then assessed to determine the amount of benefits to recognize in the consolidated financial statements. The amount of the benefits that may be recognized is the largest amount that has a greater than 50% likelihood of being realized upon ultimate settlement. Interest and penalties on income taxes will be classified as a component of the provisions for income taxes.

The Company did not recognize any income tax due to uncertain tax position or incur any interest and penalties related to potential underpaid income tax expenses during the years presented.

***Share-based compensation***

In accordance with ASC 718, *Compensation-Stock Compensation*, the Company determines whether an award granted to its employees should be classified and accounted for as a liability award or equity award. All of the Company’s share-based compensation to its employees were classified as equity awards and were recognized in the consolidated statements of comprehensive loss based on the grant date fair value. The Company early adopted Accounting Standard Update (“ASU”) ASU 2016-09—*Compensation—Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting* and elected to account for forfeitures as they occur.

***Share split***

On March 1, 2017, the board of directors approved a 1 for 10 share split. Share and per share amounts for common shares and contingently redeemable convertible preferred shares disclosed for all prior periods have been retroactively adjusted to reflect the effects of the share split.

***Loss per share***

Basic loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding during the years presented.

Diluted loss per share is computed by dividing net loss attributable to common shareholders as adjusted for the effect of dilutive common equivalent shares, if any, by the weighted average number of common and dilutive common equivalent shares outstanding. Common equivalent shares consist of the common shares issuable upon the conversion of the Company’s contingently redeemable convertible preferred shares using the if-converted method and common shares, including partially paid shares, issuable upon the exercise of the share options, using the treasury stock method. Common share equivalents are excluded from the computation of diluted loss per share if their effects would be anti-dilutive.

***Segment information***

The Company’s chief operating decision maker is the Chief Executive Officer, who makes resource allocation decisions and assesses performance based on the consolidated financial results. As a result, the Company has only one reportable segment.

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**2 Summary of Significant Accounting Policies (continued)**

***Segment information (continued)***

As the Company generates substantially all of its revenues in the PRC, no geographical segments is presented.

***Comprehensive loss***

Comprehensive loss is defined as the increase or decrease in equity of the Company during a year from transactions and other events and circumstances excluding transactions resulting from investments by owners and distributions to owners. Accumulated other comprehensive loss of the Company includes the foreign currency translation adjustments.

***Concentration of risks***

***Concentration of credit risk***

Financial assets that potentially expose the Company to concentrations of credit risk consist primarily of cash and cash equivalents, restricted cash, short-term investments and accounts receivable.

The Company places its cash and cash equivalents with reputable financial institutions which have high-credit ratings. As of December 31, 2016 and 2017, the aggregate amount of cash and cash equivalents, restricted cash and short-term investments of RMB42,629 and RMB82,609 (US\$13,170), respectively, were held at major financial institutions located in the PRC, and US\$10,186 and US\$19,232 (RMB125,667), respectively, were deposited with major financial institutions located outside the PRC. There has been no recent history of default related to these financial institutions. The Company continues to monitor the financial strength of the financial institutions. The Company manages credit risk of accounts receivable through ongoing monitoring of the outstanding balances.

***Concentration of suppliers***

Approximately 81.3% and 88.6% of advertising costs were paid to three and two suppliers for the year ended December 31, 2017 and 2016, respectively.

***Business and economic risk***

The Company believes that changes in any of the following areas could have a material adverse effect on the Company’s future consolidated financial position, results of operations or cash flows: changes in the overall demand for services; competitive pressures due to new entrants; advances and new trends in new technologies and industry standards; changes in certain strategic relationships; regulatory considerations and risks associated with the Company’s ability to attract employees necessary to support its growth. The Company’s operations could also be adversely affected by significant political, regulatory, economic and social uncertainties in the PRC.

***Currency convertibility risk***

Substantially all of the Company’s businesses are transacted in RMB, which is not freely convertible into foreign currencies. All foreign exchange transactions take place either through the People’s Bank of China (“PBOC”) or

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**2 Summary of Significant Accounting Policies (continued)**

***Concentration of risks (continued)***

*Currency convertibility risk (continued)*

other authorized financial institution at exchange rates quoted by PBOC. Approval of foreign currency payments by the PBOC or other regulatory institutions requires submitting a payment application form together with suppliers' invoices and signed contracts.

*Foreign currency exchange rate risk*

The functional currency and the reporting currency of the Company are the US\$ and the RMB, respectively. The Company's exposure to foreign currency exchange rate risk primarily relates to cash and cash equivalents, short-term investments and accounts payable denominated in the US\$. On June 19, 2010, the PBOC announced the end of the RMB's de facto peg to the US\$, a policy which was instituted in late 2008 in the face of the global financial crisis, to further reform the RMB exchange rate regime and to enhance the RMB's exchange rate flexibility. On March 15, 2014, the People's Bank of China announced the widening of the daily trading band for RMB against US\$. The depreciation of the US\$ against RMB was approximately 6.29% in 2017. Most of the Company's revenues and costs are denominated in RMB, while a portion of cash and cash equivalents, short-term investments, and accounts payable are denominated in US\$. Any significant revaluation of RMB may materially and adversely affect the Company's consolidated cash flows, revenues, earnings and financial position in US\$.

***Recently issued accounting pronouncements***

As a company with less than US\$1.07 billion in revenue for the last fiscal year, the company qualifies as an “emerging growth company” pursuant to the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include a provision that an emerging growth company does not need to comply with any new or revised financial accounting standards until such date that a private company is otherwise required to comply with such new or revised accounting standards. The Company will take advantage of the extended transition period.

In May 2014, the Financial Accounting Standard Board (“FASB”) issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The guidance substantially converges final standards on revenue recognition between the FASB and the International Accounting Standards Board providing a framework on addressing revenue recognition issues and, upon its effective date, replaces almost all existing revenue recognition guidance, including industry-specific guidance, in current U.S. GAAP.

The core principle of the guidance is that an entity should recognize revenues to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve this core principle, an entity should apply the following steps:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

AURORA MOBILE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

2 Summary of Significant Accounting Policies (continued)

*Recently issued accounting pronouncements (continued)*

In August 2015, the FASB issued its final standard formally amending the effective date of the new revenue recognition guidance. The amendments in this ASU are effective for annual reporting periods beginning after December 15, 2018, including interim periods beginning after December 15, 2019. As an “emerging growth company,” or EGC, the Company has elected to take advantage of the extended transition period provided in the Securities Act Section 7(a)(2)(B) for complying with new or revised accounting standards applicable to private companies. The Company is in the process of evaluating the impact of adoption of this guidance on its consolidated financial statements.

In November 2015, the FASB issued ASU No. 2015-17, *Balance Sheet Classification of Deferred Taxes* (“ASU 2015-17”), that requires that all deferred tax assets and liabilities, along with any related valuation allowance, be classified as noncurrent on the balance sheet. This ASU, which may be adopted either prospectively or retrospectively, is effective for annual periods beginning after December 15, 2017 and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted. Adoption of the ASU may result in changes in the Company’s presentation of deferred tax assets and liabilities on the Company’s consolidated financial position but will not affect the substantive content of the Company’s consolidated financial statements. The Company has early adopted this standard with effect from January 1, 2016.

In January 2016, the FASB issued ASU No. 2016-01, *Financial Instruments—Overall (Subtopic 825-10)*. The amendments require all equity investments to be measured at fair value with changes in the fair value recognized through net income (other than those accounted for under equity method of accounting or those that result in consolidation of the investee). The amendments also require an entity to present separately in other comprehensive income the portion of the total change in the fair value of a liability resulting from a change in the instruments-specific credit risk when the entity has elected to measure the liability at fair value in accordance with the fair value option for financial instruments. In addition, the amendments in this ASU eliminate the requirement to disclose the fair value of financial instruments measured at amortized cost for entities that are not public business entities. The amendments in this ASU are effective for annual reporting periods beginning after December 15, 2018, including interim periods after December 15, 2019. The Company is in the process of evaluating the impact of the adoption of this guidance on its consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This ASU modifies existing guidance for off-balance sheet treatment of a lessees’ operating leases by requiring lessees to recognize lease assets and lease liabilities, whilst, lessor accounting is largely unchanged. The amendments in this ASU are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. The Company is in the process of evaluating the impact of adoption of this guidance on its consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09, *Compensation-Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*. This ASU makes targeted amendments to the accounting for employee share-based payments. This guidance is to be applied using various transition methods such as full retrospective, modified retrospective, and prospective based on the criteria for the specific amendments as outlined in the guidance. The guidance is effective for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. The Company has early adopted this standard using full retrospective method.

## AURORA MOBILE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

**2 Summary of Significant Accounting Policies (continued)****Recently issued accounting pronouncements (continued)**

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. This ASU is intended to improve financial reporting by requiring timelier recording of credit losses on loans and other financial instruments held by financial institutions and other organizations. This ASU requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This ASU requires enhanced disclosures to help investors and other financial statement users better understand significant estimates and judgments used in estimating credit losses, as well as the credit quality and underwriting standards of the Company’s portfolio. These disclosures include qualitative and quantitative requirements that provide additional information about the amounts recorded in the financial statements. The amendments in this ASU are effective for fiscal years beginning after December 15, 2020, including interim periods within fiscal years beginning after December 15, 2021. The Company is in the process of evaluating the impact of adoption of this guidance on its consolidated financial statements.

In August 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*. This ASU reduces the existing diversity in practice in financial reporting across all industries by clarifying certain existing principles in ASC 230, *Statement of Cash Flows (“ASC 230”)*, including providing additional guidance on how and what an entity should consider in determining the classification of certain cash flows. The amendments in this ASU are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.

In November 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. This ASU requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. This ASU does not provide a definition of restricted cash or restricted cash equivalents. The amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. The Company has early adopted this standard.

In February 2017, the FASB issued ASU No. 2017-05, *Other income—Gains and Losses from the Derecognition of Nonfinancial Assets*, which clarifies that a financial asset is within the scope of Subtopic 610-20 if it meets the definition of an in substance nonfinancial asset. The amendments in this update also clarify that nonfinancial assets within the scope of Subtopic 610-20 may include nonfinancial assets transferred within a legal entity to a counterparty. This standard is effective for annual reporting periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. The Company is in the process of evaluating the impact of adoption of this guidance on its consolidated financial statements.

**3 Short-term investments**

Short-term investments consist of the following:

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
Short-term bank deposit	10,000	—	—

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

**4 Accounts receivable, net**

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
Accounts receivable	10,479	53,056	8,458
Less: allowance for doubtful accounts	(1,035)	(3,462)	(552)
<b>Total accounts receivable, net</b>	<b>9,444</b>	<b>49,594</b>	<b>7,906</b>

The following table presents the movement in the allowance for doubtful accounts:

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
Balance at beginning of year	—	1,035	165
Provisions	1,049	2,427	387
Write-offs	(14)	—	—
Balance at end of year	<u>1,035</u>	<u>3,462</u>	<u>552</u>

**5 Prepayment and other current assets**

Prepayment and other current assets consist of the following:

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
Prepaid media cost	6,591	19,610	3,126
Prepaid service fee	1,116	1,762	281
Others	5,801	12,856	2,049
<b>Total prepayment and other current assets</b>	<b>13,508</b>	<b>34,228</b>	<b>5,456</b>

**6 Property and equipment, net**

Property and equipment consist of the following:

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
Office furniture and equipment	1,218	2,647	422
Computer equipment and servers	27,061	63,326	10,095
Leasehold improvements	373	789	126
Less: Accumulated depreciation	(4,934)	(13,739)	(2,190)
<b>Total property and equipment, net</b>	<b>23,718</b>	<b>53,023</b>	<b>8,453</b>

Depreciation expense recognized for the year ended December 31, 2016 and 2017 were RMB3,433 and RMB8,805 (US\$1,404), respectively.

AURORA MOBILE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

**7 Deferred revenue and customer deposits**

Deferred revenue and customer deposits consist of the following:

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
Deferred revenue	12,084	28,921	4,611
Customer deposits	6,064	20,636	3,290
<b>Total deferred revenue and customer deposits—current</b>	<b>18,148</b>	<b>49,557</b>	<b>7,901</b>
<b>Deferred revenue—non-current</b>	<b>657</b>	<b>330</b>	<b>53</b>

Roll-forward of customers deposits:

	Year ended December 31,		
	2016	2017	
	RMB	RMB	US\$
Balance at beginning of year	747	6,064	967
Cash received from customers during the year	35,301	129,555	20,654
Revenue recognized during the year	(29,937)	(112,770)	(17,978)
Refunds paid during the year	(47)	(2,213)	(353)
Balance at end of year	<u>6,064</u>	<u>20,636</u>	<u>3,290</u>

**8 Accrued liabilities and other current liabilities**

Accrued liabilities and other current liabilities consist of the following:

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
Accrued payroll and welfare payables	15,564	38,704	6,170
Professional fees	2,428	—	—
Others	1,745	13,935	2,219
<b>Total accrued liabilities and other current liabilities</b>	<b>19,737</b>	<b>52,639</b>	<b>8,389</b>

**9 Contingently redeemable convertible preferred shares**

*Series A contingently redeemable convertible preferred shares (“Series A preferred shares”)*

On November 18, 2014, the Company issued Series A-1 contingently redeemable convertible preferred shares (“Series A-1 preferred shares”) of 5,187,780 and 367,780 to IDG-Accel China Growth Fund III L.P. and IDG-Accel China III Investors L.P., respectively, at US\$0.36 per share for a total consideration of US\$2,000.

On January 21, 2015, the Company issued Series A-2 contingently redeemable convertible preferred shares (“Series A-2 preferred shares”) of 1,388,890, 1,388,890, 2,593,890 and 183,890 to Elite Bright

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**9 Contingently redeemable convertible preferred shares (continued)**

*Series A contingently redeemable convertible preferred shares (“Series A preferred shares”) (continued)*

International Limited, Mandra iBase Limited, IDG-Accel China Growth Fund III L.P. and IDG-Accel China III Investors L.P., respectively, at US\$0.36 per share for a total consideration of US\$2,000.

*Series B contingently redeemable convertible preferred shares (“Series B preferred shares”)*

On May 13, 2015, the Company issued Series B contingently redeemable convertible preferred shares (“Series B preferred shares”) of 529,100, 529,100, 494,070, 35,030 and 6,349,210 to Elite Bright International Limited, Mandra iBase Limited, IDG-Accel China Growth Fund III L.P., IDG-Accel China III Investors L.P. and Greatest Investments Limited, respectively, at US\$0.95 per share for a total consideration of US\$7,500.

*Series C contingently redeemable convertible preferred shares (“Series C preferred shares”)*

On April 1, 2016, the Company issued Series C-1 contingently redeemable convertible preferred shares (“Series C-1 preferred shares”) of 235,160 and 2,116,400 to Greatest Investments Limited and Shenzhen Guohai Chuangxin Investment Management Limited Corporation, respectively, at US\$4.73 for a total consideration of US\$11,111.

On October 31, 2016, the Company issued Series C-2 contingently redeemable convertible preferred shares (“Series C-2 preferred shares”) of 634,920, 1,693,120 and 211,640 to Mandra iBase Limited, T.C.L. Industries Holdings (H.K.) Ltd. and Genesis Ventures Limited, respectively, at US\$4.73 per share for a total consideration of US\$12,000.

*Series D contingently redeemable convertible preferred shares (“Series D preferred shares”)*

On October 5, 2017, the Company issued Series D contingently redeemable convertible preferred shares of 28,062, 2,441,572 and 3,089,853 to Fidelity Investment Funds, Fidelity China Special Situations PLC and Fidelity Funds, respectively, at US\$5.40 per share for a total consideration of US\$30,000.

*Dividend rights*

Each holder of the Series A, B, C, D preferred shares (collectively “Preferred Shares”) will be entitled to receive non-cumulative dividends, prior and in preference to holders of common shares, when declared by the Board of Directors. After payment of the preferential dividends relating to the Preferred Shares have been paid in full, each holder of the Preferred Shares will be entitled to receive dividends payable out of any remaining funds that are legally available when declared by the Board of Directors.

For the periods presented, no dividends were declared by the Company’s Board of Directors on the Preferred Shares.

*Voting rights*

Each holder of the Preferred Shares are entitled to the number of votes equal to the number of common shares into which such Preferred Shares could be converted at the voting date. Preferred shareholders will vote together with common shareholders, and not as a separate class of series, on all matters put before the shareholders.

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**9 Contingently redeemable convertible preferred shares (continued)**

*Liquidation preference*

In the event of any liquidation, dissolution or winding up of the Company or any deemed liquidation event defined as (i) the liquidation, dissolution or winding-up of the Company, (ii) the acquisition of the Company (whether by a sale of equity, merger or consolidation) in which in excess of 50% of such Company’s voting power outstanding before such transaction is transferred; (iii) the change of the control right of any Company; or (iv) the sale, lease, transfer or other disposition of all or substantially all of the assets of any Company or the exclusive licensing of substantially all of the Company’s intellectual properties, the assets or surplus funds of the Company available for distribution will be distributed as follows:

The holders of Series D preferred shares are entitled to receive an amount equal to 115% of the Series D Issue Price, plus all declared but unpaid dividend, in preference to any distribution to the holders of the Series C, B and A preferred shares and the common shareholders of the Company.

After the payment to the holders of Series D preferred shares, the holders of Series C preferred shares are entitled to receive an amount equal to 100% of the Issue Price, plus an annual simple return of 10% accrued thereon and plus all declared but unpaid dividend, in preference to any distribution to the holders of the Series B and A preferred shares and the common shareholders of the Company.

After the payment to the holders of Series C preferred shares, the holders of Series B preferred shares are entitled to receive an amount equal to 125% of the Series B Issue Price, plus an annual compounded return of 6% accrued thereon and plus all declared but unpaid dividend, in preference to any distribution to the holders of the Series A preferred shares and the common shareholders of the Company.

After the payment to the holders of Series B preferred shares, the holders of Series A preferred shares are entitled to receive an amount equal to 150% of the Series A Issue Price, plus an annual compounded return of 8% accrued thereon and plus all declared but unpaid dividend, in preference to any distribution to the holders of the common shareholders of the Company.

After payment has been made to the holders of the Preferred Shares in accordance with the above, the remaining assets of the Company available for distribution to shareholders shall be distributed ratably among the holders of common shares and Preferred Shares based on the number of common shares into which such Preferred Shares are convertible.

*Conversion rights*

Each holder of the Preferred Share has the right, at the sole discretion of the holder, to convert at any time and from time to time, all or any portion of the Preferred Shares into common shares based on the then-effective Conversion Price.

The initial conversion price is the stated issuance price for each series of Preferred Shares. The initial conversion ratio is on a one for one basis and subject to adjustments in the event that the Company issues additional common shares through options or convertible instruments for a consideration per share received by the Company less than the original respective conversion prices, as the case may be, in effect on the date of and immediately prior to such issue. In such event, the respective conversion price is reduced, concurrently with such issue, to a price as adjusted according to an agreed-upon formula. The above conversion prices are also subject to adjustments on a proportional basis upon other dilution events.

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**9 Contingently redeemable convertible preferred shares (continued)**

*Conversion rights (continued)*

The Company’s Series C preferred share agreement contained a “Performance Ratchet” whereby if the Company’s PRC GAAP audited revenue was less than 90% of (i) RMB80,000 in 2016, or (ii) RMB120,000 in 2017, Weidong Luo and the Company shall compensate the Series C investors in accordance to the specified formula.

In the event of a qualified IPO, each Preferred Share will automatically be converted into common shares.

*Redemption right*

Series A and Series B preferred shares are originally redeemable by the holders at their option at any time commencing on the fourth anniversary of their respective original issue date.

Pursuant to the Memorandum of Association and Articles of Association Amended on April 1, 2016, concurrent with the issuance of Series C preferred shares, the redemption dates of Series A and Series B preferred shares were modified to the redemption clause of Series C preferred shares, which is the earlier of (i) December 31, 2019, (b) any deficit in the any fiscal year since 2016 (including 2016), (c) the audited revenue of 2016 and/or 2017 under PRC GAAP is less than 60% of RMB80,000 or (d) any material breach or change in the regulatory environment of the VIE agreements that may prevent consolidation under U.S. GAAP, provided that no IPO has occurred, and at the written request to the Company made by at least 66% Series A holders, 66% Series B holders and any of the Series C holders.

Pursuant to the Memorandum of Association and Articles of Association Amended on May 10, 2017, concurrent with the issuance of Series D preferred shares, the earliest redemption date of Series D preferred shares is the second anniversary of its issue date and in the case of Series A, Series B and Series C preferred shares, the redemption clause was amended to remove term (c) from the Memorandum of Association and Articles of Association Amended on April 1, 2016.

*Registration rights*

If the Company shall at any time after the earlier of (i) January 1, 2020 or (ii) the date that is twelve months after the closing of the IPO, receive a written request from the holders of at least 50% or more of the issued and outstanding Preferred Shares (or common shares issued upon the conversion of the Preferred Shares) or Mandra iBased Limited may request in writing that the Company effect a registration for at least 20% of their Registrable Securities on any internationally recognized exchange that is reasonably acceptable to such requesting Preferred Shares and Common Shareholders using its best efforts.

Furthermore, if the Company qualifies for registration on Form F-3 or Form S-3 (or any comparable form for Registration in a jurisdiction other than the United States), any Preferred Shareholder may request the Company to file, in any jurisdiction in which the Company has had a registered underwritten public offering, a Registration Statement on Form F-3 or Form S-3 (or any comparable form for Registration in a jurisdiction other than the United States) using its best efforts.

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**9 Contingently redeemable convertible preferred shares (continued)**

*Initial measurement and subsequent accounting for Preferred Shares*

The Preferred Shares do not meet the criteria of mandatorily redeemable financial instruments specified in ASC 480-10-S99, and have been classified as mezzanine equity in the consolidated balance sheets as these Preferred Shares are contingently redeemable upon the occurrence of a conditional event (i.e. Deemed Liquidation Event). The holders of the Preferred Shares have the ability to convert the instrument into the Company’s common shares. The Company evaluated the embedded conversion option in these convertible preferred shares to determine if there were any embedded derivatives requiring bifurcation and to determine if there were any beneficial conversion features. The conversion options and the contingent redemption options of the Preferred Shares do not qualify for bifurcation accounting because the underlying common shares are not publicly traded nor are they readily convertible into cash. There are no other embedded derivatives that are required to be bifurcated.

The Preferred Shares were initially measured at fair value. Beneficial conversion features exist when the conversion price of the Preferred Shares is lower than the fair value of the common shares at the commitment date, which is the issuance date in the Company’s case. When a beneficial conversion feature exists as of the commitment date, its intrinsic value is bifurcated from the carrying value of the Preferred Shares as a contribution to additional paid-in capital. On the respective commitment dates, the most favorable conversion price used to measure the beneficial conversion feature of the Preferred Shares were higher than the fair value per common share and therefore no beneficial conversion feature was recognized. The Company determined the fair value of common shares with the assistance of an independent third party valuation firm.

In accordance with ASC 815-10-15-59, the Company determined that the performance ratchet is not a derivative as the preferred shares are not exchange traded and the underlying on which the settlement is based is the Company’s service revenues which do not qualify as a financial underlying. The Company then evaluated whether a loss contingency should be recorded in accordance with ASC 450-20 - Loss contingencies. Based on the Company’s 2016 PRC GAAP audited financial statements, the “Performance Ratchet” has not been triggered and therefore Weidong Luo and the Company are not required to compensate the Series C holders. Upon issuance of the Series D preferred shares, the 2017 performance ratchet was cancelled.

In determining whether to account for an amendment of equity-classified preferred shares as a modification or extinguishment, the Company considers an amendment that results in a greater than 10% change in fair value based on an analysis similar to ASC 470-50 is an extinguishment. An amendment that does not meet this criterion is a modification. The amendment in the redemption dates of Series A and Series B preferred shares at the issuance of Series C preferred shares and the removal of the revenue target for the Series A, Series B and Series C preferred shares at issuance of Series D preferred shares, resulted in a modification (as the amendment did not result in a greater than 10 percent change in cash flows) with no further accounting impact as the modification did not result in a change in the fair value of the related preferred shares.

The Company has elected to recognize the changes in redemption value immediately as they occur and adjust the carrying amount of the redeemable convertible preferred shares to equal the redemption value at each reporting period. The changes in redemption value including cumulative dividends shall be recorded as a reduction of income available to common shareholders in accordance with ASC 480-10-S99 3A.

## AURORA MOBILE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares)

**9 Contingently redeemable convertible preferred shares (continued)***Initial measurement and subsequent accounting for Preferred Shares (continued)*

The movement in the carrying value of the convertible preferred shares is as follows:

Mezzanine equity	Series A RMB	Series B RMB	Series C RMB	Series D RMB	Total RMB
Balance as of December 31, 2015	26,684	49,341	—	—	76,025
Issuance of Series C preferred shares	—	—	134,348	—	134,348
Issuance cost of Series C preferred shares	—	—	(2,261)	—	(2,261)
Accretion of Preferred Shares	120	2,703	9,604	—	12,427
Balance as of December 31, 2016	26,804	52,044	141,691	—	220,539
Issuance of Series C preferred shares	—	—	20,571	—	20,571
Issuance of Series D preferred shares	—	—	—	206,359	206,359
Issuance cost of Series D preferred shares	—	—	—	(7,223)	(7,223)
Accretion of Preferred Shares	175	679	6,055	19,482	26,391
Balance as of December 31, 2017	<u>26,979</u>	<u>52,723</u>	<u>168,317</u>	<u>218,618</u>	<u>466,637</u>
Balance as of December 31, 2017 (US\$)	<u>4,301</u>	<u>8,405</u>	<u>26,834</u>	<u>34,853</u>	<u>74,393</u>

**10 Share-based compensation***Share option plans*

2014 Incentive Plan

On July 23, 2014, the Company’s board of directors and shareholders approved the 2014 Incentive Plan (the “2014 Plan”). Awards under the 2014 Plan vest to 4 years from the date of grant and expire no more than 10 years after the grant date. The Company reserved a total of 5,500,000 common shares for issuance under the 2014 Plan. As of December 31, 2017, no share remains available for grant under the 2014 Plan.

2017 Incentive Plan

On March 1, 2017, the Company’s board of directors and shareholders approved the 2017 Incentive Plan (the “2017 Plan”). Awards under the 2017 Plan vest to 4 years from the date of grant and expire no more than 10 years after the grant date. The Company reserved a total of 1,912,650 common shares for issuance under the 2017 Plan. As of December 31, 2017, 1,046,504 shares remain available of grant under the 2017 Plan.

The exercise price, vesting and other conditions of individual awards are determined by the board of directors or any of the committees appointed by the board of directors to administer the 2014 and 2017 Plans. The awards are subject to multiple service vesting periods.

*Determination of fair value*

The Company estimates the fair value of each award on grant date using the binomial option pricing model with the assistance of an independent third party valuation firm. The Company recognizes stock-based compensation expense using the graded-vesting method over the requisite service period, which is generally the vesting period of the respective award.

## AURORA MOBILE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

**10 Share-based compensation (continued)***Determination of fair value (continued)*

The following table presents assumptions used to estimate the fair values of share options granted for the year ended December 31, 2016 and 2017:

	2016	2017
Risk-free interest rate	1.83% - 1.84%	2.27% - 2.41%
Dividend yield	0%	0%
Expected volatility	47.33% - 47.60%	46.33% - 47.15%
Weighted average expected volatility	47.44%	46.66%
Expected exercise multiple	2.5	2.5

- (i) Risk-free interest rate—The risk-free interest rate for periods within the contractual life of the options is based on the US Treasury yield curve in effect at the time of the grant for a term consistent with the contractual term of the awards.
- (ii) Dividend yield—The dividend yield is estimated based on the Company’s expected dividend policy over the expected term of the options.
- (iii) Expected volatility—Expected volatility is estimated based on the historical volatility of common shares of several comparable publicly-traded companies in the same industry.
- (iv) Expected exercise multiple—expected exercise multiple is estimated based on changes in intrinsic value of the option and the likelihood of early exercises by employees.

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

**10 Share-based compensation (continued)**

*Determination of fair value (continued)*

The following table summarizes the share option activity for the year ended December 31, 2016 and 2017:

Options Granted to Employees	Number of Options	Weighted-Average Exercise Price RMB	Weighted-Average grant-date Fair Value per Option RMB	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value RMB
Outstanding, December 31, 2015	<u>3,048,586</u>	1.45	0.31	8.89	2,858
Granted	2,423,445	3.32	4.38	—	—
Forfeited	—	—	—	—	—
Expired	—	—	—	—	—
Exercised	—	—	—	—	—
Cancelled	—	—	—	—	—
Outstanding, December 31, 2016	<u>5,472,031</u>	2.32	2.13	7.89	34,255
Vested and expected to vest at December 31, 2016	<u>5,472,031</u>	2.32	2.13	7.89	34,255
Exercisable at December 31, 2016	<u>2,528,714</u>	1.33	0.46	7.89	15,991
Outstanding, December 31, 2016	<u>5,472,031</u>	2.32	2.13	7.89	34,255
Granted	894,115	16.29	10.34	—	—
Forfeited	—	—	—	—	—
Expired	—	—	—	—	—
Exercised	—	—	—	—	—
Cancelled	—	—	—	—	—
Outstanding, December 31, 2017	<u>6,366,146</u>	4.33	3.31	7.21	95,559
Vested and expected to vest at December 31, 2017	<u>6,366,146</u>	4.33	3.31	7.21	95,559
Exercisable at December 31, 2017	<u>3,614,659</u>	1.62	1.62	6.89	60,331

The aggregate fair value of options vested and recognized as expenses as of December 31, 2016 and 2017 were RMB2,703 and RMB 8,275 (US\$1,319), respectively. The aggregate unrecognized share-based compensation expense was RMB9,240 (US\$ 1,473) as of December 31, 2017, which the Company expects to recognize over an estimated weighted-average period of three years.

Total compensation costs recognized for the year ended December 31, 2016 and 2017 were as follows:

	Year ended December 31,		
	2016	2017	
	RMB	RMB	US\$
Research and development	664	1,408	224
Sales and marketing	189	944	150
General and administrative	1,850	5,923	945
Total	<u>2,703</u>	<u>8,275</u>	<u>1,319</u>

**AURORA MOBILE LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))****11 Income taxes***Cayman Islands*

Under the current tax laws of Cayman Islands, the Company and its subsidiaries are not subject to tax on income or capital gains. Besides, upon payment of dividends by the Company to its shareholders, no Cayman Islands withholding tax will be imposed.

*British Virgin Islands*

Under the current laws of the British Virgin Islands (“BVI”), the Company’s BVI incorporated subsidiary are not subject to tax on income or capital gains arising in BVI. In addition, upon payments of dividends by this entity to its shareholders, no BVI withholding tax will be imposed.

*Hong Kong*

Under the Hong Kong tax laws, the subsidiary in Hong Kong are subject to the Hong Kong profits tax rate at 16.5% and it may be exempted from income tax on its foreign-derived income and there are no withholding taxes in Hong Kong on remittance of dividends.

*China*

Effective from January 1, 2008, the PRC’s statutory, Enterprise Income Tax (“EIT”) rate is 25%. In accordance with the implementation rules of EIT Law, a qualified “High and New Technology Enterprise” (“HNTE”) is eligible for a preferential tax rate of 15%. The HNTE certificate is effective for a period of three years. An entity must file required supporting documents with the tax authority and ensure fulfillment of the relevant HNTE criteria before using the preferential rate. An entity could re-apply for the HNTE certificate when the prior certificate expires.

The VIE in the PRC was recognized as a qualified HNTE under the EIT Law by relevant government authorities in 2016. It was subject to the 25% EIT rate as it did not file the required supporting documents with the tax authority to ensure fulfillment of the relevant HNTE criteria for the use of the preferential rate for 2016. It was entitled to the preferential rate of 15% for 2017.

The WFOE in the PRC is subject to the 25% EIT rate.

The Company’s loss before income taxes consists of:

	As of December 31,		
	2016 RMB	2017 RMB	US\$
Cayman Islands	(3,214)	(10,584)	(1,687)
British Virgin Islands	(4)	(2)	—
Hong Kong	563	(34)	(5)
China	(54,817)	(83,651)	(13,336)
<b>Total loss before income taxes</b>	<b>(57,472)</b>	<b>(94,271)</b>	<b>(15,028)</b>

## AURORA MOBILE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

**11 Income taxes (continued)***Composition of income tax expense*

The current and deferred portions of income tax expense included in the consolidated statements of comprehensive loss are as follows:

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
Current income tax expense	—	—	—
Deferred tax (expense) benefit	(3,910)	3,980	635
<b>Total income tax (expense) benefit</b>	<b>(3,910)</b>	<b>3,980</b>	<b>635</b>

*Reconciliation between expenses of income taxes*

Reconciliation between the expense of income taxes computed by applying the statutory tax rate to loss before income taxes and the actual provision for income taxes is as follows:

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
Loss before income tax	(57,472)	(94,271)	(15,028)
Income tax expense computed at PRC statutory rate (25%)	(14,369)	(23,569)	(3,757)
Effect of different tax rates	757	6,654	1,061
Tax rate differential on deferred tax items	24	(4,951)	(789)
Research and development super-deduction	(3,260)	(7,787)	(1,241)
Non-deductible expenses	1,078	1,482	235
Non-taxable income	(3,593)	—	—
Outside basis differences	7,475	(7,475)	(1,192)
Changes in valuation allowance	15,798	31,666	5,048
Income tax expense (benefit)	<u>3,910</u>	<u>(3,980)</u>	<u>(635)</u>

AURORA MOBILE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

11 Income taxes (continued)

*Deferred tax assets and liabilities*

Deferred taxes were measured using the enacted tax rates for the periods in which the temporary differences are expected to be reversed. The tax effects of temporary differences that give rise to the deferred tax balances as of December 31, 2016 and 2017 are as follows:

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
<b>Deferred tax assets, net</b>			
Provision for doubtful debts	259	866	138
Accrued expense	271	231	37
Net operating loss carry forward	26,506	54,079	8,621
Government grant related to assets	80	69	11
Valuation allowance	(23,579)	(55,245)	(8,807)
<b>Total deferred tax assets, net</b>	<u>3,537</u>	<u>—</u>	<u>—</u>
<b>Deferred tax liabilities</b>			
Fixed assets depreciation	47	5	1
Outside basis difference	7,475	—	—
<b>Total deferred tax liabilities</b>	<u>7,522</u>	<u>5</u>	<u>1</u>

Valuation allowances have been provided on the net deferred tax assets where, based on all available evidence, it was considered more likely than not that some portion or all of the recorded deferred tax assets will not be realized in future periods. Realization of the net deferred tax assets is dependent on factors including future reversals of existing taxable temporary differences and adequate future taxable income, exclusive of reversing deductible temporary differences, tax loss or credit carry forwards. The Company evaluates the potential realization of deferred tax assets on an entity-by-entity basis. As of December 31, 2016 and 2017, valuation allowances were provided against deferred tax assets in entities where it was determined it was more likely than not that the benefits of the deferred tax assets will not be realized.

The Company operates through its WFOE and the VIE. The valuation allowance is considered on an individual entity basis. As of December 31, 2016 and 2017, the Company had deferred tax assets related to net operating loss carry forwards of RMB26,506 and RMB54,079 (US\$8,621) from its WFOE and the VIE in China, which can be carried forward to offset taxable income. The net operating loss will expire in years 2018 to 2022 if not utilized.

The Company did not record any dividend withholding tax, as there were no undistributed earnings arising from the WFOE noted as of December 31, 2016 and 2017.

Deferred tax liabilities of outside basis differences as of December 31, 2016 arising from (i) aggregate undistributed earnings of the VIE that are available for distribution to the nominee shareholders of the VIE and (ii) the difference between the book basis and the tax basis in the investment in the VIE as of December 31, 2016. The nominee shareholders of the VIE are contractually required to remit dividends received from the VIE to WFOE. This distribution chain results in (i) taxable dividend from the VIE to its nominee shareholders and (ii) a

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**11 Income taxes (continued)**

*Deferred tax assets and liabilities (continued)*

taxable contribution to WFOE when the proceeds are remitted to WFOE by the nominee shareholders. The tax impact on the future distribution is recognized in deferred tax liabilities as an outside basis difference.

The Company evaluated its income tax uncertainty under ASC 740. ASC 740 clarifies the accounting for uncertainty in income taxes by prescribing the recognition threshold a tax position is required to meet before being recognized in the financial statements. The Company elects to classify interest and penalties related to an uncertain tax position, if and when required, as part of income tax expense in the consolidated statements of comprehensive loss. As of December 31, 2016 and 2017 and for the year ended December 31, 2016 and 2017, there was no significant impact from tax uncertainties on the Company’s consolidated financial position and result of operations. The Company did not record any interest and penalties related to an uncertain tax position for each of the year ended December 31, 2016 and 2017. The Company does not expect the amount of unrecognized tax benefits would increase significantly in the next 12 months. In general, the PRC tax authorities have up to five years to conduct examinations of the tax filings of the Company’s PRC subsidiary and the VIE. Accordingly, the PRC tax filings from 2013 through 2017 remain open to examination by the respective tax authorities. The Company may also be subject to the examinations of the tax filings in other jurisdictions, which are not material to the consolidated financial statements.

**12 Loss per share**

Basic and diluted net loss per share for the year ended December 31, 2016 and 2017 are calculated as follows:

	For the year ended December 31,		
	2016 RMB	2017 RMB	US\$
<b>Basic and diluted net loss per share calculation:</b>			
<b>Numerator:</b>			
Net loss attributable to Aurora Mobile Limited	(61,382)	(90,291)	(14,393)
Accretion of convertible preferred shares	(12,427)	(26,391)	(4,207)
Numerator for computing basic and diluted net loss per share	<u>(73,809)</u>	<u>(116,682)</u>	<u>(18,600)</u>
<b>Denominator:</b>			
Weighted average number of common shares outstanding	<u>42,666,670</u>	<u>42,666,670</u>	<u>42,666,670</u>
Basic and diluted loss per share:	(1.73)	(2.73)	(0.44)

For the periods presented herein, the computation of basic loss per share using the two-class method is not applicable as the Company is in a net loss position and the participating securities do not have contractual rights and obligations to share in the losses of the Company. The effects of all outstanding Preferred Shares and share options were excluded from the computation of diluted loss per share for the year ended December 31, 2016 and 2017 as their effects would be anti-dilutive.

The unaudited pro forma net loss per share is computed using the weighted-average number of common shares outstanding and assumes the automatic conversion of all the Company’s redeemable convertible preferred shares into 29,606,657 common shares upon the closing of an IPO as if it had occurred on January 1, 2017. The Company believes the unaudited pro forma loss per share provides material information to investors, as the

## AURORA MOBILE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

**12 Loss per share (continued)**

automatic conversion of the convertible preferred shares and the disclosure of pro forma loss per share provides an indication of net loss per share that is comparable to what will be reported by the Company as a public company following the closing of an IPO.

Basic and diluted pro forma net loss per share is calculated as follows:

	For the year ended December 31,	
	RMB	US\$
	2017	
	(Unaudited)	
<b>Numerator:</b>		
Net loss attributable to common shareholders	(116,682)	(18,600)
Deduct: Accretion of redeemable convertible preferred shares	<u>(26,391)</u>	<u>(4,207)</u>
Numerator for pro forma basic and diluted loss per share	<u>(90,291)</u>	<u>(14,393)</u>
<b>Denominator:</b>		
Weighted average number of shares used in calculating basic and diluted loss per share	42,666,670	42,666,670
Add: adjustment to reflect assumed effect of automatic conversion of convertible preference shares	<u>29,606,657</u>	<u>29,606,657</u>
Weighted average number of shares used in calculating pro forma basic and diluted loss per share	<u>72,273,327</u>	<u>72,273,327</u>
Basic and diluted loss per share	(1.25)	(0.20)

**13 Commitments and contingencies***Operating lease commitments*

The Company leases office premises and printers in the PRC under non-cancellable operating leases expiring on different dates. Payments under operating leases are expensed on a straight-line basis over the periods of the respective leases.

Total operating lease expenses were RMB3,113 and RMB6,081(US\$969) for the year ended December 31, 2016 and 2017, respectively.

As of December 31, 2017, future minimum payments under non-cancellable operating leases were as follows:

	RMB	US\$
2018	<u>7,757</u>	<u>1,237</u>
2019	5,735	914
2020	4,080	650
2021 and thereafter	<u>7,498</u>	<u>1,195</u>
Total	<u>25,070</u>	<u>3,996</u>

As of December 31, 2017, future minimum payment under non-cancellable purchase commitment for bandwidth is RMB1,767(US\$282), which is scheduled to be paid within one year.

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

**13 Commitments and contingencies (continued)**

*Operating lease commitments (continued)*

The Company’s operating lease commitments have no renewal options, rent escalation clauses and restrictions or contingent rents.

**14 Related party transactions**

The table below sets forth the major related parties and their relationships with the Company:

Name of related parties	Relationship
KK Mobile Limited	Principal owner of the Company, controlled by Weidong Luo
Stable View Limited	Shareholder of the Company, controlled by Jiawen Fang, who is a director of the Company.
Focus Axis Limited	Shareholder of the Company, controlled by Xiaodao Wang, who is a director of the Company.
Weidong Luo	Founder, Chief Executive Officer
Shenzhen Weixunyitong Information Technology Co., Ltd.	Company that is significantly influenced by Weidong Luo
Guangzhou Tianlang Network Technology Co., Ltd.	Company that is significantly influenced by Weidong Luo

Details of related party balances and transactions as of December 31, 2016 and 2017 are as follows:

14.1 Amounts due from related parties

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
Focus Axis Limited	2	17	3
KK Mobile Limited	26	40	6
Stable View Limited	2	17	3
Shenzhen Weixunyitong Information Technology Co., Ltd.	65	886	141
Guangzhou Tianlang Network Technology Co., Ltd.	—	300	48
<b>Total amounts due from related parties</b>	<u>95</u>	<u>1,260</u>	<u>201</u>

14.2 Amounts due to related parties

	As of December 31,		
	2016	2017	
	RMB	RMB	US\$
Weidong Luo	5,649	5,649	901
Shenzhen Weixunyitong Information Technology Co., Ltd.	504	461	73
Guangzhou Tianlang Network Technology Co., Ltd.	200	—	—
<b>Total amounts due to related parties</b>	<u>6,353</u>	<u>6,110</u>	<u>974</u>

AURORA MOBILE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

14 Related party transactions (continued)

14.3 Transactions with related parties

	As of December 31,		
	2016 RMB	2017 RMB	US\$
<b>Services provided to:</b>			
Shenzhen Weixunytong Information Technology Co., Ltd.	344	2,752	439
Guangzhou Tianlang Network Technology Co., Ltd.	—	755	120
<b>Total</b>	<u>344</u>	<u>3,507</u>	<u>559</u>
<b>Services received from:</b>			
Shenzhen Weixunytong Information Technology Co., Ltd.	360	672	107
<b>Office premises leased from:</b>			
Shenzhen Weixunytong Information Technology Co., Ltd.	1,193	1,557	248
<b>Marketing expense incurred:</b>			
Guangzhou Tianlang Network Technology Co., Ltd.	943	—	—

15 Revenues

Revenues consist of the following:

	Year ended December 31,		
	2016 RMB	2017 RMB	US\$
Developer services	23,196	38,795	6,185
Data solutions			
Targeted Marketing	43,149	221,153	35,257
Other vertical data solutions	3,977	24,761	3,947
Total data solutions	47,126	245,914	39,204
<b>Total revenues</b>	<u>70,322</u>	<u>284,709</u>	<u>45,389</u>

16 Fair value measurements

The following tables summarize the Company’s financial assets and liabilities measured and recorded at fair value on a recurring basis as of December 31, 2016 and 2017:

	Fair value measurements			Total
	Quoted prices in active market for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
<b>As of December 31, 2016 in RMB</b>				
Short-term investments	10,000	—	—	10,000
<b>As of December 31, 2017 in RMB</b>	—	—	—	—
<b>As of December 31, 2017 in US\$</b>	—	—	—	—

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**17 Restricted net assets**

The Company’s ability to pay dividends is primarily dependent on the Company receiving distributions of funds from its subsidiaries. Relevant PRC statutory laws and regulations permit payments of dividends by the VIE incorporated in PRC only out of their retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. The consolidated results of operations reflected in the consolidated financial statements prepared in accordance with U.S. GAAP differ from those reflected in the statutory financial statements of the Company’s subsidiaries.

Under PRC law, the Company’s subsidiary and VIE located in the PRC (collectively referred as the “PRC entities”) are required to provide for certain statutory reserves, namely a general reserve, an enterprise expansion fund and a staff welfare and bonus fund. The PRC entities are required to allocate at least 10% of their after tax profits on an individual company basis as determined under PRC accounting standards to the statutory reserve and has the right to discontinue allocations to the statutory reserve if such reserve has reached 50% of registered capital on an individual company basis. In addition, the registered capital of the PRC entities is also restricted.

Appropriations to the enterprise expansion fund and staff welfare and bonus fund are at the discretion of the Board of Directors of the subsidiary. The PRC entities are also subject to similar statutory reserve requirements. These reserves can only be used for specific purposes and are not transferable to the Company in the form of loans, advances or cash dividends.

Amounts of net assets restricted include paid-in capital and statutory reserve of the Company’s PRC subsidiary and the net assets of the VIE in which the Company has no legal ownership, totaling RMB280,922 (US\$44,786 ) as of December 31, 2017.

**18 Subsequent events**

The Company evaluated subsequent events through April 20, 2018, the date on which these consolidated financial statements were issued.

On April 11, 2018, the Company reserved additional common shares for issuance under the 2017 plan, and then the total shares under the 2017 Plan shall be 6,015,137.

On April 11, 2018, the Company repurchased the 1,738,720 Series C preferred shares held by T.C.L. Industries Holdings (H.K.) Ltd. for an aggregate price of US\$9,049.

On April 17, 2018, the Company issued zero coupon convertible notes due 2021 in an aggregate principal amount of US\$35,000 to one existing and one new investor. The convertible notes are non-interest bearing, subject to certain exceptions, including when an event of default occurs, such as failure to make any payment due on the due date, and the majority note holders have, in their sole discretion, accelerated their convertible notes by giving notice to the Company that their outstanding notes are due and repayable. In such event, the Company will be required to pay interest at a simple interest rate of 15% per annum on the aggregate outstanding principal amount of the convertible notes. Holders of the convertible notes may, at their option during a period starting from the issue date until seven days prior to the maturity of the notes, subject to certain exceptions, convert the notes into common shares of the Company at the then applicable conversion price, which is initially US\$11.76 per share, subject to certain anti-dilution adjustment.

**AURORA MOBILE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))**

**19 Condensed financial information of the parent company**

***Basis of presentation***

For the presentation of the parent company only condensed financial information, the Company records its investments in subsidiaries and VIE under the equity method of accounting as prescribed in ASC 323, *Investments—Equity Method and Joint Ventures*. Such investments are presented on the condensed balance sheets as “Long term investments” and the subsidiaries’ and VIE’s losses as “Share of losses of subsidiaries and VIE” on the condensed statements of comprehensive loss.

The subsidiaries did not pay any dividends to the Company for the periods presented.

The Company does not have significant commitments or long-term obligations as of the period end other than those presented.

The parent company only financial statements should be read in conjunction with the Company’s consolidated financial statements.

AURORA MOBILE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

19 Condensed financial information of the parent company (continued)

Condensed Balance Sheets

	Note	As of December 31,		
		2016 RMB	2017 RMB	US\$
<b>ASSETS:</b>				
<b>Current assets:</b>				
Cash and cash equivalents		66,834	118,429	18,880
Due from the entities within the Group		6,937	6,603	1,053
Amounts due from related parties		30	28	4
<b>Total current assets</b>		<b>73,801</b>	<b>125,060</b>	<b>19,937</b>
<b>Non-current assets:</b>				
Long-term investments		46,411	126,616	20,186
<b>Total non-current assets</b>		<b>46,411</b>	<b>126,616</b>	<b>20,186</b>
<b>Total assets</b>		<b>120,212</b>	<b>251,676</b>	<b>40,123</b>
<b>LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' DEFICIT</b>				
<b>Current liabilities:</b>				
Accrued liabilities and other current liabilities		2,438	3,072	489
Due to the entities within the Group		—	702	112
Amounts due to related parties		5,649	5,649	901
<b>Total current liabilities</b>		<b>8,087</b>	<b>9,423</b>	<b>1,502</b>
<b>Total liabilities</b>		<b>8,087</b>	<b>9,423</b>	<b>1,502</b>
Commitments and contingencies	13			
<b>Mezzanine equity</b>				
Series A contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; 11,111,120 shares authorized, issued and outstanding as of December 31, 2016 and 2017; As of December 31, 2017, aggregate liquidation preference and redemption amounts were US\$4,000 and US\$4,374, respectively (2016: US\$4,000 and US\$4,347, respectively))	9	26,804	26,979	4,301
Series B contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; 7,936,510 shares authorized, issued and outstanding as of December 31, 2016 and 2017; As of December 31, 2017, aggregate liquidation preference and redemption amounts were US\$7,500 and US\$8,531, respectively (2016: US\$7,500 and US\$8,427, respectively))	9	52,044	52,723	8,405
Series C contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; 4,891,240 and 4,999,540 shares authorized, issued and outstanding as of December 31, 2016 and 2017, respectively; As of December 31, 2017, aggregate liquidation preference and redemption amounts were US\$ 23,111 and US\$25,422, respectively (2016: US\$23,111 and US\$24,496, respectively))	9	141,691	168,317	26,834
Series D contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; nil and 5,559,487 shares authorized, issued and outstanding as of December 31, 2016 and 2017, respectively; As of December 31, 2017, aggregate liquidation preference and redemption amounts were US\$30,000 and US\$32,982, respectively (2016: US\$ nil and US\$ nil, respectively))	9	—	218,618	34,853
<b>Total mezzanine equity</b>		<b>220,539</b>	<b>466,637</b>	<b>74,393</b>
<b>Shareholders' deficit</b>				
Common shares (par value of US\$0.0001 per share; 475,952,830 and 470,393,343 shares authorized, 42,666,670 shares issued and outstanding as of December 31, 2016 and 2017, respectively)		26	26	4
Additional paid-in capital		5,414	13,689	2,182
Accumulated deficit		(118,128)	(234,810)	(37,434)
Accumulated other comprehensive income (loss)		4,274	(3,289)	(524)
<b>Total shareholders' deficit</b>		<b>(108,414)</b>	<b>(224,384)</b>	<b>(35,772)</b>
<b>Total liabilities, mezzanine equity and shareholders' deficit</b>		<b>120,212</b>	<b>251,676</b>	<b>40,123</b>

## AURORA MOBILE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

## 19 Condensed financial information of the parent company (continued)

## Condensed Statements of Comprehensive Loss

	As of December 31,		
	2016 RMB	2017 RMB	US\$
<b>Revenues</b>	—	—	—
<b>Cost of Revenues</b>	—	—	—
<b>Gross profit</b>	—	—	—
<b>Operating expenses</b>			
Research and development	—	—	—
Sales and marketing	—	—	—
General and administrative	(2,302)	(10,076)	(1,606)
Share of losses of subsidiaries and the VIE	(58,167)	(79,916)	(12,740)
<b>Total operating expenses</b>	<b>(60,469)</b>	<b>(89,992)</b>	<b>(14,346)</b>
<b>Loss from operations</b>	<b>(60,469)</b>	<b>(89,992)</b>	<b>(14,346)</b>
Foreign exchange loss, net	(961)	(339)	(54)
Interest income	48	18	3
Other income	—	22	4
<b>Loss before income taxes</b>	<b>(61,382)</b>	<b>(90,291)</b>	<b>(14,393)</b>
Income tax expenses	—	—	—
<b>Net Loss</b>	<b>(61,382)</b>	<b>(90,291)</b>	<b>(14,393)</b>
Accretion of contingently redeemable convertible preferred shares	(12,427)	(26,391)	(4,207)
<b>Net loss attributable to common share holders</b>	<b>(73,809)</b>	<b>(116,682)</b>	<b>(18,600)</b>
<b>Other comprehensive income (loss)</b>			
Foreign currency translation adjustments	1,896	(7,563)	(1,206)
<b>Total other comprehensive income (loss), net of tax</b>	<b>1,896</b>	<b>(7,563)</b>	<b>(1,206)</b>
<b>Comprehensive loss</b>	<b>(59,486)</b>	<b>(97,854)</b>	<b>(15,599)</b>

## AURORA MOBILE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”))

## 19 Condensed financial information of the parent company (continued)

## Condensed Statements of Cash Flows

	For the year ended December 31,		
	2016	2017	
	RMB	RMB	US\$
Net cash used in operating activities	(2,311)	(744)	(119)
Net cash used in investing activities	(77,193)	(157,412)	(25,095)
Net cash from financing activities	134,348	217,446	34,666
Effect of exchange rate changes	2,649	(7,695)	(1,227)
<b>Net increase in cash and cash equivalents</b>	<b>57,493</b>	<b>51,595</b>	<b>8,225</b>
Cash and cash equivalents and restricted cash at the beginning of year	9,341	66,834	10,655
<b>Cash and cash equivalents and restricted cash at the end of year</b>	<b>66,834</b>	<b>118,429</b>	<b>18,880</b>

AURORA MOBILE LIMITED

AUDITED CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2017 AND

UNAUDITED INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2018

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

	Note	As of		
		December 31, 2017 RMB	March 31, 2018	
			RMB	US\$
		(audited)	(unaudited)	Pro forma shareholders' equity (unaudited)
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents		208,161	141,752	22,599
Restricted cash		115	115	18
Accounts receivable, net of allowances of RMB3,462 and RMB4,921 (US\$ 785) as of December 31, 2017 and March 31 2018, respectively	3	49,594	80,625	12,854
Prepayments and other current assets	4	34,228	39,493	6,296
Amounts due from related parties	13	1,260	1,118	178
<b>Total current assets</b>		<b>293,358</b>	<b>263,103</b>	<b>41,945</b>
<b>Non-current assets:</b>				
Other non-current assets		1,806	2,514	400
Long-term investments		10,980	10,943	1,745
Property and equipment, net	5	53,023	52,726	8,406
Intangible assets, net		283	257	41
<b>Total non-current assets</b>		<b>66,092</b>	<b>66,440</b>	<b>10,592</b>
<b>Total assets</b>		<b>359,450</b>	<b>329,543</b>	<b>52,537</b>

AURORA MOBILE LIMITED

AUDITED CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2017 AND

UNAUDITED INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2018 (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

	Note	As of				
		December 31, 2017 RMB	March 31, 2018		March 31, 2018	
			RMB	US\$	RMB	US\$
		(audited)	(unaudited)		Pro forma shareholders' equity (unaudited)	
<b>LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' DEFICIT</b>						
<b>Current liabilities:</b>						
Accounts payable (including accounts payable of the variable interest entity (“VIE”) without recourse to the Company of RMB8,340 and RMB9,154 (US\$1,459) as of December 31, 2017 and March 31, 2018, respectively)		8,340	9,708	1,548		
Deferred revenue and customer deposits (including deferred revenue and customer deposits of the VIE without recourse to the Company of RMB48,085 and RMB51,185 (US\$8,160) as of December 31, 2017 and March 31, 2018, respectively)	6	49,557	52,170	8,317		
Accrued liabilities and other current liabilities (including accrued liabilities and other current liabilities of the VIE without recourse to the Company of RMB31,631 and RMB25,695 (US\$4,097) as of December 31, 2017 and March 31, 2018, respectively)	7	52,639	33,010	5,263		
Amounts due to related parties (including amounts due to related parties of the VIE without recourse to the Company of RMB459 and RMB213 (USD\$34) as of December 31, 2017 and March 31, 2018, respectively)	13	6,110	14,677	2,340		
<b>Total current liabilities</b>		<b>116,646</b>	<b>109,565</b>	<b>17,468</b>		

**AURORA MOBILE LIMITED**

**AUDITED CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2017 AND**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2018 (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

Note	As of			March 31, 2018	
	December 31, 2017 RMB	March 31, 2018		RMB	US\$
	(audited)	(unaudited)		Pro forma shareholders' equity (unaudited)	
<b>Non-current liabilities:</b>					
Other non-current liabilities (including other non-current liabilities of the VIE without recourse to the Company of RMB216 and RMB197 (US\$31) as of December 31, 2017 and March 31, 2018, respectively)	216	197	31		
Deferred tax liabilities (including deferred tax liabilities of the VIE without recourse to the Company of RMB5 and nil (US\$ nil) as of December 31, 2017 and March 31, 2018, respectively)	5	—	—		
Deferred revenue (including deferred revenue of the VIE without recourse to the Company of RMB330 and RMB454 (US\$72) as of December 31, 2017 and March 31, 2018, respectively)	330	454	72		
<b>Total non-current liabilities</b>	<b>551</b>	<b>651</b>	<b>103</b>		
<b>Total liabilities</b>	<b>117,197</b>	<b>110,216</b>	<b>17,571</b>		

**AURORA MOBILE LIMITED**

**AUDITED CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2017 AND**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2018 (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

	Note	As of				
		December 31, 2017 RMB	March 31, 2018		March 31, 2018	
			RMB	US\$	RMB	US\$
		(audited)	(unaudited)		Pro forma shareholders' equity (unaudited)	
Commitments and contingencies	12					
<b>Mezzanine equity</b>						
Series A contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; 11,111,120 shares authorized, issued and outstanding as of December 31, 2017 and March 31, 2018; As of March 31, 2018, aggregate liquidation preference and redemption amount were US\$4,000 and US\$4,471, respectively (December 31, 2017: US\$4,000 and US\$4,374, respectively))	8	26,979	27,587	4,398	—	—
Series B contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; 7,936,510 shares authorized, issued and outstanding as of December 31, 2017 and March 31, 2018; As of December 31, 2018, aggregate liquidation preference and redemption amount were US\$7,500 and US\$8,803, respectively (December 31, 2017: US\$7,500 and US\$8,531, respectively))	8	52,723	54,433	8,678	—	—
Series C contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; 4,999,540 shares authorized, issued and outstanding as of December 31, 2017 and March 31, 2018; As of March 31, 2018, aggregate liquidation preference and redemption amount were US\$23,111 and US\$26,043, respectively (December 31, 2017: US\$23,111 and US\$25,422, respectively))	8	168,317	172,225	27,457	—	—
Series D contingently redeemable convertible preferred shares (par value of US\$0.0001 per share; 5,559,487 shares authorized, issued and outstanding as of December 31, 2017 and March 31, 2018; As of March 31, 2018, aggregate liquidation preference and redemption amount were US\$30,000 and US\$33,722, respectively (December 31, 2017: US\$30,000 and US\$32,982, respectively))	8	218,618	223,269	35,594	—	—
<b>Total mezzanine equity</b>		<b>466,637</b>	<b>477,514</b>	<b>76,127</b>	<b>—</b>	<b>—</b>

## AURORA MOBILE LIMITED

## AUDITED CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2017 AND

## UNAUDITED INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2018 (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

	Note	As of				
		December 31, 2017 RMB	March 31, 2018		March 31, 2018	
			RMB	US\$	RMB	US\$
		(audited)	(unaudited)		Pro forma shareholders' equity (unaudited)	
<b>Shareholders' (deficit) equity</b>						
Common shares (par value of US\$0.0001 per share; 470,393,343 and 470,393,343 shares authorized, 42,666,670 and 42,666,670 shares issued and outstanding as of December 31, 2017 and March 31, 2018, 500,000,000 shares authorized; 70,534,607 shares issued and outstanding, unaudited, pro forma)		26	26	4	44	7
Additional paid-in capital		13,689	16,526	2,635	431,580	68,804
Accumulated deficit		(234,810)	(267,825)	(42,698)	(267,825)	(42,698)
Accumulated other comprehensive loss	16	(3,289)	(6,914)	(1,102)	(6,914)	(1,102)
<b>Total shareholders' (deficit) equity</b>		<u>(224,384)</u>	<u>(258,187)</u>	<u>(41,161)</u>	<u>156,885</u>	<u>25,011</u>
<b>Total liabilities, mezzanine equity and shareholders' deficit</b>		<u>359,450</u>	<u>329,543</u>	<u>52,537</u>		

The accompanying notes are an integral part of the consolidated financial statements.

## AURORA MOBILE LIMITED

## UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

	Note	Three months ended March 31,		
		2017	2018	
		RMB	RMB	US\$
		(unaudited)	(unaudited)	(unaudited)
<b>Revenues</b> (including related party amounts of RMB365 and RMB4 (US\$1) for the three months ended March 31, 2017 and 2018, respectively)	14	31,993	126,392	20,150
<b>Cost of revenues</b> (including related party amounts of nil and RMB856 (US\$136) for the three months ended March 31, 2017 and 2018, respectively)		(25,680)	(91,802)	(14,635)
<b>Gross profit</b>		<u>6,313</u>	<u>34,590</u>	<u>5,515</u>
<b>Operating expenses</b>				
Research and development (including related party amounts of RMB173 and RMB80 (US\$13) for the three months ended March 31, 2017 and 2018, respectively)		(13,623)	(24,413)	(3,892)
Sales and marketing (including related party amounts of RMB104 and RMB61 (US\$10) for the three months ended March 31, 2017 and 2018, respectively)		(10,361)	(17,431)	(2,779)
General and administrative (including related party amounts of RMB30 and RMB17 (US\$3) for the three months ended March 31, 2017 and 2018, respectively)		(6,924)	(13,587)	(2,166)
<b>Total operating expenses</b>		<u>(30,908)</u>	<u>(55,431)</u>	<u>(8,837)</u>
<b>Loss from operations</b>		<u>(24,595)</u>	<u>(20,841)</u>	<u>(3,322)</u>
Foreign exchange loss, net		(235)	(1,419)	(226)
Interest income		105	59	9
Interest expense		(2)	(60)	(10)
Other income		436	118	19
<b>Loss before income taxes</b>		<u>(24,291)</u>	<u>(22,143)</u>	<u>(3,530)</u>
Income tax benefit	10	2,291	5	1
<b>Net loss</b>		<u>(22,000)</u>	<u>(22,138)</u>	<u>(3,529)</u>

## AURORA MOBILE LIMITED

## UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (continued)

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

	Note	Three months ended March 31,		
		2017	2018	
		RMB	RMB	US\$
		(unaudited)	(unaudited)	(unaudited)
<b>Net loss attributable to Aurora Mobile Limited’s shareholders</b>		(22,000)	(22,138)	(3,529)
Accretion of contingently redeemable convertible preferred shares		(1,775)	(10,877)	(1,734)
<b>Net loss attributable to common shareholders</b>		<u>(23,775)</u>	<u>(33,015)</u>	<u>(5,263)</u>
<b>Net loss per share:</b>	11			
Basic		(0.56)	(0.77)	(0.12)
Diluted		(0.56)	(0.77)	(0.12)
<b>Shares used in net loss per share computation:</b>				
Basic		42,666,670	42,666,670	42,666,670
Diluted		42,666,670	42,666,670	42,666,670
<b>Pro forma net loss per share attributable to common shareholders:</b>	11			
Basic			(0.31)	(0.05)
Diluted			(0.31)	(0.05)
<b>Other comprehensive loss</b>				
Foreign currency translation adjustments	16	(115)	(3,625)	(578)
<b>Total other comprehensive loss, net of tax</b>		<u>(115)</u>	<u>(3,625)</u>	<u>(578)</u>
<b>Comprehensive loss</b>		<u>(22,115)</u>	<u>(25,763)</u>	<u>(4,107)</u>
<b>Comprehensive loss attributable to Aurora Mobile Limited</b>		<u>(22,115)</u>	<u>(25,763)</u>	<u>(4,107)</u>

The accompanying notes are an integral part of the consolidated financial statements.

## AURORA MOBILE LIMITED

## UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2017 AND 2018

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

	Three months ended March 31,		
	2017	2018	
	RMB	RMB	US\$
	(unaudited)	(unaudited)	(unaudited)
<b>Cash flows from operating activities:</b>			
Net loss	(22,000)	(22,138)	(3,529)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation of property and equipment	1,584	3,310	528
Amortization of intangible assets	—	27	4
Unrealized exchange loss	31	227	36
Allowance for doubtful accounts	201	1,459	233
Deferred tax benefit	(2,291)	(5)	(1)
Share-based compensation	2,175	2,837	452
Changes in operating assets and liabilities,			
Accounts receivable	(3,633)	(35,120)	(5,599)
Prepayments and other current assets	(2,798)	(5,628)	(897)
Amounts due from related parties	(375)	139	22
Other non-current assets	87	(709)	(113)
Accounts payable	1,331	4,104	654
Deferred revenue and customer deposits	5	2,788	444
Accrued liabilities and other current liabilities	(295)	(9,408)	(1,500)
Amounts due to related parties	(488)	8,661	1,381
Other non-current liabilities	—	(19)	(3)
<b>Net cash used in operating activities</b>	<b>(26,466)</b>	<b>(49,475)</b>	<b>(7,888)</b>
<b>Cash flows from investing activities:</b>			
Proceeds from maturity of time deposits	10,053	—	—
Purchase of property and equipment	(9,326)	(12,745)	(2,032)
<b>Net cash provided by (used in) investing activities</b>	<b>727</b>	<b>(12,745)</b>	<b>(2,032)</b>

**AURORA MOBILE LIMITED**  
**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017 AND 2018 (continued)**  
**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

	Three months ended March 31,		
	2017	2018	
	RMB	RMB	US\$
	(unaudited)	(unaudited)	(unaudited)
<b>Cash flows from financing activities:</b>			
Proceeds from issuance of contingently redeemable convertible preferred shares	18,311	—	—
<b>Net cash provided by financing activities</b>	<b>18,311</b>	<b>—</b>	<b>—</b>
Effect of exchange rate on cash and cash equivalents and restricted cash	(308)	(4,189)	(667)
<b>Net increase in cash and cash equivalents and restricted cash</b>	<b>(7,736)</b>	<b>(66,409)</b>	<b>(10,587)</b>
Cash and cash equivalents and restricted cash at the beginning of period	103,288	208,276	33,204
<b>Cash and cash equivalents and restricted cash at the end of period</b>	<b>95,552</b>	<b>141,867</b>	<b>22,617</b>
<b>Reconciliation of cash and cash equivalents and restricted cash to the consolidated balance sheets</b>			
Cash and cash equivalents	95,432	141,752	22,599
Restricted cash	120	115	18
<b>Total cash and cash equivalents and restricted cash</b>	<b>95,552</b>	<b>141,867</b>	<b>22,617</b>

The accompanying notes are an integral part of the consolidated financial statements.

**AURORA MOBILE LIMITED**  
**NOTES TO THE UNAUDITED INTERIM CONDENSED**  
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**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**1 Organization and principal activities**

Aurora Mobile Limited (the “Company” and where appropriate, the term “Company” also refers to its subsidiaries and variable interest entity) is a limited company incorporated in the Cayman Islands under the laws of the Cayman Islands on April 9, 2014. The Company, through its subsidiaries and variable interest entity (“VIE”), are principally engaged in providing data solutions which include targeted marketing, industry insights, financial risk management and location-based intelligence services in the People’s Republic of China (the “PRC”).

These unaudited interim condensed consolidated financial statements of the Company, its subsidiaries and variable interest entity (“VIE”) have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) for interim financial information using accounting policies that are consistent with those used in the preparation of the Company’s audited consolidated financial statements for the year ended December 31, 2017. Accordingly, these unaudited interim condensed consolidated financial statements do not include all of the information and footnotes required by U.S. GAAP for annual financial statements.

In the opinion of the Company’s management, the accompanying unaudited interim condensed consolidated financial statements contain all normal recurring adjustments necessary to present fairly the financial position, operating results and cash flows of the Company for each of the periods presented. The results of operations for the three months ended March 31, 2017 and 2018 are not necessarily indicative of results to be expected for any other interim period or for the year ending December 31, 2018. The condensed consolidated balance sheet as of December 31, 2017 was derived from the audited consolidated financial statements at that date but does not include all of the disclosures required by U.S. GAAP for annual financial statements. These unaudited condensed consolidated financial statements should be read in conjunction with the Company’s consolidated financial statements for the year ended December 31, 2017.

**AURORA MOBILE LIMITED**  
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**FOR THE THREE MONTHS ENDED MARCH 31, 2017 AND 2018 (continued)**

(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)

**1 Organization and principal activities (continued)**

**VIE disclosures**

The following table set forth the assets and liabilities of the VIE included in the Company’s consolidated balance sheets:

	As of		
	December 31, 2017 (Audited) RMB	March 31, 2018 (Unaudited) RMB	March 31, 2018 (Unaudited) US\$
<b>ASSETS:</b>			
<b>Current assets:</b>			
Cash and cash equivalents	49,853	56,894	9,070
Restricted cash	115	115	18
Accounts receivable	49,561	83,361	13,290
Prepayments and other current assets	29,637	33,406	5,326
Amounts due from the Company and its subsidiaries	3,806	570	91
Amounts due from related parties	1,186	1,047	167
<b>Total current assets</b>	<b>134,158</b>	<b>175,393</b>	<b>27,962</b>
<b>Non-current assets:</b>			
Long-term investments	10,000	10,000	1,594
Other non-current assets	1,354	1,539	246
Property and equipment, net	24,258	25,411	4,051
Intangible assets, net	283	257	41
<b>Total non-current assets</b>	<b>35,895</b>	<b>37,207</b>	<b>5,932</b>
<b>Total assets</b>	<b>170,053</b>	<b>212,600</b>	<b>33,894</b>

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**FOR THE THREE MONTHS ENDED MARCH 31, 2017 AND 2018 (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**1 Organization and principal activities (continued)**

The following table set forth the assets and liabilities of the VIE included in the Company’s consolidated balance sheets (continued):

	As of		
	December 31, 2017 (Audited) RMB	March 31, 2018 (Unaudited) RMB	
			(Unaudited) US\$
<b>LIABILITIES:</b>			
<b>Current liabilities:</b>			
Accounts payable	8,340	9,154	1,459
Deferred revenue and customer deposits	48,085	51,185	8,160
Accrued liabilities and other current liabilities	31,631	25,695	4,097
Amounts due to the Company and its subsidiaries	39,861	9,605	1,531
Amounts due to related parties	459	213	34
<b>Total current liabilities</b>	<b>128,376</b>	<b>95,852</b>	<b>15,281</b>
<b>Non-current liabilities:</b>			
Amounts due to the Company and its subsidiaries	60,000	140,000	22,319
Other non-current liabilities	216	197	31
Deferred tax liabilities	5	—	—
Deferred revenue	330	454	72
<b>Total non-current liabilities</b>	<b>60,551</b>	<b>140,651</b>	<b>22,422</b>
<b>Total liabilities</b>	<b>188,927</b>	<b>236,503</b>	<b>37,703</b>

The table sets forth the results of operations and cash flows of the VIE included in the company’s consolidated statements of comprehensive loss and cash flows.

	Three months ended March 31,		
	2017 (Unaudited) RMB	2018 (Unaudited) RMB	
			(Unaudited) US\$
Revenues	32,282	125,061	19,938
Cost of revenues	(24,779)	(88,822)	(14,160)
Net loss	(11,567)	(6,419)	(1,022)
Net cash used in operating activities	18,534	(70,848)	(11,295)
Net cash used in investing activities	—	(2,111)	(337)
Net cash provided by financing activities	—	80,000	12,754

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**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**1 Organization and principal activities (continued)**

The aggregate carrying amounts of the total assets and total liabilities of the VIE as of March 31, 2018 were RMB212,600 (US\$33,894) and RMB236,503 (US\$37,703), respectively (December 31, 2017: RMB170,053 and RMB188,927). There were no pledges or collateralization of the VIE’s assets. Creditors of the VIE have no recourse to the general credit of the primary beneficiary of the VIE, and such amounts have been parenthetically presented on the face of the consolidated balance sheets. The VIE holds certain assets, including data servers and related equipment for use in their operations. The VIE does not own any facilities except for the rental of certain office premises and data centers from third parties under operating lease arrangements. The VIE also holds certain value-added technology licenses, registered copyrights, trademarks and registered domain names, including the official website, which are also considered as revenue-producing assets. However, none of such assets was recorded on the Company’s consolidated balance sheets as such assets were all internally developed and expensed as incurred as they did not meet the capitalization criteria. The Company has not provided any financial or other support that it was not previously contractually required to provide to the VIE during the periods presented.

**2 Summary of Significant Accounting Policies**

***Basis of presentation***

The consolidated financial statements of the Company have been prepared in accordance with the generally accepted accounting principles of the United States (“U.S. GAAP”).

***Principles of Consolidation***

The consolidated financial statements include the financial statements of the Company, its subsidiaries, and the VIE (where the Company is the primary beneficiary). All intercompany transactions and balances have been eliminated.

***Use of estimates***

The preparation of the Company’s consolidated financial statements in conformity with U.S. GAAP requires the use of estimates and judgments that affect the reported amounts in the consolidated financial statements and accompanying notes. These estimates form the basis for judgments that management make about the carrying values of assets and liabilities, which are not readily apparent from other sources. Management base their estimates and judgments on historical information and on various other assumptions that they believe are reasonable under the circumstances. U.S. GAAP requires management to make estimates and judgments in several areas, including, but not limited to, those related to revenue recognition, collectability of accounts receivable, commitments, fair value of financial instruments, useful lives and impairment assessment of intangible assets, property and equipment, long-term investment, income taxes and share-based compensation. These estimates are based on management’s knowledge about current events and expectations about actions that the Company may undertake in the future. Actual results could differ from those estimates.

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**FOR THE THREE MONTHS ENDED MARCH 31, 2017 AND 2018 (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**2 Summary of Significant Accounting Policies (continued)**

***Pro forma information (unaudited)***

The unaudited pro forma equity information as of March 31, 2018 assumes the (i) redemption of 1,738,720 Series C preferred shares held by T.C.L Industries Holdings (H.K.) Ltd. and (ii) automatic conversion of all of the outstanding contingently redeemable convertible preferred shares into 27,867,937 common shares upon the completion of the qualified initial public offering (“IPO”). Unaudited pro forma shareholders’ deficit as of March 31, 2018, as adjusted for the redemption of Series C shares held by T.C.L Industries Holdings (H.K.) Ltd and assumed conversion of the contingently redeemable convertible preference shares, is set forth on the consolidated balance sheets. Unaudited pro forma loss per share for the three months ended March 31, 2018, assumed conversion of the outstanding contingently redeemable convertible preferred shares as of March 31, 2018, is also set forth on the consolidated statements of comprehensive loss (Note 11).

***Convenience translation***

Translations of amounts from RMB into US\$ for the convenience of the reader have been calculated at the exchange rate of RMB6.2726 per US\$1.00 on March 30, 2018, as published on the website of the United States Federal Reserve Board. No representation is made that the RMB amounts could have been, or could be, converted into US\$ at such rate.

**3 Accounts receivable, net**

The following table presents the movement in the allowance for doubtful accounts:

	As of December 31, 2017	As of March 31, 2018	
	(Audited) RMB	(Unaudited) RMB	(Unaudited) US\$
Balance at beginning of year or period	1,035	3,462	552
Provisions	2,427	1,459	233
Balance at end of year or period	<u>3,462</u>	<u>4,921</u>	<u>785</u>

**4 Prepayment and other current assets**

Prepayment and other current assets consist of the following:

	As of December 31, 2017	As of March 31, 2018	
	(Audited) RMB	(Unaudited) RMB	(Unaudited) US\$
Prepaid media cost	19,610	24,010	3,828
Prepaid service fee	1,762	1,927	307
Others	12,856	13,556	2,161
Total prepayment and other current assets	<u>34,228</u>	<u>39,493</u>	<u>6,296</u>

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**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**5 Property and equipment, net**

Property and equipment consist of the following:

	As of December 31, 2017	As of March 31, 2018	
	(Audited) RMB	(Unaudited) RMB	(Unaudited) US\$
Office furniture and equipment	2,647	2,880	459
Computer equipment and servers	63,326	65,254	10,403
Leasehold improvements	789	1,641	262
Less: Accumulated depreciation	(13,739)	(17,049)	(2,718)
<b>Total property and equipment, net</b>	<b>53,023</b>	<b>52,726</b>	<b>8,406</b>

Depreciation expense recognized for the three months ended March 31, 2017 and 2018 were RMB1,584 and RMB3,310 (US\$528), respectively.

**6 Deferred revenue and customer deposits**

Deferred revenue and customer deposits consist of the following:

	As of December 31, 2017	As of March 31, 2018	
	(Audited) RMB	(Unaudited) RMB	(Unaudited) US\$
Deferred revenue	28,921	26,357	4,202
Customer deposits	20,636	25,813	4,115
<b>Total deferred revenue and customer deposits—current</b>	<b>49,557</b>	<b>52,170</b>	<b>8,317</b>
Deferred revenue—non-current	330	454	72

Roll-forward of customers deposits:

	Year ended December 31, 2017	Three months ended March 31, 2018	
	(Audited) RMB	(Unaudited) RMB	(Unaudited) US\$
Balance at beginning of year or period	6,064	20,636	3,290
Cash received from customers during the year or the period	129,555	20,784	3,313
Revenue recognized during the year or the period	(112,770)	(15,348)	(2,447)
Refunds paid during the year or the period	(2,213)	(259)	(41)
<b>Balance at end of year or period</b>	<b>20,636</b>	<b>25,813</b>	<b>4,115</b>

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**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**7 Accrued liabilities and other current liabilities**

Accrued liabilities and other current liabilities consist of the following:

	As of December 31, 2017	As of March 31, 2018	
	(Audited) RMB	(Unaudited) RMB	(Unaudited) US\$
Accrued payroll and welfare payables	38,704	24,360	3,884
Others	13,935	8,650	1,379
<b>Total accrued liabilities and other current liabilities</b>	<b>52,639</b>	<b>33,010</b>	<b>5,263</b>

**8 Contingently redeemable convertible preferred shares**

The movements in the carrying value of the Company’s Series A, B, C and D Preferred Shares for three month ended 31 March, 2018, are summarized as follows:

Mezzanine equity	Series A	Series B	Series C	Series D	Total
	RMB	RMB	RMB	RMB	RMB
Balance as of December 31, 2017	26,979	52,723	168,317	218,618	466,637
Accretion of Preferred Shares	608	1,710	3,908	4,651	10,877
Balance as of March 31, 2018	27,587	54,433	172,225	223,269	477,514
Balance as of March 31, 2018 (US\$)	4,398	8,678	27,457	35,594	76,127

**9 Share-based compensation**

The following table summarizes the share option activity for the three months ended March 31, 2018:

Options Granted to Employees	Number of Options	Weighted- Average Exercise Price	Weighted- Average grant-date Fair Value per Option	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
		RMB	RMB		RMB
Outstanding, December 31, 2017	6,366,146	4.33	3.31	7.21	95,559
Granted	319,972	31.82	22.46	—	—
Forfeited	—	—	—	—	—
Expired	—	—	—	—	—
Exercised	—	—	—	—	—
Cancelled	—	—	—	—	—
Outstanding, March 31, 2018	6,686,118	5.41	4.14	7.77	380,537
Vested and expected to vest at March 31, 2018	6,686,118	5.41	4.14	7.77	380,537
Exercisable at March 31, 2018	3,924,489	1.91	1.72	7.20	237,407

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**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**9 Share-based compensation (continued)**

The aggregate fair value of options vested and recognized as expenses as of March 31, 2017 and 2018 were RMB2,175 and RMB2,837 (US\$ 452), respectively. The aggregate unrecognized share-based compensation expense was RMB13,897 (US\$2,216) as of March 31, 2018, which the Company expects to recognize over an estimated weighted-average period of 3.31 years.

**10 Income taxes**

There is no provision for income taxes because the Company, its subsidiaries and the VIE are in a current loss position for all the periods presented. The Company recorded a full valuation allowance against deferred tax assets of all its consolidated entities because all entities were in a cumulative loss position as of December 31, 2017 and March 31, 2018.

The Company did not recognize any income tax due to uncertain tax position or incur any interest and penalties related to potential underpaid income tax expenses during the periods presented. In general, the PRC tax authority has up to five years to conduct examinations of the Company’s tax filings. Accordingly, the PRC subsidiary’s and VIE’s tax years 2013 through 2017 remain open to examination by the taxing jurisdictions.

**11 Loss per share**

Basic and diluted net loss per share for the three months ended March 31, 2017 and 2018 are calculated as follows:

	Three months ended March 31,		
	2017	2018	
	(Unaudited) RMB	(Unaudited) RMB	(Unaudited) US\$
<b>Basic and diluted net loss per share calculation:</b>			
<b>Numerator:</b>			
Net loss attributable to Aurora Mobile Limited	(22,000)	(22,138)	(3,529)
Accretion of convertible preferred shares	(1,775)	(10,877)	(1,734)
Numerator for computing basic and diluted net loss per share	<u>(23,775)</u>	<u>(33,015)</u>	<u>(5,263)</u>
<b>Denominator:</b>			
Weighted average number of common shares outstanding	<u>42,666,670</u>	<u>42,666,670</u>	<u>42,666,670</u>
Basic and diluted loss per share:	(0.56)	(0.77)	(0.12)

For the periods presented herein, the computation of basic loss per share using the two-class method is not applicable as the Company is in a net loss position and the participating securities do not have contractual rights and obligations to share in the losses of the Company. The effects of all outstanding Preferred Shares and share options were excluded from the computation of diluted loss per share for the three months ended March 31, 2017 and 2018 as their effects would be anti-dilutive.

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**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**11 Loss per share (continued)**

The unaudited pro forma net loss per share is computed using the weighted-average number of common shares outstanding and assumes the redemption of 1,738,720 Series C preferred shares held by T.C.L. Industries Holdings (H.K.) Ltd and automatic conversion of all the Company’s redeemable convertible preferred shares into 27,867,937 common shares upon the closing of an IPO as if it had occurred on March 31, 2018.

Basic and diluted pro forma net loss per share is calculated as follows:

	<u>For the three months ended March 31, 2018</u>	
	RMB (Unaudited)	US\$ (Unaudited)
<b>Numerator:</b>		
Net loss attributable to common shareholders	(33,015)	(5,263)
Deduct: Accretion of redeemable convertible preferred shares	<u>(10,877)</u>	<u>(1,734)</u>
Numerator for pro forma basic and diluted loss per share	<u>(22,138)</u>	<u>(3,529)</u>
<b>Denominator:</b>		
Weighted average number of shares used in calculating basic and diluted loss per share	42,666,670	42,666,670
Add: adjustment to reflect assumed effect of automatic conversion of convertible preference shares	<u>27,867,937</u>	<u>27,867,937</u>
Weighted average number of shares used in calculating pro forma basic and diluted loss per share	<u>70,534,607</u>	<u>70,534,607</u>
Basic and diluted loss per share	(0.31)	(0.05)

**12 Commitments and contingencies**

*Operating lease commitments*

The Company leases office premises and printers in the PRC under non-cancellable operating leases expiring on different dates. Payments under operating leases are expensed on a straight-line basis over the periods of the respective leases.

Total operating lease expenses were RMB1,371 and RMB1,855 (US\$296) for the three months ended March 31, 2017 and 2018, respectively.

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**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS ENDED MARCH 31, 2017 AND 2018 (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**12 Commitments and contingencies (continued)**

*Operating lease commitments (continued)*

As of March 31, 2018, future minimum payments under non-cancellable operating leases were as follows:

	RMB (Unaudited)	US\$ (Unaudited)
1 year (Including 1 year)	10,212	1,628
1 year to 2 years (Including 2 years)	8,146	1,299
2 years to 3 years (Including 3 years)	6,621	1,056
More than 3 years	6,598	1,052
Total	<u>31,577</u>	<u>5,035</u>

*Bandwidth commitments*

As of March 31, 2018, future minimum payments under non-cancellable purchase commitment for bandwidth is RMB4,868 (US\$776), which is scheduled to be paid within one year.

The Company’s operating lease commitments have no renewal options, rent escalation clauses and restrictions or contingent rents.

**13 Related party transactions**

The table below sets forth the major related parties and their relationships with the Company:

<u>Name of related parties</u>	<u>Relationship</u>
KK Mobile Limited	Principal owner of the Company, controlled by Weidong Luo
Stable View Limited	Shareholder of the Company, controlled by Jiawen Fang, who is a director of the Company.
Focus Axis Limited	Shareholder of the Company, controlled by Xiaodao Wang, who is a director of the Company.
Weidong Luo	Founder, Chief Executive Officer
Shenzhen Weixunyitong Information Technology Co., Ltd.	Company that is significantly influenced by Weidong Luo
Guangzhou Tianlang Network Technology Co., Ltd.	Company that is significantly influenced by Weidong Luo

**AURORA MOBILE LIMITED**  
**NOTES TO THE UNAUDITED INTERIM CONDENSED**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS ENDED MARCH 31, 2017 AND 2018 (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**13 Related party transactions (continued)**

Details of related party balances as of December 31, 2017 and March 31, 2018 and details of related party transactions for the three months ended as of March 31, 2017 and 2018 are as follows:

13.1 Amounts due from related parties

	<u>As of December 31,</u> 2017	<u>As of March 31,</u> 2018	
	(Audited) RMB	(Unaudited) RMB	(Unaudited) US\$
Focus Axis Limited	17	16	3
KK Mobile Limited	40	38	6
Stable View Limited	17	16	3
Shenzhen Weixunyitong Information Technology Co., Ltd.	886	748	118
Guangzhou Tianlang Network Technology Co., Ltd.	300	300	48
<b>Total amounts due from related parties</b>	<u>1,260</u>	<u>1,118</u>	<u>178</u>

13.2 Amounts due to related parties

	<u>As of December 31,</u> 2017	<u>As of March 31,</u> 2018	
	(Audited) RMB	(Unaudited) RMB	(Unaudited) US\$
Weidong Luo	5,649	14,464	2,306
Shenzhen Weixunyitong Information Technology Co., Ltd.	461	213	34
<b>Total amounts due to related parties</b>	<u>6,110</u>	<u>14,677</u>	<u>2,340</u>

The amount due to Weidong Luo has been fully settled in April 2018.

**AURORA MOBILE LIMITED**  
**NOTES TO THE UNAUDITED INTERIM CONDENSED**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS ENDED MARCH 31, 2017 AND 2018 (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**13 Related party transactions (continued)**

13.3 Transactions with related parties

	For three months ended March 31,		
	2017 (Unaudited) RMB	2018 (Unaudited) RMB	(Unaudited) US\$
<b>Services provided to:</b>			
Shenzhen Weixunytong Information Technology Co., Ltd.	365	4	1
<b>Services received from:</b>			
Shenzhen Weixunytong Information Technology Co., Ltd.	—	842	134
<b>Office premises leased from:</b>			
Shenzhen Weixunytong Information Technology Co., Ltd.	332	172	27

**14 Revenues**

Revenues consist of the following:

	Three months ended March 31,		
	2017 (Unaudited) RMB	2018 (Unaudited) RMB	(Unaudited) US\$
Developer services	7,723	12,453	1,985
Data solutions			
Targeted Marketing	22,011	98,863	15,762
Other vertical data solutions	2,259	15,076	2,403
Total data solutions	24,270	113,939	18,165
<b>Total revenues</b>	<u>31,993</u>	<u>126,392</u>	<u>20,150</u>

**15 Restricted net assets**

Under PRC laws and regulations, there are restrictions on the Company’s PRC subsidiary and VIE with respect to transferring certain of their net assets to the Company either in the form dividends, loans, or advances. Amounts of net assets restricted include paid-in capital and statutory reserve of the Company’s PRC subsidiary and the net assets of the VIE in which the Company has no legal ownership, totaling RMB115 and RMB115 (US\$18) as of December 31, 2017 and March 31, 2018, respectively.

**AURORA MOBILE LIMITED**  
**NOTES TO THE UNAUDITED INTERIM CONDENSED**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS ENDED MARCH 31, 2017 AND 2018 (continued)**

**(Amounts in thousands of Renminbi (“RMB”) and US dollars (“US\$”), except for number of shares and per share data)**

**16 Accumulated other comprehensive loss**

The changes in accumulated other comprehensive loss by component, net of tax, were as follows:

	RMB
Balance as of December 31, 2016	4,274
Foreign currency translation adjustments	(115)
Balance as of March 31, 2017	4,159
Balance as of December 31, 2017	(3,289)
Foreign currency translation adjustments	(3,625)
Balance as of March 31, 2018	(6,914)
	US\$
Balance as of March 31, 2018	(1,102)

There have been no reclassifications out of accumulated other comprehensive income to net loss for the periods presented.

**17 Subsequent events**

The Company evaluated subsequent events through June 1, 2018, the date on which these consolidated financial statements were issued.

On April 11, 2018, the Company reserved 4,102,487 additional common shares for issuance under the 2017 incentive plan.

On April 11, 2018, the Company repurchased the 1,738,720 Series C preferred shares held by T.C.L. Industries Holdings (H.K.) Ltd. for an aggregate price of US\$9.049 million.

On April 17, 2018, the Company issued zero coupon convertible notes due 2021 in an aggregate principal amount of US\$35,000 to one existing and one new investor. The convertible notes are non-interest bearing, subject to certain exceptions, including when an event of default occurs, such as failure to make any payment due on the due date, and the majority note holders have, in their sole discretion, accelerated their convertible notes by giving notice to the Company that their outstanding notes are due and repayable. In such event, the Company will be required to pay interest at a simple interest rate of 15% per annum on the aggregate outstanding principal amount of the convertible notes. Holders of the convertible notes may, at their option during a period starting from the issue date until seven days prior to the maturity of the notes, subject to certain exceptions, convert the notes into common shares of the Company at the then applicable conversion price, which is initially US\$11.76 per share, subject to certain anti-dilution adjustment.

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**PART II****INFORMATION NOT REQUIRED IN PROSPECTUS****ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.**

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime.

The post-offering memorandum and articles of association that we expect to adopt and to become effective immediately prior to the completion of this offering provide that we shall indemnify our directors and officers (each an indemnified person) against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by such indemnified person, other than by reason of such person's own dishonesty, willful default or fraud, in or about the conduct of our company's business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by such indemnified person in defending (whether successfully or otherwise) any civil proceedings concerning our company or its affairs in any court whether in the Cayman Islands or elsewhere.

Pursuant to the indemnification agreements, the form of which is filed as Exhibit 10.3 to this registration statement, we agree to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being such a director or officer.

The underwriting agreement, the form of which will be filed as Exhibit 1.1 to this registration statement, will also provide indemnification for us and our officers and directors for certain liabilities.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

**ITEM 7. RECENT SALES OF UNREGISTERED SECURITIES.**

During the past three years, we have issued the following securities. We believe that each of the following issuances was exempt from registration under the Securities Act in reliance on Regulation D under the Securities Act or pursuant to Section 4(2) of the Securities Act regarding transactions not involving a public offering or in reliance on Regulation S under the Securities Act regarding sales by an issuer in offshore transactions. No underwriters were involved in these issuances of securities.

<b>Securities/Purchaser</b>	<b>Date of Issuance</b>	<b>Number of Securities(1)</b>	<b>Consideration</b>	
<b>Series C preferred shares</b>				
Shenzhen Guohai Chuangxin Investment Management Limited Corporation	April 1, 2016	2,116,400	US\$	10,000,000
Greatest Investments Limited	April 1, 2016	235,160	US\$	1,111,111
T.C.L. Industries Holdings (H.K.) Ltd.	October 31, 2016	1,693,120	US\$	8,000,000
Mandra iBase Limited	October 31, 2016	634,920	US\$	3,000,000
Genesis Ventures Limited	October 31, 2016	211,640	US\$	1,000,000
Shenzhen Guohai Chuangxin Investment Management Limited Corporation	March 1, 2017	57,000		Nil
T.C.L. Industries Holdings (H.K.) Ltd.	March 1, 2017	45,600		Nil
Genesis Ventures Limited	March 1, 2017	5,700		Nil

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<u>Securities/Purchaser</u>	<u>Date of Issuance</u>	<u>Number of Securities<sup>(1)</sup></u>	<u>Consideration</u>
<b>Series D preferred shares</b>			
Fidelity Investment Funds	May 10, 2017	28,062	US\$ 151,428
Fidelity China Special Situations PLC	May 10, 2017	2,441,572	US\$ 13,175,165
Fidelity Funds	May 10, 2017	3,089,853	US\$ 16,673,407
<b>Options</b>			
Certain directors, officers and employees	November 18, 2014 to May 1, 2018	Options to purchase 6,839,076 common shares	Past and future services to us
<b>Convertible notes</b>			
Mercer Investments (Singapore) Pte. Ltd.	April 17, 2018	Principal amount of US\$30.0 million	US\$ 30,000,000
Mandra iBase Limited	April 17, 2018	Principal amount of US\$5.0 million	US\$ 5,000,000

(1) The 10-for-1 share split effected by the registrant on March 1, 2017 has been retroactively reflected for number of securities presented in this prospectus.

### **ITEM 8. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.**

#### (a) Exhibits

See [Exhibit Index](#) beginning on page II-4 of this registration statement.

The agreements included as exhibits to this registration statement contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties were made solely for the benefit of the other parties to the applicable agreement and (i) were not intended to be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate; (ii) may have been qualified in such agreement by disclosure that was made to the other party in connection with the negotiation of the applicable agreement; (iii) may apply contract standards of “materiality” that are different from “materiality” under the applicable securities laws; and (iv) were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement.

We acknowledge that, notwithstanding the inclusion of the foregoing cautionary statements, we are responsible for considering whether additional specific disclosure of material information regarding material contractual provisions is required to make the statements in this registration statement not misleading.

#### (b) Financial Statement Schedules

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the Consolidated Financial Statements or the Notes thereto.

### **ITEM 9. UNDERTAKINGS.**

The undersigned registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described in Item 6, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as

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expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) For the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(4) For the purpose of determining any liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

- (i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
- (ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
- (iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and
- (iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

**Aurora Mobile Limited**

**Exhibit Index**

<u>Exhibit Number</u>	<u>Description of Document</u>
1.1*	Form of Underwriting Agreement
3.1*	Fifth Amended and Restated Memorandum and Articles of Association of the Registrant, as currently in effect
3.2*	Form of Sixth Amended and Restated Memorandum and Articles of Association of the Registrant, effective immediately prior to the completion of this offering
4.1*	Registrant's Specimen American Depositary Receipt (included in Exhibit 4.3)
4.2*	Registrant's Specimen Certificate for Common Shares
4.3*	Form of Deposit Agreement, among the Registrant, the depository and the holders and beneficial owners of American Depositary Shares issued thereunder
4.4	Fourth Amended and Restated Shareholders Agreement between the Registrant and other parties thereto dated May 10, 2017
5.1	Form of Opinion of Maples and Calder (Hong Kong) LLP regarding the validity of the common shares being registered and certain Cayman Islands tax matters
8.1	Form of Opinion of Maples and Calder (Hong Kong) LLP regarding certain Cayman Islands tax matters (included in Exhibit 5.1)
8.2	Form of Opinion of Han Kun Law Offices regarding certain PRC tax matters (included in Exhibit 99.2)
10.1	2014 Stock Incentive Plan
10.2	2017 Stock Incentive Plan, as amended
10.3*	Form of Indemnification Agreement between the Registrant and its directors and executive officers
10.4*	Form of Employment Agreement between the Registrant and its executive officers
10.5	Powers of Attorney among Shenzhen JPush and the shareholders of Hexun Huagu dated August 5, 2014
10.6	English Translation of the Shareholder Voting Proxy Agreement among the Registrant, Shenzhen JPush and the shareholders of Hexun Huagu dated March 28, 2018
10.7	Equity Interest Pledge Agreements among Shenzhen JPush, Hexun Huagu and the shareholders of Hexun Huagu dated April 20, 2018
10.8	Exclusive Option Agreements among Shenzhen JPush, Hexun Huagu and the shareholders of Hexun Huagu dated April 20, 2018
10.9	Exclusive Business Cooperation Agreement between Shenzhen JPush and Hexun Huagu dated August 5, 2014
10.10	English Translation of the Financial Support Agreement among the Registrant, Hexun Huagu and the shareholders of Hexun Huagu dated March 28, 2018
10.11	Series C Preferred Share Purchase Agreement among the Registrant, T.C.L. Industries Holdings (H.K.) Ltd. and certain other parties thereto dated October 31, 2016

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<u>Exhibit Number</u>	<u>Description of Document</u>
10.12	Series D Preferred Share Purchase Agreement among the Registrant, Fidelity Funds, Fidelity China Special Situations PLC, Fidelity Investment Funds and certain other parties thereto dated May 10, 2017
10.13	Share Redemption Agreement between the Registrant and T.C.L. Industries Holdings (H.K.) Ltd. dated March 15, 2018
10.14	Subscription Agreement among the Registrant, Mercer Investments (Singapore) Pte. Ltd., Mandra iBase Limited and certain other parties thereto dated April 11, 2018
10.15	Investor Rights Agreement among the Registrant, Mercer Investments (Singapore) Pte. Ltd., Mandra iBase Limited and certain other parties thereto dated April 17, 2018
10.16	Definitive Certificate for the Convertible Notes issued by the Registrant to Mercer Investments (Singapore) Pte. Ltd. dated April 17, 2018
10.17	Definitive Certificate for the Convertible Notes issued by the Registrant to Mandra iBase Limited dated April 17, 2018
21.1	Subsidiaries of the Registrant
23.1*	Consent of Ernst & Young Hua Ming LLP, an independent registered public accounting firm
23.2*	Consent of Maples and Calder (Hong Kong) LLP (included in Exhibit 5.1)
23.3*	Consent of Han Kun Law Offices (included in Exhibit 99.2)
24.1*	Powers of Attorney (included on signature page)
99.1*	Code of Business Conduct and Ethics of the Registrant
99.2	Form of Opinion of Han Kun Law Offices regarding certain PRC law matters
99.3	Consent of Frost & Sullivan

\* To be filed by amendment.

## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-1 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Shenzhen, China, on \_\_\_\_\_, 2018.

### Aurora Mobile Limited

By: \_\_\_\_\_  
Name: Weidong Luo  
Title: Chairman of the Board of Directors and  
Chief Executive Officer

## POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints each of Weidong Luo, Fei Chen and Shan-Nen Bong as attorneys-in-fact with full power of substitution for him or her in any and all capacities to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the registrant to comply with the Securities Act of 1933, as amended (the "Securities Act"), and any rules, regulations and requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Securities Act of common shares of the registrant (the "Shares"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form F-1 (the "Registration Statement") to be filed with the Securities and Exchange Commission with respect to such Shares, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462(b) under the Securities Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
_____ Weidong Luo	Chairman of the Board of Directors and Chief Executive Officer (Principal Executive Officer)	_____, 2018
_____ Guangyan Chen	Director	_____, 2018
_____ Xiaodao Wang	Director	_____, 2018
_____ Jiawen Fang	Director	_____, 2018
_____ Feng Wang	Director	_____, 2018

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<u>Signature</u>		<u>Title</u>	<u>Date</u>
_____ Donghui Pan	Director		, 2018
_____ Jianhuan Zhu	Director		, 2018
_____ Kwok Hin Tang	Director		, 2018
_____ Meng Lang	Director		, 2018
_____ Shan-Nen Bong	Chief Financial Officer (Principal Financial and Accounting Officer)		, 2018

**SIGNATURE OF AUTHORIZED REPRESENTATIVE IN THE UNITED STATES**

Pursuant to the Securities Act of 1933, the undersigned, the duly authorized representative in the United States of Aurora Mobile Limited has signed this registration statement or amendment thereto in New York on \_\_\_\_\_, 2018.

**Authorized U.S. Representative**

By: \_\_\_\_\_  
Name:  
Title:

## FOURTH AMENDED AND RESTATED SHAREHOLDERS' AGREEMENT

THIS FOURTH AMENDED AND RESTATED SHAREHOLDERS' AGREEMENT (this "Agreement") is entered into on May 10, 2017 (the "Signing Date"), by and among:

- (1) Aurora Mobile Limited, an exempted company duly incorporated with limited liability and validly existing under the laws of the Cayman Islands (the "Company"),
- (2) the parties listed on Part I of Exhibit A attached hereto (the "Series A Investors", and each a "Series A Investor"),
- (3) the parties listed on Part II of Exhibit A attached hereto (the "Founder Parties", and each a "Founder Party"),
- (4) the parties listed on Part III of Exhibit A attached hereto (the "Major Subsidiaries", and each a "Major Subsidiary"),
- (5) the party listed on Part IV of Exhibit A attached hereto (the "Angel Investor"),
- (6) the parties listed on Part V of Exhibit A attached hereto (the "Series B Investors", and each a "Series B Investor"),
- (7) the parties listed on Part VI of Exhibit A attached hereto (the "Series C Investors"),
- (8) the parties listed on Part VII of Exhibit A attached hereto (the "Series D Investors", and each a "Series D Investor", together with Series A Investors, Series B Investors and Series C Investors, the "Investors", and each an "Investor"), and
- (9) HAKIM International Development Co., Limited, an limited company duly incorporated and validly existing under the laws of Hong Kong ("HAKIM").

Each of the forgoing parties is referred to herein individually as a "Party" and collectively as the "Parties".

RECITALS

- A. The Company, Founder Parties, the Major Subsidiaries, the Angel Investor and the Series A Investors entered into a Share Purchase Agreement dated November 18, 2014 (the "Series A Share Purchase Agreement") pursuant to which the Series A Investors purchased from the Company, and the Company sold to the Series A Investors, an aggregate of 1,111,112 series A preferred shares of the Company, par value US\$0.001 per share, which has been adjusted into 11,111,120 series A preferred shares with par value of US\$0.0001 per share (the "Series A Shares") pursuant to a share division resolution dated March 1, 2017.
- B. The Company, Founder Parties, the Major Subsidiaries and the Series B Investors entered into a Share Purchase Agreement dated May 13, 2015 (the "Series B Share Purchase Agreement") pursuant to which the Series B Investors purchased from the Company, and the Company sold to the Series B Investors, an aggregate of 793,651 series B preferred shares of the Company, par value US\$0.001 per share, which has been adjusted into 7,936,510 series B preferred shares with par value of US\$0.0001 per share (the "Series B Shares") pursuant to a share division resolution dated March 1, 2017.

- C. The Company, Founder Parties, the Major Subsidiaries, Guohai and Fosun entered into a Share Purchase Agreement dated February 5, 2016 (the "Guohai and Fosun Series C Share Purchase Agreement") pursuant to which Guohai and Fosun purchased from the Company, and the Company sold to Guohai and Fosun, an aggregate of 235,156 series C preferred shares of the Company, par value US\$0.001 per share. The Company, Founder Parties, the Major Subsidiaries and TCL, Mandra and Genesis entered into a Share Purchase Agreement dated October 31, 2016 (the "TCL Series C Share Purchase Agreement") pursuant to which TCL, Mandra and Genesis purchased from the Company, and the Company sold to TCL, Mandra and Genesis, an aggregate of 253,968 series C preferred shares. Pursuant to a shareholders' resolution dated March 1, 2017, the total of 489,124 series C preferred shares with par value of US\$0.001 per share has been adjusted into 4,891,240 series C preferred shares with par value of US\$0.0001 per share as a result of share division (the "Series C Shares"), and additional 108,300 Series C Shares have been issued.
- D. Pursuant to the Guohai and Fosun Series C Share Purchase Agreement, the Company, Founder Parties, the Major Subsidiaries, the Angel Investor, the Series A Investors, the Series B Investors, Guohai and Fosun entered into a Second Amended and Restated Shareholders' Agreement dated February 5, 2016 (the "Second Amended and Restated Shareholders' Agreement").
- E. Pursuant to the TCL Series C Share Purchase Agreement, the Company, Founder Parties, the Major Subsidiaries, the Angel Investor, the Series A Investors, the Series B Investors and Series C Investors entered into a Third Amended and Restated Shareholders' Agreement dated October 31, 2016 (the "Third Amended and Restated Shareholders' Agreement")
- F. The Company, Founder Parties, the Major Subsidiaries and Series D Investors entered into a Share Purchase Agreement dated May 10, 2017 (the "Series D Share Purchase Agreement"), pursuant to which Series D Investors purchased from the Company, and the Company sold to Series D Investors an aggregate of 5,559,487 series D preferred shares with par value of US\$0.0001 per share (the "Series D Shares").
- G. The Series D Share Purchase Agreement provides that the execution and delivery of this Agreement, which amends and restates the Third Amended and Restated Shareholders' Agreement in its entirety, shall be a condition precedent to the consummation of the transactions contemplated by the Series D Share Purchase Agreement.
- H. Series A Share Purchase Agreement, Series B Share Purchase Agreement, Guohai and Fosun Series C Share Purchase Agreement and TCL Series C Share Purchase Agreement are collectively referred to as Prior Financing Agreements.

#### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

#### 1. DEFINITIONS

Unless otherwise defined in this Agreement, capitalized terms used in this Agreement shall have the meanings set forth in Exhibit B.

## 2. CORPORATE GOVERNANCE

### 2.1 Board of Directors.

- (i) From and after the Closing Date, the Company shall have a board of directors (the "Board") consisting of nine (9) directors. The Board shall be constituted as follows:
  - (a) As long as Guohai (as defined in Exhibit A) holds at least fifty percent (50%) of the Series C Shares purchased by Guohai as of the Closing, Guohai shall be entitled to appoint one (1) director (the "Guohai Director");
  - (b) As long as Fosun (as defined in Exhibit A) holds at least two thirds (2/3) of the Purchase Shares (as defined in the Series B Share Purchase Agreement) purchased by Fosun, Fosun shall be entitled to appoint one (1) director (the "Fosun Director"), who shall initially be YAO Haibo;
  - (c) As long as IDG collectively hold at least five percent (5%) of the outstanding share capital of the Company (on an as-converted and fully diluted basis), IDG shall be entitled to appoint one (1) director, who shall initially be ZHU Jian Huan (the "IDG Director", together with the Guohai Director and the Fosun Director, the "Investor Directors");
  - (d) As long as the Angel Investor holds at least five percent (5%) of the outstanding share capital of the Company (on an as-converted and fully diluted basis), the Angel Investor shall be entitled to appoint one (1) director (the "Angel Investor Director"), who shall initially be TANG KWOK HIN;
  - (e) The Common Shareholders (excluding the Angel Investor) shall be entitled to appoint five (5) directors (the "Common Directors") of the Board.
- (ii) Any Shareholder or group of Shareholders entitled to designate any individual to be elected as a director of the Board pursuant to this Section 2.1 shall have the right to remove any such director occupying such position and to fill any vacancy caused by the death, disability, retirement, resignation or removal of any director occupying such position. If a vacancy is created on the Board at any time by the death, disability, retirement, resignation or removal of any director designated pursuant to Section 2.1, the replacement to fill such vacancy shall be designated in the same manner, in accordance with Section 2.1, as the director whose seat was vacated.
- (iii) At each election of the directors of the Board, each Shareholder shall vote at any meeting of members, such number of Shares as may be necessary, or in lieu of any such meeting, shall give such holder's written consent, as the case may be, with respect to such number of Shares to keep the Board constituted in the manner provided in this Section 2.1 and in addition (a) as may be necessary to cause the election or re-election as members of the Board, and during such period to continue in office, each of the individuals designated pursuant to this Section 2.1 and (b) against any nominees not designated pursuant to this Section 2.1.

- 2.2 Board Meetings. The Board shall meet at least once every six months. A quorum for a Board meeting shall consist of six (6) directors, including all of the Investor Directors and the Angel Investor Director. The directors shall be entitled to appoint alternates to serve at any board meeting (or the meeting of a committee formed by the Board), and such alternates shall be permitted to attend all Board meetings and vote on the relevant director's behalf.
- 2.3 Observer. So long as TCL holds at least fifty percent (50%) of the Series C Shares purchased by TCL as of the Closing, TCL has a right to appoint a representative of TCL as an observer of the Board (the "Observer"). So long as TCL holds at least fifty percent (50%) of the Series C Shares purchased by TCL as of the Closing, TCL shall, upon written notice to the Company, has the sole right to remove its Observer and to reappoint a successor Observer in its absolute discretion. So long as Fidelity holds at least fifty percent (50%) of the Series D Shares purchased by Fidelity as of the Closing, Fidelity has a right to appoint a representative of Fidelity as the Observer. So long as Fidelity holds at least fifty percent (50%) of the Series D Shares (which expression shall be deemed to include Common Shares into which such Series D Shares are converted) purchased by Fidelity as of the Closing, Fidelity shall, upon written notice to the Company, has the sole right to remove its Observer and to reappoint a successor Observer in its absolute discretion.

Any vacancy in the Observer, whether due to death, resignation, removal or some other cause, shall be filled by an appointment by TCL/Fidelity upon written notice to the Company.

The Observer shall be entitled:

- (1) to attend all meetings (whether in person, conference telephone or other communications equipment) of the Board of the Company and, as applicable, any direct or indirect subsidiary or Affiliate of the Company, including all committees thereof ("Meetings");
- (2) to participate in discussions of all Meetings, in a non-voting observer capacity; and
- (3) to receive all Meetings notice, minutes, agendas, board materials, information, resolutions, proposed actions by written consent, and other communications so distributed, concurrently with and in the same manner as distributed to the Directors or other voting members of the respective board.

- 2.4 **Reimbursement; Indemnity.** The Investor Directors, the Angel Investor Director and the Observers shall be entitled to reimbursement from the Company for all expenses related to Board activities. The Company shall indemnify the Investor Directors, the Angel Investor Director and the Observer to the maximum extent permitted by applicable laws, except that the claims against such Director or the Observer are caused by his fraud, gross negligence or willful misconduct. The Company shall, as soon as practicable after the Closing Date, use commercially reasonable efforts to obtain, and thereafter maintain, a directors' and officers' liability insurance policy from a financially sound and reputable insurer with coverage limits customary for companies similarly situated to the Company for the Investor Directors, the Angel Investor Director and the Observer. In addition, the Company shall indemnify the Investors to the maximum extent permitted by applicable laws for any claims brought against such Investors (as the case may be) by any third party (including any other shareholder of the Company) as a result of such Investors' (as the case may be) investment in the Company, but excluding those claims related to Investors' (as the case may be) fraud, gross negligence or willful misconduct.
- 2.5 **Subsidiary Boards.** At the request of the Investors, the number of directors on the board of any Group Company (other than the Company) shall be constituted in the same manner as the Board, and the provisions in this Section 2 shall apply mutatis mutandis to the board of each Group Company. The Parties shall take all steps required to give effect to the first sentence of this Section 2.5.
- 2.6 **Protective Provisions.** For so long as any Preferred Share remains issued and outstanding, the Group Companies and the Founder Parties (collectively, the "Covenantors") shall ensure that each Group Company will not take any of the actions listed in Exhibit C attached hereto unless approved by the holders of a Requisite Percentage of the Preferred Shares, save that with respect to any action that affects the Series D Shares pursuant to clause 3 of Exhibit C, by the holders of a Requisite Percentage of the Series D Shares.
- 2.7 **Maintenance of Group Structure.** To the maximum extent permitted by applicable laws, the Covenantors shall maintain the corporate structure of the Group (including without limitation the Company's control over the Domestic Company) and, the Covenantors shall cause that (i) the shareholding structure of the Domestic Company will not be changed and (ii) the Control Documents (as defined in the Series D Share Purchase Agreement) between the WFOE and the Domestic Company (and its shareholders and the spouses of the shareholders) will not be amended, in each case without the prior consent of the holders of a Requisite Percentage of the Preferred Shares.
- 2.8 **Information and Inspection Rights.**
- (iv) **Information.** Each Group Company shall, and each Covenantor shall cause each Group Company to, deliver, as soon as practicable (but in any event within the timeframe specified below), to each Investor who holds the issued and outstanding Preferred Shares the following documents or reports:

- (a) within twenty (20) days after the end of each month, the monthly operating report for such month;
- (b) within thirty (30) days after the end of each quarter, the unaudited consolidated quarterly financial statements for such quarter;
- (c) within one hundred and twenty (120) days after the end of each fiscal year, the audited consolidated annual financial statements for such fiscal year, audited by an accounting firm acceptable to the Board (including the affirmative votes of all of the Investor Directors and the Angel Investor Director);
- (d) within at least forty-five (45) days prior to the end of each fiscal year, an annual budget approved by each respective board of directors for next fiscal year; and
- (e) copies of all documents or other information sent to any shareholder of any Group Company.

The documents to be delivered pursuant to this Section 2.9 shall be prepared in English and in form reasonably satisfactory to the Investors. All financial statements shall include a balance sheet, income statement and statement of cash flows in accordance with PRC GAAP. All management reports shall include a comparison of financial results with the corresponding quarterly and annual budgets.

- (v) Inspection. Each Covenantor shall cause each Group Company to permit each Investor or any of their duly designated representatives at their own cost, during normal business hours on reasonable prior notice to visit and inspect the relevant Group Company, and to examine the facilities, books of account and records of the Group Company, and to discuss the businesses, operations and conditions of the Group Company with the employees, directors, officers, agents, consultants, accountants, legal counsel and investment bankers of such entities.

### 3. PREEMPTIVE RIGHTS

- 3.1 Preemptive Right. The Company hereby grants to each Shareholder a right (but not an obligation) to purchase up to its pro rata share of any New Shares that the Company may, from time to time after the Closing Date, propose to sell or issue on the same price, terms and conditions as the Company propose to sell or issue to any potential investor, provided that such Shareholder exercising the preemptive right must undertake to the Company and other Shareholders that it purchases the New Shares entirely for its own account, and not as a nominee holder for any third party; provided further that any Shareholder who is a “domestic resident” (as defined in Circular 37) shall exercise the preemptive right hereunder in accordance with all the applicable laws (including without limitation the rules and regulations published by the State Administration of Foreign Exchange of the PRC). For the purposes of Section 3, each Shareholder’s “pro rata share” shall be determined according to the aggregate number of all Shares (calculated on an as converted to Common Shares basis) held by such Shareholder immediately prior to the issuance of the New Shares in relation to the aggregate number of all Shares (calculated on an as converted to Common Shares basis) then outstanding immediately prior to the issuance of the New Shares.

### 3.2 Procedure.

(i) Issuance Notice. In the event the Company proposes to undertake an issuance of New Shares, it shall give each Shareholder written notice (an "Issuance Notice") of such intention, describing (i) the type and number of New Shares, (ii) the identity of the prospective subscriber, and (iii) the price and the general terms upon which the Company proposes to issue such New Shares.

(ii) Exercise. Each of the Shareholders shall have thirty (30) days after the receipt of such notice to agree to purchase up to such Shareholder's respective pro rata share of such New Shares for the price and upon the terms specified in the Issuance Notice by giving written notice (the "Exercising Notice") to the Company and stating therein the quantity of New Shares to be purchased.

(iii) Over-Allotment. If any Shareholder fails to so notify in written within such thirty (30) day period to purchase its pro rata share of such New Shares, then such unpurchased New Shares (the "Over-Allotment New Shares") shall be made available to each Shareholder who has elected to purchase all of its pro rata share of the New Shares (the "Purchasing Shareholder") for over-allotment. The Company shall deliver an over-allotment notice to each Purchasing Shareholder to inform them of the aggregate number of the Over-Allotment New Shares that are available for over-allotment. Each Purchasing Shareholder shall have fifteen (15) days after the receipt of such over-allotment notice to agree to purchase up to all of the Over-Allotment New Shares by giving an Exercising Notice to the Company and stating therein the quantity of Over-Allotment New Shares to be purchased. If the aggregate number of the Over-Allotment Issuance Shares elected to be purchased by all Purchasing Shareholders in response to such over-allotment notice exceeds the aggregate number of the Over-Allotment New Shares that are available for over-allotment, then the Over-Allotment New Shares shall be allocated among Purchasing Shareholders by allocating to each Purchasing Shareholder the lesser of (A) the difference between the number of Over-Allotment New Shares it elects to purchase and the aggregate number of Over-Allotment New Shares that has already been allocated to it, and (B) its over-allotment pro rata share of the Over-Allotment New Shares that have not yet been allocated, which allocation step shall be repeated until all Over-Allotment New Shares are allocated among the Purchasing Shareholders. Each Purchasing Shareholder who has been allocated all the Over-Allotment New Shares that it has elected to purchase shall cease to participate in any subsequent allocation step. For the purposes of determining the allocation of Over-Allotment New Shares that a Purchasing Shareholder will receive in each allocation step, such Purchasing Shareholder's "over-allotment pro rata share" shall be determined according to the aggregate number of all Shares held by such Purchasing Shareholder on the date of the Issuance Notice in relation to the aggregate number of all Shares held by all Purchasing Shareholders who participate in such allocation step on such date.

(iv) Valuation of Non-Cash Consideration. In the event that the Parties cannot agree on value of the consideration payable in property other than cash, then the value of such property shall be established by an internationally reputable appraiser selected by the applicable Purchasing Shareholders that have elected to purchase a majority of the New Shares to be purchased by the Purchasing Shareholders and agreed by the Company. If such valuation is not completed before the deadline for closing of the issuance of the New Shares to the Purchasing Shareholders, then such deadline shall be extended to the date that is ten (10) days after such valuation is completed.

(v) Apportion. Each Investor may apportion New Shares (including Over-Allotment New Share) that it is entitled to purchase pursuant to its Section 3 among its Affiliates; provided that such Investor notifies the Company in the Exercising Notice.

(v) Closing. If any Shareholder elects to purchase New Shares, then payment for the New Shares to be purchased shall be made by wire transfer in immediately available funds of the appropriate currency, against allotment of such New Shares to be purchased, at a place and time agreed to by the Company and such Shareholders; provided that the scheduled time for closing shall not be later than thirty (30) days following the expiration of the last period during which any Shareholder may elect to purchase any New Share (including Over-Allotment New Share).

3.3 Sales by the Company. For a period of ninety (90) days following the expiration of the last period during which any Shareholder may exercise its preemptive rights (including right of over-allotment) under this Section 3, the Company may sell any New Shares with respect to which the Shareholders' preemptive rights under this Section 3 were not exercised, to the purchasers identified in the Issuance Notice and at a price and upon terms not more favorable to the purchasers thereof than specified in the Issuance Notice. In the event the Company has not sold such New Shares within such ninety (90) day period, the Company shall not and the other Covenantors shall cause the Company not to thereafter issue or sell any New Shares, without first again offering such securities to the Shareholders in the manner provided in this Section 3.

#### 4. SHARE TRANSFER RIGHTS AND RESTRICTIONS

##### 4.1 Restrictions on Common Shares Owned by the Founder Parties.

(i) Transfer Restrictions. At any time prior to the Qualified IPO of the Company, neither Luo Weidong nor KK Mobile Limited shall transfer any Common Shares directly or indirectly owned by them without the prior written consent of the holders of a Requisite Percentage of the Preferred Shares; and the Founder Parties (other than Luo Weidong and KK Mobile Limited) shall not, whether in one transaction or several transactions, transfer in aggregate more than 10% of Common Shares directly or indirectly owned by them as of the Closing without the prior written consent of the holders of a Requisite Percentage of the Preferred Shares, except for the following circumstance of "Permitted Transfers":

- (a) transfers to key employees under the ESOP approved by the Board of the Company (including the affirmative votes of all of the Investor Directors and the Angel Investor Director); and
- (b) transfers in reorganization event approved by the Board of the Company.

(ii) Exempted Transfers. Regardless of anything else contained herein, Sections 4.1(i) and 4.2 of this Agreement shall not apply with respect to any transfers to a Founder Party's spouse, parents or children, or to a trust or trusts for the exclusive benefit of such Founder Party or the spouse, parents or children of such Founder Party for bona fide tax planning, estate planning or similar purposes (collectively, the "Exempted Transfers"); provided that any transferee shall, as a condition to the completion of such transfer, deliver to the other Parties duly executed adherence agreement pursuant to which such transferee shall agree to be bound by the terms of this Agreement as a "Founder Party"; provided further that such Founder Party shall at all times remain liable for any breach of this Agreement by such transferee.

4.2 Right of First Refusal and Right of Co-Sale. Each Preferred Shareholder shall have the right of first refusal and the right of co-sale as set forth on Exhibit D.

4.3 Restrictions on Investors. Unless otherwise stipulated by the applicable laws, the Investors may freely transfer any Shares owned by them together with the attached rights to any third party other than the competitors of the Company and the affiliates of such competitors.

4.4 Prohibited Transfers Void. Any transfer of Shares of the Company not made in compliance with this Agreement shall be null and void as against the Company, shall not be recorded on the books of the Company and shall not be recognized by the Company.

4.5 Transfer Defined. For the purpose of this Agreement, the term "transfer" shall include any direct or indirect transfer, sale, assignment or pledge, and its verb form and the terms of "transferor" and "transferee" shall have the meaning correlative to the foregoing. In the case that any Common Share is held by its ultimate beneficial owner through one or more level of holding companies, any transfer, repurchase, or new issuance of the shares of such holding companies or similar transactions that have the effect of change the beneficial ownership of such Common Share shall be deemed as an indirect transfer of such Common Shares. The Parties agree that the restrictions on the transfer of the Common Shares contained in this Agreement shall apply to such indirect transfer and shall not be circumvented by means any indirect transfer of the Common Shares.

## 5. DRAG-ALONG RIGHTS

5.1 Drag-Along Rights. At any time after the fourth (4<sup>th</sup>) anniversary of the Closing Date, if the holders of a Requisite Percentage of the Preferred Shares (the "Drag-Along Shareholders"), voting together as a single class on an as converted basis, approve a sale of the Company (the "Approved Sale") to a third party purchaser (the "Potential Purchaser") where the valuation of the Company shall be no less than three (3) times of valuation of the Company immediately after the Closing, then each of the other Shareholders (the "Dragged Shareholders") shall (i) vote, or give its written consent with respect to, all the Shares held by them in favor of such proposed Approved Sale and in opposition of any proposal that could reasonably be expected to delay or impair the consummation of any such proposed Approved Sale; (ii) sell, transfer, and/or exchange, as the case may be, all of their Shares in such Approved Sale to such purchaser; (iii) refrain from exercising any dissenters' rights or rights of appraisal under applicable laws at any time with respect to or in connection with such proposed Approved Sale; and (iv) take all actions reasonably necessary to consummate the proposed Approved Sale. If any Dragged Shareholder does not elect to vote, or give its written consent with respect to, all the Shares held by them in favor of such proposed Approved Sale, such Dragged Shareholder shall be obligated to purchase all the Common Shares and/or the Preferred Shares held by the Drag-Along Shareholders under the same terms and conditions as offered by the Potential Purchaser of the Approved Sale. Notwithstanding any provision to the contrary, the share transfer restrictions of Section 4 of this Agreement shall not apply to any transfers made pursuant to this Section 5.

- 5.2 Representation and Undertaking. Any such sale or disposition by the Dragged Shareholders shall be on the terms and conditions as the proposed Approved Sale by the Potential Purchaser. Such Dragged Shareholders shall be required to make customary and usual representations and warranties in connection with the Approved Sale, including, without limitation, as to their ownership and authority to sell, free of all liens, claims and encumbrances of any kind, the shares proposed to be transferred or sold by such Persons or entities; and any violation or breach of or default under (with or without the giving of notice or the lapse of time or both) any law or regulation applicable to such Dragged Shareholders or any material contract to which such Dragged Shareholders is a party or by which they are bound and shall indemnify and hold harmless to the full extent permitted by law, the purchasers against all obligations, cost, damages, expenses, losses, judgments, assessments, or other liabilities arising out of, in connection with or related to any breach or alleged breach of any representation or warranty made by, or agreements, understandings or covenants of such Dragged Shareholders as the case may be, under the terms of the agreements relating to such Approved Sale. Each of the Group Companies undertakes to obtain all consents, permits, approvals, orders, authorizations or registrations, qualifications, designations, declarations or filings with any governmental authority or any third party, which are required to be obtained or made by them in connection with the Approved Sale. Each of the Dragged Shareholders undertakes to pay its pro rata share of expenses incurred in connection with such proposed Approved Sale.
- 5.3 Drag-Along Notice. Prior to making any Approved Sale in which the Drag-Along Shareholders wish to exercise their rights under Section 5, the Drag-Along Shareholders shall provide the Company and the Dragged Shareholders with written notice (the “Drag-Along Notice”) not less than thirty (30) days prior to the proposed closing date of the Approved Sale (the “Approved Sale Date”). The Drag-Along Notice shall set forth: (a) the name and address of the Potential Purchaser; (b) the proposed amount and form of consideration to be paid, and the terms and conditions of payment offered by the Potential Purchaser; (c) the Approved Sale Date; (d) the number of shares held of record by the Drag-Along Shareholders on the date of the Drag-Along Notice which form the subject to be transferred, sold or otherwise disposed of by the Drag-Along Shareholders; and (e) the number of shares of the Dragged Shareholders to be included in the Approved Sale.

- 5.4 Transfer Certificate. On the Approved Sale Date, each of the Drag-Along Shareholders and the Dragged Shareholders shall deliver or cause to be delivered an instrument of transfer and a certificate or certificates evidencing its Shares to be included in the Approved Sale, duly endorsed for transfer with signatures guaranteed, to such third party purchasers in the manner and at the address indicated in the Drag-Along Notice.
- 5.5 Payment. If the Drag-Along Shareholders or the Dragged Shareholders receive the purchase price for their shares or such purchase price is made available to them as part of an Approved Sale and, in either case they fail to deliver certificates evidencing their shares as described in this Section 5, they shall for all purposes be deemed no longer to be a shareholder of the Company (with the register of members of the Company updated to reflect such status), shall have no voting rights, shall not be entitled to any dividends or other distributions with respect to any shares held by them, shall have no other rights or privileges as a shareholder of the Company. In addition, the Company shall stop any subsequent transfer of any such shares held by such shareholders.

6. ADDITIONAL AGREEMENTS

- 6.1 Registration Rights. The Company hereby grants to the Shareholders such registration rights as set forth on Exhibit E.
- 6.2 Full Time Commitment.
- (i) Each of the Founders undertakes to the Investors that he/she will devote his/her working time and attention exclusively to the business of the Group, and will use his/her best efforts to promote the Group's interests at least until the first anniversary of a Qualified IPO unless his/her earlier resignation or an alternative arrangement is approved by the Investors. In addition, each of the Founders undertakes that, after the date hereof, he/her will, and will use his best effort to cause each other Key Employee (as defined in the Series D Share Purchase Agreement) to, remain employed by the Group Companies until the first anniversary of a Qualified IPO, unless agreed otherwise by the Board (including the affirmative votes of all of the Investor Directors), and duly execute a non-competition agreement with certain Group Company with non-competition period until the expiry of twelve (12) months after the date he or she ceases to work as an employee of any Group Company.
- (ii) Founder 1 hereby further undertakes to the Investors that he shall not found any Person other than the Group Companies except for passive financial investment in a Person (the "Acceptable Person") that does not engage in any business in competition with the business carried on by any Group Company, provided that Founder 1 shall not be a member of the board of directors of any Acceptable Person, nor have any management role in any Acceptable Person.

- 6.3 **Non-Competition.** Each Founder hereby undertakes to the Investors that commencing from the date of this Agreement until the expiry of twelve (12) months after the date he ceases to own directly or indirectly any Shares or work as an employee of any Group Company (the “**Non-competition Period**”), he will not, without the prior written consent of all of the Investors, either on his own account or through any of his Affiliates, or in conjunction with or on behalf of any other Person:
- (i) during the Non-competition Period, participate, assist, invest in, be concerned with, engaged or interested in, any business or entity in any manner, directly or indirectly, which is in competition with the business carried on by any Group Company;
  - (ii) during the Non-competition Period, solicit in any manner any Person who is or has been during the Non-competition Period a customer or client of any Group Company for the purpose of offering to such Person any goods or services similar to or competing with any of the businesses conducted by any Group Company;
  - (iii) during the Non-competition Period, solicit or entice away, or endeavour to solicit or entice away, any employee or officer of any Group Company;
  - (iv) at any time disclose to any Person, or use for any purpose, any information concerning the business, accounts, finance, transactions or intellectual property rights of any Group Company or any trade secrets or confidential information of or relating to any of the Group Companies; or
  - (v) solicit or entice away or attempt to solicit or entice away from any Group Company, any employee, consultant, supplier, customer, client, representative, or agent of such Group Company.
- 6.4 **Tax Matters.** The Group Company shall comply with the applicable tax laws and comply with all record-keeping, reporting, and other requirements necessary for a Preferred Shareholder’s compliance with any applicable tax laws. The Group Company shall use their respective commercially reasonable effort to avoid adverse tax status (such as “PRC resident enterprise” for any Group Company organized outside the PRC under the PRC tax laws, or “controlled foreign corporation” or “passive foreign investment company” under the U.S. tax laws). The Company shall also provide each Preferred Shareholder with any information reasonably requested by such Preferred Shareholder to enable such Preferred Shareholder to comply with any applicable U.S. tax laws and to make the appropriate tax determination or election (including the determination of whether the Company is a “controlled foreign corporation” or “passive foreign investment company” under the US tax laws).

- 6.5 Memorandum and Articles. In the event of any conflict or inconsistency between any of the terms of this Agreement and any of the terms of the Memorandum and Articles, the terms of this Agreement shall prevail in all respects as regards the Parties (other than the Company), the Parties (other than the Company) shall give full effect to and act in accordance with the provisions of this Agreement over the provisions of the Memorandum and Articles, and the Parties hereto (other than the Company) shall exercise all voting and other rights and powers (including to procure any required alteration to the Memorandum and Articles to resolve such conflict or inconsistency) to make the provisions of this Agreement effective.
- 6.6 Anti-Corruption. Each of the Covenantors covenants that it shall not, and shall not permit any of its Subsidiaries or Affiliates or any of its or their respective directors, administrators, officers, managers, board of directors (supervisory and management) members, employees, independent contractors, representatives or agents to, promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, any non-U.S. official, in each case, in violation of the FCPA or any other applicable anti-bribery or anti-corruption law. The Company further covenants that it shall, and shall cause each of its Subsidiaries and Affiliates to, cease all of its or their respective activities, as well as remediate any actions taken by the Company, its Subsidiaries or Affiliates, or any of its or their respective directors, administrators, officers, managers, board of directors (supervisory and management) members, employees, independent contractors, representatives or agents in violation of the FCPA or any other applicable anti-bribery or anti-corruption law. The Company further covenants that it shall, and shall cause each of its Subsidiaries and Affiliates to, maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA or any other applicable anti-bribery or anti-corruption law.
- 6.7 Internal Control System. The Group Companies shall, and the Covenantors shall cause each of the Group Companies to, maintain their books and records in accordance with sound business practices and implement and maintain an adequate system of procedures and controls with respect to finance, management, and accounting that meets national standards of good practice and is reasonably satisfactory to the Investor, to provide reasonable assurance that (i) transactions by it are executed in accordance with management's general or specific authorization, (ii) transactions by it are recorded as necessary to permit preparation of financial statements in conformity with PRC GAAP, consistently applied, and to maintain asset accountability, (iii) access to assets of it is permitted only in accordance with management's general or specific authorization, (iv) segregating duties for cash deposits, cash reconciliation, cash payment, proper approval is established, and (v) no personal assets or bank accounts of the employees, directors, officers are mingled with the corporate assets or corporate bank account, and no Group Company uses any personal bank accounts of any employees, directors, officers thereof during the operation of the business.
- 6.8 Waiver. By execution of this Agreement, each of the applicable Investors hereby irrevocably waives its right or claim against the Covenantors in relation to such Covenantors' failure to fully comply with any representations, warranties, covenants, obligations, liability, responsibility and incumbency (including but not limited to the post-closing covenants) of the Prior Financing Agreements.

6.9 Qualified IPO. Each of the Covenantors covenants that it shall use reasonable endeavours to ensure a closing of a Qualified IPO on or before 30 June 2018, or such other date as may be agreed between the Lead Investor, the Company and the Covenantors.

## 7. TERMINATION

This Agreement and all rights and covenants contained herein, including but not limited to those contained in Sections 2 through 6 (with the exception of the registration rights granted under Sections 6.1, 6.3, and 6.4 which shall survive the closing of a Qualified IPO in accordance with their terms), shall terminate on the closing of a Qualified IPO. If for the purpose of a Qualified IPO and as approved by the holders of a Requisite Percentage of the Preferred Shares, the Group is required or advised by counsels to conduct reorganization, the Investors may elect to waive any or all of its preferred or special rights hereunder, effective as of the completion of such reorganization; provided that, in the event that the Qualified IPO does not occur within twelve (12) months after the completion of such reorganization, the Covenantors shall take all such actions as necessary or desirable to restore all the rights and privileges of the Investors contained herein, including without limitation (i) causing the Company to amend the Memorandum and Articles, (ii) causing the Company to issue to the Investors applicable preferred class and number of Shares of the Company, and (iii) entering into agreements containing substantially the same terms and conditions hereof.

## 8. MISCELLANEOUS

8.1 Governing Law. This Agreement shall be governed by and construed under the laws of Hong Kong, without regard to principles of conflict of laws thereunder.

### 8.2 Dispute Resolution.

- (i) Any dispute, controversy or claim arising out of, in connection with or relating to this Agreement, including the interpretation, validity, invalidity, breach or termination thereof, shall be settled by arbitration.
- (ii) The arbitration shall be conducted in Hong Kong under the Hong Kong International Arbitration Centre Administered Arbitration Rules in force when the notice of arbitration is submitted in accordance with the said Rules. The number of arbitrators shall be three. The arbitration shall be conducted in the English language.
- (iii) Each party shall cooperate with the other in making full disclosure of and providing complete access to all information and documents requested by the other in connection with such arbitration proceedings, subject only to any doctrine of legal privilege or any confidentiality obligations binding on such party.

- (iv) The costs of arbitration shall be borne by the losing party, unless otherwise determined by the arbitration tribunal.
  - (v) When any dispute occurs and when any dispute is under arbitration, except for the matters in dispute, the parties shall continue to fulfill their respective obligations and shall be entitled to exercise their rights under this Agreement.
  - (vi) The award of the arbitration tribunal shall be final and binding upon the parties, and the prevailing party may apply to a court of competent jurisdiction for enforcement of such award.
  - (vii) Regardless of anything else contained herein, either party shall be entitled to seek preliminary injunctive relief from any court of competent jurisdiction pending the conclusion of the arbitration.
- 8.3 **Notices.** All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by an internationally recognized overnight courier service, by facsimile or registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the addresses specified in the Part VIII of the Exhibit A (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 8.3).
- 8.4 **Successors and Assigns.** Except as otherwise provided herein, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties whose rights or obligations hereunder are affected by such terms and conditions. This Agreement, and the rights and obligations hereunder, shall not be assigned without the mutual written consents of each of the Investors and the Company; provided that each Investor may without consent of the other Parties assign its rights and obligations to an Affiliate of it or to any third party purchaser in connection with the transfer of Shares held by such Investor to such third party purchaser so long as such transfer is made in accordance with this Agreement.
- 8.5 **Severability.** In case any provision of the Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. If, however, any provision of this Agreement shall be invalid, illegal, or unenforceable under any such applicable laws in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such Law.
- 8.6 **Waiver and Amendment.** Any Party may (a) extend the time for the performance of any of the obligations or other acts of another Party, (b) waive any inaccuracies in the representations and warranties of another Party contained herein or in any document delivered by another Party pursuant hereto or (c) waive compliance with any of the agreements of another Party or conditions to such Party's obligations contained herein. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the party to be bound thereby. Any waiver of any term or condition shall not be construed as a waiver of any subsequent breach or a subsequent waiver of the same term or condition, or a waiver of any other term or condition of this Agreement. The failure of any Party to assert any of its rights hereunder shall not constitute a waiver of any of such rights. This Agreement may not be amended or modified except (a) by an instrument in writing signed by the Company, the Common Shareholders holding eighty percent (80%) of the issued and outstanding Common Shares and the holders of a Requisite Percentage of Preferred Shares, or (b) by a waiver in accordance with the immediately preceding sentence.

- 8.7 Interpretation. For all purposes of this Agreement, except as otherwise expressly provided, (a) the defined terms shall have the meanings assigned to them in its definition and include the plural as well as the singular, and pronouns of either gender or neuter shall include, as appropriate, the other pronoun forms; (b) all references in this Agreement to designated “Sections” and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise, and all references in this Agreement to designated exhibits are to the exhibits attached to this Agreement unless explicitly stated otherwise, (c) the words “herein”, “hereof”, and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision, (d) the word “knowledge” means, with respect to a person’s “knowledge”, the actual knowledge of such person and that knowledge which should have been acquired by it after making due inquiry, (e) the titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement, (f) any reference in this Agreement to any “Party” or any other Person shall be construed so as to include its successors in title, permitted assigns and permitted transferees, (g) any reference in this Agreement to any agreement or instrument is a reference to that agreement or instrument as amended or novated and (h) this Agreement is jointly prepared by the Parties and should not be interpreted against any Party by reason of authorship.
- 8.8 Entire Agreement. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, among the Parties with respect to the subject matter hereof and thereof. Without limiting the generality of the foregoing, this Agreement supersedes, in its entirety, the Third Amended and Restated Shareholders’ Agreement, which shall be null and void and have no force or effect whatsoever as of the date hereof. The Parties hereto that are parties to the Third Amended and Restated Shareholders’ Agreement hereby irrevocably waive any and all rights that they may have against any other party under the Third Amended and Restated Shareholders’ Agreement in exchange for their rights hereunder.
- 8.9 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile and e-mailed copies of signatures shall be deemed to be originals for purposes of the effectiveness of this Agreement.

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IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**GROUP COMPANIES**

**AURORA MOBILE LIMITED**

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Director

**UA MOBILE LIMITED**

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Director

**KK MOBILE INVESTMENT LIMITED**

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Director

**SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD.**

(XXXXXXXXXXXXXXXXXX)

Company seal: /s/ SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD.

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Legal Representative

**JPUSH INFORMATION CONSULTATION (SHENZHEN) CO., LTD.**

(XXXXXXXXXXXXXXXXXX)

Company seal: /s/ JPUSH INFORMATION CONSULTATION (SHENZHEN) CO., LTD.

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Legal Representative

IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**FOUNDER PARTIES**

**KK MOBILE LIMITED**

By: /s/ LUO Weidong

Name: LUO Weidong

Title: Director

**STABLE VIEW LIMITED**

By: /s/ WANG Xiaodao

Name: WANG Xiaodao

Title: Director

**FOCUS AXIS LIMITED**

By: /s/ FANG Jiawen

Name: FANG Jiawen

Title: Director

**ELITE BRIGHT INTERNATIONAL LIMITED**

By: /s/ CHEN Fei

Name: CHEN Fei

Title: Director

Signature Pages of the Fourth Amended and Restated Shareholders' Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**FOUNDER PARTIES**

**LUO WEIDONG (罗卫东)**

*/s/ LUO WEIDONG*

---

**WANG XIAODAO (王 Xiaodao)**

*/s/ WANG XIAODAO*

---

**FANG JIAWEN (方 健文)**

*/s/ FANG JIAWEN*

---

**CHEN FEI (陈 飞)**

*/s/ CHEN FEI*

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Signature Pages of the Fourth Amended and Restated Shareholders' Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**ANGEL INVESTOR**

**MANDRA IBASE LIMITED**

By: /s/ Song Yi Zhang

Name: Song Yi ZHANG

Title: Director

Signature Pages of the Fourth Amended and Restated Shareholders' Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**IDG**

**IDG-ACCEL CHINA GROWTH FUND III L.P.**

By: IDG-Accel China Growth Fund III Associates L.P.,  
its General Partner

By: IDG-Accel China Growth Fund GP III Associates Ltd.,  
its General Partner

By: /s/ Chi Sing Ho

Name: Chi Sing Ho

Title: Authorized Signatory

**IDG-ACCEL CHINA III INVESTORS L.P.**

By: IDG-Accel China Growth Fund GP III Associates Ltd.,  
its General Partner

By: /s/ Chi Sing Ho

Name: Chi Sing Ho

Title: Authorized Signatory

Signature Pages of the Fourth Amended and Restated Shareholders' Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**Guohai**

**Shenzhen Guohai Chuangxin Investment Management Limited  
Corporation (深圳国海创信投资管理有限公司)**

By: /s/ Meng Lang

Name: Meng Lang

Title: Authorized Signatory

Signature Pages of the Fourth Amended and Restated Shareholders' Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**Fosun**

**Greatest Investments Limited**

By: /s/ Donghui Pan  
Name: Donghui Pan  
Title: Authorized Signatory

Signature Pages of the Fourth Amended and Restated Shareholders' Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**HAKIM**

**HAKIM International Development Co., Limited**

By: /s/ Yan Wu  
Name: Yan Wu  
Title: Authorized Signatory

Signature Pages of the Fourth Amended and Restated Shareholders' Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**TCL**

**T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD**

By: /s/ Liao Qian  
Name: Liao Qian  
Title: Authorized Signatory

Signature Pages of the Fourth Amended and Restated Shareholders' Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**Genesis**

**Genesis Ventures Limited**

By: /s/ OEI Kang Eric  
Name: OEI Kang Eric  
Title: Authorized Signatory

Signature Pages of the Fourth Amended and Restated Shareholders' Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**Fidelity**

**For and on behalf of:  
Fidelity Investment Funds  
Fidelity Funds**

By: /s/ Leng NG  
Name: Leng NG  
Title: Authorized Signatory

Signature Pages of the Fourth Amended and Restated Shareholders' Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Shareholders' Agreement as of the date first above written.

**Fidelity**

**For and on behalf of  
Fidelity China Special Situations PLC**

By: /s/ Christopher Pirnie  
Name: Christopher Pirnie  
Title: Authorized Signatory

Signature Pages of the Fourth Amended and Restated Shareholders' Agreement

EXHIBIT A  
PARTIES

Part I Series A Investors

1. IDG-ACCEL CHINA GROWTH FUND III L.P.;
2. IDG-ACCEL CHINA III INVESTORS L.P.;
3. Elite Bright International Limited;
4. Mandra iBase Limited; and
5. Genesis Ventures Limited.

Part II Founder Parties

1. LUO WEI DONG (卢伟东), a Chinese citizen (residential ID number: #####) (the “Founder 1”),
2. WANG XIAO DAO (王晓刀), a Chinese citizen (residential ID number: #####) (the “Founder 2”),
3. FANG JIA WEN (方家文), a Chinese citizen (residential ID number: #####) (the “Founder 3”),
4. CHEN FEI (陈飞), a Hong Kong resident (residential ID number: #####) (the “Founder 4”, together with Founder 1, Founder 2 and Founder 3, the “Founders” and each a “Founder”),
5. KK Mobile Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the “Founder Holdco 1”),
6. Stable View Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the “Founder Holdco 2”),
7. Focus Axis Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the “Founder Holdco 3”), and
8. Elite Bright International Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the “Founder Holdco 4”).

The ownership structure of the Founder Holdco 1 is as follows:

Shareholder	Shareholding Percentage
Luo Weidong	100%

The ownership structure of the Founder Holdco 2 is as follows:

Shareholder	Shareholding Percentage
Wang Xiaodao	100%

The ownership structure of the Founder Holdco 3 is as follows:

Shareholder	Shareholding Percentage
Fang Jiawen	100%

The ownership structure of the Founder Holdco 4 is as follows:

Shareholder	Shareholding Percentage
Chen Fei	100%

### Part III Major Subsidiaries

1. UA MOBILE LIMITED, a limited liability company duly established and validly existing under the laws of British Virgin Islands and a wholly owned subsidiary of the Company (the “BVI Company”),
2. KK MOBILE INVESTMENT LIMITED, a company duly established and existing under the laws of Hong Kong and a wholly owned subsidiary of the BVI Company (the “HK Company”),
3. SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD. (深圳合讯华谷信息技术有限公司), a company duly established and existing under the laws of the PRC (the “Domestic Company”), and
4. JPUSH INFORMATION CONSULTATION (SHENZHEN) CO., LTD. (捷普信息咨询有限公司), a wholly foreign owned enterprise duly established and existing under the laws of the PRC (the “WFOE”).

### Part IV Angel Investor

1. Mandra iBase Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the “Angel Investor”).

### Part V Series B Investors

1. Greatest Investments Limited (“Fosun”);
2. IDG-ACCEL CHINA GROWTH FUND III L.P.;
3. IDG-ACCEL CHINA III INVESTORS L.P.;

4. Elite Bright International Limited; and

5. Mandra iBase Limited.

Part VI Series C Investors

1. Greatest Investments Limited (“Fosun”);

2. Shenzhen Guohai Chuangxin Investment Management Limited Corporation(深圳前海创业信投资管理有限公司) (“Guohai”);

3. T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD (“TCL”);

4. Mandra iBase Limited (“Mandra”);

5. Genesis Ventures Limited (“Genesis”).

Part VII Series D Investors

1. Fidelity Investment Funds;

2. Fidelity Funds;

3. Fidelity China Special Situations PLC (collectively, “Fidelity”).

Part VIII Notice Address

For the purpose of the notice provisions contained in this Agreement, the following are the initial addresses of each party:

If to any of the Group Companies and the Founder Parties:

c/o: SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD. (深圳合讯华古信息技术有限公司)

Attn:

Fax:

Mobile:

If to Guohai:

Attention:

Address:

Email:

If to IDG:

c/o: IDG Capital Management (HK) Ltd.

Attention:  
Address:  
Fax:

With a copy to:

Attention: Ms. Bin Li  
Address:  
Fax:

If to Fosun:

c/o: Greatest Investments Limited

Attention:  
Address:  
Email:

with a copy to (not constituting notice):

Attention:  
Address:  
Email:

If to TCL:

c/o: T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD

Attention:  
Address:  
Email:

If to Mandra:

c/o: Mandra iBase Limited

Attention:  
Address:

Fax:  
Tel:

If to Genesis:

c/o: Genesis Ventures Limited

Attention:  
Address:  
Email:

If to Fidelity:

c/o: FIL Investment Management (Hong Kong) Limited

Attention:

Address:

Email:



“ <u>Founder Parties</u> ”	has the meaning set forth in the preamble.
“ <u>Genesis</u> ”	has the meaning set forth in <u>Part VI</u> of <u>Exhibit A</u> .
“ <u>Guohai</u> ”	has the meaning set forth in <u>Part VI</u> of <u>Exhibit A</u> .
“ <u>Guohai and Fosun Series C Share Purchase Agreement</u> ”	has the meaning set forth in the recitals.
“ <u>Guohai Director</u> ”	has the meaning set forth in <u>Section 2.1(i)(a)</u> .
“ <u>Group Company</u> ”	means each of the Company and its subsidiaries (including the Major Subsidiaries), and “ <u>Group</u> ” refers to all of Group Companies collectively.
“ <u>HAKIM</u> ”	has the meaning set forth in the preamble.
“ <u>Hong Kong</u> ”	means the Hong Kong Special Administrative Region of the PRC.
“ <u>HK Company</u> ”	has the meaning set forth in <u>Part III</u> of <u>Exhibit A</u> .
“ <u>IDG</u> ”	means, collectively, IDG-ACCEL CHINA GROWTH FUND III L.P. and IDG-ACCEL CHINA III INVESTORS L.P..
“ <u>IDG Director</u> ”	has the meaning set forth in <u>Section 2.1(i)(c)</u> .
“ <u>IFRS</u> ”	means International Financial Reporting Standards, as amended from time to time.
“ <u>Investors</u> ”	has the meaning set forth in the preamble.
“ <u>Investor Directors</u> ”	has the meaning set forth in <u>Section 2.1(i)(c)</u> .
“ <u>Issuance Notice</u> ”	has the meaning set forth in <u>Section 3.2</u> .
“ <u>Lead Investor</u> ”	means one and only one lead investor of future series financing as defined in such shares purchase agreement.
“ <u>Major Subsidiary</u> ”	has the meaning set forth in the preamble.
“ <u>Memorandum and Articles</u> ”	means the Company’s Memorandum and Articles of Association, as may be amended and/or restated from time to time.
“ <u>New Shares</u> ”	means any equity securities of the Company issued after the date hereof, except for:

(i) Common Shares, or any option to acquire any Common Shares, issued to employees, officers, consultants or directors of the Company pursuant to the ESOP and as approved by the Board (including the affirmative votes of all of the Investor Directors and the Angel Investor Director), provided the number of such Common Shares shall not be more than 10% of the Company’s share capital (calculated on a fully diluted basis);

(ii) Common Shares issued upon conversion of the Preferred Shares;

(iii) share dividend paid to all Shareholders (including the Preferred Shareholders) in proportion to their shareholding percentage;

(iv) equity securities of the Company issued in connection with any share split, share dividend, combination, or similar transaction of the Company that does not change the relative shareholding percentage of the Shareholders;

(v) shares of the Company issued in the Qualified IPO of the Company;

(vi) Preferred Shares to be issued pursuant to the Series D Share Purchase Agreement;

(vii) equity securities of the Company issued upon the exercise or conversion of any option issued prior to the issuance date of the Series D Shares;

(viii) equity securities issued pursuant to the transactions with strategic partners as approved by the Board (including the affirmative votes of all of the Investor Directors and the Angel Investor Director) and the holders of a Requisite Percentage of the Series D Shares; or

(ix) equity securities issued for the purpose of obtaining financing or financial leasing by financial institutions as approved by the Board (including the affirmative votes of all of the Investor Directors and the Angel Investor Director) and the holders of a Requisite Percentage of the Series D Shares.

“Non-competition Period”

has the meaning set forth in [Section 6.4](#).

“Observer”

has the meaning set forth in [Section 2.3](#).

“Offered Shares”

has the meaning set forth in [Section 1.1](#) of [Exhibit D](#).

“Over-Allotment New Shares”

has meaning set forth in [Section 3.2\(iii\)](#).

“Party”

has the meaning set forth in the preamble.

“Permitted Transfer”

has the meaning set forth in [Section 4.1\(i\)](#).

“Person”

shall be construed as broadly as possible and shall include an individual, a partnership (including a limited liability partnership), a company, an association, a joint stock company, a limited liability company, a trust, a joint venture, a legal person, an unincorporated organization and a governmental authority.

“Potential Purchaser”

has the meaning set forth in [Section 5.1](#).

“PRC”

means the People’s Republic of China, but solely for the purposes of this Agreement, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and the islands of Taiwan.

“Preferred Shares”

means the Company’s Series A Shares and/or Series B Shares and/or Series C Shares and/or Series D Shares.

“Preferred Shareholder”

means the holders of the Preferred Shares.

“Prospective Purchaser”

has the meaning set forth in [Section 1.1](#) of [Exhibit D](#).

“Purchasing Shareholder”

has meaning set forth in [Section 3.2\(iii\)](#).

“Qualified IPO”

has the meaning set forth in the Memorandum and Articles.

“Requisite Percentage”

means sixty percent (60%)

“Right of Co-Sale”

has the meaning set forth in [Section 2.1](#) of [Exhibit D](#).

“ <u>Right of First Refusal</u> ”	has the meaning set forth in <u>Section 1.2(i)</u> of <u>Exhibit D</u> .
“ <u>ROFR Option Period</u> ”	has the meaning set forth in <u>Section 1.2(i)</u> of <u>Exhibit D</u> .
“ <u>Series A Investors</u> ”	has the meaning set forth in the preamble.
“ <u>Series A Shares</u> ”	has the meaning set forth in the recitals.
“ <u>Series A Share Purchase Agreement</u> ”	has the meaning set forth in the recitals.
“ <u>Series B Investors</u> ”	has the meaning set forth in the preamble.
“ <u>Series B Shares</u> ”	has the meaning set forth in the recitals.
“ <u>Series B Share Purchase Agreement</u> ”	has the meaning set forth in the recitals.
“ <u>Series C Investors</u> ”	has the meaning set forth in the preamble.
“ <u>Series C Shares</u> ”	has the meaning set forth in the recitals.
“ <u>Series D Investors</u> ”	has the meaning set forth in the preamble.
“ <u>Series D Share Purchase Agreement</u> ”	has the meaning set forth in the recitals.
“ <u>Series D Shares</u> ”	has the meaning set forth in the recitals.
“ <u>Shares</u> ”	means the Common Shares and/or the Preferred Shares.
“ <u>Shareholders</u> ”	means the holder of the Shares.
“ <u>Signing Date</u> ”	has the meaning set forth in the preamble.
“ <u>TCL</u> ”	has the meaning set forth in <u>Part VI</u> of <u>Exhibit A</u> .
“ <u>TCL Series C Share Purchase Agreement</u> ”	has the meaning set forth in the recitals.
“ <u>Transfer Notice</u> ”	has the meaning set forth in <u>Section 1.1</u> of <u>Exhibit D</u> .
“ <u>Transferor</u> ”	has the meaning set forth in <u>Section 1.1</u> of <u>Exhibit D</u> .
“ <u>U.S.</u> ”	means the United States of America.
“ <u>US\$</u> ”	means the lawful currency of the United States of America.
“ <u>WFOE</u> ”	has the meaning set forth in <u>Part III</u> of <u>Exhibit A</u> .

EXHIBIT C  
PROTECTIVE PROVISIONS

1. Amendment or change of, or addition of such provision as to the rights, obligations, preferences, privileges or powers of, or the restrictions provided for the benefit of the Preferred Shares or dilute the equity interests owned by the Preferred Shareholders in the Company;
2. Action to authorize, create or issue shares of any class or series of any Group Company whether the shares having preferences superior to or on a parity with the Preferred Shares or not;
3. In respect of Series D Shares, action to authorize, create or issue shares of any class or series of any Group Company at a price lower than the original purchase price paid for the Series D Shares pursuant to the Series D Share Purchase Agreement;
4. Reclassification of any outstanding security having rights, preferences or privileges senior to or on parity with the Preferred Shares;
5. Material amendment or change of the Memorandum and Articles of the Company;
6. Issuance or sale of any new equity or debt securities or warrant, option or other right to purchase any equity or debt security of any Group Company, in a single transaction or a series related transactions, with the exception of any shares issued pursuant to the ESOP or upon conversion of Preferred Shares;
7. Redemption or repurchase or cancellation of any equity securities of any Group Company;
8. Liquidation, dissolution or winding-up of any Group Company;
9. Action that results in any merger, consolidation, or other corporate reorganization, or any transaction or series of transactions in which in excess of fifty percent (50%) of any Group Company's voting power is transferred or in which all or substantially all of the assets of any Group Company are sold, or all or substantially all of the intellectual properties are licensed;
10. Declaration or payment of any dividend on any Share of the Company or equity securities of any other Group Company;
11. Execution of the transactions involving an amount in excess of US\$300,000, including but not limited to any indebtedness, guarantee for indebtedness, providing loan to any third party, monthly expense outside the annual budget, purchase, mortgage, lease, transfer or disposal of business or assets, transfer of management right, grant of intellectual property right, extension by any Group Company of any loan or guarantee for indebtedness, or other transactions in similar nature (except for those transactions existing as of the date hereof), either in a transaction or series related transactions;
12. Establishment of any joint venture or partnership other than any strategic alliance not involving any equity or equity-related investment;

13. Action that results in the increase or decrease of the authorized size of the board of director of the Company, or changes the manner in which the Directors are appointed;
14. Action that results in the material change of the accounting and financial policies of any Group Company; or any action that results in appointment or change of auditors of any Group Company;
15. Material change to the business plan, annual budget or annual final accounts of any Group Company, cease to conduct or carry on any Group Company's business substantially as currently conducted by any Group Company, or change of any material part of the Company's business;
16. Related party transaction or a series of related party transactions involving both any Group Company on the one hand, and any shareholder, director, officer or employee of any Group Company, or any Affiliate of a shareholder or any of its officers, directors, or shareholders other than those transactions approved by the budget or in the ordinary course of business of the Company;
17. Appointment or replacement of the Chief Executive Officer, Chief Operation Officer, Chief Financial Officer, or Chief Technology Officer (if applicable) of the Group or the equivalent positions of the foregoing;
18. Effectuation of any of the foregoing, as applicable, with respect to any direct or indirect subsidiary or Affiliate; or
19. Agreement or commitment to do any of the foregoing.

EXHIBIT D  
TERMS OF THE RIGHT OF FIRST REFUSAL AND RIGHT OF CO-SALE

All reference in this Exhibit to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Exhibit, unless explicitly stated otherwise.

1. RIGHTS OF FIRST REFUSAL.

1.1 Transfer Notice. If any holder of Common Shares (other than the Common Shares converted from Preferred Shares or the Common Shares held by the Angel Investor) (a "Transferor") proposes to transfer, directly or indirectly, all or any portion of Common Shares to one or more third party purchasers (the "Prospective Purchaser"), then the Transferor shall give the Company, each Preferred Shareholders (each of such Preferred Shareholders a "Non-Selling Shareholder", and collectively, the "Non-Selling Shareholders") a written notice of the Transferor's intention to make the transfer (the "Transfer Notice"), which shall include (a) a description of the Common Shares to be transferred (the "Offered Shares"), (b) the identity of the Prospective Purchaser(s) and (c) the consideration and the material terms and conditions upon which the proposed transfer is to be made. The Transfer Notice shall certify that the Transferor has received a definitive offer from the Prospective Purchaser on the terms set forth in the Transfer Notice.

1.2 Right of First Refusal.

- (i) Each Non-Selling Shareholder shall have an option (the "Right of First Refusal") for a period of fifteen (15) days following receipt of the Transfer Notice (the "ROFR Option Period") to elect to purchase all or any portion of its respective pro rata share of the Offered Shares set out in Transfer Notice at the same price and subject to the same material terms and conditions as described in the Transfer Notice, by notifying the Transferor and the Company in writing before expiration of the ROFR Option Period as to the number of such Offered Shares that it wishes to purchase. For the purposes of the Right of First Refusal hereunder, each Non-Selling Shareholder's "pro rata share" shall be determined according to the aggregate number of all Common Shares as is (excluding all of the Common Shares held by the Founder Parties) and all Common Shares convertible from the Preferred Shares (if any) held by such Non-Selling Shareholder on the date of the Transfer Notice in relation to the aggregate number of all Common Shares as is (excluding all of the Common Shares held by the Founder Parties) and all Common Shares convertible from the Preferred Shares (if any) held by all Non-Selling Shareholders on such date.
- (ii) If any such Non-Selling Shareholder fails to exercise its right to purchase its full pro rata share of the available Offered Shares, the Transferor shall deliver a written re-allotment notice within five (5) days after the expiration of the ROFR Option Period to the Company and each Non-Selling Shareholder that elected to purchase its entire pro rata share of the Offered Shares. Each such Non-Selling Shareholder shall have a right of re-allotment, and may exercise an additional right to purchase such unpurchased Offered Shares by notifying the Transferor and the Company in writing within ten (10) days after receipt of such re-allotment notice; provided, however, that if such Non-Selling Shareholders that elect to purchase unpurchased Offered Shares desire to purchase in aggregate more than the number of such unpurchased Offered Shares, then such unpurchased Offered Shares will be allocated to the extent necessary among such Non-Selling Shareholders in accordance with their relative total number of Common Shares as is (excluding all of the Common Shares held by the Founder Parties) and Common Shares convertible from the Preferred Shares (if any) held by each of them on such date.

(iii) Each Non-Selling Shareholder shall be entitled to apportion Offered Shares to be purchased among its Affiliates, provided that such Non-Selling Shareholder notifies the Company and the Transferor in writing.

1.3 Procedure. If any Non-Selling Shareholder gives the Transferor notice that it desires to purchase Offered Shares, and, as the case may be, its re-allotment, then payment for the Offered Shares to be purchased shall be by wire transfer in immediately available funds of the appropriate currency, against allotment of such Offered Shares to be purchased, at a place agreed to by the Transferor and all the participating Non-Selling Shareholders and at the time of the scheduled closing therefor, no later than sixty (60) days after the Company's and the participating Non-Selling Shareholder's receipt of the Transfer Notice. If the Transferor and the participating Non-Selling Shareholders cannot agree on the value of the purchase price payable in property other than cash, then the value of such property shall be established by an appraiser of internationally recognized standing jointly selected by the Transferor and the Non-Selling Shareholders that have elected to purchase a majority of the Offered Shares, and if such valuation is not completed within the aforementioned sixty-day period, then the closing of the purchase of Offered Shares by the Non-Selling Shareholders shall be held on or prior to the ten (10) days after such valuation is completed.

## 2. RIGHT OF CO-SALE

2.1 Right of Co-Sale. To the extent the Non-Selling Shareholders do not exercise their Rights of First Refusal as to all of the Offered Shares proposed to be sold by the Transferor to the Prospective Purchaser, each Non-Selling Shareholder that elects not to purchase all or any portion of its respective pro rata share of the Offered Shares shall have the right (the "Right of Co-Sale") to participate in such sale to sell to the Prospective Purchaser its pro-rata share of the remaining Offered Shares not purchased pursuant to the Right of First Refusal, on the same terms and conditions as specified in the Transfer Notice as offered to the Transferor by notifying the Transferor in writing within the ROFR Option Period (such participating Non-Selling Shareholder a "Co-Sale Shareholder"). Such Co-Sale Shareholder's notice to the Transferor shall indicate the number of Shares the Co-Sale Shareholder wishes to sell under its Right of Co-Sale. To the extent one or more Non-Selling Shareholders exercise Right of Co-Sale, the number of Common Shares of the Company that the Transferor may sell in the proposed transfer shall be correspondingly reduced proportionally. For the purposes of the Right of Co-Sale hereunder, each Co-Sale Shareholder's "pro rata share" shall be determined according to the aggregate number of all Common Shares as is (excluding all of the Common Shares held by the Founder Parties) and all Common Shares convertible from the Preferred Shares held by such Co-Sale Shareholders (if any) on the date of the Transfer Notice in relation to the aggregate number of all Shares (calculated on an as converted to Common Shares basis) held by the Transferor and all Shares (calculated on an as converted to Common Shares basis but excluding all of the Common Shares as is held by the Founder Parties) held by all the Co-Sale Shareholders on such date.

- 2.2 **Procedure.** The sale of the Shares to the Prospective Purchaser by the Co-Sale Shareholders shall be consummated simultaneously with the sale by the Transferor. To the extent that any Prospective Purchaser prohibits the exercise of a Co-Sale Shareholder's Right of Co-Sale hereunder, the Transferor shall not sell to such Prospective Purchaser any Shares unless and until, simultaneously with such sale, the Transferor shall purchase from such Co-Sale Shareholder such Shares that such Co-Sale Shareholder would otherwise be entitled to sell to the Prospective Purchaser pursuant to its Right of Co-Sale. Each of the Founder Parties agrees and undertakes to those Shareholders, who are entitled to exercise the Right of Co-Sale under this Section 2, that if such Founder Party is the Transferor under this Section, it will strictly follow and comply with the provisions under this Section, otherwise such Founder Party shall not sell to such Prospective Purchaser any Shares. Each of the Founders also agrees and undertakes to those Shareholders, who are entitled to exercise the Right of Co-Sale under this Section 2, that he would use his best efforts to procure the respective Founder Party to comply with this Section 2.
- 2.3 **Put Option.** In the event the Transferor should sell any Offered Shares in contravention of a Co-Sale Shareholder's Right of Co-Sale hereunder (a "**Prohibited Transfer**"), such Co-Sale Shareholder, in addition to such other remedies as may be available at law, in equity or hereunder, shall have the put option provided below, and such Transferor shall be bound by the applicable provisions of such option.
- 2.4 In the event of a Prohibited Transfer, each of
- (i) the Co-Sale Shareholders shall have the right to sell to the Transferor the type and number of equity securities equal to the number of equity securities such Co-Sale Shareholder would have been entitled to transfer to the Prospective Purchaser under this Section 2 had the Prohibited Transfer been effected pursuant to and in compliance with the terms hereof. Such sale shall be made on the following terms and conditions.
  - (ii) The price per share at which the Shares are to be sold to the Transferor shall be equal to the price per share that would have been paid by the Prospective Purchaser to the Co-Sale Shareholders and the Transferor in the Prohibited Transfer. The Transferor shall also reimburse each Co-Sale Shareholders for any and all reasonable fees and expense, including legal fees and expenses, incurred pursuant to the exercise or the attempted exercise of such Co-Sale Shareholder's rights under this Section 2.

- (iii) Within ninety (90) days after the later of the dates on which any Co-Sale Shareholder (x) received notice of the Prohibited Transfer or (y) otherwise becomes aware of the Prohibited Transfer, such Co-Sale Shareholder shall, if exercising the option created hereby, deliver to the Transferor an instrument of transfer and either the certificate or certificates representing shares to be sold under this Section 2 by such Co-Sale Shareholder, each certificate to be properly endorsed for transfer, or an affidavit of lost certificate. The Transferor shall, upon receipt of the foregoing, pay the aggregate purchase price therefor and the amount of reimbursable fees and expenses, in cash by wire transfer of immediately available funds or by other means acceptable to such Co-Sale Shareholder. The Company shall concurrently therewith record such transfer on its books and update its register of members and will promptly thereafter and in any event within five (5) days reissue certificates, as applicable, to the Transferor and the Investors reflecting the new securities held by them giving effect to such transfer.

### 3. NON-EXERCISE OF RIGHTS.

- 3.1 Transfer of Remaining Offered Shares. To the extent that the Non-Selling Shareholders have not exercised their Right of First Refusal hereunder to purchase all Offered Shares, subject to the right of the Non-Selling Shareholders to exercise their Co-Sale Right hereunder, the Transferor shall have a period of sixty (60) days from the expiration of the Right of First Refusal and Right of Co-Sale in which to sell the remaining Offered Shares to the Prospective Purchaser upon terms and conditions (including the purchase price) no more favorable to the Prospective Purchaser than those specified in the Transfer Notice. The Parties agree that the Prospective Purchaser, prior to and as a condition to the consummation of any sale, shall execute and deliver to the Parties instruments assuming the obligations of such Transferor under this Agreement with respect to the Offered Shares, and the transfer shall not be effective and shall not be recognized by any Party until such instruments are so executed and delivered.
- 3.2 Re-invocation of Rights. In the event the Transferor does not consummate the transfer of any Offered Shares within such sixty (60) day period, the Right of First Refusal and Right of Co-Sale shall be re-invoked and shall be applicable to any subsequent disposition of such Offered Shares by the Transferor until such rights lapse in accordance with the terms hereof.
- 3.3 Subsequent Transfer. The exercise or non-exercise of the Right of First Refusal and Right of Co-Sale in respect of a particular proposed transfer shall not adversely affect their the Right of First Refusal and Right of Co-Sale of subsequent proposed transfer.

### 4. GENERAL

- 4.1 Valuation of Non-Cash Consideration. In the event that the Parties cannot agree on value of the consideration payable in property other than cash, then the value of such property shall be established by an internationally reputable appraiser selected by the applicable Non-Selling Shareholders that have elected to purchase a majority of the Offered Shares to be purchased by the Non-Selling Shareholders. If such valuation is not completed before the deadline for closing of the sale of the Offered Shares to the Non-Selling Shareholders, then such deadline shall be extended to the date that is ten (10) days after such valuation is completed.

4.2 Apportion. Each Non-Selling Shareholder may apportion Offered Shares that it is entitled to purchase pursuant to its Right of First Refusal among its Affiliates; provided that such Non-Selling Shareholder notifies the Transferor and the Company in writing.

EXHIBIT E  
TERMS OF THE REGISTRATION RIGHTS

All reference in this Exhibit to designated “Sections” and other subdivisions are to the designated Sections and other subdivisions of the body of this Exhibit, unless explicitly stated otherwise.

1. Definitions. The following terms used herein shall have the meanings ascribed to the below:

- 1.1 “Commission” means (i) with respect to any offering of securities in the United States, the Securities and Exchange Commission of the United States or any other federal agency at the time administering the Securities Act and (ii) with respect to any offering of securities in a jurisdiction other than the United States, the regulatory body of the jurisdiction with authority to supervise and regulate the offering and sale of securities in that jurisdiction.
- 1.2 “Exchange Act” means the United States Securities Exchange Act of 1934, as amended.
- 1.3 “Form F-3” means Form F-3 promulgated by the Commission under the Securities Act or any successor form or substantially similar form then in effect.
- 1.4 “Form S-3” means Form S-3 promulgated by the Commission under the Securities Act or any successor form or substantially similar form then in effect.
- 1.5 “Holders” means the holders of Registrable Securities who are parties to this Agreement from time to time, and their transferees that become parties to this Agreement from time to time.
- 1.6 “Initiating Holders” means, with respect to a request duly made under Section 2.1 or 2.2 hereof to Register any Registrable Securities, the Holders initiating such request.
- 1.7 “IPO” means the first firm underwritten registered public offering by the Company of its Common Shares pursuant to a Registration Statement that is filed with and declared effective by either the Commission under the Securities Act or another governmental authority for a public offering in a jurisdiction other than the United States.
- 1.8 “Registrable Securities” means (i) the Common Shares issued or issuable upon conversion of the Preferred Shares, (ii) any Common Shares owned or hereafter acquired by any Preferred Shareholder, and (iii) any Common Shares of the Company issued as a dividend or other distribution with respect to, in exchange for, or in replacement of, the shares referenced in (i) and (ii) herein.
- 1.9 “Registration” means a registration effected by preparing and filing a Registration Statement and the declaration or ordering of the effectiveness of that Registration Statement; and the terms “Register” and “Registered” have meanings concomitant with the foregoing.

- 1.10 “Registration Statement” means a registration statement prepared on Form F-1, F-3, S-1, or S-3 under the Securities Act (including, without limitation, Rule 415 under the Securities Act), or on any comparable form in connection with registration in a jurisdiction other than the United States.
- 1.11 “Securities Act” means the United States Securities Act of 1933, as amended.
- 1.12 “Violation” has the meaning set forth in Section 5.1(i) hereof.
- 1.13 Except where the context requires otherwise, capitalized terms used herein without definition shall have the meanings set forth in the Exhibit B of this Agreement.

## 2. Demand Registration.

- 2.1 Registration Other Than on Form F-3 or Form S-3. Subject to the terms of this Agreement, at any time or from time to time after the earlier of (i) January 1, 2020 or (ii) the date that is twelve (12) months after the closing of the IPO, Holder(s) holding at least 50% or more of the issued and outstanding Preferred Shares (or Common Shares issued upon the conversion of the Preferred Shares) or the Angel Investor may request in writing that the Company effect a Registration for at least 20% of their Registrable Securities (or any lesser percentage if the anticipated gross receipts from the offering exceed US\$5,000,000) on any internationally recognized exchange that is reasonably acceptable to such requesting Holder(s). Upon receipt of such a request, the Company shall (x) within two (2) days of the receipt of such written request give written notice of the proposed Registration to all other Holders and (y) as soon as practicable, use its best efforts to cause the Registrable Securities specified in the request, together with any Registrable Securities of any Holder who requests in writing to join such Registration within fifteen (15) days after the receipt of such written notice, to be Registered and/or qualified for sale and distribution in such jurisdiction as the Initiating Holders may request. The Company shall not be obligated to effect more than two (2) Registrations pursuant to Section 2.1 hereof that have been declared and ordered effective; provided that if the sale of all of the Registrable Securities sought to be included pursuant to this Section 2.1 hereof is not consummated for any reason other than due to the action or inaction of the Holders including Registrable Securities in such Registration, such Registration shall not be deemed to constitute one of the Registration rights granted pursuant to Section 2.1 hereof.
- 2.2 Registration on Form F-3 or Form S-3. Subject to the terms of this Agreement, if the Company qualifies for registration on Form F-3 or Form S-3 (or any comparable form for Registration in a jurisdiction other than the United States), any Holder may request the Company to file, in any jurisdiction in which the Company has had a registered underwritten public offering, a Registration Statement on Form F-3 or Form S-3 (or any comparable form for Registration in a jurisdiction other than the United States), including without limitation any registration statement filed under the Securities Act providing for the registration of, and the sale on a continuous or a delayed basis by the Holders of, all of the Registrable Securities pursuant to Rule 415 under the Securities Act and/or any similar rule that may be adopted by the Commission. Upon receipt of such a request, the Company shall (i) promptly give written notice of the proposed Registration to all other Holders and (ii) as soon as practicable, use its best efforts to cause the Registrable Securities specified in the request, together with any Registrable Securities of any Holder who requests in writing to join such Registration within fifteen (15) days after the Company’s delivery of written notice, to be Registered and qualified for sale and distribution in such jurisdiction within sixty (60) days of the receipt of such request. The Holders shall be entitled to an unlimited number of registrations on Form F-3 or Form S-3 so long as such registration offerings are in excess of US\$500,000; provided that, the Company shall be obligated to effect no more than two (2) Registrations that have been declared and ordered effective within any twelve (12)-month period pursuant to Section 2.2 hereof; provided further that, if the sale of all of the Registrable Securities sought to be included pursuant to Section 2.2 hereof is not consummated for any reason other than due to the action or inaction of the Holders including Registrable Securities in such Registration, such Registration shall not be deemed to constitute one of the Registration rights granted pursuant to Section 2.2 hereof.

2.3 Right of Deferral.

- (i) The Company shall not be obligated to Register or qualify Registrable Securities pursuant to Section 2 of this Exhibit:
  - (a) if, within ten (10) days of the receipt of any request of the Holders to Register any Registrable Securities under Section 2.1 or 2.2 hereof, the Company gives notice to the Initiating Holders of its bona fide intention to effect the filing for its own account of a Registration Statement of Common Shares within sixty (60) days of receipt of that request; provided, that the Company is actively employing in good faith its best efforts to cause that Registration Statement to become effective within sixty (60) days of receipt of that request; provided, further, that the Holders are entitled to join such Registration subject to Section 3 hereof (other than a registration of securities in a transaction under Rule 145 of the Securities Act or with respect to an employee benefit plan);
  - (b) during the period starting with the date of filing by the Company of, and ending six (6) months following the effective date of any Registration Statement pertaining to Common Shares of the Company; provided, that the Holders are entitled to join such Registration subject to Section 3 hereof (other than a registration of securities in a transaction under Rule 145 of the Securities Act or with respect to an employee benefit plan); or
  - (c) in any jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such Registration or qualification, unless the Company is already subject to service of process in such jurisdiction.

- (ii) If, after receiving a request from Holders pursuant to Section 2.1 or 2.2 hereof, the Company furnishes to the Holders a certificate signed by the chief executive officer of the Company stating that, in the good faith judgment of the Board, it would be materially detrimental to the Company or its members for a Registration Statement to be filed in the near future, then the Company shall have the right to defer such filing for a period during which such filing would be materially detrimental, provided, that the Company may not utilize this right and/or the deferral right contained in this clause (ii) for more than ninety (90) days on any one occasion (except for Registration on Form F-3 or Form S-3, which shall be sixty (60) days) or for more than once during any twelve (12) month period; provided, further, that the Company may not Register any other of its securities during such period (except for Registrations contemplated by Section 3.4 of this Exhibit).
- 2.4 Underwritten Offerings. If, in connection with a request to Register Registrable Securities under Section 2.1 or 2.2 hereof, the Initiating Holders seek to distribute such Registrable Securities in an underwritten offering, they shall so advise the Company as part of the request, and the Company shall include such information in the written notice to the other Holders described in Sections 2.1 and 2.2 hereof. In such event, the right of any Holder to include its Registrable Securities in such Registration shall be conditioned upon such Holder's participation in such underwritten offering and the inclusion of such Holder's Registrable Securities in the underwritten offering (unless otherwise mutually agreed by a majority-in-interest of the Initiating Holders and such Holder, taken together) to the extent provided herein. All Holders proposing to distribute their securities through such underwritten offering shall enter into an underwriting agreement in customary form with the underwriter or underwriters of internationally recognized standing selected for such underwritten offering by the Company and reasonably acceptable to the holders of a majority of the voting power of all Registrable Securities proposed to be included in such Registration. Notwithstanding any other provision of this Agreement, if the managing underwriter advises the Company that marketing factors (including without limitation the aggregate number of securities requested to be Registered, the general condition of the market, and the status of the Persons proposing to sell securities pursuant to the Registration) require a limitation of the number of Registrable Securities to be underwritten in a Registration pursuant to Section 2.1 or 2.2 hereof, the underwriters may (i) in the event the offering is the Company's IPO, exclude from the underwritten offering all of the Registrable Securities (so long as the only securities included in such offering are those sold for the account of the Company), or (ii) otherwise exclude up to 75% of the Registrable Securities requested to be Registered but only after first excluding all other equity securities from the Registration and underwritten offering and so long as the number of Registrable Securities to be included in the Registration is allocated among all Holders in proportion, as nearly as practicable, to the respective amounts of Registrable Securities requested by such Holders to be included. Any Registrable Securities excluded or withdrawn from such underwritten offering shall be withdrawn from the Registration. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to a Holder to the nearest one hundred (100) shares.

### 3. Piggyback Registrations.

- 3.1 Registration of the Company's Securities. Subject to the terms of this Agreement, if the Company proposes to Register for its own account any of its equity securities, or for the account of any holder (other than a Holder) of equity securities any of such holder's equity securities, in connection with the public offering of such securities (except as set forth in Section 3.4 hereof), the Company shall promptly give each Holder written notice of such Registration and, upon the written request of any Holder given within fifteen (15) days after delivery of such notice, the Company shall use its best efforts to include in such Registration any Registrable Securities thereby requested to be Registered by such Holder. If a Holder decides not to include all or any of its Registrable Securities in such Registration by the Company, such Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent Registration Statement or Registration Statements as may be filed by the Company, all upon the terms and conditions set forth herein. The Holders shall be entitled to an unlimited number of Registrations pursuant to this Section 3.1. For avoidance of any doubt, without prior consent of the Holder(s) holding at least 50% or more of the issued and outstanding Preferred Shares (or Common Shares issued upon the conversion of the Preferred Shares), any holder of equity securities of the Company shall not be entitled to any Piggyback Registration Right more favorable to the Preferred Shareholders.
- 3.2 Right to Terminate Registration. The Company shall have the right to terminate or withdraw any Registration initiated by it under Section 3.1 hereof prior to the effectiveness of such Registration, whether or not any Holder has elected to participate therein. The expenses of such withdrawn Registration shall be borne by the Company in accordance with Section 4.3 hereof.
- 3.3 Underwriting Requirements.
- (i) In connection with any offering involving an underwriting of the Company's equity securities, the Company shall not be required to Register the Registrable Securities of a Holder under Section 3 hereof unless such Holder's Registrable Securities are included in the underwritten offering and such Holder enters into an underwriting agreement in customary form with the underwriter or underwriters of internationally recognized standing selected by the Company and setting forth such terms for the underwritten offering as have been agreed upon between the Company and the underwriters. In the event the underwriters advise Holders seeking Registration of Registrable Securities pursuant to Section 3 hereof in writing that market factors (including the aggregate number of Registrable Securities requested to be Registered, the general condition of the market, and the status of the Persons proposing to sell securities pursuant to the Registration) require a limitation of the number of Registrable Securities to be underwritten, the underwriters may (i) in the event the offering is the Company's IPO, exclude all of the Registrable Securities (so long as the only securities included in such offering are those sold for the account of the Company and no securities of other selling shareholders are included), or (ii) otherwise exclude up to seventy five percent (75%) of the Registrable Securities requested to be Registered but only after first excluding all other equity securities (except for securities sold for the account of the Company) from the Registration and underwriting and so long as the number of Registrable Securities to be included in such Registration is allocated among all Holders in proportion, as nearly as practicable, to the respective amounts of Registrable Securities requested by such Holders to be included. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to a Holder to the nearest one hundred (100) shares.

(ii) If any Holder disapproves the terms of any underwriting, the Holder may elect to withdraw therefrom by written notice to the Company and the underwriters delivered at least ten (10) days prior to the effective date of the Registration Statement. Any Registrable Securities excluded or withdrawn from the underwritten offering shall be withdrawn from the Registration. Notwithstanding the foregoing, the Company shall not be required to pay for any expenses of any Registration proceeding begun pursuant to Section 2.1 or 2.2 hereof if the Registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all participating Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless such withdrawal is due to an action or inaction of the Company or an event outside of the reasonable control of such Holders.

3.4 Exempt Transactions. The Company shall have no obligation to Register any Registrable Securities under Section 3 hereof in connection with a Registration by the Company (i) relating solely to the sale of securities to participants in a company share plan, or (ii) relating to a corporate reorganization or other transaction under Rule 145 of the Securities Act (or comparable provision under the laws of another jurisdiction, as applicable).

#### 4. Registration Procedures.

4.1 Registration Procedures and Obligations. Whenever required under this Agreement to effect the Registration of any Registrable Securities held by the Holders, the Company shall, as expeditiously as reasonably possible:

(i) Prepare and file with the Commission a Registration Statement with respect to those Registrable Securities and use its best efforts to cause that Registration Statement to become effective, and, upon the request of the Holders holding a majority of the Registrable Securities Registered thereunder, keep the Registration Statement effective for up to one hundred twenty (120) days or, if earlier, until the distribution thereunder has been completed; provided, however, that (a) such one hundred twenty (120) day period shall be extended for a period of time equal to the period any Holder refrains from selling any Registrable Securities included in such Registration at the written request of the underwriter(s) for such Registration, and (b) in the case of any Registration of Registrable Securities on Form F-3 or Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable rules promulgated by the Securities and Exchange Commission, such one hundred twenty (120) day period shall be extended, if necessary, to keep the Registration Statement or such comparable form, as the case may be, effective until all such Registrable Securities are sold;

- (ii) Prepare and file with the Commission amendments and supplements to that Registration Statement and the prospectus used in connection with the Registration Statement as may be necessary to comply with the provisions of applicable securities laws with respect to the disposition of all securities covered by the Registration Statement;
- (iii) Furnish to the Holders the number of copies of a prospectus, including a preliminary prospectus, required by applicable securities laws, and any other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them;
- (iv) Use its best efforts to Register and qualify the securities covered by the Registration Statement under the securities laws of any jurisdiction, as reasonably requested by the Holders, provided, that the Company shall not be required to qualify to do business or file a general consent to service of process in any such jurisdictions;
- (v) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in customary form, with the managing underwriter(s) of the offering;
- (vi) Promptly notify each Holder of Registrable Securities covered by the Registration Statement at any time when a prospectus relating thereto is required to be delivered under applicable securities laws of (a) the issuance of any stop order by the Commission, or (b) the happening of any event or the existence of any condition as a result of which any prospectus included in the Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made, or if in the opinion of counsel for the Company it is necessary to supplement or amend such prospectus to comply with law, and at the request of any such Holder promptly prepare and furnish to such Holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made or such prospectus, as supplemented or amended, shall comply with law;

- (vii) Furnish, at the request of any Holder requesting Registration of Registrable Securities pursuant to this Agreement, on the date that such Registrable Securities are delivered for sale in connection with a Registration pursuant to this Agreement, (i) an opinion, dated the date of the sale, of the counsel representing the Company for the purposes of the Registration, in form and substance as is customarily given to underwriters in an underwritten public offering; and (ii) a comfort letter dated the date of the sale, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters;
  - (viii) Otherwise comply with all applicable rules and regulations of the Commission to the extent applicable to the applicable registration statement and use its best efforts to make generally available to its security holders (or otherwise provide in accordance with Section 11(a) of the Securities Act) an earnings statement satisfying the provisions of Section 11(a) of the Securities Act, no later than forty-five (45) days after the end of a twelve (12) month period (or ninety (90) days, if such period is a fiscal year) beginning with the first month of the Company's first fiscal quarter commencing after the effective date of such registration statement, which statement shall cover such twelve (12) month period, subject to any proper and necessary extensions;
  - (ix) Not, without the prior consent of the holders of at least a majority of voting power of the then outstanding Registrable Securities, make any offer relating to the Securities that would constitute a "free writing prospectus," as defined in Rule 405 promulgated under the Securities Act;
  - (x) Provide a transfer agent and registrar for all Registrable Securities Registered pursuant to the Registration Statement and, where applicable, a number assigned by the Committee on Uniform Securities Identification Procedures for all those Registrable Securities, in each case not later than the effective date of the Registration; and
  - (xi) Take all reasonable action necessary to list the Registrable Securities on the primary exchange on which the Company's securities are then traded or, in connection with an IPO, the primary exchange on which the Company's securities will be traded.
- 4.2 Information from Holder. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Agreement with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be required to effect the Registration of such Holder's Registrable Securities.

4.3 Expenses of Registration. All expenses, other than the underwriting discounts, selling commissions or separate legal fee applicable to the sale of Registrable Securities pursuant to this Agreement (which shall be borne by the Holders requesting Registration on a pro rata basis in proportion to their respective numbers of Registrable Securities sold in such Registration), incurred in connection with Registrations, filings or qualifications pursuant to this Agreement, including (without limitation) all Registration, filing and qualification fees, printers' and accounting fees, fees and disbursements of counsel for the Company and reasonable fees and disbursement of one counsel for all selling Holders, shall be borne by the Company. The Company shall not, however, be required to pay for any expenses of any Registration proceeding begun pursuant to this Agreement if the Registration request is subsequently withdrawn at the request of a majority-in-interest of the Holders requesting such Registration (in which case all participating Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be thereby Registered in the withdrawn Registration). In addition, the Company shall not be required to pay for expense for any special audit conducted for the purpose of such Registration in excess of US\$25,000 (in which case, all participating Holders shall bear such excess special audit expense pro rata based upon the number of Registrable Securities to be Registered in such Registration).

5. Registration-Related Indemnification.

5.1 Company Indemnity.

- (i) To the maximum extent permitted by law, the Company will indemnify and hold harmless each Holder, such Holder's partners, officers, directors, shareholders and legal counsel, any underwriter (as defined in the Securities Act) and each Person, if any, who controls (as defined in the Securities Act) such Holder or underwriter, against any losses, claims, damages or liabilities (joint or several) to which they may become subject under laws which are applicable to the Company and relate to action or inaction required of the Company in connection with any Registration, qualification, or compliance, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (each a "Violation"): (a) any untrue statement or alleged untrue statement of a material fact contained in such Registration Statement, on the effective date thereof (including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto), (b) the omission or alleged omission to state in the Registration Statement, on the effective date thereof (including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto), a material fact required to be stated therein or necessary to make the statements therein not misleading, or (c) any violation or alleged violation by the Company of applicable securities laws, or any rule or regulation promulgated under applicable securities laws. The Company will reimburse each such Holder, underwriter or controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action.

- (ii) The indemnity agreement contained in Section 5.1 hereof shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld or delayed), nor shall the Company be liable in any such case for any such loss, claim, damage, liability or action to the extent that it arises solely out of or is solely based upon a Violation that occurs in reliance upon and in conformity with written information furnished in a certificate expressly for use in connection with such Registration by any such Holder, such Holder's partners, officers, directors, and legal counsel, any underwriter (as defined in the Securities Act) and each Person, if any, who controls (as defined in the Securities Act) such Holder or underwriter. Further, the foregoing indemnity agreement with respect to any preliminary prospectus shall not inure to the benefit of any Holder or other aforementioned person, or any person controlling such Holder, from whom the person asserting any such losses, claims, damages or liabilities purchased shares in the offering, if a copy of the most current prospectus was not sent or given by or on behalf of such Holder or other aforementioned person to such person, if required by law to have been so delivered, at or prior to the written confirmation of the sale of the shares to such person, and if the prospectus (as so amended or supplemented) would have cured the defect giving rise to such loss, claim, damage or liability.

5.2 Holder Indemnity.

- (i) To the maximum extent permitted by law, each selling Holder that has included Registrable Securities in a Registration will, severally and not jointly, indemnify and hold harmless the Company, its directors, officers, legal counsel and accountants, any underwriter, any other Holder selling securities in connection with such Registration and each Person, if any, who controls (within the meaning of the Securities Act) the Company, such underwriter or other Holder, against any losses, claims, damages or liabilities (joint or several) to which any of the foregoing persons may become subject, under applicable securities laws, or any rule or regulation promulgated under applicable securities laws, insofar as such losses, claims, damages or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder in a certificate expressly for use in connection with such Registration; and each such Holder will reimburse any Person intended to be indemnified pursuant to Section 5.2 hereof, for any legal or other expenses reasonably incurred by such Person in connection with investigating or defending any such loss, claim, damage, liability or action. No Holder's liability under Section 5.2 hereof shall exceed the net proceeds (less underwriting discounts and selling commissions) received by such Holder from the offering of securities made in connection with that Registration.

- (ii) The indemnity contained in Section 5.2 hereof shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder (which consent shall not be unreasonably withheld or delayed).
- 5.3 Notice of Indemnification Claim. Promptly after receipt by an indemnified party under Section 5.1 or 5.2 hereof of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under Section 5.1 or 5.2 hereof, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the indemnifying parties. An indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the reasonably incurred fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party, to the extent so prejudiced, of any liability to the indemnified party under Section 5 hereof, but the omission to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 5 of this Exhibit.
- 5.4 Contribution. If any indemnification provided for in Section 5.1 or 5.2 hereof is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage or expense referred to herein, the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and of the indemnified party, on the other, in connection with the statements or omissions that resulted in such loss, liability, claim, damage or expense, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission. No Holder's liability under Section 5.4 hereof, when combined with such Holder's liability under Section 5.2 hereof, shall exceed the net proceeds (less underwriting discounts and selling commissions) received by such Holder from the offering of securities made in connection with that Registration.

5.5 Underwriting Agreement. To the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

5.6 Survival. The obligations of the Company and Holders under Section 5 hereof shall survive the completion of any offering of Registrable Securities in a Registration Statement under this Agreement.

6. Additional Registration-Related Undertakings.

6.1 Reports under the Exchange Act. With a view to making available to the Holders the benefits of Rule 144 promulgated under the Securities Act and any comparable provision of any applicable securities laws that may at any time permit a Holder to sell securities of the Company to the public without Registration or pursuant to a Registration on Form F-3 or Form S-3 (or any comparable form in a jurisdiction other than the United States), the Company agrees to:

- (i) make and keep public information available, as those terms are understood and defined in Rule 144 (or comparable provision, if any, under applicable securities laws in any jurisdiction where the Company's securities are listed), at all times following ninety (90) days after the effective date of the first Registration under the Securities Act filed by the Company for an offering of its securities to the general public;
- (ii) file with the Commission in a timely manner all reports and other documents required of the Company under all applicable securities laws; and
- (iii) at any time following ninety (90) days after the effective date of the first Registration under the Securities Act filed by the Company for an offering of its securities to the general public by the Company, promptly furnish to any Holder holding Registrable Securities, upon request (a) a written statement by the Company that it has complied with the reporting requirements of all applicable securities laws at any time after it has become subject to such reporting requirements or, at any time after so qualified, that it qualifies as a registrant whose securities may be resold pursuant to Form F-3 or Form S-3 (or any form comparable thereto under applicable securities laws of any jurisdiction where the Company's securities are listed), (b) a copy of the most recent annual or quarterly report of the Company and such other reports and documents as filed by the Company with the Commission, and (c) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the Commission, that permits the selling of any such securities without Registration or pursuant to Form F-3 or Form S-3 (or any form comparable thereto under applicable securities laws of any jurisdiction where the Company's Securities are listed).

- 6.2 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of holders of the Requisite Percentage of the then outstanding Registrable Securities held by all Holders, enter into any agreement with any holder or prospective holder of any equity securities of the Company that would allow such holder or prospective holder (i) to include such equity securities in any Registration filed under Section 2 or 3 hereof, unless under the terms of such agreement such holder or prospective holder may include such equity securities in any such Registration only to the extent that the inclusion of such equity securities will not reduce the amount of the Registrable Securities of the Holders that are included, (ii) to demand Registration of their equity securities, or (iii) cause the Company to include such equity securities in any Registration filed under Section 2 or 3 hereof on a basis pari passu with or more favorable to such holder or prospective holder than is provided to the Holders of Registrable Securities.
- 6.3 “Market Stand-Off” Agreement. Each Shareholder agrees, if so required by the managing underwriter(s), that it will not during the period commencing on the date of the final prospectus relating to the Company’s IPO and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days from the date of such final prospectus) (i) lend, offer, pledge, hypothecate, hedge, sell, make any short sale of, loan, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any equity securities of the Company (other than those included in such offering) or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the equity securities of the Company, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of equity securities of the Company or such other securities, in cash or otherwise; provided, that (x) all directors, officers and all other holders of at least 1% of the outstanding share capital of the Company must be bound by restrictions at least as restrictive as those applicable to any such holder pursuant to Section 6.3 hereof, (y) Section 6.3 hereof shall not apply to the extent that any other members subject to substantially similar restrictions are released, and (z) the lockup agreements shall permit such holders to transfer their Registrable Securities to their respective Affiliates so long as the transferees enters into the same lockup agreement. The underwriters in connection with the Company’s IPO are intended third party beneficiaries of Section 6.3 hereof and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. In order to enforce the foregoing covenant, the Company may place restrictive legends on the certificates and impose stop-transfer instructions with respect to the Registrable Securities of each shareholder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period.
- 6.4 Termination of Registration Rights. The registration rights set forth in Sections 2 and 3 hereof above shall terminate on the earlier of (i) the date that is five (5) years after the date of closing of an IPO and (ii) with respect to any Holder, the date on which such Holder may sell all of such Holder’s Registrable Securities under Rule 144 of the Securities Act in any ninety (90)-day period.

- 6.5 Exercise of Preferred Shares. Notwithstanding anything to the contrary provided in this Agreement, the Company shall have no obligation to register Registrable Securities which, have not been exercised, converted or exchanged, as applicable, for Common Shares.
7. Jurisdiction. The terms of this Exhibit are drafted primarily in contemplation of an offering of securities in the United States of America. The Parties recognize, however, the possibility that securities may be qualified or registered for offering to the public in a jurisdiction other than the United States of America where registration rights have significance or that the Company might effect an offering in the United States of America in the form of American depositary receipts or American depositary shares. Accordingly:
- (i) It is their intention that, whenever this Exhibit or any other provision of this Agreement refers to a law, form, process or institution of the United States of America but the parties wish to effectuate qualification or registration in a different jurisdiction where registration rights have significance, such references to the laws or institutions of the United States shall be read as referring, mutatis mutandis, to the comparable laws or institutions of the jurisdiction in question; and
  - (ii) It is agreed that the Company will not undertake any listing of American depositary receipts, American depositary shares or any other security derivative of the Company's Common Shares unless arrangements have been made reasonably satisfactory to a majority-in-interest of the Shareholders to ensure that the spirit and intent of this Agreement will be realized and that the Company is committed to take such actions as are necessary such that the Shareholders will enjoy rights corresponding to the rights hereunder to sell their Registrable Securities in a public offering in the United States of America as if the Company had listed Common Shares in lieu of such derivative securities.
8. Assignment of Registration Rights. The rights to cause the Company to register Registrable Securities pursuant to this Exhibit may be assigned (but only with all related obligations) by (i) a Holder that is a partnership, to any partner, retired partner or affiliated fund of such Holder, (ii) a Holder that is a limited liability company, to any member or former member of such Holder, (iii) a Holder who is an individual, to such Holder's family member or trust for the benefit of such Holder or such Holder's family member, (iv) a Holder that is a corporation to its shareholders in accordance with their interests in the corporation, (v) a Holder that is to transfer all the equity securities it holds in the Company, or (vi) to any other Person acquiring at least 100,000 shares ( as appropriately adjusted for any share split, dividend, combination or other recapitalization or like transactions) of Registrable Securities; provided (in all cases) (a) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being assigned; (b) such transferee or assignee agrees in writing to be bound by and subject to the terms and conditions of this Agreement; and (c) such assignments shall be effective only if immediately following such transfer the further disposition of such securities by the transferee or assignee is restricted under the Securities Act.

Our ref VSL/741908-000001/12835001v1

Aurora Mobile Limited  
5/F, Building No. 7, Zhiheng Industrial Park  
Nantou Guankou Road 2, Nanshan District  
Shenzhen, Guangdong, 518052  
People's Republic of China

[●] 2018

Dear Sirs

**Aurora Mobile Limited**

We have acted as Cayman Islands legal advisers to Aurora Mobile Limited (the “**Company**”) in connection with the Company’s registration statement on Form F-1, including all amendments or supplements thereto (the “**Registration Statement**”), filed with the Securities and Exchange Commission under the U.S. Securities Act of 1933, as amended to date relating to the offering by the Company of certain American depositary shares (the “**ADSs**”) representing the Company’s common shares of par value US\$0.0001 each (the “**Shares**”).

We are furnishing this opinion as Exhibits 5.1, 8.1 and 23.2 to the Registration Statement.

**1 Documents Reviewed**

For the purposes of this opinion, we have reviewed only originals, copies or final drafts of the following documents:

- 1.1 The certificate of incorporation of the Company dated 9 April 2014 issued by the Registrar of Companies in the Cayman Islands.
- 1.2 The fifth amended and restated memorandum and articles of association of the Company as adopted by special resolution passed on 10 May 2017 (the “**Pre-IPO Memorandum and Articles**”).
- 1.3 The sixth amended and restated memorandum and articles of association of the Company as conditionally adopted by a special resolution passed on [●] 2018 and effective immediately prior to the completion of the Company’s initial public offering of the ADSs representing the Shares (the “**IPO Memorandum and Articles**”).
- 1.4 The written resolutions of the directors of the Company dated [●] 2018 (the “**Directors’ Resolutions**”).
- 1.5 The written resolutions of the shareholders of the Company dated [●] 2018 (the “**Shareholders’ Resolutions**”).

- 1.6 A certificate from a director of the Company, a copy of which is attached hereto (the “**Director’s Certificate**”).
- 1.7 A certificate of good standing dated [●] 2018, issued by the Registrar of Companies in the Cayman Islands (the “**Certificate of Good Standing**”).
- 1.8 The Registration Statement.

## **2 Assumptions**

The following opinions are given only as to, and based on, circumstances and matters of fact existing and known to us on the date of this opinion letter. These opinions only relate to the laws of the Cayman Islands which are in force on the date of this opinion letter. In giving these opinions we have relied (without further verification) upon the completeness and accuracy, as of the date of this opinion letter, of the Director’s Certificate and the Certificate of Good Standing. We have also relied upon the following assumptions, which we have not independently verified:

- 2.1 Copies of documents, conformed copies or drafts of documents provided to us are true and complete copies of, or in the final forms of, the originals.
- 2.2 All signatures, initials and seals are genuine.
- 2.3 There is nothing under any law (other than the law of the Cayman Islands), which would or might affect the opinions set out below.

## **3 Opinion**

Based upon the foregoing and subject to the qualifications set out below and having regard to such legal considerations as we deem relevant, we are of the opinion that:

- 3.1 The Company has been duly incorporated as an exempted company with limited liability and is validly existing and in good standing with the Registrar of Companies under the laws of the Cayman Islands.
- 3.2 The authorised share capital of the Company, with effect immediately prior to the completion of the Company’s initial public offering of the ADSs representing the Shares, will be US\$[●] divided into [●] common shares of a par value of US\$0.0001 each.
- 3.3 The issue and allotment of the Shares have been duly authorised and when allotted, issued and paid for as contemplated in the Registration Statement, the Shares will be legally issued and allotted, fully paid and non-assessable. As a matter of Cayman law, a share is only issued when it has been entered in the register of members (shareholders).
- 3.4 The statements under the caption “Taxation” in the prospectus forming part of the Registration Statement, to the extent that they constitute statements of Cayman Islands law, are accurate in all material respects and that such statements constitute our opinion.

## **4 Qualifications**

In this opinion the phrase “non-assessable” means, with respect to the Shares in the Company, that a shareholder shall not, solely by virtue of its status as a shareholder, be liable for additional assessments or calls on the Shares by the Company or its creditors (except in exceptional circumstances, such as involving fraud, the establishment of an agency relationship or an illegal or improper purpose or other circumstances in which a court may be prepared to pierce or lift the corporate veil).

Except as specifically stated herein, we make no comment with respect to any representations and warranties which may be made by or with respect to the Company in any of the documents or instruments cited in this opinion or otherwise with respect to the commercial terms of the transactions, which are the subject of this opinion.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to our name under the headings “Enforceability of Civil Liabilities”, “Taxation” and “Legal Matters” and elsewhere in the prospectus included in the Registration Statement. In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the U.S. Securities Act of 1933, as amended, or the Rules and Regulations of the Commission thereunder.

Yours faithfully

Maples and Calder (Hong Kong) LLP

## Aurora Mobile Limited

## 2014 STOCK INCENTIVE PLAN

1. Purposes of the Plan. The purposes of this Plan are to attract and retain the best available personnel, to provide additional incentives to Employees, Directors and Consultants and to promote the success of the Company's business.

2. Definitions. The following definitions shall apply as used herein and in the individual Award Agreements except as defined otherwise in an individual Award Agreement. In the event a term is separately defined in an individual Award Agreement, such definition shall supersede the definition contained in this Section 2.

(a) "Administrator" means the Board or any of the Committees appointed by the Board to administer the Plan.

(b) "Affiliate" means (a) with respect to a Person, any other Person that, directly or indirectly, Controls, is Controlled by or is under common Control with such Person; and (b) in the case of an individual, shall include his/her parents, spouse, children (and their spouses, if any), siblings (and their spouses, if any), and other immediate family members, or any Person Controlled by any of the aforesaid individuals.

(c) "Applicable Laws" means the legal requirements relating to the Plan and the Awards under applicable laws, regulations, rules, federal securities laws, state corporate and securities laws, the rules of any applicable stock exchange or national market system, the U.S. Code, and the laws, regulations, orders or rules of any jurisdiction applicable to the Awards granted to residents therein or the Grantees receiving such Awards.

(d) "Assumed" means that pursuant to a Corporate Transaction either (i) the Award is expressly affirmed by the Company or (ii) the contractual obligations represented by the Award are expressly assumed (and not simply by operation of law) by the successor entity or its Parent in connection with the Corporate Transaction with appropriate adjustments to the number and type of securities of the successor entity or its Parent subject to the Award and the exercise or purchase price thereof which at least preserves the compensation element of the Award existing at the time of the Corporate Transaction as determined in accordance with the instruments evidencing the agreement to assume the Award.

(e) "Award" means the grant of an Option, SAR, Dividend Equivalent Right, Restricted Share, Restricted Share Unit or other right or benefit under the Plan.

(f) "Award Agreement" means the written agreement evidencing the grant of an Award executed by the Company and the Grantee, including any amendments thereto.

(g) "Board" means the Board of Directors of the Company.

(h) “Cause” means, with respect to the termination of the Grantee’s Continuous Service by or with the Company or the Related Entity to which the Grantee provides service, that such termination is for “Cause” as such term is expressly defined in a then-effective written agreement between the Grantee and the Company or such Related Entity, or in the absence of such then-effective written agreement or such definition, is based on, in the determination of the Administrator, the Grantee’s: (i) negligence in performing, or refusal to perform, any major duties to the Company or any Related Entity (as stated in the agreement between the Grantee and the Company or any Related Entity, or reasonably assigned by the Company or such Related Entity based on the Grantee’s position), or material violation of any code of conduct, rules, regulations, or policies of the Company or any Related Entity, (ii) performance of any act or failure to perform any act in bad faith and to the detriment of the Company or a Related Entity (economical or reputational), (iii) dishonesty or commitment in an act of theft, embezzlement, fraud, or a breach of trust, (iv) any intentional misconduct or material breach of any labor contract (employment agreement), non-disclosure obligation, non-competition obligation, non-solicitation obligation or other agreement between the Grantee and the Company or any Related Entity, (v) breach of a fiduciary duty, or commission of a crime (other than minor traffic violations or similar offenses), (vi) material violation of any Applicable Laws or securities laws, or (vii) any intentional act in a manner detrimental to the reputation, business operation, assets, or market image of the Company or any Related Entity; or (viii) participating, assisting, being concerned with, engaged or interested in, any business or entity in any manner, directly or indirectly, which is in competition with the business carried on by the Company.

(i) “Change in Control” means (as determined by the Administrator acting reasonably) a change in ownership or control of the Company effected through the direct or indirect acquisition by any Person or related group of Persons (other than an acquisition from or by the Company or by a Company-sponsored employee benefit plan or by an Affiliate of the Company) of beneficial ownership of securities possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities pursuant to a tender or exchange offer made directly to the Company’s shareholders which a majority of the Directors who are not Affiliates or associates of the offeror do not recommend such shareholders accept.

(j) “Committee” means any committee appointed by the Board to administer the Plan, including the compensation committee.

(k) “Company” means Aurora Mobile Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands or any successor corporation that adopts the Plan in connection with a Corporate Transaction.

(l) “Consultant” means any person (other than an Employee or a Director, solely with respect to rendering services in such person’s capacity as an Employee or Director) who is engaged by the Company or any Related Entity to render consulting or advisory services to the Company or such Related Entity.

(m) “Continuous Service” means that the provision of services to the Company or a Related Entity in any capacity of an Employee, Director or Consultant is not interrupted or terminated. In jurisdictions requiring notice in advance of an effective termination as an Employee, Director or Consultant, Continuous Service shall be deemed terminated upon the actual cessation of providing services to the Company or a Related Entity notwithstanding any required notice period that must be fulfilled before a termination as an Employee, Director or Consultant can be effective under Applicable Laws. A Grantee’s Continuous Service shall be deemed to have terminated either upon an actual termination of Continuous Service or upon the entity for which the Grantee provides services ceasing to be a Related Entity. Continuous Service shall not be considered interrupted in the case of (i) any approved leave of absence, (ii) transfers among the Company, any Related Entity, or any successor, in any capacity of Employee, Director or Consultant, or (iii) any change in status as long as the individual remains in the service of the Company or a Related Entity in any capacity of Employee, Director or Consultant (except as otherwise provided in the Award Agreement). An approved leave of absence shall include sick leave, military leave, or any other authorized personal leave.

(n) “Control” of a given Person means the power or authority, whether exercised or not, to direct the business, management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; provided, that such power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty percent (50%) of the votes entitled to be cast at a meeting of the members or shareholders of such Person or power to control the composition of a majority of the board of directors of such Person.

(o) “Corporate Transaction” means (as determined by the Administrator acting reasonably) any of the following transactions:

(i) a merger, amalgamation, consolidation or other business combination of the Company with or into any Person, in which the Company is not the surviving entity, or any other transaction or series of transactions, as a result of which the shareholders of the Company immediately prior to such transaction or series of transactions will cease to own a majority of the voting power of the surviving entity immediately after consummation of such transaction or series of transactions, except for a transaction the principal purpose of which is to change the state in which the Company is incorporated;

(ii) the sale, transfer, exclusive license or other disposition of all or substantially all of the assets of the Company and its Subsidiaries and Affiliates;

(iii) the complete liquidation or dissolution of the Company;

(iv) any reverse merger or series of related transactions culminating in a reverse merger (including, but not limited to, a tender offer followed by a reverse merger) in which the Company is the surviving entity but (A) the Ordinary Shares outstanding immediately prior to such merger are converted or exchanged by virtue of the merger into other property, whether in the form of securities, cash or otherwise, or (B) in which securities possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities are transferred to a Person or Persons different from those who held such securities immediately prior to such merger or the initial transaction culminating in such merger, but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction; or

(v) acquisition in a single or series of related transactions by any Person or related group of Persons (other than the Company or by a Company-sponsored employee benefit plan) of beneficial ownership of securities possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities, but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction.

(p) “Director” means a member of the Board or the board of directors of any Related Entity.

(q) “Disability” means that a Grantee is unable to carry out the responsibilities and functions of the position held by the Grantee by reason of any medically determinable physical or mental impairment for a period of not less than ninety (90) consecutive days. A Grantee will not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Administrator in its discretion.

(r) “Dividend Equivalent Right” means a right entitling the Grantee to compensation measured by dividends paid with respect to Ordinary Shares.

(s) “Drag-Along Event” means a Drag-Along Event or Trade Sale of the Company as defined in the Shareholders Agreement and/or the M&A of the Company, or in the absence of such then-effective document or such definition, means the Corporate Transaction.

(t) “Employee” means any person, including a Director, who is in the employment of the Company or any Related Entity, subject to the control and direction of the Company or any Related Entity as to both the work to be performed and the manner and method of performance. The payment of a Director’s fee by the Company or a Related Entity shall not be sufficient to constitute “employment” by the Company or the Related Entity.

(u) “Fair Market Value” means, as of any date, the value of Ordinary Shares determined as follows:

(i) If the Ordinary Shares are traded on a securities exchange, the value shall be deemed to be the average of the security’s closing prices on such exchange over the thirty (30) day period ending one (1) day prior to the distribution, as reported in The Wall Street Journal or such other source as the Administrator deems reliable;

(ii) If the Ordinary Shares are traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the thirty (30) day period ending three (3) days prior to the distribution as reported in The Wall Street Journal or such other source as the Administrator deems reliable; and

(iii) In the absence of an established market for the Ordinary Shares of the type described in (i) and (ii), above, the Fair Market Value thereof shall be determined by the Administrator in good faith by reference to: (1) the audited and consolidated financial statements of the Company, or (2) the value of the Company determined by an independent appraiser chosen by the Administrator, or (3) the placing price in the Company’s latest round of equity financing (if applicable), and the development of the business operation of the Company and the market conditions since such financing, or otherwise determined by the Administrator, and not inconsistent with the Applicable Laws.

The method of valuation of securities subject to restrictions on free marketability shall be adjusted to make an appropriate discount from the market value determined as above in sub-clauses (i), (ii) or (iii) to reflect the fair market value thereof as determined in good faith by the Administrator, or by a liquidator if one is appointed.

(v) "Grantee" means an Employee, Director or Consultant who receives an Award under the Plan.

(w) "IPO" shall mean the Company's first firm commitment underwritten public offering of any of its securities (or the securities of a successor corporation) to the general public pursuant to (a) a registration statement filed under the Securities Act of 1933, as amended, or (b) the securities laws applicable to an offering of securities in another jurisdiction pursuant to which such securities will be listed on an internationally recognized securities exchange.

(x) "Incentive Stock Option" shall mean a stock option granted pursuant to the Plan that by its terms qualifies and is otherwise intended to qualify as an incentive stock option within the meaning of Section 422 of the U.S. Code.

(y) "M&A" means the currently effective memorandum and articles of association of the Company, as amended from time to time.

(z) "Ordinary Share" means the Company's ordinary shares of a par value of US\$0.001 each.

(aa) "Option" means an option to purchase Shares pursuant to an Award Agreement granted under the Plan.

(bb) "Parent" means any company (other than the Company) in an unbroken chain of companies ending with the Company, if each of the companies (other than the Company) owns or Controls stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other companies in such chain. A company that attains the status of a Parent on a date after the adoption of the Plan shall be considered a Parent commencing as of such date.

(cc) "Person" means any individual, corporation, partnership, limited partnership, limited liability company, firm, joint venture, estate, trust, unincorporated organization, association, enterprise, institution, public benefit corporation, entity or governmental or regulatory authority or other entity of any kind or nature.

(dd) "Plan" means this 2014 Stock Incentive Plan.

(ee) "Registration Date" means the first to occur of (i) the closing of the IPO; and (ii) in the event of a Corporate Transaction, the date of the consummation of the Corporate Transaction if the same class of securities of the successor corporation (or its Parent) issuable in such Corporate Transaction shall have been sold to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended, on or prior to the date of consummation of such Corporate Transaction.

(ff) “Related Entity” means any Parent or Subsidiary or Affiliate of the Company and any business, corporation, partnership, limited liability company or other entity in which the Company or a Parent or a Subsidiary or an Affiliate of the Company holds a substantial ownership interest, directly or indirectly.

(gg) “Replaced” means that pursuant to a Corporate Transaction the Award is replaced with a comparable share or stock award or a cash incentive program of the Company, the successor entity (if applicable) or Parent of either of them which preserves the compensation element of such Award existing at the time of the Corporate Transaction and provides for subsequent payout in accordance with the same (or a more favorable) vesting schedule applicable to such Award. The determination of Award comparability shall be made by the Administrator and its determination shall be final, binding and conclusive.

(hh) “Restricted Share” means a Share issued under the Plan to the Grantee for such consideration, if any, and subject to such restrictions on transfer, rights of first refusal, repurchase provisions, forfeiture provisions, and other terms and conditions as established by the Administrator.

(ii) “Restricted Share Units” means an Award which may be earned in whole or in part upon the passage of time or the attainment of performance criteria established by the Administrator and which may be settled for cash, Shares or other securities or a combination of cash, Shares or other securities as established by the Administrator.

(jj) “SAR” means a share appreciation right entitling the Grantee to Shares or cash compensation, as established by the Administrator, measured by appreciation in the value of Ordinary Shares.

(kk) “Share” means an Ordinary Share of the Company.

(ll) “Spin-off Transaction” means a distribution by the Company to its shareholders of all or any portion of the securities of any Subsidiary of the Company.

(mm) “Shareholders Agreement” means the Shareholders’ Agreement dated November 18, 2014 by and among the Company and the shareholders of the Company (as amended, restated and supplemented from time to time).

(nn) “Subsidiary” means with respect to a specific entity, (i) any entity (x) more than fifty percent (50%) of whose shares or other interests entitled to vote in the election of directors or (y) more than a fifty percent (50%) interests in whose profits or capital, are owned or Controlled directly or indirectly by the subject entity or through one (1) or more Subsidiaries of the subject entity; (ii) any entity whose assets, or portions thereof, are consolidated with the net earnings of the subject entity and are recorded on the books of the subject entity for financial reporting purposes in accordance with U.S. GAAP; or (iii) any entity with respect to which the subject entity has the power to otherwise direct the business and policies of that entity directly or indirectly through another Subsidiary.

(oo) “U.S. Code” means the U.S. Internal Revenue Code of 1986, as amended.

3. Shares Subject to the Plan.

(a) The Shares to be issued pursuant to the Awards under this Plan shall be authorized, but unissued, or reacquired Ordinary Shares. Subject to the provisions of Section 10 below, the maximum aggregate number of Shares which may be issued pursuant to all Awards is 177,778 Shares (proportionally adjusted to reflect any share dividends, share splits, or similar transactions).

(b) Any Shares covered by an Award (or portion of an Award) which is forfeited, canceled or expires (whether voluntarily or involuntarily) shall be deemed not to have been issued for purposes of determining the maximum aggregate number of Shares which may be issued under the Plan. Shares that actually have been issued under the Plan pursuant to an Award shall not be returned to the Plan and shall not become available for future issuance under the Plan, except that if unvested Shares are forfeited, or repurchased by the Company at the lower of their original purchase price or their Fair Market Value at the time of repurchase, such Shares shall become available for future grant under the Plan. To the extent not prohibited by the Applicable Law and the listing requirements of the applicable stock exchange or national market system on which the Ordinary Shares are traded, any Shares covered by an Award which are surrendered (i) in payment of the Award exercise or purchase price or (ii) in satisfaction of tax withholding obligations incident to the exercise of an Award shall be deemed not to have been issued for purposes of determining the maximum number of Shares which may be issued pursuant to all Awards under the Plan, unless otherwise determined by the Administrator.

4. Administration of the Plan.

(a) Plan Administrator.

(i) Administration. The Plan shall be administered by (A) the Board or (B) a Committee designated by the Board, which Committee shall be constituted in accordance with the Applicable Laws and the M&A. Once appointed, such Committee shall continue to serve in its designated capacity until otherwise directed by the Board. The Board may authorize one or more officers or directors to grant such Awards and may limit such authority as the Board determines from time to time.

(ii) Administration Errors. In the event an Award is granted in a manner inconsistent with the provisions of this subsection (a), such Award shall be presumptively valid as of its grant date to the extent permitted by the Applicable Laws and approved by the Administration.

(b) Powers of the Administrator. Subject to Applicable Laws and the provisions of the Plan (including any other powers given to the Administrator hereunder), and except as otherwise provided by the Board, the Administrator shall have the authority, in its discretion:

- (i) to select the Employees, Directors and Consultants to whom Awards may be granted from time to time hereunder;

(ii) to determine whether and to what extent Awards are granted hereunder;

(iii) to determine the type or the number of Awards to be granted, the number of Shares or the amount of consideration to be covered by each Award granted hereunder;

(iv) to approve forms of Award Agreements for use under the Plan, to amend terms of the Award Agreements;

(v) to determine the terms and conditions of any Award granted hereunder (including without limitation the vesting schedule and exercise price set forth in the Notice of Stock Option Award and the Award Agreements);

(vi) to amend the terms of any outstanding Award granted under the Plan, provided that any amendment that would adversely affect the Grantee's rights under an outstanding Award in material aspects shall not be made without the Grantee's written consent;

(vii) to construe and interpret the terms of the Plan and Awards, including without limitation, any notice of award or Award Agreement, granted pursuant to the Plan; and

(viii) to require the Grantee to provide representation or evidence that any currency used to pay the exercise price of any Award was legally acquired and taken out of the jurisdiction in which the Grantee resides in accordance with the Applicable Laws.

(ix) to take such other action, not inconsistent with the terms of the Plan and the Applicable Laws, as the Administrator deems appropriate.

(c) Indemnification. In addition to such other rights of indemnification as they may have as members of the Board or Employees of the Company or a Related Entity, members of the Board and any Employees of the Company or a Related Entity to whom authority to act for the Board, the Administrator or the Company is delegated shall be defended and indemnified by the Company to the extent permitted by Applicable Law and in the manner approved by the Administrator, on an after-tax basis, against all reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any claim, investigation, action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any Award granted hereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by the Company) or paid by them in satisfaction of a judgment in any such claim, investigation, action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such claim, investigation, action, suit or proceeding that such Person is liable for gross negligence, bad faith or intentional misconduct; provided, however, that within thirty (30) days after the institution of such claim, investigation, action, suit or proceeding, such Person shall offer to the Company, in writing, the opportunity at the Company's expense to defend the same.

5. Eligibility. Awards may be granted to Employees, Directors and Consultants. An Employee, Director or Consultant who has been granted an Award may, if otherwise eligible, be granted additional Awards.

6. Terms and Conditions of Awards.

(a) Types of Awards. The Administrator is authorized under the Plan to award any type of arrangement to an Employee, Director or Consultant that is not inconsistent with the provisions of the Plan and that by its terms involves or might involve the issuance of (i) Shares, (ii) cash or (iii) an Option, a SAR, or similar right with a fixed or variable price related to the Fair Market Value of the Shares and with an exercise or conversion privilege related to the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions. Such awards include, without limitation, Options, SARs, sales or bonuses of Restricted Shares, Restricted Share Units or Dividend Equivalent Rights, and an Award may consist of one such security or benefit, or two (2) or more of them in any combination or alternative.

(b) Designation of Award. Each Award shall be designated in the Award Agreement.

(c) Conditions of Award. Subject to the terms of the Plan, the Administrator shall determine the provisions, terms, and conditions of each Award including, but not limited to, the Award vesting schedule, repurchase provisions, rights of first refusal, forfeiture provisions, form of payment (cash, Shares, or other consideration) upon settlement of the Award, payment contingencies, and satisfaction of any performance criteria. Each Award shall be subject to the terms of an Award Agreement approved by the Administrator. The performance criteria established by the Administrator may be based on any one of, or combination of, the following: (i) increase in share price, (ii) earnings per share, (iii) total shareholder return, (iv) operating margin, (v) gross margin, (vi) return on equity, (vii) return on assets, (viii) return on investment, (ix) operating income, (x) net operating income, (xi) pre-tax profit, (xii) cash flow, (xiii) revenue, (xiv) expenses, (xv) earnings before interest, taxes and depreciation, (xvi) economic value added and (xvii) market share. The performance criteria may be applicable to the Company, Related Entities and/or any individual business units of the Company or any Related Entity. Partial achievement of the specified criteria may result in a payment or vesting corresponding to the degree of achievement as specified in the Award Agreement.

(d) Acquisitions and Other Transactions. The Administrator may issue Awards under the Plan in settlement, assumption or substitution for, outstanding awards or obligations to grant future awards in connection with the Company or a Related Entity acquiring another entity, an interest in another entity or an additional interest in a Related Entity whether by merger, share purchase, asset purchase or other form of transaction.

(e) Deferral of Award Payment. The Administrator may establish one or more programs under the Plan to permit selected Grantees the opportunity to elect to defer receipt of consideration upon exercise of an Award (other than an Option held by a U.S. taxpayer), satisfaction of performance criteria, or other event that absent the election would entitle the Grantee to payment or receipt of Shares or other consideration under an Award. The Administrator may establish the election procedures, the timing of such elections, the mechanisms for payments of, and accrual of interest or other earnings, if any, on amounts, Shares or other consideration so deferred, and such other terms, conditions, rules and procedures that the Administrator deems advisable for the administration of any such deferral program.

(f) Separate Programs. The Administrator may establish one or more separate programs under the Plan for the purpose of issuing particular forms of Awards to one or more classes of Grantees on such terms and conditions as determined by the Administrator from time to time.

(g) Early Exercise. The Award Agreement may, but need not, include a provision whereby the Grantee may elect at any time while an Employee, Director or Consultant to exercise any part or all of the Award prior to full vesting of the Award, subject to compliance with the Applicable Laws and approval by the Administrator. Any unvested Shares received pursuant to such exercise may be subject to a repurchase right in favor of the Company or a Related Entity or to any other restriction the Administrator determines to be appropriate.

(h) Term of Award. The term of each Award shall be the term stated in the Award Agreement. Notwithstanding the foregoing, the specified term of any Award shall not include any period for which the Grantee has elected to defer the receipt of the Shares or cash issuable pursuant to the Award. (In the case of an Incentive Stock Option granted to an U.S. taxpayer who, at the time the Incentive Stock Option is granted, owns (or, pursuant to Section 424(d) of the U.S. Code, is deemed to own) stock representing more than 10% of the total combined voting power of all classes of shares of the Company or any Subsidiary or Affiliate, the term of the Incentive Stock Option will not be longer than five years from the date of grant).

(i) Transferability of Awards. Subject to the Applicable Laws, Awards shall be transferable (i) by will and by the laws of descent and distribution and (ii) during the lifetime of the Grantee, only to the extent and in the manner approved by the Administrator. Notwithstanding the foregoing, the Grantee may designate one or more beneficiaries of the Grantee's Award in the event of the Grantee's death on a beneficiary designation form provided by the Administrator.

(j) Time of Granting Awards. The date of grant of an Award shall for all purposes be the date on which the Administrator makes the determination to grant such Award, or such other date as is determined by the Administrator.

7. Award Exercise or Purchase Price, Consideration and Taxes.

(a) Exercise or Purchase Price. The exercise or purchase price, if any, for an Award shall be determined by the Administrator. (In the case of Options or SARs granted to U.S. taxpayers, shall not be less than 100% of the Fair Market Value of a Share as of the date of grant. In addition, in the case of an Incentive Stock Option granted to an U.S. taxpayer, who, at the time the Incentive Stock Option is granted, owns (or, pursuant to Section 424(d) of the U.S. Code, is deemed to own) Shares representing more than 10% of the total combined voting power of all classes of shares of the Company or any Subsidiary or Affiliate, the per Share exercise price will be no less than 110% of the Fair Market Value per Share on the date of grant.)

Notwithstanding the foregoing provisions of this Section 7(a), in the case of an Award issued pursuant to Section 6(d), above, the exercise or purchase price for the Award shall be determined in accordance with the provisions of the relevant instrument evidencing the agreement to issue such Award.

(b) Consideration. Subject to Applicable Laws, the consideration to be paid for the Shares to be issued upon exercise or purchase of an Award including the method of payment, shall be determined by the Administrator. In addition to any other types of consideration the Administrator may determine, the Administrator is authorized to accept as consideration for Shares issued under the Plan the following:

(i) cash;

(ii) check;

(iii) if the exercise or purchase occurs on or after the Registration Date, or as otherwise permitted by the Administrator, surrender of Shares or delivery of a properly executed form of attestation of ownership of Shares as the Administrator may require which have a Fair Market Value on the date of surrender or attestation equal to the aggregate exercise price of the Shares as to which said Award shall be exercised;

(iv) with respect to Options, if the exercise occurs on or after the Registration Date, payment through a broker-dealer sale and remittance procedure pursuant to which the Grantee (A) shall provide written instructions to a Company designated brokerage firm to effect the immediate sale of some or all of the purchased Shares and remit to the Company sufficient funds to cover the aggregate exercise price payable for the purchased Shares and (B) shall provide written directives to the Company to deliver the certificates for the purchased Shares directly to such brokerage firm in order to complete the sale transaction; or

(v) any combination of the foregoing methods of payment.

The Administrator may at any time or from time to time, by adoption of or by amendment to the standard forms of Award Agreement described in Section 4(b)(iv), or by other means, grant Awards which do not permit all of the foregoing forms of consideration to be used in payment for the Shares or which otherwise restrict one or more forms of consideration.

(c) Taxes. No Shares shall be delivered under the Plan to any Grantee or other Person until such Grantee or other Person has made arrangements acceptable to the Administrator for the satisfaction of any income and employment tax withholding obligations under any Applicable Laws. The Grantee shall be responsible for all taxes associated with the receipt, vest, exercise, transfer and disposal of the Awards and the Shares. Upon exercise of an Award, the Company and/or the Related Entity which is an employer of the Grantee shall have the right to withhold or collect from Grantee an amount sufficient to satisfy such tax obligations.

8. Exercise of Award.

(a) Procedure for Exercise; Rights as a Shareholder.

(i) Any Award granted hereunder shall be exercisable at such times and under such conditions as determined by the Administrator under the terms of the Plan and specified in the Award Agreement.

(ii) An Award shall be deemed to be exercised when written notice of such exercise has been given to the Company in accordance with the terms of the Award by the Person entitled to exercise the Award and full payment for the Shares with respect to which the Award is exercised, including, to the extent selected, use of the broker-dealer sale and remittance procedure to pay the purchase price as provided in Section 7(b)(iv).

(b) Exercise of Award Following Termination of Continuous Service.

(i) An Award may not be exercised after the termination date of such Award set forth in the Award Agreement and may be exercised following the termination of a Grantee's Continuous Service only to the extent provided in the Award Agreement.

(ii) Where the Award Agreement permits a Grantee to exercise an Award following the termination of the Grantee's Continuous Service for a specified period, the Award shall terminate to the extent not exercised on the last day of the specified period or the last day of the original term of the Award, whichever occurs first.

(c) No Exercise in Violation of Applicable Law.

Notwithstanding the foregoing, regardless of whether an Award has otherwise become exercisable, the Award shall not be exercised if the Administrator (in its sole discretion) determines that an exercise would violate any Applicable Laws.

(d) Restrictions on Exercise.

Notwithstanding the foregoing, regardless of whether an Award has become vested and exercisable, the Administrator may determine that the Award shall not be exercised before the consummation of (i) an IPO of the Company, or (ii) a Corporate Transaction or a Change in Control, except as permitted by the applicable Award Agreement.

9. Conditions Upon Issuance of Shares.

(a) Shares shall not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares pursuant thereto shall comply with all Applicable Laws, the M&A and the relevant Award Agreement, and shall be further subject to the approval of counsel for the Company with respect to such compliance.

(b) As a condition to the exercise of an Award, the Company may require the Person exercising such Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by any Applicable Laws.

(c) As a condition to the exercise of an Award, the applicable Award Agreement may require the Grantee to grant a power of attorney to the Board or any Person designated by the Board to exercise the voting rights with respect to the Shares and the Company may require the Person exercising such Award to acknowledge and agree to be bound by the provisions of the currently effective M&A, the Shareholders Agreements and other documents of the Company in relation to the Shares (if any), as if the Grantee is a holder of Ordinary Shares thereunder.

10. Termination and Repurchase Rights. Upon termination of the Grantee's Continuous Service for any reason, all unvested Awards shall be terminated immediately without further effect. To the extent any vested Award is not terminated ("**Outstanding Vested Award**") following termination of the Grantee's Continuous Service for any reason, the Company shall have the right (but not the obligation) to repurchase (the "Repurchase Right") from the Grantee all or any portion of such Outstanding Vested Award or the Shares obtained by the Grantee upon exercise of the Awards. The Repurchase Right may be exercised by the Company at any time within one (1) year after termination of the Grantee's Continuous Service. The repurchase price shall be as follows:

(a) the consideration payable for the Outstanding Vested Awards or the Shares obtained by the Grantee upon exercise of the Awards shall be made in cash or by cancellation of purchase money indebtedness owed to the Company by the Grantee; and

(b) the amount of consideration payable for the Outstanding Vested Awards or the Shares obtained by the Grantee upon exercise of the Awards shall be: (x) in the event of termination of the Grantee's Continuous Service other than for Cause, the original purchase price actually paid by the Grantee for such Outstanding Vested Awards or such Shares, or the Fair Market Value of such Outstanding Vested Awards or such Shares on the termination date, as determined by the Administrator; and (y) in the event of termination of the Grantee's Continuous Service for Cause, the nominal value of such Outstanding Vested Awards or such Shares, unless otherwise determined by the Administrator;

Following termination of the Grantee's Continuous Service, if the Company decides to exercise the repurchase right, each holder of the Outstanding Vested Awards or the Shares subject to repurchase shall (1) immediately execute all necessary documents and take all necessary actions as required by the Applicable Laws, the M&A and the Administrator to give full effect to such repurchase, and (2) provide customary representations and warranties with respect to such Outstanding Vested Awards or such Shares as the Administrator requires, provided however that, the failure of the holder to make such representations and warranties shall in no way delay or affect the completion of the repurchase of such Shares or such Outstanding Vested Awards, which shall become effective and be recorded in the Company's register of members (if applicable) at the moment when the Company makes available to such holder the applicable repurchase price.

11. Adjustments Upon Changes in Capitalization. Subject to any required action by the shareholders of the Company, the number of Shares covered by each outstanding Award, the number of Shares which have been authorized for issuance under the Plan but as to which no Awards have yet been granted or which have been returned to the Plan, the exercise or purchase price of each such outstanding Award, the maximum number of Shares with respect to which Awards may be granted to any Grantee in any fiscal year of the Company, as well as any other terms that the Administrator determines require adjustment shall be proportionately adjusted for (i) any increase or decrease in the number of issued Shares resulting from a share split, reverse share split, share dividend, combination or reclassification of the Shares, or similar transaction affecting the Shares, (ii) any other increase or decrease in the number of issued Shares effected without receipt of consideration by the Company, or (iii) as the Administrator may determine in its discretion, any other transaction with respect to Ordinary Shares including a corporate merger, consolidation, acquisition of property or equity, separation (including a spin-off or other distribution of shares or property), reorganization, liquidation (whether partial or complete) or any similar transaction; provided, however that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Administrator and its determination shall be final, binding and conclusive. Except as the Administrator determines, no issuance by the Company of shares of any class, or securities convertible into shares of any class, shall affect, and no adjustment by reason hereof shall be made with respect to, the number or price of Shares subject to an Award. In the event of a Spin-off Transaction, the Administrator may in its discretion make such adjustments and take such other action as it deems appropriate with respect to outstanding Awards under the Plan, including but not limited to: (i) adjustments to the number and kind of Shares, the exercise or purchase price per Share and the vesting periods of outstanding Awards, (ii) prohibit the exercise of Awards during certain periods of time prior to the consummation of the Spin-off Transaction, or (iii) the substitution, exchange or grant of Awards to purchase securities of the Subsidiary; provided that the Administrator shall not be obligated to make any such adjustments or take any such action hereunder.

12. Corporate Transactions and Changes in Control.

(a) Acceleration of Award Upon Corporate Transaction or Change in Control.

(i) Corporate Transaction. Except as provided otherwise in an individual Award Agreement or in any other written agreement between the Company and a Grantee, in the event of a Corporate Transaction (other than a Corporate Transaction which also is a Change in Control), each Award can be Assumed or Replaced immediately prior to the specified effective date of such Corporate Transaction, for the portion of each Award that is neither Assumed nor Replaced, such portion of the Award shall automatically become fully vested and exercisable and be released from any repurchase or forfeiture rights (other than repurchase rights exercisable at Fair Market Value) for all of the Shares at the time represented by such portion of the Award, immediately prior to the specified effective date of such Corporate Transaction, provided that the Grantee's Continuous Service has not terminated prior to such date. The portion of the Award that is not Assumed or Replaced shall terminate under subsection (b) of this Section to the extent not exercised prior to the consummation of such Corporate Transaction.

(ii) Change in Control. Except as provided otherwise in an individual Award Agreement or in any other written agreement between the Company and a Grantee, in the event of a Change in Control (other than a Change in Control which also is a Corporate Transaction), each Award which is at the time outstanding under the Plan shall automatically become fully vested and exercisable and be released from any repurchase or forfeiture rights (other than repurchase rights exercisable at Fair Market Value) for all of the Shares at the time represented by such Award, immediately prior to the specified effective date of such Change in Control, provided that the Grantee's Continuous Service has not terminated prior to such date.

(b) Termination of Award to the Extent Not Assumed and Replaced in Corporate Transaction. Effective upon the consummation of a Corporate Transaction, all outstanding Awards under the Plan shall terminate, provided however that, all such Awards shall not terminate to the extent they are Assumed or Replaced in connection with the Corporate Transaction.

(c) Other Mechanisms. Except as provided otherwise in an individual Award Agreement or in any other written agreement between the Company and a Grantee, and subject to Applicable Laws, in the event of a Corporate Transaction or a Change in Control, the Administrator may provide for other mechanisms, such as (1) termination and payment of any Awards in cash based on the value of the Shares on the date of the Corporate Transaction or the Change in Control (as the case may be), or (2) allowing any Grantee the right to exercise any outstanding Awards during a specified period of time determined by the Administrator.

13. Effective Date and Term of Plan. The Plan shall become effective upon the later to occur of its adoption by the Board or its approval by the shareholders of the Company. The Plan shall continue in effect for a term of ten (10) years after the date of adoption, unless sooner terminated. Subject to Applicable Laws, Awards may be granted under the Plan upon its becoming effective.

14. Amendment, Suspension or Termination of the Plan.

(a) The Board may at any time amend, suspend or terminate the Plan; provided, however, that no such amendment shall be made without the approval of the Company's shareholders to the extent such approval is required by Applicable Laws or if such amendment would change any of the provisions of Section 4(b)(vi) or this Section 14(a).

(b) No Award may be granted during any suspension of the Plan or after termination of the Plan.

(c) Unless otherwise determined by the Administrator in good faith, the suspension or termination of the Plan (including termination of the Plan under Section 12, above) shall not materially adversely affect any rights under Awards already granted to a Grantee.

15. Reservation of Shares.

(a) The Company, during the term of the Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

(b) The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

16. No Effect on Terms of Employment/Consulting Relationship. The Plan shall not confer upon any Grantee any right with respect to the Grantee's Continuous Service, nor shall it interfere in any way with his or her right or the right of the Company or any Related Entity to terminate the Grantee's Continuous Service at any time, with or without Cause, and with or without notice. The ability of the Company or any Related Entity to terminate the employment of a Grantee who is employed at will is in no way affected by its determination that the Grantee's Continuous Service has been terminated for Cause for the purposes of this Plan.

17. No Effect on Retirement and Other Benefit Plans. Except as specifically provided in a retirement or other benefit plan of the Company or a Related Entity, Awards shall not be deemed compensation for purposes of computing benefits or contributions under any retirement plan of the Company or a Related Entity, and shall not affect any benefits under any other benefit plan of any kind or any benefit plan subsequently instituted under which the availability or amount of benefits is related to level of compensation. The Plan is not a "Retirement Plan" or "Welfare Plan" under the Employee Retirement Income Security Act of 1974, as amended.

18. Vesting Schedule. The Awards to be issued to any Grantee under the Plan shall be subject to the vesting schedule as specified in the Award Agreement of such Grantee. The Administrator shall have the right to adjust the vesting schedule of the Awards granted to the Grantees.

19. Drag-Along Events. Except as provided in the applicable Award Agreement, in the event of a Drag-Along Event, the Grantees who hold any Shares upon exercise of the Award shall sell, transfer, convey or assign all of their Shares pursuant to, and so as to give effect to, the Drag-Along Event, and each of such Grantees shall grant to the Board or a Person designated by the Board, a power of attorney to transfer, sell, convey and assign his/her Shares and to do and carry out all acts and to execute all documents that are necessary or advisable to complete the Drag-Along Event.

20. IPO. In the case of an IPO, the Grantees shall enter into any agreements with any underwriter, coordinator, bankers or sponsor elected by the Company for the purpose of the IPO, and each of such Grantees shall grant to the Board or a Person designated by the Board, a power of attorney to enter into any agreements with any underwriter, coordinator, bankers or sponsor elected by the Company and to do and carry out all the acts and to execute all the documents that are necessary or advisable to complete the IPO.

21. Unfunded Obligation. Any amounts payable to Grantees pursuant to the Plan shall be unfunded and unsecured obligations for all purposes. Neither the Company nor any Related Entity shall be required to segregate any monies from its general funds, or to create any trusts, or establish any special accounts with respect to such obligations. The Company shall retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of any trust or any Grantee account shall not create or constitute a trust or fiduciary relationship between the Administrator, the Company or any Related Entity and a Grantee, or otherwise create any vested or beneficial interest in any Grantee or the Grantee's creditors in any assets of the Company or a Related Entity. The Grantees shall have no claim against the Company or any Related Entity for any changes in the value of any assets that may be invested or reinvested by the Company with respect to the Plan.

22. Entire Plan. This Plan, the individual Award Agreements and notices of issuance of the Awards, together with all the exhibits hereto and thereto, constitute and contain the entire stock incentive plan and understanding of the parties with respect to the subject matter hereof and supersedes any and all prior negotiations, correspondence, agreements, understandings, memorandum, duties or obligations between the parties respecting the subject matter hereof.

23. Construction. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

## Aurora Mobile Limited

## 2017 STOCK INCENTIVE PLAN

1. Purposes of the Plan. The purposes of this Plan are to attract and retain the best available personnel, to provide additional incentives to Employees, Directors and Consultants and to promote the success of the Company's business.

2. Definitions. The following definitions shall apply as used herein and in the individual Award Agreements except as defined otherwise in an individual Award Agreement. In the event a term is separately defined in an individual Award Agreement, such definition shall supersede the definition contained in this Section 2.

(a) "Administrator" means the Board or any of the Committees appointed by the Board to administer the Plan.

(b) "Affiliate" means (a) with respect to a Person, any other Person that, directly or indirectly, Controls, is Controlled by or is under common Control with such Person; and (b) in the case of an individual, shall include his/her parents, spouse, children (and their spouses, if any), siblings (and their spouses, if any), and other immediate family members, or any Person Controlled by any of the aforesaid individuals.

(c) "Applicable Laws" means the legal requirements relating to the Plan and the Awards under applicable laws, regulations, rules, federal securities laws, state corporate and securities laws, the rules of any applicable stock exchange or national market system, the U.S. Code, and the laws, regulations, orders or rules of any jurisdiction applicable to the Awards granted to residents therein or the Grantees receiving such Awards.

(d) "Assumed" means that pursuant to a Corporate Transaction either (i) the Award is expressly affirmed by the Company or (ii) the contractual obligations represented by the Award are expressly assumed (and not simply by operation of law) by the successor entity or its Parent in connection with the Corporate Transaction with appropriate adjustments to the number and type of securities of the successor entity or its Parent subject to the Award and the exercise or purchase price thereof which at least preserves the compensation element of the Award existing at the time of the Corporate Transaction as determined in accordance with the instruments evidencing the agreement to assume the Award.

(e) "Award" means the grant of an Option, SAR, Dividend Equivalent Right, Restricted Share, Restricted Share Unit or other right or benefit under the Plan.

(f) "Award Agreement" means the written agreement evidencing the grant of an Award executed by the Company and the Grantee, including any amendments thereto.

(g) "Board" means the Board of Directors of the Company.

(h) “Cause” means, with respect to the termination of the Grantee’s Continuous Service by or with the Company or the Related Entity to which the Grantee provides service, that such termination is for “Cause” as such term is expressly defined in a then-effective written agreement between the Grantee and the Company or such Related Entity, or in the absence of such then-effective written agreement or such definition, is based on, in the determination of the Administrator, the Grantee’s: (i) negligence in performing, or refusal to perform, any major duties to the Company or any Related Entity (as stated in the agreement between the Grantee and the Company or any Related Entity, or reasonably assigned by the Company or such Related Entity based on the Grantee’s position), or material violation of any code of conduct, rules, regulations, or policies of the Company or any Related Entity, (ii) performance of any act or failure to perform any act in bad faith and to the detriment of the Company or a Related Entity (economical or reputational), (iii) dishonesty or commitment in an act of theft, embezzlement, fraud, or a breach of trust, (iv) any intentional misconduct or material breach of any labor contract (employment agreement), non-disclosure obligation, non-competition obligation, non-solicitation obligation or other agreement between the Grantee and the Company or any Related Entity, (v) breach of a fiduciary duty, or commission of a crime (other than minor traffic violations or similar offenses), (vi) material violation of any Applicable Laws or securities laws, or (vii) any intentional act in a manner detrimental to the reputation, business operation, assets, or market image of the Company or any Related Entity; or (viii) participating, assisting, being concerned with, engaged or interested in, any business or entity in any manner, directly or indirectly, which is in competition with the business carried on by the Company.

(i) “Change in Control” means (as determined by the Administrator acting reasonably) a change in ownership or control of the Company effected through the direct or indirect acquisition by any Person or related group of Persons (other than an acquisition from or by the Company or by a Company-sponsored employee benefit plan or by an Affiliate of the Company) of beneficial ownership of securities possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities pursuant to a tender or exchange offer made directly to the Company’s shareholders which a majority of the Directors who are not Affiliates or associates of the offeror do not recommend such shareholders accept.

(j) “Committee” means any committee appointed by the Board to administer the Plan, including the compensation committee.

(k) “Company” means Aurora Mobile Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands or any successor corporation that adopts the Plan in connection with a Corporate Transaction.

(l) “Consultant” means any person (other than an Employee or a Director, solely with respect to rendering services in such person’s capacity as an Employee or Director) who is engaged by the Company or any Related Entity to render consulting or advisory services to the Company or such Related Entity.

(m) “Continuous Service” means that the provision of services to the Company or a Related Entity in any capacity of an Employee, Director or Consultant is not interrupted or terminated. In jurisdictions requiring notice in advance of an effective termination as an Employee, Director or Consultant, Continuous Service shall be deemed terminated upon the actual cessation of providing services to the Company or a Related Entity notwithstanding any required notice period that must be fulfilled before a termination as an Employee, Director or Consultant can be effective under Applicable Laws. A Grantee’s Continuous Service shall be deemed to have terminated either upon an actual termination of Continuous Service or upon the entity for which the Grantee provides services ceasing to be a Related Entity. Continuous Service shall not be considered interrupted in the case of (i) any approved leave of absence, (ii) transfers among the Company, any Related Entity, or any successor, in any capacity of Employee, Director or Consultant, or (iii) any change in status as long as the individual remains in the service of the Company or a Related Entity in any capacity of Employee, Director or Consultant (except as otherwise provided in the Award Agreement). An approved leave of absence shall include sick leave, military leave, or any other authorized personal leave.

(n) “Control” of a given Person means the power or authority, whether exercised or not, to direct the business, management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; provided, that such power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty percent (50%) of the votes entitled to be cast at a meeting of the members or shareholders of such Person or power to control the composition of a majority of the board of directors of such Person.

(o) “Corporate Transaction” means (as determined by the Administrator acting reasonably) any of the following transactions:

(i) a merger, amalgamation, consolidation or other business combination of the Company with or into any Person, in which the Company is not the surviving entity, or any other transaction or series of transactions, as a result of which the shareholders of the Company immediately prior to such transaction or series of transactions will cease to own a majority of the voting power of the surviving entity immediately after consummation of such transaction or series of transactions, except for a transaction the principal purpose of which is to change the state in which the Company is incorporated;

(ii) the sale, transfer, exclusive license or other disposition of all or substantially all of the assets of the Company and its Subsidiaries and Affiliates;

(iii) the complete liquidation or dissolution of the Company;

(iv) any reverse merger or series of related transactions culminating in a reverse merger (including, but not limited to, a tender offer followed by a reverse merger) in which the Company is the surviving entity but (A) the Ordinary Shares outstanding immediately prior to such merger are converted or exchanged by virtue of the merger into other property, whether in the form of securities, cash or otherwise, or (B) in which securities possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities are transferred to a Person or Persons different from those who held such securities immediately prior to such merger or the initial transaction culminating in such merger, but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction; or

(v) acquisition in a single or series of related transactions by any Person or related group of Persons (other than the Company or by a Company-sponsored employee benefit plan) of beneficial ownership of securities possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities, but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction.

(p) “Director” means a member of the Board or the board of directors of any Related Entity.

(q) “Disability” means that a Grantee is unable to carry out the responsibilities and functions of the position held by the Grantee by reason of any medically determinable physical or mental impairment for a period of not less than ninety (90) consecutive days. A Grantee will not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Administrator in its discretion.

(r) “Dividend Equivalent Right” means a right entitling the Grantee to compensation measured by dividends paid with respect to Ordinary Shares.

(s) “Drag-Along Event” means a Drag-Along Event or Trade Sale of the Company as defined in the Shareholders Agreement and/or the M&A of the Company, or in the absence of such then-effective document or such definition, means the Corporate Transaction.

(t) “Employee” means any person, including a Director, who is in the employment of the Company or any Related Entity, subject to the control and direction of the Company or any Related Entity as to both the work to be performed and the manner and method of performance. The payment of a Director’s fee by the Company or a Related Entity shall not be sufficient to constitute “employment” by the Company or the Related Entity.

(u) “Fair Market Value” means, as of any date, the value of Ordinary Shares determined as follows:

(i) If the Ordinary Shares are traded on a securities exchange, the value shall be deemed to be the average of the security’s closing prices on such exchange over the thirty (30) day period ending one (1) day prior to the distribution, as reported in The Wall Street Journal or such other source as the Administrator deems reliable;

(ii) If the Ordinary Shares are traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the thirty (30) day period ending three (3) days prior to the distribution as reported in The Wall Street Journal or such other source as the Administrator deems reliable; and

(iii) In the absence of an established market for the Ordinary Shares of the type described in (i) and (ii), above, the Fair Market Value thereof shall be determined by the Administrator in good faith by reference to: (1) the audited and consolidated financial statements of the Company, or (2) the value of the Company determined by an independent appraiser chosen by the Administrator, or (3) the placing price in the Company’s latest round of equity financing (if applicable), and the development of the business operation of the Company and the market conditions since such financing, or otherwise determined by the Administrator, and not inconsistent with the Applicable Laws.

The method of valuation of securities subject to restrictions on free marketability shall be adjusted to make an appropriate discount from the market value determined as above in sub-clauses (i), (ii) or (iii) to reflect the fair market value thereof as determined in good faith by the Administrator, or by a liquidator if one is appointed.

(v) “Grantee” means an Employee, Director or Consultant who receives an Award under the Plan.

(w) “IPO” shall mean the Company’s first firm commitment underwritten public offering of any of its securities (or the securities of a successor corporation) to the general public pursuant to (a) a registration statement filed under the Securities Act of 1933, as amended, or (b) the securities laws applicable to an offering of securities in another jurisdiction pursuant to which such securities will be listed on an internationally recognized securities exchange.

(x) “Incentive Stock Option” shall mean a stock option granted pursuant to the Plan that by its terms qualifies and is otherwise intended to qualify as an incentive stock option within the meaning of Section 422 of the U.S. Code.

(y) “M&A” means the currently effective memorandum and articles of association of the Company, as amended from time to time.

(z) “Ordinary Share” means the Company’s ordinary shares of a par value of US\$0.0001 each.

(aa) “Option” means an option to purchase Shares pursuant to an Award Agreement granted under the Plan.

(bb) “Parent” means any company (other than the Company) in an unbroken chain of companies ending with the Company, if each of the companies (other than the Company) owns or Controls stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other companies in such chain. A company that attains the status of a Parent on a date after the adoption of the Plan shall be considered a Parent commencing as of such date.

(cc) “Person” means any individual, corporation, partnership, limited partnership, limited liability company, firm, joint venture, estate, trust, unincorporated organization, association, enterprise, institution, public benefit corporation, entity or governmental or regulatory authority or other entity of any kind or nature.

(dd) “Plan” means this 2017 Stock Incentive Plan.

(ee) “Registration Date” means the first to occur of (i) the closing of the IPO; and (ii) in the event of a Corporate Transaction, the date of the consummation of the Corporate Transaction if the same class of securities of the successor corporation (or its Parent) issuable in such Corporate Transaction shall have been sold to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended, on or prior to the date of consummation of such Corporate Transaction.

(ff) “Related Entity” means any Parent or Subsidiary or Affiliate of the Company and any business, corporation, partnership, limited liability company or other entity in which the Company or a Parent or a Subsidiary or an Affiliate of the Company holds a substantial ownership interest, directly or indirectly.

(gg) “Replaced” means that pursuant to a Corporate Transaction the Award is replaced with a comparable share or stock award or a cash incentive program of the Company, the successor entity (if applicable) or Parent of either of them which preserves the compensation element of such Award existing at the time of the Corporate Transaction and provides for subsequent payout in accordance with the same (or a more favorable) vesting schedule applicable to such Award. The determination of Award comparability shall be made by the Administrator and its determination shall be final, binding and conclusive.

(hh) “Restricted Share” means a Share issued under the Plan to the Grantee for such consideration, if any, and subject to such restrictions on transfer, rights of first refusal, repurchase provisions, forfeiture provisions, and other terms and conditions as established by the Administrator.

(ii) “Restricted Share Units” means an Award which may be earned in whole or in part upon the passage of time or the attainment of performance criteria established by the Administrator and which may be settled for cash, Shares or other securities or a combination of cash, Shares or other securities as established by the Administrator.

(jj) “SAR” means a share appreciation right entitling the Grantee to Shares or cash compensation, as established by the Administrator, measured by appreciation in the value of Ordinary Shares.

(kk) “Share” means an Ordinary Share of the Company.

(ll) “Spin-off Transaction” means a distribution by the Company to its shareholders of all or any portion of the securities of any Subsidiary of the Company.

(mm) “Shareholders Agreement” means the Shareholders’ Agreement dated October 31, 2016 by and among the Company and the shareholders of the Company (as amended, restated and supplemented from time to time).

(nn) “Subsidiary” means with respect to a specific entity, (i) any entity (x) more than fifty percent (50%) of whose shares or other interests entitled to vote in the election of directors or (y) more than a fifty percent (50%) interests in whose profits or capital, are owned or Controlled directly or indirectly by the subject entity or through one (1) or more Subsidiaries of the subject entity; (ii) any entity whose assets, or portions thereof, are consolidated with the net earnings of the subject entity and are recorded on the books of the subject entity for financial reporting purposes in accordance with U.S. GAAP; or (iii) any entity with respect to which the subject entity has the power to otherwise direct the business and policies of that entity directly or indirectly through another Subsidiary.

(oo) “U.S. Code” means the U.S. Internal Revenue Code of 1986, as amended.

3. Shares Subject to the Plan.

(a) The Shares to be issued pursuant to the Awards under this Plan shall be authorized, but unissued, or reacquired Ordinary Shares. Subject to the provisions of Section 11 below, the maximum aggregate number of Shares which may be issued pursuant to all Awards is 6,015,137 Shares (proportionally adjusted to reflect any share dividends, share splits, or similar transactions).

(b) Any Shares covered by an Award (or portion of an Award) which is forfeited, canceled or expires (whether voluntarily or involuntarily) shall be deemed not to have been issued for purposes of determining the maximum aggregate number of Shares which may be issued under the Plan. Shares that actually have been issued under the Plan pursuant to an Award shall not be returned to the Plan and shall not become available for future issuance under the Plan, except that if unvested Shares are forfeited, or repurchased by the Company at the lower of their original purchase price or their Fair Market Value at the time of repurchase, such Shares shall become available for future grant under the Plan. To the extent not prohibited by the Applicable Law and the listing requirements of the applicable stock exchange or national market system on which the Ordinary Shares are traded, any Shares covered by an Award which are surrendered (i) in payment of the Award exercise or purchase price or (ii) in satisfaction of tax withholding obligations incident to the exercise of an Award shall be deemed not to have been issued for purposes of determining the maximum number of Shares which may be issued pursuant to all Awards under the Plan, unless otherwise determined by the Administrator.

4. Administration of the Plan.

(a) Plan Administrator.

(i) Administration. The Plan shall be administered by (A) the Board or (B) a Committee designated by the Board, which Committee shall be constituted in accordance with the Applicable Laws and the M&A. Once appointed, such Committee shall continue to serve in its designated capacity until otherwise directed by the Board. The Board may authorize one or more officers or directors to grant such Awards and may limit such authority as the Board determines from time to time.

(ii) Administration Errors. In the event an Award is granted in a manner inconsistent with the provisions of this subsection (a), such Award shall be presumptively valid as of its grant date to the extent permitted by the Applicable Laws and approved by the Administration.

(b) Powers of the Administrator. Subject to Applicable Laws and the provisions of the Plan (including any other powers given to the Administrator hereunder), and except as otherwise provided by the Board, the Administrator shall have the authority, in its discretion:

- (i) to select the Employees, Directors and Consultants to whom Awards may be granted from time to time hereunder;

(ii) to determine whether and to what extent Awards are granted hereunder;

(iii) to determine the type or the number of Awards to be granted, the number of Shares or the amount of consideration to be covered by each Award granted hereunder;

(iv) to approve forms of Award Agreements for use under the Plan, to amend terms of the Award Agreements;

(v) to determine the terms and conditions of any Award granted hereunder (including without limitation the vesting schedule and exercise price set forth in the Notice of Stock Option Award and the Award Agreements);

(vi) to amend the terms of any outstanding Award granted under the Plan, provided that any amendment that would adversely affect the Grantee's rights under an outstanding Award in material aspects shall not be made without the Grantee's written consent;

(vii) to construe and interpret the terms of the Plan and Awards, including without limitation, any notice of award or Award Agreement, granted pursuant to the Plan; and

(viii) to require the Grantee to provide representation or evidence that any currency used to pay the exercise price of any Award was legally acquired and taken out of the jurisdiction in which the Grantee resides in accordance with the Applicable Laws.

(ix) to take such other action, not inconsistent with the terms of the Plan and the Applicable Laws, as the Administrator deems appropriate.

(c) Indemnification. In addition to such other rights of indemnification as they may have as members of the Board or Employees of the Company or a Related Entity, members of the Board and any Employees of the Company or a Related Entity to whom authority to act for the Board, the Administrator or the Company is delegated shall be defended and indemnified by the Company to the extent permitted by Applicable Law and in the manner approved by the Administrator, on an after-tax basis, against all reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any claim, investigation, action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any Award granted hereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by the Company) or paid by them in satisfaction of a judgment in any such claim, investigation, action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such claim, investigation, action, suit or proceeding that such Person is liable for gross negligence, bad faith or intentional misconduct; provided, however, that within thirty (30) days after the institution of such claim, investigation, action, suit or proceeding, such Person shall offer to the Company, in writing, the opportunity at the Company's expense to defend the same.

5. Eligibility. Awards may be granted to Employees, Directors and Consultants. An Employee, Director or Consultant who has been granted an Award may, if otherwise eligible, be granted additional Awards.

6. Terms and Conditions of Awards.

(a) Types of Awards. The Administrator is authorized under the Plan to award any type of arrangement to an Employee, Director or Consultant that is not inconsistent with the provisions of the Plan and that by its terms involves or might involve the issuance of (i) Shares, (ii) cash or (iii) an Option, a SAR, or similar right with a fixed or variable price related to the Fair Market Value of the Shares and with an exercise or conversion privilege related to the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions. Such awards include, without limitation, Options, SARs, sales or bonuses of Restricted Shares, Restricted Share Units or Dividend Equivalent Rights, and an Award may consist of one such security or benefit, or two (2) or more of them in any combination or alternative.

(b) Designation of Award. Each Award shall be designated in the Award Agreement.

(c) Conditions of Award. Subject to the terms of the Plan, the Administrator shall determine the provisions, terms, and conditions of each Award including, but not limited to, the Award vesting schedule, repurchase provisions, rights of first refusal, forfeiture provisions, form of payment (cash, Shares, or other consideration) upon settlement of the Award, payment contingencies, and satisfaction of any performance criteria. Each Award shall be subject to the terms of an Award Agreement approved by the Administrator. The performance criteria established by the Administrator may be based on any one of, or combination of, the following: (i) increase in share price, (ii) earnings per share, (iii) total shareholder return, (iv) operating margin, (v) gross margin, (vi) return on equity, (vii) return on assets, (viii) return on investment, (ix) operating income, (x) net operating income, (xi) pre-tax profit, (xii) cash flow, (xiii) revenue, (xiv) expenses, (xv) earnings before interest, taxes and depreciation, (xvi) economic value added and (xvii) market share. The performance criteria may be applicable to the Company, Related Entities and/or any individual business units of the Company or any Related Entity. Partial achievement of the specified criteria may result in a payment or vesting corresponding to the degree of achievement as specified in the Award Agreement.

(d) Acquisitions and Other Transactions. The Administrator may issue Awards under the Plan in settlement, assumption or substitution for, outstanding awards or obligations to grant future awards in connection with the Company or a Related Entity acquiring another entity, an interest in another entity or an additional interest in a Related Entity whether by merger, share purchase, asset purchase or other form of transaction.

(e) Deferral of Award Payment. The Administrator may establish one or more programs under the Plan to permit selected Grantees the opportunity to elect to defer receipt of consideration upon exercise of an Award (other than an Option held by a U.S. taxpayer), satisfaction of performance criteria, or other event that absent the election would entitle the Grantee to payment or receipt of Shares or other consideration under an Award. The Administrator may establish the election procedures, the timing of such elections, the mechanisms for payments of, and accrual of interest or other earnings, if any, on amounts, Shares or other consideration so deferred, and such other terms, conditions, rules and procedures that the Administrator deems advisable for the administration of any such deferral program.

(f) Separate Programs. The Administrator may establish one or more separate programs under the Plan for the purpose of issuing particular forms of Awards to one or more classes of Grantees on such terms and conditions as determined by the Administrator from time to time.

(g) Early Exercise. The Award Agreement may, but need not, include a provision whereby the Grantee may elect at any time while an Employee, Director or Consultant to exercise any part or all of the Award prior to full vesting of the Award, subject to compliance with the Applicable Laws and approval by the Administrator. Any unvested Shares received pursuant to such exercise may be subject to a repurchase right in favor of the Company or a Related Entity or to any other restriction the Administrator determines to be appropriate.

(h) Term of Award. The term of each Award shall be the term stated in the Award Agreement. Notwithstanding the foregoing, the specified term of any Award shall not include any period for which the Grantee has elected to defer the receipt of the Shares or cash issuable pursuant to the Award. (In the case of an Incentive Stock Option granted to an U.S. taxpayer who, at the time the Incentive Stock Option is granted, owns (or, pursuant to Section 424(d) of the U.S. Code, is deemed to own) stock representing more than 10% of the total combined voting power of all classes of shares of the Company or any Subsidiary or Affiliate, the term of the Incentive Stock Option will not be longer than five years from the date of grant).

(i) Transferability of Awards. Subject to the Applicable Laws, Awards shall be transferable (i) by will and by the laws of descent and distribution and (ii) during the lifetime of the Grantee, only to the extent and in the manner approved by the Administrator. Notwithstanding the foregoing, the Grantee may designate one or more beneficiaries of the Grantee's Award in the event of the Grantee's death on a beneficiary designation form provided by the Administrator.

(j) Time of Granting Awards. The date of grant of an Award shall for all purposes be the date on which the Administrator makes the determination to grant such Award, or such other date as is determined by the Administrator.

7. Award Exercise or Purchase Price, Consideration and Taxes.

(a) Exercise or Purchase Price. The exercise or purchase price, if any, for an Award shall be determined by the Administrator. (In the case of Options or SARs granted to U.S. taxpayers, shall not be less than 100% of the Fair Market Value of a Share as of the date of grant. In addition, in the case of an Incentive Stock Option granted to an U.S. taxpayer, who, at the time the Incentive Stock Option is granted, owns (or, pursuant to Section 424(d) of the U.S. Code, is deemed to own) Shares representing more than 10% of the total combined voting power of all classes of shares of the Company or any Subsidiary or Affiliate, the per Share exercise price will be no less than 110% of the Fair Market Value per Share on the date of grant.)

Notwithstanding the foregoing provisions of this Section 7(a), in the case of an Award issued pursuant to Section 6(d), above, the exercise or purchase price for the Award shall be determined in accordance with the provisions of the relevant instrument evidencing the agreement to issue such Award.

(b) Consideration. Subject to Applicable Laws, the consideration to be paid for the Shares to be issued upon exercise or purchase of an Award including the method of payment, shall be determined by the Administrator. In addition to any other types of consideration the Administrator may determine, the Administrator is authorized to accept as consideration for Shares issued under the Plan the following:

(i) cash;

(ii) check;

(iii) if the exercise or purchase occurs on or after the Registration Date, or as otherwise permitted by the Administrator, surrender of Shares or delivery of a properly executed form of attestation of ownership of Shares as the Administrator may require which have a Fair Market Value on the date of surrender or attestation equal to the aggregate exercise price of the Shares as to which said Award shall be exercised;

(iv) with respect to Options, if the exercise occurs on or after the Registration Date, payment through a broker-dealer sale and remittance procedure pursuant to which the Grantee (A) shall provide written instructions to a Company designated brokerage firm to effect the immediate sale of some or all of the purchased Shares and remit to the Company sufficient funds to cover the aggregate exercise price payable for the purchased Shares and (B) shall provide written directives to the Company to deliver the certificates for the purchased Shares directly to such brokerage firm in order to complete the sale transaction; or

(v) any combination of the foregoing methods of payment.

The Administrator may at any time or from time to time, by adoption of or by amendment to the standard forms of Award Agreement described in Section 4(b)(iv), or by other means, grant Awards which do not permit all of the foregoing forms of consideration to be used in payment for the Shares or which otherwise restrict one or more forms of consideration.

(c) Taxes. No Shares shall be delivered under the Plan to any Grantee or other Person until such Grantee or other Person has made arrangements acceptable to the Administrator for the satisfaction of any income and employment tax withholding obligations under any Applicable Laws. The Grantee shall be responsible for all taxes associated with the receipt, vest, exercise, transfer and disposal of the Awards and the Shares. Upon exercise of an Award, the Company and/or the Related Entity which is an employer of the Grantee shall have the right to withhold or collect from Grantee an amount sufficient to satisfy such tax obligations.

8. Exercise of Award.

(a) Procedure for Exercise; Rights as a Shareholder.

(i) Any Award granted hereunder shall be exercisable at such times and under such conditions as determined by the Administrator under the terms of the Plan and specified in the Award Agreement.

(ii) An Award shall be deemed to be exercised when written notice of such exercise has been given to the Company in accordance with the terms of the Award by the Person entitled to exercise the Award and full payment for the Shares with respect to which the Award is exercised, including, to the extent selected, use of the broker-dealer sale and remittance procedure to pay the purchase price as provided in Section 7(b)(iv).

(b) Exercise of Award Following Termination of Continuous Service.

(i) An Award may not be exercised after the termination date of such Award set forth in the Award Agreement and may be exercised following the termination of a Grantee's Continuous Service only to the extent provided in the Award Agreement.

(ii) Where the Award Agreement permits a Grantee to exercise an Award following the termination of the Grantee's Continuous Service for a specified period, the Award shall terminate to the extent not exercised on the last day of the specified period or the last day of the original term of the Award, whichever occurs first.

(c) No Exercise in Violation of Applicable Law.

Notwithstanding the foregoing, regardless of whether an Award has otherwise become exercisable, the Award shall not be exercised if the Administrator (in its sole discretion) determines that an exercise would violate any Applicable Laws.

(d) Restrictions on Exercise.

Notwithstanding the foregoing, regardless of whether an Award has become vested and exercisable, the Administrator may determine that the Award shall not be exercised before the consummation of (i) an IPO of the Company, or (ii) a Corporate Transaction or a Change in Control, except as permitted by the applicable Award Agreement.

9. Conditions Upon Issuance of Shares.

(a) Shares shall not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares pursuant thereto shall comply with all Applicable Laws, the M&A and the relevant Award Agreement, and shall be further subject to the approval of counsel for the Company with respect to such compliance.

(b) As a condition to the exercise of an Award, the Company may require the Person exercising such Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by any Applicable Laws.

(c) As a condition to the exercise of an Award, the applicable Award Agreement may require the Grantee to grant a power of attorney to the Board or any Person designated by the Board to exercise the voting rights with respect to the Shares and the Company may require the Person exercising such Award to acknowledge and agree to be bound by the provisions of the currently effective M&A, the Shareholders Agreements and other documents of the Company in relation to the Shares (if any), as if the Grantee is a holder of Ordinary Shares thereunder.

10. Termination and Repurchase Rights. Upon termination of the Grantee's Continuous Service for any reason, all unvested Awards shall be terminated immediately without further effect. To the extent any vested Award is not terminated ("**Outstanding Vested Award**") following termination of the Grantee's Continuous Service for any reason, the Company shall have the right (but not the obligation) to repurchase (the "Repurchase Right") from the Grantee all or any portion of such Outstanding Vested Award or the Shares obtained by the Grantee upon exercise of the Awards. The Repurchase Right may be exercised by the Company at any time within one (1) year after termination of the Grantee's Continuous Service. The repurchase price shall be as follows:

(a) the consideration payable for the Outstanding Vested Awards or the Shares obtained by the Grantee upon exercise of the Awards shall be made in cash or by cancellation of purchase money indebtedness owed to the Company by the Grantee; and

(b) the amount of consideration payable for the Outstanding Vested Awards or the Shares obtained by the Grantee upon exercise of the Awards shall be: (x) in the event of termination of the Grantee's Continuous Service other than for Cause, the original purchase price actually paid by the Grantee for such Outstanding Vested Awards or such Shares, or the Fair Market Value of such Outstanding Vested Awards or such Shares on the termination date, as determined by the Administrator; and (y) in the event of termination of the Grantee's Continuous Service for Cause, the nominal value of such Outstanding Vested Awards or such Shares, unless otherwise determined by the Administrator;

Following termination of the Grantee's Continuous Service, if the Company decides to exercise the repurchase right, each holder of the Outstanding Vested Awards or the Shares subject to repurchase shall (1) immediately execute all necessary documents and take all necessary actions as required by the Applicable Laws, the M&A and the Administrator to give full effect to such repurchase, and (2) provide customary representations and warranties with respect to such Outstanding Vested Awards or such Shares as the Administrator requires, provided however that, the failure of the holder to make such representations and warranties shall in no way delay or affect the completion of the repurchase of such Shares or such Outstanding Vested Awards, which shall become effective and be recorded in the Company's register of members (if applicable) at the moment when the Company makes available to such holder the applicable repurchase price.

11. Adjustments Upon Changes in Capitalization. Subject to any required action by the shareholders of the Company, the number of Shares covered by each outstanding Award, the number of Shares which have been authorized for issuance under the Plan but as to which no Awards have yet been granted or which have been returned to the Plan, the exercise or purchase price of each such outstanding Award, the maximum number of Shares with respect to which Awards may be granted to any Grantee in any fiscal year of the Company, as well as any other terms that the Administrator determines require adjustment shall be proportionately adjusted for (i) any increase or decrease in the number of issued Shares resulting from a share split, reverse share split, share dividend, combination or reclassification of the Shares, or similar transaction affecting the Shares, (ii) any other increase or decrease in the number of issued Shares effected without receipt of consideration by the Company, or (iii) as the Administrator may determine in its discretion, any other transaction with respect to Ordinary Shares including a corporate merger, consolidation, acquisition of property or equity, separation (including a spin-off or other distribution of shares or property), reorganization, liquidation (whether partial or complete) or any similar transaction; provided, however that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Administrator and its determination shall be final, binding and conclusive. Except as the Administrator determines, no issuance by the Company of shares of any class, or securities convertible into shares of any class, shall affect, and no adjustment by reason hereof shall be made with respect to, the number or price of Shares subject to an Award. In the event of a Spin-off Transaction, the Administrator may in its discretion make such adjustments and take such other action as it deems appropriate with respect to outstanding Awards under the Plan, including but not limited to: (i) adjustments to the number and kind of Shares, the exercise or purchase price per Share and the vesting periods of outstanding Awards, (ii) prohibit the exercise of Awards during certain periods of time prior to the consummation of the Spin-off Transaction, or (iii) the substitution, exchange or grant of Awards to purchase securities of the Subsidiary; provided that the Administrator shall not be obligated to make any such adjustments or take any such action hereunder.

12. Corporate Transactions and Changes in Control.

(a) Acceleration of Award Upon Corporate Transaction or Change in Control.

(i) Corporate Transaction. Except as provided otherwise in an individual Award Agreement or in any other written agreement between the Company and a Grantee, in the event of a Corporate Transaction (other than a Corporate Transaction which also is a Change in Control), each Award can be Assumed or Replaced immediately prior to the specified effective date of such Corporate Transaction, for the portion of each Award that is neither Assumed nor Replaced, such portion of the Award shall automatically become fully vested and exercisable and be released from any repurchase or forfeiture rights (other than repurchase rights exercisable at Fair Market Value) for all of the Shares at the time represented by such portion of the Award, immediately prior to the specified effective date of such Corporate Transaction, provided that the Grantee's Continuous Service has not terminated prior to such date. The portion of the Award that is not Assumed or Replaced shall terminate under subsection (b) of this Section to the extent not exercised prior to the consummation of such Corporate Transaction.

(ii) Change in Control. Except as provided otherwise in an individual Award Agreement or in any other written agreement between the Company and a Grantee, in the event of a Change in Control (other than a Change in Control which also is a Corporate Transaction), each Award which is at the time outstanding under the Plan shall automatically become fully vested and exercisable and be released from any repurchase or forfeiture rights (other than repurchase rights exercisable at Fair Market Value) for all of the Shares at the time represented by such Award, immediately prior to the specified effective date of such Change in Control, provided that the Grantee's Continuous Service has not terminated prior to such date.

(b) Termination of Award to the Extent Not Assumed and Replaced in Corporate Transaction. Effective upon the consummation of a Corporate Transaction, all outstanding Awards under the Plan shall terminate, provided however that, all such Awards shall not terminate to the extent they are Assumed or Replaced in connection with the Corporate Transaction.

(c) Other Mechanisms. Except as provided otherwise in an individual Award Agreement or in any other written agreement between the Company and a Grantee, and subject to Applicable Laws, in the event of a Corporate Transaction or a Change in Control, the Administrator may provide for other mechanisms, such as (1) termination and payment of any Awards in cash based on the value of the Shares on the date of the Corporate Transaction or the Change in Control (as the case may be), or (2) allowing any Grantee the right to exercise any outstanding Awards during a specified period of time determined by the Administrator.

13. Effective Date and Term of Plan. The Plan shall become effective upon the later to occur of its adoption by the Board or its approval by the shareholders of the Company. The Plan shall continue in effect for a term of ten (10) years after the date of adoption, unless sooner terminated. Subject to Applicable Laws, Awards may be granted under the Plan upon its becoming effective.

14. Amendment, Suspension or Termination of the Plan.

(a) The Board may at any time amend, suspend or terminate the Plan; provided, however, that no such amendment shall be made without the approval of the Company's shareholders to the extent such approval is required by Applicable Laws or if such amendment would change any of the provisions of Section 4(b)(vi) or this Section 14(a).

(b) No Award may be granted during any suspension of the Plan or after termination of the Plan.

(c) Unless otherwise determined by the Administrator in good faith, the suspension or termination of the Plan (including termination of the Plan under Section 12, above) shall not materially adversely affect any rights under Awards already granted to a Grantee.

15. Reservation of Shares.

(a) The Company, during the term of the Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

(b) The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

16. No Effect on Terms of Employment/Consulting Relationship. The Plan shall not confer upon any Grantee any right with respect to the Grantee's Continuous Service, nor shall it interfere in any way with his or her right or the right of the Company or any Related Entity to terminate the Grantee's Continuous Service at any time, with or without Cause, and with or without notice. The ability of the Company or any Related Entity to terminate the employment of a Grantee who is employed at will is in no way affected by its determination that the Grantee's Continuous Service has been terminated for Cause for the purposes of this Plan.

17. No Effect on Retirement and Other Benefit Plans. Except as specifically provided in a retirement or other benefit plan of the Company or a Related Entity, Awards shall not be deemed compensation for purposes of computing benefits or contributions under any retirement plan of the Company or a Related Entity, and shall not affect any benefits under any other benefit plan of any kind or any benefit plan subsequently instituted under which the availability or amount of benefits is related to level of compensation. The Plan is not a "Retirement Plan" or "Welfare Plan" under the Employee Retirement Income Security Act of 1974, as amended.

18. Vesting Schedule. The Awards to be issued to any Grantee under the Plan shall be subject to the vesting schedule as specified in the Award Agreement of such Grantee. The Administrator shall have the right to adjust the vesting schedule of the Awards granted to the Grantees.

19. Drag-Along Events. Except as provided in the applicable Award Agreement, in the event of a Drag-Along Event, the Grantees who hold any Shares upon exercise of the Award shall sell, transfer, convey or assign all of their Shares pursuant to, and so as to give effect to, the Drag-Along Event, and each of such Grantees shall grant to the Board or a Person designated by the Board, a power of attorney to transfer, sell, convey and assign his/her Shares and to do and carry out all acts and to execute all documents that are necessary or advisable to complete the Drag-Along Event.

20. IPO. In the case of an IPO, the Grantees shall enter into any agreements with any underwriter, coordinator, bankers or sponsor elected by the Company for the purpose of the IPO, and each of such Grantees shall grant to the Board or a Person designated by the Board, a power of attorney to enter into any agreements with any underwriter, coordinator, bankers or sponsor elected by the Company and to do and carry out all the acts and to execute all the documents that are necessary or advisable to complete the IPO.

21. Unfunded Obligation. Any amounts payable to Grantees pursuant to the Plan shall be unfunded and unsecured obligations for all purposes. Neither the Company nor any Related Entity shall be required to segregate any monies from its general funds, or to create any trusts, or establish any special accounts with respect to such obligations. The Company shall retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of any trust or any Grantee account shall not create or constitute a trust or fiduciary relationship between the Administrator, the Company or any Related Entity and a Grantee, or otherwise create any vested or beneficial interest in any Grantee or the Grantee's creditors in any assets of the Company or a Related Entity. The Grantees shall have no claim against the Company or any Related Entity for any changes in the value of any assets that may be invested or reinvested by the Company with respect to the Plan.

22. Entire Plan. This Plan, the individual Award Agreements and notices of issuance of the Awards, together with all the exhibits hereto and thereto, constitute and contain the entire stock incentive plan and understanding of the parties with respect to the subject matter hereof and supersedes any and all prior negotiations, correspondence, agreements, understandings, memorandum, duties or obligations between the parties respecting the subject matter hereof.

23. Construction. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

### Power of Attorney

I, [name of shareholder], a Chinese citizen with Chinese Identification Card No.: [ID Card Number], and a holder of [percentage of shareholding] of the entire registered capital in Shenzhen Hexunhuagu Information Technology Co. Ltd. ("Hexunhuagu") as of the date when the Power of Attorney is executed, hereby irrevocably authorize JPush Information Consultation (Shenzhen) Co. Ltd. ("WFOE") to exercise the following rights relating to all equity interests held by me now and in the future in Hexunhuagu ("My Shareholding") during the term of this Power of Attorney:

WFOE is hereby authorized to act on behalf of myself as my exclusive agent and attorney with respect to all matters concerning My Shareholding, including without limitation to: 1) attending shareholders' meetings of Hexunhuagu; 2) exercising all the shareholder's rights and shareholder's voting rights I am entitled to under the laws of China and Hexunhuagu's Articles of Association, including but not limited to the sale or transfer or pledge or disposition of My Shareholding in part or in whole; and 3) designate and appoint on behalf of myself the legal representative, the directors, supervisors, the chief executive officer and other senior management members of Hexunhuagu.

Without limiting the generality of the powers granted hereunder, WFOE shall have the power and authority to, on behalf of myself, execute all the documents I shall sign as stipulated in the Exclusive Option Agreement entered into by and among me, WFOE and Hexunhuagu on August 5, 2014 and the Equity Pledge Agreement entered into by and among me, WFOE and Hexunhuagu on August 5, 2014 (including any modification, amendment and restatement thereto, collectively the "Transaction Documents"), and perform the terms of the Transaction Documents.

All the actions associated with My Shareholding conducted by WFOE shall be deemed as my own actions, and all the documents related to My Shareholding executed by WFOE shall be deemed to be executed by me. I hereby acknowledge and ratify those actions and/or documents by WFOE.

WFOE is entitled to re-authorize or assign its rights related to the aforesaid matters to any other person or entity at its own discretion and without giving prior notice to me or obtaining my consent. If required by PRC laws, WFOE shall designate a PRC citizen to exercise the aforementioned rights.

During the period that I am a shareholder of Hexunhuagu, this Power of Attorney shall be irrevocable and continuously effective and valid from the date of execution of this Power of Attorney, unless otherwise instructed by WFOE in writing. Once WFOE provides the written instruction to terminate this Power of Attorney in whole or in part, I will immediately withdraw above entrustment and authorization in whole or in part within this Power of Attorney, and immediately enter into another power of attorney in same format, to grant the same authorization and entrustment to other person as nominated by WFOE.

During the term of this Power of Attorney, I hereby waive all the rights associated with My Shareholding, which have been authorized to WFOE through this Power of Attorney, and shall not exercise such rights by myself.

This Power of Attorney is written in Chinese and English. The Chinese version and English version shall have equal legal validity (In the event there are different interpretations about the Power of Attorney, the Chinese version shall prevail).

*The Remainder of this page is intentionally left blank*

[name of shareholder]

By: /s/ [name of shareholder]

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Accepted by

**JPush Information Consultation (Shenzhen) Co. Ltd.**

Company seal: /s/ JPush Information Consultation  
(Shenzhen) Co. Ltd.

By: /s/ Wang Xiaodao

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Name: Wang Xiaodao

Title: Legal Representative

Acknowledged by:

**Shenzhen Hexun Huagu Information Technology Co. Ltd.**

Company seal: /s/ Shenzhen Hexun Huagu Information  
Technology Co. Ltd.

By: /s/ Wang Xiaodao

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Name: Wang Xiaodao

Title: Legal Representative

### Schedule of Material Differences

One or more persons entered into Power of Attorney with JPush Information Consultation (Shenzhen) Co. Ltd. and Shenzhen Hexunhuagu Information Technology Co. Ltd. using this form. Pursuant to Instruction ii to Item 601 of Regulation S-K, the Registrant may only file this form as an exhibit with a schedule setting forth the material details in which the executed agreements differ from this form:

<u>No.</u>	<u>Name of shareholder</u>	<u>Percentage of shareholding</u>	<u>ID Card Number</u>
1.	Luo Weidong	80%	#####
2.	Fang Jiawen	10%	#####
3.	Wang Xiaodao	10%	#####

### Shareholder Voting Proxy Agreement

This Shareholder Voting Proxy Agreement (this “**Agreement**”) is entered into by and among the parties as of March 28, 2018 in Shenzhen, People’s Republic of China (“**PRC**”, for the purpose of this Agreement, PRC shall not include Hong Kong, Macau and Taiwan):

**Party A: Aurora Mobile Limited**

Registered Address: Harneys Services (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands

**Party B: Luo Weidong**

Identification No.: #####

**Party C: Wang Xiaodao**

Identification No.: #####

**Party D: Fang Jiawen**

Identification No.: #####

**Party E: JPush Information Consultation (Shenzhen) Co., Ltd.**

Registered Address: Room 503, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Nanshan District, Shenzhen

The above parties shall be collectively referred to as the “**Parties**”, and Party B, Party C and Party D shall be collectively referred to as the “**Shareholders**”.

Whereas:

1. Shareholders are the shareholders of Shenzhen Hexun Huagu Information Technology Co., Ltd. (“**Hexun Huagu**”) who collectively hold 100% of the equity interests of Hexun Huagu (“**Shareholders’ Equity Interests**”);
2. Shareholders agree to entrust Party A or the entity or person designated by Party A to exercise their shareholders’ rights at Hexun Huagu pursuant to the terms and conditions under this Agreement to the extent permitted by the applicable laws, and Party A agrees to accept such entrustment pursuant to the terms and conditions of this Agreement.
3. Each of the Shareholders issued a power of attorney to Party E on August 5, 2014, pursuant to which Shareholders entrusted Party E to exercise the shareholders’ rights on Shareholders’ behalf at Hexun Huagu (the “**Powers of Attorney**”).

Now therefore, the Parties agree as follows:

1. The Parties acknowledge and agree that the Powers of Attorney shall be terminated upon this Agreement becoming effective and all of Party E's rights and obligations thereunder shall be simultaneously terminated.
2. Upon the effective date of this Agreement, Shareholders irrevocably entrust Party A or the entity or person designated by Party A permitted by applicable law to exercise on their behalf all of their shareholders' voting powers and all other shareholders' rights that Shareholders are entitled to under the laws and articles of association of the company at the shareholders' meetings of Hexun Huagu, including but not limited to, sale, transfer, pledge, or disposition of all or any part of the equity interests of Hexun Huagu held by Shareholders; convening, attending or hosting shareholders' meetings as the authorized representative of Hexun Huagu's shareholders at the shareholders' meeting of Hexun Huagu; electing and changing executive directors, directors, supervisors, managers and other senior management; revising and approving Hexun Huagu's profit-sharing plans and loss recovering plans, making resolutions regarding the merger and acquisition, splitting up, liquidation or change of company form of Hexun Huagu; deciding Hexun Huagu's business policy and investment plans, and amending the articles of association of the company etc.
3. Party A is entitled to designate an entity or a person permitted by applicable law to accept the entrustment by Shareholders pursuant to Article 2 of this Agreement, and such entity or person shall represent Shareholders in the exercise of Shareholders' voting powers and shareholder's rights pursuant to this Agreement.
4. Shareholders hereby acknowledge that, regardless of how their equity interests in Hexun Huagu will change, they shall entrust Party A or the entity or person designated by Party A with all of their voting powers and shareholder's rights.
5. Shareholders hereby acknowledge that if Party A withdraws the designation of the relevant entity or person, Shareholders will withdraw their entrustment to such entity or person hereunder immediately and, following Party A's designations, entrust other entity or person designated by Party A to exercise all of Shareholders' voting rights and all other rights at the shareholders' meetings of Hexun Huagu. During the term of this Agreement, Shareholders hereby waive all the rights related to Shareholders' Equity Interests that have been entrusted to Party A via this Agreement. Notwithstanding the foregoing, Party A shall have the right to terminate this Agreement at any time by notifying Party B thirty (30) days in advance in writing.

6. This Agreement is executed by the Parties' themselves or by their legal representatives or authorized representatives as of the date first written above and shall become effective as of the same date. Unless clearly provided under this Agreement or Party A decides to terminate this Agreement in writing, this Agreement shall remain effective during the term when Shareholders hold any equity interests in Hexun Huagu. During the term of this Agreement, unless otherwise provided by law, Shareholders shall not rescind, early terminate or dissolve this Agreement. Notwithstanding the foregoing, Party A shall have the right to terminate this Agreement at any time by notifying Shareholders thirty (30) days in advance in writing.
7. Any amendment and supplements of this Agreement shall be agreed upon by the Parties in writing. Any amendment agreement and supplementary agreement that are duly executed by the Parties shall constitute an integral part of this Agreement and shall be of the same legal effect as this Agreement.
8. In the event that any provision of this Agreement is found to be invalid or unenforceable due to inconsistency with relevant law, such provision shall be deemed invalid only within the scope of the jurisdiction of relevant law, and the legal effect of the remaining provisions of this Agreement shall not be compromised.
9. Any notice or other communication required to be given pursuant to this Agreement shall be written in Chinese and be delivered personally or sent by mail or by fax to the address of other party set forth below or other address designated by such other party from time to time. The date on which such notice shall be deemed to have been effectively given shall be determined as follow: (a) any notice given by personal delivery shall be deemed effectively given on the date of delivery; (b) any notice given by mail shall be deemed effectively given on the tenth (10th) day following the date (as evidenced by postmark) when the registered air mail whose postage is prepaid is sent, or be deemed effectively given on the fourth (4th) day following the date when such mail is delivered to an internationally recognized mail service institute; and (c) any notice given by fax shall be deemed effectively given at the time as evidenced by the time of receipt shown on the confirmation of transmission of relevant documents.

Party A: Aurora Mobile Limited

Address:

Attention:

Fax:

Phone:

Party B: Luo Weidong

Address:

Attention:

Fax:

Phone:

Party C: Wang Xiaodao

Address:

Attention:

Fax:

Phone:

Party D: Fang Jiawen

Address:

Attention:

Fax:

Phone:

Party E: JPush Information Consultation (Shenzhen) Co., Ltd.

Address:

Attention:

Fax:

Phone:

10. Unless agreed upon by Party A in writing in advance, Shareholders shall not transfer their rights and obligations under this Agreement to any other third party. Shareholders hereby agree that, if needed by Party A, Party A may transfer his rights and obligations under this Agreement to any other third party. Party A only needs to notify Shareholders in writing when such transfer takes place, and Party A does not need to obtain Shareholders' approval for such transfer.
11. The Parties acknowledge and confirm that any oral or written information exchanged in connection with this Agreement are regarded as confidential information. Each party shall maintain confidentiality of all such confidential information, and without obtaining the written consent of the other Parties, it shall not disclose any relevant confidential information to any third parties, except for the information that: (a) is or will be in public domain (other than through the receiving party's unauthorized disclosure); (b) is under the obligation to be disclosed pursuant to the applicable laws or rules of any stock exchange; or (c) is required to be disclosed by any party to its legal counsels or financial advisors regarding the transaction contemplated hereunder, provided that such legal counsels or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this article. Disclosure of any confidential information by the staff members or agencies hired by any party shall be deemed disclosure of such confidential information by such party, which party shall be held liable for breach of this Agreement. This article shall survive the invalidation, amendment, termination or unenforceability of this Agreement for any reason.

12. The execution, effectiveness, construction, performance, amendment and termination of this Agreement and the resolution of dispute hereunder shall be governed by the PRC laws. In the event of any dispute with respect to the construction and performance of this Agreement, the parties shall first resolve the dispute through friendly negotiations. In the event the Parties fail to reach an agreement on the dispute, any party may submit the relevant dispute to the China International Economic and Trade Arbitration Commission for arbitration, in accordance with its arbitration rules then in effect. The arbitration shall be conducted in Beijing, and the language used in arbitration shall be Chinese. The arbitration award shall be final and binding on all parties.
13. This Agreement, upon becoming effective, shall constitute the entire agreement reached by and among the parties hereto with respect to the subject matter hereof, and shall supersede all prior oral and written agreement and consensus reached with respect to the subject matter of this Agreement.
14. This Agreement is written in five copies. Each party shall hold one copy respectively. Each copy of this Agreement shall have equal legal effect.

*[The remainder of this page is intentionally left blank]*

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

**Party A: Aurora Mobile Limited**

Company seal: /s/ Aurora Mobile Limited

By: /s/ Luo Weidong  
Name: Luo Weidong  
Title: Director

**Party B: Luo Weidong**

By: /s/ Luo Weidong

**Party C: Wang Xiaodao**

By: /s/ Wang Xiaodao

**Party D: Fang Jiawen**

By: /s/ Fang Jiawen

**Party E: JPush Information Consultation (Shenzhen) Co., Ltd.**

Company seal: /s/ JPush Information Consultation (Shenzhen) Co., Ltd.

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Legal Representative

Signature Page of the Shareholder Voting Proxy Agreement

## Equity Interest Pledge Agreement

This Equity Interest Pledge Agreement (this “Agreement”) has been executed by and among the following parties on April 20, 2018 in Shenzhen, the People’s Republic of China (“China” or the “PRC”):

**Party A:** **JPush Information Consultation (Shenzhen) Co. Ltd.** (hereinafter “Pledgee”), a wholly foreign owned enterprise, organized and existing under the laws of the PRC, with its address at Room 503, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Nanshan District, Shenzhen;

**Party B:** **[name of shareholder]** (hereinafter “Pledgor”), a Chinese citizen with Identification No.: **[ID Card Number]**; and

**Party C:** **Shenzhen Hexun Huagu Information Technology Co. Ltd.**, a limited liability company organized and existing under the laws of the PRC, with its address at Room 501, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Nanshan District, Shenzhen.

In this Agreement, each of Pledgee, Pledgor and Party C shall be referred to as a “Party” respectively, and they shall be collectively referred to as the “Parties”.

Whereas:

- (1) Pledgor is a citizen of China who as of the date hereof holds [percentage of shareholding] of equity interests of Party C, representing [amount of registered capital represented] in the registered capital of Party C. Party C is a limited liability company registered in Shenzhen, China, engaging in the business of Internet information push service and related business. Party C acknowledges the respective rights and obligations of Pledgor and Pledgee under this Agreement, and intends to provide any necessary assistance in registering the Pledge;
- (2) The Pledgor entered into an equity interest pledge agreement (the “Prior Equity Interest Pledge Agreement”) on August 5, 2014, and pledged to Pledgee all the equity interests in Party C held by Pledgor, representing [amount of registered capital represented] in the registered capital of Party C. Part C increased its registered capital on March 25, 2016 and Pledgor increased its registered capital in Party C to [increased amount of registered capital represented].
- (3) Pledgee is a wholly foreign-owned enterprise registered in China. Pledgee and Party C which is partially owned by Pledgor have executed an Exclusive Business Cooperation Agreement (as defined below) in Shenzhen; Party C, Pledgee and Pledgor have executed an Exclusive Option Agreement (as defined below); Pledgee, Pledgor, Aurora Mobile Limited, Fang Jiawen and Wang Xiaodao have executed a Shareholder Voting Proxy Agreement (as defined below) in favor of Pledgee; Pledgee, Pledgor, Aurora Mobile Limited, Fang Jiawen and Wang Xiaodao have executed a Financial Support Agreement (as defined below);
- (4) To ensure that Party C and Pledgor fully perform their obligations under the Exclusive Business Cooperation Agreement, the Exclusive Option Agreement, the Shareholder Voting Proxy Agreement and Financial Support Agreement, Pledgor hereby pledges to the Pledgee all of the equity interest that Pledgor holds in Party C as security for Party C’s and Pledgor’s obligations under the Exclusive Business Cooperation Agreement, the Exclusive Option Agreement, the Shareholder Voting Proxy Agreement and Financial Support Agreement.

To perform the provisions of the Transaction Documents (as defined below), the Parties have mutually agreed to execute this Agreement upon the following terms.

### 1. Definitions

Unless otherwise provided herein, the terms below shall have the following meanings:

- 1.1 Pledge: shall refer to the security interest granted by Pledgor to Pledgee pursuant to Section 2 of this Agreement, i.e., the right of Pledgee to be paid in priority with the Equity Interest based on the monetary valuation that such Equity Interest is converted into or from the proceeds from auction or sale of the Equity Interest.

- 1.2 Equity Interest: shall refer to [percentage of shareholding] equity interests in Party C currently held by Pledgor, representing [amount of registered capital represented] in the registered capital of Party C, and all of the equity interest hereafter acquired by Pledgor in Party C.
- 1.3 Term of Pledge: shall refer to the term set forth in Section 3 of this Agreement.
- 1.4 Transaction Documents: shall refer to the Exclusive Business Cooperation Agreement executed by and between Party C and Pledgee on August 5, 2014 (the "Exclusive Business Cooperation Agreement"), the Exclusive Option Agreement executed by and among Party C, Pledgee and Pledgor on April 20, 2018 (the "Exclusive Option Agreement"), Shareholder Voting Proxy Agreement executed on March 28, 2018 by and among Pledgee, Pledgor, Aurora Mobile Limited, Fang Jiawen and Wang Xiaodao (the "Shareholder Voting Proxy Agreement"), Financial Support Agreement executed on March 28, 2018 by and among Pledgee, Pledgor, Aurora Mobile Limited, Fang Jiawen and Wang Xiaodao (the "Financial Support Agreement") and any modification, amendment and restatement to the aforementioned documents.
- 1.5 Contract Obligations: shall refer to all the obligations of Pledgor under the Exclusive Option Agreement, the Shareholder Voting Proxy Agreement, the Financial Support Agreement and this Agreement; all the obligations of Party C under the Exclusive Business Cooperation Agreement, the Exclusive Option Agreement, the Financial Support Agreement and this Agreement.
- 1.6 Secured Indebtedness: shall refer to all the direct, indirect and derivative losses and losses of anticipated profits, suffered by Pledgee, incurred as a result of any Event of Default. The amount of such loss shall be calculated in accordance with the reasonable business plan and profit forecast of Pledgee, the consulting and service fees payable to Pledgee under the Exclusive Business Cooperation Agreement, all expenses occurred in connection with enforcement by Pledgee of Pledgor's and/or Party C's Contract Obligations and etc.
- 1.7 Event of Default: shall refer to any of the circumstances set forth in Section 7 of this Agreement.
- 1.8 Notice of Default: shall refer to the notice issued by Pledgee in accordance with this Agreement declaring an Event of Default.

## **2. Pledge**

- 2.1 Pledgor agrees to pledge all the Equity Interest as security for performance of the Contract Obligations and payment of the Secured Indebtedness under this Agreement. Party C hereby assents that Pledgor pledges the Equity Interest to the Pledgee pursuant to this Agreement.
- 2.2 During the term of the Pledge, Pledgee is entitled to receive dividends distributed on the Equity Interest. Pledgor may receive dividends distributed on the Equity Interest only with prior written consent of Pledgee. Dividends received by Pledgor on Equity Interest after deduction of individual income tax paid by Pledgor shall be, as required by Pledgee, (1) deposited into an account designated and supervised by Pledgee and used to secure the Contract Obligations and pay the Secured Indebtedness prior and in preference to make any other payment; or (2) unconditionally donated to Pledgee or any other person designated by Pledgee to the extent permitted under applicable PRC laws.
- 2.3 Pledgor may subscribe for capital increase in Party C only with prior written consent of Pledgee. Any equity interest obtained by Pledgor as a result of Pledgor's subscription of the increased registered capital of the Company shall also be deemed as Equity Interest.

2.4 In the event that Party C is required by PRC law to be liquidated or dissolved, any interest distributed to Pledgor upon Party C's dissolution or liquidation shall, upon the request of the Pledgee, be (1) deposited into an account designate and supervised by Pledgee and used to secure the Contract Obligations and pay the Secured Indebtedness prior and in preference to make any other payment; or (2) unconditionally donated to Pledgee or any other person designated by Pledgee to the extent permitted under applicable PRC laws.

### **3. Term of Pledge**

- 3.1 The Pledge shall become effective on such date when the pledge of the Equity Interest contemplated herein is registered with relevant administration for industry and commerce (the "AIC"). The Pledge shall remain effective until all Contract Obligations have been fully performed and all Secured Indebtedness have been fully paid. Pledgor and Party C shall (1) register the Pledge in the shareholders' register of Party C within 3 business days following the execution of this Agreement, and (2) submit an application to the AIC for the registration of the Pledge of the Equity Interest contemplated herein within 30 business days following the execution of this Agreement. The parties covenant that for the purpose of registration of the Pledge, the parties hereto and all other shareholders of Party C shall submit to the AIC this Agreement or an equity interest pledge contract in the form required by the AIC at the location of Party C which shall truly reflect the information of the Pledge hereunder (the "AIC Pledge Contract"). For matters not specified in the AIC Pledge Contract, the parties shall be bound by the provisions of this Agreement. Pledgor and Party C shall submit all necessary documents and complete all necessary procedures, as required by the PRC laws and regulations and the relevant AIC, to ensure that the Pledge of the Equity Interest shall be registered with the AIC as soon as possible after submission for filing.
- 3.2 During the Term of Pledge, in the event Pledgor and/or Party C fails to perform the Contract Obligations or pay Secured Indebtedness, Pledgee shall have the right, but not the obligation, to exercise the Pledge in accordance with the provisions of this Agreement.

### **4. Custody of Records for Equity Interest subject to Pledge**

- 4.1 During the Term of Pledge set forth in this Agreement, Pledgor shall deliver to Pledgee's custody the capital contribution certificate for the Equity Interest and the shareholders' register containing the Pledge within one week from the execution of this Agreement. Pledgee shall have custody of such documents during the entire Term of Pledge set forth in this Agreement.

### **5. Representations and Warranties of Pledgor and Party C**

As of the execution date of this Agreement, Pledgor and Party C hereby jointly and severally represent and warrant to Pledgee that:

- 5.1 Pledgor is the sole legal and beneficial owner of the Equity Interest.
- 5.2 Pledgee shall have the right to dispose of and transfer the Equity Interest in accordance with the provisions set forth in this Agreement.
- 5.3 Except for the Pledge, Pledgor has not placed any security interest or other encumbrance on the Equity Interest.

- 5.4 Pledgor and Party C have obtained any and all approvals and consents from applicable government authorities and third parties (if required) for execution, delivery and performance of this Agreement.
- 5.5 The execution, delivery and performance of this Agreement will not: (i) violate any relevant PRC laws; (ii) conflict with Party C's articles of association or other constitutional documents; (iii) result in any breach of or constitute any default under any contract or instrument to which it is a party or by which it is otherwise bound; (iv) result in any violation of any condition for the grant and/or maintenance of any permit or approval granted to any Party; or (v) cause any permit or approval granted to any Party to be suspended, cancelled or attached with additional conditions.

## **6. Covenants of Pledgor and Party C**

- 6.1 During the term of this Agreement, Pledgor and Party C hereby jointly and severally covenant to the Pledgee:
- 6.1.1 Pledgor shall not transfer the Equity Interest, place or permit the existence of any security interest or other encumbrance on the Equity Interest or any portion thereof, without the prior written consent of Pledgee, except for the performance of the Transaction Documents;
- 6.1.2 Pledgor and Party C shall comply with the provisions of all laws and regulations applicable to the pledge of rights, and within five (5) days of receipt of any notice, order or recommendation issued or prepared by relevant competent authorities regarding the Pledge, shall present the aforementioned notice, order or recommendation to Pledgee, and shall comply with the aforementioned notice, order or recommendation or submit objections and representations with respect to the aforementioned matters upon Pledgee's reasonable request or upon consent of Pledgee;
- 6.1.3 Pledgor and Party C shall promptly notify Pledgee of any event or notice received by Pledgor that may have an impact on the Equity Interest or any portion thereof, as well as any event or notice received by Pledgor that may have an impact on any guarantees and other obligations of Pledgor arising out of this Agreement.
- 6.1.4 Party C shall complete the registration procedures for extension of the term of operation within three (3) months prior to the expiration of such term to maintain the validity of this Agreement.
- 6.2 Pledgor agrees that the rights acquired by Pledgee in accordance with this Agreement with respect to the Pledge shall not be interrupted or harmed by Pledgor or any heirs or representatives of Pledgor or any other persons through any legal proceedings.
- 6.3 To protect or perfect the security interest granted by this Agreement for the Contract Obligations and Secured Indebtedness, Pledgor hereby undertakes to execute in good faith and to cause other parties who have an interest in the Pledge to execute all certificates, agreements, deeds and/or covenants required by Pledgee. Pledgor also undertakes to perform and to cause other parties who have an interest in the Pledge to perform actions required by Pledgee, to facilitate the exercise by Pledgee of its rights and authority granted thereto by this Agreement, and to enter into all relevant documents regarding ownership of Equity Interest with Pledgee or designee(s) of Pledgee (natural persons/legal persons). Pledgor undertakes to provide Pledgee within a reasonable time with all notices, orders and decisions regarding the Pledge that are required by Pledgee.

- 6.4 Pledgor hereby undertakes to comply with and perform all guarantees, promises, agreements, representations and conditions under this Agreement. In the event of failure or partial performance of its guarantees, promises, agreements, representations and conditions, Pledgor shall indemnify Pledgee for all losses resulting therefrom.

## 7. Event of Breach

- 7.1 The following circumstances shall be deemed Event of Default:
- 7.1.1 Pledgor's any breach to any obligations under the Transaction Documents and/or this Agreement.
  - 7.1.2 Party C's any breach to any obligations under the Transaction Documents and/or this Agreement.
  - 7.1.3 Any of Pledgor's own loans, guarantees, indemnifications, promises or other debt liabilities exceeding RMB 300,000 to any third party or parties (1) becoming subject to a demand of early repayment or performance due to the default of Pledgor; or (2) becoming due but are not capable of being repaid or performed in a timely manner, which lead Pledgee to reasonably believe that that Pledgor's ability to perform its obligations under this Agreement has been affected;
  - 7.1.4 Pledgor's unable to pay his debt exceeding RMB 300,000 that cause Pledgee to reasonably believe that the Pledgor's ability to perform its obligations under this Agreement has been affected;
  - 7.1.5 The applicable laws rendering this Agreement illegal or rendering the Pledgor not to continue to perform its obligations under this Agreement;
  - 7.1.6 Any approval, license, permit or authorization of government agencies to legalize or give effective to this Agreement, being withdrawn, terminated, invalidated or substantively revised;
  - 7.1.7 Any material adverse changes to Pledgor's properties, which cause Pledgee to reasonably believe that Pledgor's ability to perform its obligations under the Agreement has been adversely affected;
  - 7.1.8 Party C's successor or custodian partially performing or refusing to perform the payment obligation under the Exclusive Business Cooperation Agreement; and
  - 7.1.9 The applicable laws prohibiting the Pledgor's exercise of Pledge under this Agreement.
- 7.2 Upon notice or discovery of the occurrence of any circumstances or event that may lead to the aforementioned circumstances described in Section 7.1, Pledgor and Party C shall immediately notify Pledgee in writing accordingly.
- 7.3 Unless an Event of Default set forth in this Section 7.1 has been successfully resolved to Pledgee's satisfaction within twenty (20) days after the Pledgee and /or Party C delivers a notice to the Pledgor requesting ratification of such Event of Default, Pledgee may issue a Notice of Default to Pledgor in writing at any time thereafter, demanding the Pledgor to immediately exercise the Pledge in accordance with the provisions of Section 8 of this Agreement.

## **8. Exercise of Pledge**

- 8.1 Pledgee shall issue a written Notice of Default to Pledgor when it exercises the Pledge.
- 8.2 Subject to the provisions of Section 7.3, Pledgee may exercise the right to enforce the Pledge at any time after the issuance of the Notice of Default in accordance with Section 8.1. Once Pledgee elects to enforce the Pledge, Pledgor shall cease to be entitled to any rights or interests associated with the Equity Interest.
- 8.3 After Pledgee issues a Notice of Default to Pledgor in accordance with Section 8.1, Pledgee may exercise any remedy measure under applicable PRC laws, the Transaction Documents and this Agreement, including but not limited to being paid in priority with the Equity Interest based on the monetary valuation that such Equity Interest is converted into or from the proceeds from auction or sale of the Equity Interest. The Pledgee shall not be liable for any loss incurred by its duly exercise of such rights and powers.
- 8.4 The proceeds from exercise of the Pledge by Pledgee shall be used to pay for tax and expenses incurred as result of disposing the Equity Interest and to perform Contract Obligations and pay the Secured Indebtedness to the Pledgee prior and in preference to any other payment. After the payment of the aforementioned amounts, the remaining balance shall be returned to Pledgor or any other person who have rights to such balance under applicable laws or be deposited to the local notary public office where Pledgor resides, with all expense incurred being borne by Pledgor. To the extent permitted under applicable PRC laws, Pledgor shall unconditionally donate the aforementioned proceeds to Pledgee or any other person designated by Pledgee.
- 8.5 Pledgee may exercise any remedy measure available simultaneously or in any order. Pledgee may exercise the right to being paid in priority with the Equity Interest based on the monetary valuation that such Equity Interest is converted into or from the proceeds from auction or sale of the Equity Interest under this Agreement, without exercising any other remedy measure first.
- 8.6 Pledgee is entitled to designate an attorney or other representatives to exercise the Pledge on its behalf, and Pledgor or Party C shall not raise any objection to such exercise.
- 8.7 When Pledgee disposes of the Pledge in accordance with this Agreement, Pledgor and Party C shall provide necessary assistance to enable Pledgee to enforce the Pledge in accordance with this Agreement.

## **9. Breach of Agreement**

- 9.1 If Pledgor or Party C conducts any material breach of any term of this Agreement, Pledgee shall have right to terminate this Agreement and/or require Pledgor or Party C to indemnify all damages; this Section 9 shall not prejudice any other rights of Pledgee herein;
- 9.2 Pledgor or Party C shall not have any right to terminate this Agreement in any event unless otherwise required by applicable laws.

## **10. Assignment**

- 10.1 Without Pledgee's prior written consent, Pledgor and Party C shall not have the right to assign or delegate their rights and obligations under this Agreement.
- 10.2 This Agreement shall be binding on Pledgor and his/her successors and permitted assigns, and shall be valid with respect to Pledgee and each of his/her successors and assigns.
- 10.3 At any time, Pledgee may assign any and all of its rights and obligations under the Transaction Documents and this Agreement to its designee(s), in which case the assigns shall have the rights and obligations of Pledgee under the Transaction Documents and this Agreement, as if it were the original party to the Transaction Documents and this Agreement.
- 10.4 In the event of change of Pledgee due to assignment, Pledgor and/or Party C shall, at the request of Pledgee, execute a new pledge agreement with the new pledgee on the same terms and conditions as this Agreement, and register the same with the relevant AIC.
- 10.5 Pledgor and Party C shall strictly abide by the provisions of this Agreement and other contracts jointly or separately executed by the Parties hereto or any of them, including the Transaction Documents, perform the obligations hereunder and thereunder, and refrain from any action/omission that may affect the effectiveness and enforceability thereof. Any remaining rights of Pledgor with respect to the Equity Interest pledged hereunder shall not be exercised by Pledgor except in accordance with the written instructions of Pledgee.

## **11. Termination**

- 11.1 Upon the fulfillment of all Contract Obligations and the full payment of all Secured Indebtedness by Pledgor and Party C, Pledgee shall release the Pledge under this Agreement upon Pledgor's request as soon as reasonably practicable and shall assist Pledgor to de-register the Pledge from the shareholders' register of Party C and with relevant PRC local administration for industry and commerce.
- 11.2 The provisions under Sections 9, 13, 14 and 11.2 herein of this Agreement shall survive the expiration or termination of this Agreement.

## **12. Handling Fees and Other Expenses**

All fees and out of pocket expenses relating to this Agreement, including but not limited to legal costs, costs of production, stamp tax and any other taxes and fees, shall be borne by Party C.

## **13. Confidentiality**

The Parties acknowledge that the existence and the terms of this Agreement and any oral or written information exchanged between the Parties in connection with the preparation and performance this Agreement are regarded as confidential information. Each Party shall maintain confidentiality of all such confidential information, and without obtaining the written consent of the other Party, it shall not disclose any relevant confidential information to any third parties, except for the information that: (a) is or will be in the public domain (other than through the receiving Party's unauthorized disclosure); (b) is under the obligation to be disclosed pursuant to the applicable laws or regulations, rules of any stock exchange, or orders of the court or other government authorities; or (c) is required to be disclosed by any Party to its shareholders, directors, employees, legal counsels or financial advisors regarding the transaction contemplated hereunder, provided that such shareholders, directors, employees, legal counsels or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this Section. Disclosure of any confidential information by the shareholders, director, employees of or agencies engaged by any Party shall be deemed disclosure of such confidential information by such Party and such Party shall be held liable for breach of this Agreement.

#### **14. Governing Law and Resolution of Disputes**

- 14.1 The execution, effectiveness, construction, performance, amendment and termination of this Agreement and the resolution of disputes hereunder shall be governed by the laws of China.
- 14.2 In the event of any dispute with respect to the construction and performance of this Agreement, the Parties shall first resolve the dispute through friendly negotiations. In the event the Parties fail to reach an agreement on the dispute within 30 days after either Party's request to the other Parties for resolution of the dispute through negotiations, either Party may submit the relevant dispute to the South China International Economic and Trade Arbitration Commission for arbitration, in accordance with its Arbitration Rules. The arbitration shall be conducted in Shenzhen. The arbitration award shall be final and binding on all Parties.
- 14.3 Upon the occurrence of any disputes arising from the construction and performance of this Agreement or during the pending arbitration of any dispute, except for the matters under dispute, the Parties to this Agreement shall continue to exercise their respective rights under this Agreement and perform their respective obligations under this Agreement.

#### **15. Notices**

- 15.1 All notices and other communications required or permitted to be given pursuant to this Agreement shall be delivered personally or sent by registered mail, postage prepaid, by a commercial courier service or by facsimile transmission to the address of such party set forth below. A confirmation copy of each notice shall also be sent by E-mail. The dates on which notices shall be deemed to have been effectively given shall be determined as follows:
- 15.2 Notices given by personal delivery, by courier service or by registered mail, postage prepaid, shall be deemed effectively given on the date of delivery or refusal at the address specified for notices.
- 15.3 Notices given by facsimile transmission shall be deemed effectively given on the date of successful transmission (as evidenced by an automatically generated confirmation of transmission).
- 15.4 For the purpose of notices, the addresses of the Parties are as follows:

**Party A: JPush Information Consultation (Shenzhen) Co. Ltd.**  
Address:  
Attn:  
Phone:  
Fax:

**Party B:** [name of shareholder]

Address:

Phone:

Fax:

**Party C:** Shenzhen Hexun Huagu Information Technology Co. Ltd.

Address:

Attn:

Phone:

Fax:

15.5 Any Party may at any time change its address for notices by a notice delivered to the other Parties in accordance with the terms hereof.

## 16. Severability

In the event that one or several of the provisions of this Contract are found to be invalid, illegal or unenforceable in any aspect in accordance with any laws or regulations, the validity, legality or enforceability of the remaining provisions of this Contract shall not be affected or compromised in any respect. The Parties shall strive in good faith to replace such invalid, illegal or unenforceable provisions with effective provisions that accomplish to the greatest extent permitted by law and the intentions of the Parties, and the economic effect of such effective provisions shall be as close as possible to the economic effect of those invalid, illegal or unenforceable provisions.

## 17. Attachments

The attachments set forth herein shall be an integral part of this Agreement.

## 18. Effectiveness

18.1 This Agreement shall become effective upon execution by the Parties.

18.2 Any amendments, changes and supplements to this Agreement shall be in writing and shall become effective upon completion of the governmental filing procedures (if applicable) after the affixation of the signatures or seals of the Parties.

18.3 The Pledgor, Party C and Pledgee hereby agree that immediately upon the effectiveness of this Agreement, the Prior Equity Interest Pledge Agreement executed by and among the Pledgor, Party C and Pledgee on August 5, 2014 will be terminated.

## 19. Language and Counterparts

This Agreement is written in Chinese and English in four copies. Pledgor, Pledgee and Party C shall hold one copy respectively and the other copy shall be used for registration. The Chinese version and English version shall have equal legal validity (In the event that the Parties have any different interpretations about the Agreement, the Chinese version shall prevail).

*The Remainder of this page is intentionally left blank*

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

**Party A: JPush Information Consultation (Shenzhen) Co. Ltd.**

Company seal: /s/ JPush Information Consultation (Shenzhen) Co. Ltd.

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Legal Representative

**Party B: [name of shareholder]**

By: /s/ [name of shareholder]

**Party C: Shenzhen Hexun Huagu Information Technology Co. Ltd.**

Company seal: /s/ Shenzhen Hexun Huagu Information  
Technology Co. Ltd.

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Legal Representative

**Schedule of Material Differences**

One or more persons entered into Equity Interest Pledge Agreement with JPush Information Consultation (Shenzhen) Co. Ltd. and Shenzhen Hexun Huagu Information Technology Co. Ltd. using this form. Pursuant to Instruction ii to Item 601 of Regulation S-K, the Registrant may only file this form as an exhibit with a schedule setting forth the material details in which the executed agreements differ from this form:

<u>No.</u>	<u>Name of shareholder</u>	<u>ID Card Number</u>	<u>Percentage of shareholding</u>	<u>Amount of registered capital represented</u>	<u>Increased amount of registered capital represented</u>
1.	Luo Weidong	#####	80%	RMB800,000	RMB8,000,000
2.	Fang Jiawen	#####	10%	RMB100,000	RMB1,000,000
3.	Wang Xiaodao	#####	10%	RMB100,000	RMB1,000,000

## Exclusive Option Agreement

This Exclusive Option Agreement (this “Agreement”) is executed by and among the following Parties as of April 20, 2018 in Shenzhen, the People’s Republic of China (“China” or the “PRC”):

- Party A:** **JPush Information Consultation (Shenzhen) Co. Ltd.**, a wholly foreign owned enterprise, organized and existing under the laws of the PRC, with its address at Room 503, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Nanshan District, Shenzhen;
- Party B:** **[name of shareholder]**, a Chinese citizen with Identification No.: **[ID Card Number]**; and
- Party C:** **Shenzhen Hexun Huagu Information Technology Co., Ltd.**, a limited liability company organized and existing under the laws of the PRC, with its address at Room 501, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Nanshan District, Shenzhen.

In this Agreement, each of Party A, Party B and Party C shall be referred to as a “Party” respectively, and they shall be collectively referred to as the “Parties”.

Whereas:

- (1) Party B is a shareholder of Party C and as of the date hereof holds [percentage of shareholding] of equity interests of Party C, representing [amount of registered capital represented] in the registered capital of Party C.
- (2) Party B entered into an exclusive option agreement (the “Prior Exclusive Option Agreement”) on August 5, 2014, upon which Party B held [percentage of shareholding] equity interests of Party C, representing [amount of registered capital represented] in the registered capital of Party C. Party C increased its registered capital on March 25, 2016 and Pledgor increased its registered capital in Party C to [increased amount of registered capital represented].

Now therefore, upon mutual discussion and negotiation, the Parties have reached the following agreement:

### 1. Sale and Purchase of Equity Interest

#### 1.1 Option Granted

In consideration of the payment of RMB10 by Party A, the receipt and adequacy of which is hereby acknowledged by Party B, Party B hereby irrevocably grants Party A an irrevocable and exclusive right to purchase, or designate one or more persons (each, a “Designee”) to purchase the equity interests in Party C then held by Party B once or at multiple times at any time in part or in whole at Party A’s sole and absolute discretion to the extent permitted by Chinese laws and at the price described in Section 1.3 herein (such right being the “Equity Interest Purchase Option”). Except for Party A and the Designee(s), no other person shall be entitled to the Equity Interest Purchase Option or other rights with respect to the equity interests of Party B. Party C hereby agrees to the grant by Party B of the Equity Interest Purchase Option to Party A. The term “person” as used herein shall refer to individuals, corporations, partnerships, partners, enterprises, trusts or non-corporate organizations.

#### 1.2 Steps for Exercise of Equity Interest Purchase Option

Subject to the provisions of the laws and regulations of China, Party A may exercise the Equity Interest Purchase Option by issuing a written notice to Party B (the “Equity Interest Purchase Option Notice”), specifying: (a) Party A’s or the Designee’s decision to exercise the Equity Interest Purchase Option; (b) the portion of equity interests to be purchased by Party A or the Designee from Party B (the “Optioned Interests”); and (c) the date for purchasing the Optioned Interests or the date for transfer of the Optioned Interests.

### 1.3 Equity Interest Purchase Price

The purchase price of the Optioned Interests (the "Base Price") shall be RMB 10. If PRC law requires a minimum price higher than the Base Price when Party A exercises Equity Interest Purchase Option, the minimum price regulated by PRC law shall be the purchase price (collectively, the "Equity Interest Purchase Price"), under such circumstances, Party B shall separately compensate Party A for the difference between the Equity Interests Purchase Price and the Basic Price.

### 1.4 Transfer of Optioned Interests

For each exercise of the Equity Interest Purchase Option:

- 1.4.1 Party B shall cause Party C to promptly convene a shareholders' meeting, at which a resolution shall be adopted approving Party B's transfer of the Optioned Interests to Party A and/or the Designee(s);
- 1.4.2 Party B shall obtain written statements from the other shareholders of Party C giving consent to the transfer of the equity interest to Party A and/or the Designee(s) and waiving any right of first refusal related thereto;
- 1.4.3 Party B shall execute an equity interest transfer contract with respect to each transfer with Party A and/or each Designee (whichever is applicable), in accordance with the provisions of this Agreement and the Equity Interest Purchase Option Notice regarding the Optioned Interests;
- 1.4.4 The relevant Parties shall execute all other necessary contracts, agreements or documents, obtain all necessary government licenses and permits and take all necessary actions to transfer valid ownership of the Optioned Interests to Party A and/or the Designee(s), unencumbered by any security interests, and cause Party A and/or the Designee(s) to become the registered owner(s) of the Optioned Interests. For the purpose of this Section and this Agreement, "security interests" shall include securities, mortgages, third party's rights or interests, any stock options, acquisition right, right of first refusal, right to offset, ownership retention or other security arrangements, but shall be deemed to exclude any security interest created by this Agreement, Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney. "Party B's Equity Interest Pledge Agreement" as used in this Agreement shall refer to the Interest Pledge Agreement executed by and among Party A, Party B and Party C on the date hereof and any modification, amendment and restatement thereto. "Party B's Power of Attorney" as used in this Agreement shall refer to the Power of Attorney executed by Party B on the date hereof granting Party A with power of attorney and any modification, amendment and restatement thereto.

## 2. Covenants

### 2.1 Covenants regarding Party C

Party B (as a shareholder of Party C) and Party C hereby covenant as follows:

- 2.1.1 Without the prior written consent of Party A, they shall not in any manner supplement, change or amend the articles of association of Party C, increase or decrease its registered capital, or change its structure of registered capital in other manners;

- 2.1.2 They shall maintain Party C's corporate existence in accordance with good financial and business standards and practices, obtain and maintain all necessary government licenses and permits by prudently and effectively operating its business and handling its affairs;
- 2.1.3 Without the prior written consent of Party A, they shall not at any time following the date hereof, sell, transfer, mortgage or dispose of in any manner any material assets of Party C or legal or beneficial interest in the material business or revenues of Party C of more than RMB 100,000, or allow the encumbrance thereon of any security interest;
- 2.1.4 Without the prior written consent of Party A, they shall not incur, inherit, guarantee or suffer the existence of any debt, except for payables incurred in the ordinary course of business other than through loans;
- 2.1.5 They shall always operate all of Party C's businesses in the ordinary course of business to maintain the asset value of Party C and refrain from any action/omission that may affect Party C's operating status and asset value;
- 2.1.6 Without the prior written consent of Party A, they shall not cause Party C to execute any major contract, except the contracts in the ordinary course of business (for purpose of this subsection, a contract with a price exceeding RMB100,000 shall be deemed a major contract);
- 2.1.7 Without the prior written consent of Party A, they shall not cause Party C to provide any person with any loan or credit;
- 2.1.8 They shall provide Party A with information on Party C's business operations and financial condition at Party A's request;
- 2.1.9 If requested by Party A, they shall procure and maintain insurance in respect of Party C's assets and business from an insurance carrier acceptable to Party A, at an amount and type of coverage typical for companies that operate similar businesses;
- 2.1.10 Without the prior written consent of Party A, they shall not cause or permit Party C to merge, consolidate with, acquire or invest in any person;
- 2.1.11 They shall immediately notify Party A of the occurrence or possible occurrence of any litigation, arbitration or administrative proceedings relating to Party C's assets, business or revenue;
- 2.1.12 To maintain the ownership by Party C of all of its assets, they shall execute all necessary or appropriate documents, take all necessary or appropriate actions, file all necessary or appropriate complaints, and raise necessary or appropriate defenses against all claims;
- 2.1.13 Without the prior written consent of Party A, they shall ensure that Party C shall not in any manner distribute dividends to its shareholders, provided that upon Party A's written request, Party C shall immediately distribute all distributable profits to its shareholders;
- 2.1.14 At the request of Party A, they shall appoint any person designated by Party A as the director or executive director of Party C.

- 2.1.15 Without Party A's prior written consent, they shall not engage in any business in competition with Party A or its affiliates; and
- 2.1.16 Unless otherwise required by PRC law, Party C shall not be dissolved or liquidated without prior written consent by Party A.

## 2.2 Covenants of Party B

Party B hereby covenants as follows:

- 2.2.1 Without the prior written consent of Party A, Party B shall not sell, transfer, mortgage or dispose of in any other manner any legal or beneficial interest in the equity interests in Party C held by Party B, or allow the encumbrance thereon, except for the interest placed in accordance with Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney;
- 2.2.2 Without the prior written consent of Party A, Party B shall cause the shareholders' meeting and/or the directors (or the executive director) of Party C not to approve any sale, transfer, mortgage or disposition in any other manner of any legal or beneficial interest in the equity interests in Party C held by Party B, or allow the encumbrance thereon of any security interest, except for the interest placed in accordance with Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney;
- 2.2.3 Without the prior written consent of Party A, Party B shall cause the shareholders' meeting or the directors (or the executive director) of Party C not to approve the merger or consolidation with any person, or the acquisition of or investment in any person;
- 2.2.4 Party B shall immediately notify Party A of the occurrence or possible occurrence of any litigation, arbitration or administrative proceedings relating to the equity interests in Party C held by Party B;
- 2.2.5 Party B shall cause the shareholders' meeting or the directors (or the executive director) of Party C to vote their approval of the transfer of the Optioned Interests as set forth in this Agreement and to take any and all other actions that may be requested by Party A;
- 2.2.6 To the extent necessary to maintain Party B's ownership in Party C, Party B shall execute all necessary or appropriate documents, take all necessary or appropriate actions, file all necessary or appropriate complaints, and raise necessary or appropriate defenses against all claims;
- 2.2.7 Party B shall appoint any designee of Party A as the director or the executive director of Party C, at the request of Party A;
- 2.2.8 Party B hereby waives its right of first of refusal to transfer of equity interest by any other shareholder of Party C to Party A (if any), and gives consent to execution by each other shareholder of Party C with Party A and Party C the exclusive option agreement, the equity interest pledge agreement and the power of attorney similar to this Agreement, Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney and undertakes not to take any action in conflict with such documents executed by the other shareholders;

- 2.2.9 Party B shall promptly donate any profit, interest, dividend or proceeds of liquidation to Party A or any other person designated by Party A to the extent permitted under applicable PRC laws; and
- 2.2.10 Party B shall strictly abide by the provisions of this Agreement and other contracts jointly or separately executed by and among Party B, Party C and Party A, perform the obligations hereunder and thereunder, and refrain from any action/omission that may affect the effectiveness and enforceability thereof. To the extent that Party B has any remaining rights with respect to the equity interests subject to this Agreement hereunder or under the Party B's Equity Interest Pledge Agreement or under the Party B's Power of Attorney, Party B shall not exercise such rights except in accordance with the written instructions of Party A.

### 3. Representations and Warranties

Party B and Party C hereby represent and warrant to Party A, jointly and severally, as of the date of this Agreement and each date of transfer of the Optioned Interests, that:

- 3.1 They have the power, capacity and authority to execute and deliver this Agreement and any equity interest transfer contracts to which they are parties concerning the Optioned Interests to be transferred thereunder (each, a "Transfer Contract"), and to perform their obligations under this Agreement and any Transfer Contracts. Party B and Party C agree to enter into Transfer Contracts consistent with the terms of this Agreement upon Party A's exercise of the Equity Interest Purchase Option. This Agreement and the Transfer Contracts to which they are parties constitute or will constitute their legal, valid and binding obligations and shall be enforceable against them in accordance with the provisions thereof;
- 3.2 Party B and Party C have obtained any and all approvals and consents from government authorities and third parties (if required) for execution, delivery and performance of this Agreement.
- 3.3 The execution and delivery of this Agreement or any Transfer Contracts and the obligations under this Agreement or any Transfer Contracts shall not: (i) cause any violation of any applicable laws of China; (ii) be inconsistent with the articles of association, bylaws or other organizational documents of Party C; (iii) cause the violation of any contracts or instruments to which they are a party or which are binding on them, or constitute any breach under any contracts or instruments to which they are a party or which are binding on them; (iv) cause any violation of any condition for the grant and/or continued effectiveness of any licenses or permits issued to either of them; or (v) cause the suspension or revocation of or imposition of additional conditions to any licenses or permits issued to either of them;
- 3.4 Party B has a good and merchantable title to the equity interests held by Party B in Party C. Except for Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney, Party B has not placed any security interest on such equity interests;
- 3.5 Party C has a good and merchantable title to all of its assets, and has not placed any security interest on the aforementioned assets;
- 3.6 Party C does not have any outstanding debts, except for (i) debt incurred in the ordinary course of business; and (ii) debts disclosed to Party A for which Party A's written consent has been obtained.

- 3.7 Party C has complied with all laws and regulations of China which applicable; and
- 3.8 There are no pending or threatened litigation, arbitration or administrative proceedings relating to the equity interests in Party C, assets of Party C or Party C.

#### **4. Effective Date and Term**

This Agreement shall become effective upon execution by the Parties, and remain effective until all equity interests held by Party B in Party C have been transferred or assigned to Party A and/or any other person designated by Party A in accordance with this Agreement.

The Parties hereby agree that immediately upon the effectiveness of this Agreement, the Prior Exclusive Option Agreement executed by the Parties on August 5, 2014 will be terminated.

#### **5. Governing Law and Resolution of Disputes**

##### **5.1 Governing law**

The execution, effectiveness, construction, performance, amendment and termination of this Agreement and the resolution of disputes hereunder shall be governed by the laws of PRC.

##### **5.2 Methods of Resolution of Disputes**

In the event of any dispute with respect to the construction and performance of this Agreement, the Parties shall first resolve the dispute through friendly negotiations. In the event the Parties fail to reach an agreement on the dispute within 30 days after either Party's request to the other Parties for resolution of the dispute through negotiations, either Party may submit the relevant dispute to the South China International Economic and Trade Arbitration Commission for arbitration, in accordance with its arbitration rules. The arbitration shall be conducted in Shenzhen. The arbitration award shall be final and binding on all Parties.

#### **6. Taxes and Fees**

Each Party shall pay any and all transfer and registration tax, expenses and fees incurred thereby or levied thereon in accordance with the laws of China in connection with the preparation and execution of this Agreement and the Transfer Contracts, as well as the consummation of the transactions contemplated under this Agreement and the Transfer Contracts.

#### **7. Notices**

7.1 All notices and other communications required or permitted to be given pursuant to this Agreement shall be delivered personally or sent by registered mail, postage prepaid, by a commercial courier service or by facsimile transmission to the address of such Party set forth below. A confirmation copy of each notice shall also be sent by email. The dates on which notices shall be deemed to have been effectively given shall be determined as follows:

- 7.1.1 Notices given by personal delivery, by courier service or by registered mail, postage prepaid, shall be deemed effectively given on the date of receipt or refusal at the address specified for notices;
- 7.1.2 Notices given by facsimile transmission shall be deemed effectively given on the date of successful transmission (as evidenced by an automatically generated confirmation of transmission).

7.2 For the purpose of notices, the addresses of the Parties are as follows:

**Party A: JPUSH Information Consultation (Shenzhen) Co. Ltd.**

Address:

Attn:

Phone:

Fax:

**Party B: [name of shareholder]**

Address:

Phone:

Fax:

**Party C: Shenzhen Hexun Huagu Information Technology Co. Ltd.**

Address:

Attn:

Phone:

Fax:

7.3 Any Party may at any time change its address for notices by a notice delivered to the other Parties in accordance with the terms hereof.

## **8. Confidentiality**

The Parties acknowledge that the existence and the terms of this Agreement, and any oral or written information exchanged between the Parties in connection with the preparation and performance of this Agreement are regarded as confidential information. Each Party shall maintain confidentiality of all such confidential information, and without obtaining the written consent of other Parties, it shall not disclose any relevant confidential information to any third parties, except for the information that: (a) is or will be in the public domain (other than through the receiving Party's unauthorized disclosure); (b) is under the obligation to be disclosed pursuant to the applicable laws or regulations, rules of any stock exchange, or orders of the court or other government authorities; or (c) is required to be disclosed by any Party to its shareholders, directors, employees, legal counsels or financial advisors regarding the transaction contemplated hereunder, provided that such shareholders, directors, employees, legal counsels or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this Section. Disclosure of any confidential information by the shareholders, director, employees or agencies engaged by any Party shall be deemed disclosure of such confidential information by such Party and such Party shall be held liable for breach of this Agreement.

## **9. Further Warranties**

The Parties agree to promptly execute documents that are reasonably required for or are conducive to the implementation of the provisions and purposes of this Agreement and take further actions that are reasonably required for or are conducive to the implementation of the provisions and purposes of this Agreement.

## **10. Breach of Agreement**

- 10.1 If Party B or Party C conducts any material breach of any term of this Agreement, Party A shall have right to terminate this Agreement and/or require the Party B or Party C to compensate all damages; this Section 10 shall not prejudice any other rights of Party A herein;
- 10.2 Party B or Party C shall not have any right to terminate this Agreement in any event unless otherwise required by applicable laws.

## **11. Miscellaneous**

### **11.1 Amendment, change and supplement**

Any amendment, change and supplement to this Agreement shall require the execution of a written agreement by all of the Parties.

### **11.2 Entire agreement**

Except for the amendments, supplements or changes in writing executed after the execution of this Agreement, this Agreement shall constitute the entire agreement reached by and among the Parties hereto with respect to the subject matter hereof, and shall supersede all prior oral and written consultations, representations and contracts reached with respect to the subject matter of this Agreement.

### **11.3 Headings**

The headings of this Agreement are for convenience only, and shall not be used to interpret, explain or otherwise affect the meanings of the provisions of this Agreement.

### **11.4 Language**

This Agreement is written in both Chinese and English language in three copies, each Party having one copy. The Chinese version and English version shall have equal legal validity (In the event that the Parties have any different interpretations about the Agreement, the Chinese version shall prevail).

### **11.5 Severability**

In the event that one or several of the provisions of this Agreement are found to be invalid, illegal or unenforceable in any aspect in accordance with any laws or regulations, the validity, legality or enforceability of the remaining provisions of this Agreement shall not be affected or compromised in any respect. The Parties shall strive in good faith to replace such invalid, illegal or unenforceable provisions with effective provisions that accomplish to the greatest extent permitted by law and the intentions of the Parties, and the economic effect of such effective provisions shall be as close as possible to the economic effect of those invalid, illegal or unenforceable provisions.

### **11.6 Successors**

This Agreement shall be binding on and shall inure to the interest of the respective successors of the Parties and the permitted assigns of such Parties.

11.7 Survival

11.7.1 Any obligations that occur or that are due as a result of this Agreement upon the expiration or early termination of this Agreement shall survive the expiration or early termination thereof.

11.7.2 The provisions of Sections 5, 8, 10 and this Section 11.7 shall survive the termination of this Agreement.

11.8 Waivers

Any Party may waive the terms and conditions of this Agreement, provided that such a waiver must be provided in writing and shall require the signatures of the Parties. No waiver by any Party in certain circumstances with respect to a breach by other Parties shall operate as a waiver by such a Party with respect to any similar breach in other circumstances.

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

**Party A: JPush Information Consultation (Shenzhen) Co. Ltd.**  
Company seal: /s/ JPush Information Consultation (Shenzhen) Co. Ltd.

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Legal Representative

**Party B: [name of shareholder]**

By: /s/ [name of shareholder]

**Party C: Shenzhen Hexun Huagu Information Technology Co. Ltd.**  
Company seal: /s/ Shenzhen Hexun Huagu Information Technology Co. Ltd.

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Legal Representative

### Schedule of Material Differences

One or more persons entered into Exclusive Option Agreement with JPush Information Consultation (Shenzhen) Co. Ltd. and Shenzhen Hexun Huagu Information Technology Co. Ltd. using this form. Pursuant to Instruction ii to Item 601 of Regulation S-K, the Registrant may only file this form as an exhibit with a schedule setting forth the material details in which the executed agreements differ from this form:

<u>No.</u>	<u>Name of shareholder</u>	<u>ID Card Number</u>	<u>Percentage of shareholding</u>	<u>Amount of registered capital represented</u>	<u>Increased amount of registered capital represented</u>
1.	Luo Weidong	#####	80%	RMB800,000	RMB8,000,000
2.	Fang Jiawen	#####	10%	RMB100,000	RMB1,000,000
3.	Wang Xiaodao	#####	10%	RMB100,000	RMB1,000,000

## Exclusive Business Cooperation Agreement

This Exclusive Business Cooperation Agreement (this "Agreement") is made and entered into by and between the following parties on August 5, 2014 in Shenzhen, the People's Republic of China ("China" or the "PRC").

**Party A: JPUSH Information Consultation (Shenzhen) Co. Ltd.**

Address: Room 503, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Nanshan District, Shenzhen

**Party B: Shenzhen Hexun Huagu Information Technology Co. Ltd.**

Address: Room 501, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Nanshan District, Shenzhen.

Each of Party A and Party B shall be hereinafter referred to as a "Party" respectively, and as the "Parties" collectively.

Whereas,

- (1) Party A is a wholly foreign owned enterprise established in China, and has the necessary resources to provide technical and consulting services;
- (2) Party B is a company established in China with exclusively domestic capital and is permitted to engage in the business of Internet information push service and related business by relevant PRC government authorities. The businesses conducted by Party B currently and any time during the term of this Agreement are collectively referred to as the "Principal Business";
- (3) Party A is willing to provide Party B with technical support, consulting services and other services on exclusive basis in relation to the Principal Business during the term of this Agreement, utilizing its advantages in technology, human resources, and information, and Party B is willing to accept such services provided by Party A or Party A's designee(s), each on the terms set forth herein.

Now, therefore, through mutual discussion, the Parties have reached the following agreements:

### 1. Services Provided by Party A

- 1.1 Party B hereby appoints Party A as Party B's exclusive services provider to provide Party B with comprehensive business support, technical services, consulting services and other services during the term of this Agreement, in accordance with the terms and conditions of this Agreement, which may include all or part of services within the scope of Principal Business as determined by Party A from time to time, including but not limited to research and design of computer software and hardware, development of internet technology and communication technology; technology transfer, technology consulting, technology services and technology training.
- 1.2 Party B agrees to accept all the services provided by Party A. Party B further agrees that unless with Party A's prior written consent, during the term of this Agreement, Party B shall not directly or indirectly accept the same or any similar services provided by any third party and shall not establish similar corporation relationship with any third party regarding the matters contemplated by this Agreement. Party A may appoint other parties, who may enter into certain agreements described in Section 1.3 with Party B, to provide Party B with the services under this Agreement.

### 1.3 Service Providing Methodology

- 1.3.1 Party A and Party B agree that during the term of this Agreement, where necessary, Party B may enter into further service agreements with Party A or any other party designated by Party A, which shall provide the specific contents, manner, personnel, and fees for the specific services.
- 1.3.2 To fulfill this Agreement, Party A and Party B agree that during the term of this Agreement, where necessary, Party B may enter into equipment or property leases with Party A or any other party designated by Party A which shall permit Party B to use Party A's relevant equipment or property based on the needs of the business of Party B.
- 1.3.3 Party B hereby grants to Party A an irrevocable and exclusive option to purchase from Party B, at Party A's sole discretion, any or all of the assets and business of Party B, to the extent permitted under PRC law, at the lowest purchase price permitted by PRC law. The Parties shall then enter into a separate assets or business transfer agreement, specifying the terms and conditions of the transfer of the assets.

## 2. The Calculation and Payment of the Service Fees

Both Parties agree that, with respect to the services provided by Party A to Party B, Party B shall pay an annual service fee to Party A in the equivalent amount of certain percentage of Party B's audited total operating income of such year. Detailed service fees shall be determined by additional written agreement, and shall be paid upon Party A's request. Party A may, without Party B's consent, unilaterally adjust the service fees based on its own decision.

## 3. Intellectual Property Rights and Confidentiality Clauses

- 3.1 Party A shall have exclusive and proprietary ownership, rights and interests in any and all intellectual properties arising out of or created during the performance of this Agreement, including but not limited to copyrights, patents, patent applications, software, technical secrets, trade secrets and others. Party B shall execute all appropriate documents, take all appropriate actions, submit all filings and/or applications, render all appropriate assistance and otherwise conduct whatever is necessary as deemed by Party A at its sole discretion for the purposes of vesting any ownership, right or interest of any such intellectual property rights in Party A, and/or perfecting the protections for any such intellectual property rights in Party A.
- 3.2 The Parties acknowledge that the existence and the terms of this Agreement and any oral or written information exchanged between the Parties in connection with the preparation and performance of this Agreement are regarded as confidential information. Each Party shall maintain confidentiality of all such confidential information, and without obtaining the written consent of the other Party, it shall not disclose any relevant confidential information to any third party, except for the information that: (a) is or will be in the public domain (other than through the receiving Party's unauthorized disclosure); (b) is under the obligation to be disclosed pursuant to the applicable laws or regulations, rules of any stock exchange, or orders of the court or other government authorities; or (c) is required to be disclosed by any Party to its shareholders, directors, employees, legal counsels or financial advisors regarding the transaction contemplated hereunder, provided that such shareholders, directors, employees, legal counsels or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this Section. Disclosure of any confidential information by the shareholders, director, employees of or agencies engaged by any Party shall be deemed disclosure of such confidential information by such Party and such Party shall be held liable for breach of this Agreement.

#### **4. Representations and Warranties**

4.1 Party A hereby represents, warrants and covenants as follows:

4.1.1 Party A is a wholly foreign owned enterprise legally established and validly existing in accordance with the laws of China.

4.1.2 Party A has taken all necessary corporate actions, obtained all necessary authorizations as well as all consents and approvals from third parties and government agencies (if required) for the execution, delivery and performance of this Agreement. Party A's execution, delivery and performance of this Agreement do not violate any explicit requirements under any law or regulation.

4.1.3 This Agreement constitutes Party A's legal, valid and binding obligations, enforceable against it in accordance with its terms.

4.2 Party B hereby represents, warrants and covenants as follows:

4.2.1 Party B is a company legally established and validly existing in accordance with the laws of China and has obtained and will maintain all permits and licenses for engaging in the Principal Business in a timely manner.

4.2.2 Party B has taken all necessary corporate actions, obtained all necessary authorizations as well as all consents and approvals from third parties and government agencies (if required) for the execution, delivery and performance of this Agreement. Party B's execution, delivery and performance of this Agreement do not violate any explicit requirements under any law or regulation.

4.2.3 This Agreement constitutes Party B's legal, valid and binding obligations, and shall be enforceable against it in accordance with its terms.

#### **5. Term of Agreement**

5.1 This Agreement shall become effective upon execution by the Parties. Unless terminated in accordance with the provisions of this Agreement or terminated in writing by Party A, this Agreement shall remain effective.

5.2 During the term of this Agreement, each Party shall renew its operation term prior to the expiration thereof so as to enable this Agreement to remain effective. This Agreement shall be terminated upon the expiration of the operation term of a Party if the application for renewal of its operation term is not approved by relevant government authorities.

5.3 The rights and obligations of the Parties under Sections 3, 6, 7 and this Section 5.3 shall survive the termination of this Agreement.

## **6. Governing Law and Resolution of Disputes**

- 6.1 The execution, effectiveness, construction, performance, amendment and termination of this Agreement and the resolution of disputes hereunder shall be governed by the laws of China.
- 6.2 In the event of any dispute with respect to the construction and performance of this Agreement, the Parties shall first resolve the dispute through friendly negotiations. In the event the Parties fail to reach an agreement on the dispute within 30 days after either Party's request to the other Party for resolution of the dispute through negotiations, either Party may submit the relevant dispute to the South China International Economic and Trade Arbitration Commission for arbitration, in accordance with its arbitration rules. The arbitration shall be conducted in Shenzhen. The arbitration award shall be final and binding on both Parties.
- 6.3 Upon the occurrence of any disputes arising from the construction and performance of this Agreement or during the pending arbitration of any dispute, except for the matters under dispute, the Parties shall continue to exercise their respective rights under this Agreement and perform their respective obligations under this Agreement.

## **7. Breach of Agreement and Indemnification**

- 7.1 If Party B conducts any material breach of any term of this Agreement, Party A shall have right to terminate this Agreement and/or require Party B to indemnify all damages; this Section 7.1 shall not prejudice any other rights of Party A herein.
- 7.2 Unless otherwise required by applicable laws, Party B shall not have any right to terminate this Agreement in any event.
- 7.3 Party B shall indemnify and hold harmless Party A from any losses, injuries, obligations or expenses caused by any lawsuit, claims or other demands against Party A arising from or caused by the services provided by Party A to Party B pursuant this Agreement, except where such losses, injuries, obligations or expenses arise from the gross negligence or willful misconduct of Party A.

## **8. Force Majeure**

- 8.1 In the case of any force majeure events ("Force Majeure") such as earthquake, typhoon, flood, fire, flu, war, strikes or any other events that cannot be predicted and are unpreventable and unavoidable by the affected Party, which directly or indirectly causes the failure of either Party to perform or completely perform this Agreement, then the Party affected by such Force Majeure shall give the other Party written notices without any delay, and shall provide details of such event within 15 days after sending out such notice, explaining the reasons for such failure of, partial or delay of performance.
- 8.2 If such Party claiming Force Majeure fails to notify the other Party and furnish it with proof pursuant to the above provision, such Party shall not be excused from the non-performance of its obligations hereunder. The Party so affected by the event of Force Majeure shall use reasonable efforts to minimize the consequences of such Force Majeure and to promptly resume performance hereunder whenever the causes of such excuse are cured. Should the Party so affected by the event of Force Majeure fail to resume performance hereunder when the causes of such excuse are cured, such Party shall be liable to the other Party.

8.3 In the event of Force Majeure, the Parties shall immediately consult with each other to find an equitable solution and shall use all reasonable endeavours to minimize the consequences of such Force Majeure.

## 9. Notices

9.1 All notices and other communications required or permitted to be given pursuant to this Agreement shall be delivered personally or sent by registered mail, postage prepaid, by a commercial courier service or by facsimile transmission to the address of such Party set forth below. A confirmation copy of each notice shall also be sent by email. The dates on which notices shall be deemed to have been effectively given shall be determined as follows:

9.1.1 Notices given by personal delivery, by courier service or by registered mail, postage prepaid, shall be deemed effectively given on the date of receipt or refusal at the address specified for notices.

9.1.2 Notices given by facsimile transmission shall be deemed effectively given on the date of successful transmission (as evidenced by an automatically generated confirmation of transmission).

9.2 For the purpose of notices, the addresses of the Parties are as follows:

**Party A: JPUSH Information Consultation (Shenzhen) Co. Ltd.**

Address:

Attn:

Phone:

Fax:

**Party B: Shenzhen Hexun Huagu Information Technology Co. Ltd.**

Address:

Attn:

Phone:

Fax:

9.3 Any Party may at any time change its address for notices by a notice delivered to the other Party in accordance with the terms hereof

## 10. Assignment

10.1 Without Party A's prior written consent, Party B shall not assign its rights and obligations under this Agreement to any third party.

10.2 Party B agrees that Party A may assign its obligations and rights under this Agreement to any third party and in case of such assignment, Party A is only required to give written notice to Party B and does not need any consent from Party B for such assignment.

## **11. Severability**

In the event that one or several of the provisions of this Agreement are found to be invalid, illegal or unenforceable in any aspect in accordance with any laws or regulations, the validity, legality or enforceability of the remaining provisions of this Agreement shall not be affected or compromised in any aspect. The Parties shall negotiate in good faith to replace such invalid, illegal or unenforceable provisions with effective provisions that accomplish to the greatest extent permitted by law and the intentions of the Parties, and the economic effect of such effective provisions shall be as close as possible to the economic effect of those invalid, illegal or unenforceable provisions.

## **12. Amendments and Supplements**

Any amendments and supplements to this Agreement shall be in writing. The amendment agreements and supplementary agreements that have been signed by the Parties and relate to this Agreement shall be an integral part of this Agreement and shall have the same legal validity as this Agreement.

## **13. Language and Counterparts**

This Agreement is written in both Chinese and English language in two copies, each Party having one copy. The Chinese version and English version shall have equal legal validity (In the event that the Parties have any different interpretations about the Agreement, the Chinese version shall prevail).

*The Remainder of this page is intentionally left blank*

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Business Cooperation Agreement as of the date first above written.

**Party A: JPush Information Consultation (Shenzhen) Co. Ltd.**

Company seal: /s/ JPush Information Consultation (Shenzhen) Co. Ltd.

By: /s/ Wang Xiaodao

Name: Wang Xiaodao

Title: Legal Representative

**Party B: Shenzhen Hexun Huagu Information Technology Co. Ltd.**

Company seal: /s/ Shenzhen Hexun Huagu Information Technology Co. Ltd.

By: /s/ Wang Xiaodao

Name: Wang Xiaodao

Title: Legal Representative

## Financial Support Agreement

This agreement (this “**Agreement**”) is entered into by and among the parties below as of March 28, 2018 in Shenzhen, People’s Republic of China (“**PRC**”):

**Aurora Mobile Limited (“Aurora”)**, a company established and existing under the laws of the Cayman Islands, with its address at Harneys Services (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands;

**JPush Information Consultation (Shenzhen) Co., Ltd. (“WFOE”)**, a wholly foreign owned enterprise organized and existing under the laws of the PRC, with its address at Room 503, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Nanshan District, Shenzhen;

**Luo Weidong**, a Chinese citizen with Identification No.: #####;

**Wang Xiaodao**, a Chinese citizen with Identification No.: #####;

**Fang Jiawen**, a Chinese citizen with Identification No.: #####;

The above parties shall be collectively referred to as the “**Parties**”, and Luo Weidong, Wang Xiaodao, Fang Jiawen shall be collectively referred to as the “**Shareholders**”.

### Whereas:

- A. Shareholders are the shareholders of Shenzhen Hexun Huagu Information Technology Co., Ltd., with its address at Room 501, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Nanshan District, Shenzhen (a limited liability company established and existing under the laws of the PRC, with its address at Room 501, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Nanshan District, Shenzhen, “**Hexun Huagu**”);
- B. WFOE is a subsidiary wholly owned by Aurora through KK MOBILE INVESTMENT LIMITED;

The Parties hereby acknowledge certain financial and other matters regarding Hexun Huagu as follows:

1. Aurora acknowledges and undertakes that, since the date of this Agreement (“**Effective Date**”), when needed by Hexun Huagu, Aurora agrees to provide unconditional financial support, either by itself or through its wholly-owned subsidiary in China—WFOE, to Shareholders in ways permitted by the PRC laws and regulations (“**Financial Support**”). Shareholders agree to accept such Financial Support in ways permitted by the PRC laws and regulations and undertake to use unconditionally such Financial Support only for providing funds to Hexun Huagu so as to develop its business.
2. If Aurora provides Financial Support by itself or through WFOE, the repayment due date and method will be negotiated and determined by the Parties separately. To the extent permitted by the PRC laws and other applicable laws, if Shareholders exempt the repayment obligations of Hexun Huagu as needed by Hexun Huagu, Aurora agrees, either by itself or by instructing WFOE, to exempt the repayment obligations of Shareholders.
3. Shareholders agree that, to the extent permitted by the PRC laws and other applicable laws, if needed by Hexun Huagu, Shareholders agree to exempt the repayment obligations of Hexun Huagu.

**Aurora Mobile Limited**

Company seal: /s/ Aurora Mobile Limited

By: /s/ Luo Weidong

Name: Luo Weidong

Title: Director

**JPush Information Consultation (Shenzhen) Co., Ltd.**

Company seal: /s/ JPush Information Consultation (Shenzhen) Co., Ltd.

By: /s/ Wang Xiaodao

Name: Wang Xiaodao

Title: Legal Representative

**Luo Weidong**

By: /s/ Luo Weidong

**Wang Xiaodao**

By: /s/ Wang Xiaodao

**Fang Jiawen**

By: /s/ Fang Jiawen

## SERIES C PREFERRED SHARE PURCHASE AGREEMENT

THIS SERIES C PREFERRED SHARE PURCHASE AGREEMENT (this "Agreement") is made on October 31, 2016 (the "Signing Date") by and among:

- (1) Aurora Mobile Limited, an exempted company duly incorporated with limited liability and validly existing under the laws of Cayman Islands (the "Company"),
- (2) the parties listed on Part I of Exhibit A attached hereto (the "Investors", and each a "Investor"),
- (3) the parties listed on Part II of Exhibit A attached hereto (the "Founder Parties", and each a "Founder Party"), and
- (4) the parties listed on Part III of Exhibit A attached hereto (the "Major Subsidiaries", and each a "Major Subsidiary").

Each of the forgoing parties is referred to herein individually as a "Party" and collectively as the "Parties".

RECITALS

A. The Domestic Company and the WFOE are engaged in internet information push service technology and related business (the "Business"). The Company seeks expansion capital to grow the Business and, correspondingly, seeks to secure an investment from the Investors, on the terms and conditions set forth herein.

B. The Investors desire to invest in the Company by subscribing for and purchasing certain Series C Preferred Shares, and the Company desires to issue and sell such Series C Preferred Shares to the Investors, pursuant to the terms and subject to the conditions of this Agreement.

C. The Parties desire to enter into this Agreement and make the respective representations, warranties, covenants and agreements set forth herein on the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. DEFINITIONS

Unless otherwise defined in this Agreement, capitalized terms used in this Agreement shall have the meanings set forth in Exhibit B.

2. TRANSACTIONS

- 2.1 Agreement to Purchase and Sell. Subject to the terms and conditions of this Agreement, at the Closing (as defined below), the Company agrees to issue and sell to the Investors: an aggregate number of 253,968 Series C Preferred Shares (the "Purchase Shares") at a per share issue price of US\$ 47.25 for an aggregate purchase price of US\$12,000,000 (the "Purchase Price"). Each Investor, severally and not jointly, agrees to subscribe for and purchase from the Company its portion of the Purchase Shares for its portion of the Purchase Price as set forth opposite such Investor's name on Part I of Exhibit A. The Company's agreement with each Investor is a separate agreement, and the sale and issuance of the Purchase Shares to each Investor is a separate sale and issuance.

- 2.2 **Authorization.** As of the Closing Date, the Company will have authorized the issuance, pursuant to the terms and conditions of this Agreement 253,968 Series C Preferred Shares at a per share issue price of US\$47.25. The Company shall have also authorized the reservation and issuance of the Common Shares into which Series C Preferred Shares are convertible.
- 2.3 **ESOP.** As of the Closing Date, the Company shall have reserved a total of 177,778 Common Shares, representing 2.5997% of the Company's issued share capital (on a fully diluted basis) as of immediately after the Closing, for issuance pursuant to share options granted under the Company's employee share option plan (the "ESOP"). The further reservation of Common Shares for ESOP shall be subject to the restrictions of the Memorandum and Articles.

### 3. **CLOSING**

- 3.1 **Closing.** The consummation of the purchase and sale of the Purchase Shares (the "**Closing**") shall take place remotely via the exchange of documents and signatures on a date (the "**Closing Date**") that is no later than three (3) Business Days after all Closing Conditions (except for such Closing Conditions that will be satisfied at the Closing, but nonetheless subject to the satisfaction or waiver thereof at the Closing) have been satisfied or waived (or such other time and place as the Company and the Investors shall mutually agree).
- 3.2 **Procedure.**
- (i) **Closing Deliverables.** At the Closing, the Company shall deliver (or cause to be delivered) to each Investor, (i) a true copy of the Company's updated register of members of the Company certified by a director of the Company, reflecting such Investor's ownership of the portion of the Purchase Shares purchased by such Investor pursuant to **Section 2.1** and (ii) to the extent not previously delivered, such documents, instruments and items required to be delivered in connection with the reasonable satisfaction of the closing conditions pursuant to **Section 5.1**. Within fifteen (15) days after the Closing Date, the Company shall deliver to each Investor (i) an original share certificate representing the respective portion of the Purchase Shares purchased by such Investor, and (ii) a true copy of the Company's updated register of members of the Company certified by the registered agent of the Company, reflecting such Investor's ownership of the portion of the Purchase Shares purchased by such Investor pursuant to **Section 2.1**.
- (ii) **Closing Payment.** At the Closing and against the delivery of the items pursuant to **Section 3.2(i)** above, each Investor shall pay its portion of the Purchase Price payable in cash at the Closing to the Company by wire transfer of immediately available funds to a bank account designated by the Company. The Company shall provide its bank account information to the Investors at least three (3) Business Days prior to the Closing Date.

4. REPRESENTATIONS AND WARRANTIES

- 4.1 Representations and Warranties of Covenantors. Subject to such exceptions as may be specifically set forth in the Disclosure Schedule attached hereto as Exhibit E (the "Disclosure Schedule"), each of the Company, the Major Subsidiaries and the Founder Parties (collectively, the "Covenantors") hereby, jointly and severally, represents and warrants to the Investors that each of the statements contained in Exhibit D attached hereto (the "Covenantor Representations and Warranties") is true and complete as of the Signing Date and will be true and correct as of the Closing Date.
- 4.2 Representations and Warranties of the Investors. Each Investor hereby, severally but not jointly, represents and warrants to the Covenantors that the representations and warranties set forth in this Section 4.2 with respect to such Investor itself (the "Investor Representations and Warranties") are true and correct as of the Signing Date and will be true and correct as of the Closing Date:
- (i) Due Organization. Such Investor is duly incorporated, organized, validly existing and in good standing (or equivalent status in the relevant jurisdiction) under the laws of the jurisdiction of its incorporation or organization.
  - (ii) Authorization. Such Investor has all requisite power, authority and capacity to enter into the Transaction Documents to which it is a party, and to perform its obligations hereunder and thereunder. Each Transaction Document to which it is a party has been duly authorized, executed and delivered by such Investor. Each Transaction Document to which such Investor is a party, when executed and delivered by such Investor, will constitute valid and legally binding obligations of it, enforceable against it in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, moratorium, reorganization, and other laws of general application affecting the enforcement of creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.
  - (iii) Accredited Investor. Each Investor either (1) is an Accredited Investor within the definition set forth in Rule 501(a) under Regulation D of the Act, or (2) is not a "U.S. Person" (as such term is defined in Regulation S promulgated under the Act ("Regulation S")) and is not subscribing for the Purchase Shares for the account or benefit of any U.S. Person (as defined in Regulation S).

- (iv) Purchase for Own Account. The Purchase Shares will be acquired for such Investor's own account, not as a nominee or agent, and not with a view to or in connection with the sale or distribution of any part thereof.

5. CONDITIONS

- 5.1 Closing Conditions. The obligation of each Investor to purchase its portion of the Purchase Shares and pay its portion of the Purchase Price on the Closing Date is subject to the satisfaction, or waiver by such Investor, of each of the following conditions (the "Closing Conditions"):
- (i) Representations and Warranties. The Covenantor Representations and Warranties shall be true and correct and complete without any Material Adverse Effect as of the Signing Date and as of the Closing Date, with the same force and effect as if they were made on and as of such date.
  - (ii) Performance of Obligations. Each Covenantor shall have performed and complied with all agreements, obligations and conditions contained in the Transaction Documents that are required to be performed or complied with by it on or before the Closing.
  - (iii) Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated under this Agreement and the other Transaction Documents and all documents and instruments incident to such transactions shall be completed and reasonably satisfactory in substance and form to the Investors.
  - (iv) Consent. All approval, authorization or consent, including but not limited to the approval and consent granted by the government, the existing shareholders of the Company waiving their preemptive rights, rights of first offer and any other rights that they may have in relation to the purchase and subscription of the Series C Preferred Shares, and all approvals, authorizations or consents necessary for consummation of the transactions contemplated under this Agreement and the other Transaction Documents shall be obtained.
  - (v) Closing Documents.
    - (a) Memorandum and Articles. The third amended and restated memorandum and articles of associations in the form attached hereto as Part I of Exhibit F (the "Memorandum and Articles") shall have been duly adopted by all necessary action of the board of directors and the members of the Company, and such adoption shall have become effective prior to the Closing with no alternation or amendment as of the Closing Date.

- (b) Shareholders' Agreement. The third amended and restated shareholders' agreement in the form attached hereto as Part II of Exhibit F (the "Shareholders' Agreement") shall have been duly executed and delivered by the parties thereto.
- (c) Management Rights Letter. TCL shall have received from the Company a management rights letter in the form attached hereto as Part III of Exhibit F (the "Management Rights Letter").
- (d) Confidentiality and Non-Competition Agreement. Each of the Founders and the other key employees (the "Key Employees") listed on Part III(A) of Exhibit C shall have entered into an employment contract and an employee confidentiality and invention assignment agreement and non-competition agreement in the form satisfactory to the Investors, with no less than two years' non-competition and confidentiality period.
- (e) Closing Certificate. The Covenantors shall have executed and delivered to the Investors at the Closing a certificate dated as of the Closing Date (i) stating that the conditions specified in this Section 5.1 have been fulfilled as of the Closing Date, (ii) all corporate and other proceedings in connection with the transactions to be completed at the Closing and all documents incident thereto, including without limitation written approval from all of the then current holders of equity interests of each Group Company, as applicable, with respect to this Agreement and the other Transaction Documents and the transactions contemplated hereby and thereby, shall have been completed, and each Group Company shall have delivered to the Investors all such counterpart copies of such documents as the Investor may reasonably request, and (iii) attaching thereto (a) the charter documents of the Group Companies as then in effect, (b) copies of all resolutions approved by the shareholders and boards of directors of each Group Company related to the transactions contemplated hereby, and (c) with respect to the Company from the registrar of companies of Cayman Islands, the good standing certificate and with respect to the Group Companies which are incorporated under the laws of the PRC, the up to date business license of such entity.
- (vi) Board Observer Appointment. TCL has appointed an observer of the Board (the "Board Observer") to each of the Group Companies. The shareholders and directors of each of Group Companies have approved this appointment.

- (vii) Due Diligence. The Investors' legal, financial, technology and business due diligence investigation of the Company shall have been completed to their satisfaction.
- (viii) Written Waiver. Founder 1 shall have delivered to the Company and the Investors a written waiver letter, in form and substance satisfactory to the Investors, from any one of the institutional investors of Shenzhen Micro Mobile Telecommunication Information Technology Co., Ltd (深圳微移动通信信息科技股份有限公司) (the "Founder 1 Business Company") in relation to waiver of Founder 1's full time commitment or any and all other similar undertakings or covenants in favor of the Founder 1 Business Company and/or the shareholders of the Founder 1 Business Company.
- (ix) No Material Adverse Effect. There shall have been no event or events which would have a Material Adverse Effect on the Group Companies or their businesses, operations, technologies, assets or other financial conditions. None of the Group Companies has taken any step, action or measure (or omitted to take the same), which has or could be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.
- (x) Legal Opinions. The PRC counsel to the Company shall have issued a signed PRC legal opinion dated as of the Closing Date and addressed to each Investor in form and substance satisfactory to each Investor. The Cayman Islands counsel to the Company shall have issued a signed Cayman Islands legal opinion dated as of the Closing Date and addressed to each Investor in form and substance satisfactory to such Investor.
- (xi) Investment Committee Approval. The Investors shall have obtained all required approvals from their respective investment committees with respect to the consummation of the transactions contemplated by this Agreement.
- (xii) Outbound Investment Procedures. The Investors shall have obtained and completed all required approvals and procedures for its outbound investment in connection with the consummation of the transactions contemplated under this Agreement and the other Transaction Documents (if applicable).
- (xiii) Directors Consent. The Investors shall have received a directors' resolution evidencing all the Directors have approved that US\$150,000 was paid to purchase the shares of Skymind Inc..
- (xiv) HAKIM Shares Transfer. The Investors shall have received the payment vouchers of HAKIM Shares Transfer and a commitment letter executed by HAKIM, in form and substance satisfactory to the Investors, indicating that HAKIM has approved the transactions herein and all Transaction Documents.

(xv) Commitment Letter. TCL shall have received a commitment letter executed by Founder 1, in form and substance satisfactory to TCL, evidencing that Founder 1 will fully perform his obligation of Section 6.12.

5.2 Conditions to Covenantors' Obligations at Closing. The obligation of the Covenantors to issue and sell the Purchase Shares at the Closing is subject to the satisfaction, or waiver by the Company, of each of the following conditions:

- (i) Representations and Warranties. The Investor Representations and Warranties shall be true and correct as of the Signing Date and as of the Closing Date, with the same force and effect as if they were made on and as of such date.
- (ii) Performance of Obligations. Each Investor shall have performed and complied with all agreements, obligations and conditions contained in the Transaction Documents that are required to be performed or complied with by it on or before the Closing.

## 6. COVENANTS

6.1 Use of Proceeds. Unless otherwise provided in the budget of the Company approved by the Board, any and all of the proceeds from the sale of the Purchase Shares shall be injected into the WFOE for increasing the registered capital of the WFOE to be used for research and development, business development, marketing and working capital of the Group Companies, and other capital expenditure. Unless otherwise stated, no proceeds will be used in the payment of any Indebtedness of the Group Companies or in the repurchase, redemption or cancellation of securities held by any shareholders without the prior consent of the Investors.

### 6.2 Indemnity.

(i) The Covenantors shall, and hereby agree to, jointly and severally indemnify and hold harmless each Investor, and such Investor's Affiliates, directors, officers, agents and assigns (each, an "Indemnified Person"), from and against any and all Indemnifiable Losses suffered by such Indemnified Person, directly or indirectly, as a result of, or based upon or arising from (a) any inaccuracy in or breach or non-performance of any of the representations, warranties, covenants or agreements made by any Covenantor in or pursuant to this Agreement or any other Transaction Documents, (b) any Group Company's failure to pay any tax or Social Insurance in accordance with the applicable laws for all tax periods ending on or before the Closing Date and the portion through the end of the Closing Date for any tax period that includes (but does not end on) the Closing Date; (c) any Group Company's failure to comply with any applicable laws during any time prior to the Closing; (d) any liability attributable to the infringement, violation or misappropriation of any Intellectual Property rights of any third party by any Group Company; (e) any Group Company's failure to timely obtain any consent or permit from any competent governmental authority in accordance with applicable laws; (f) any failure by any shareholder of Group Companies to file and/or pay tax in connection with any transfer of equity interests of any Group Company effected prior to the Closing Date; and (g) any litigation, arbitration, investigations that are brought against any Group Company for matters that incurred before or are attributable to any event or situation incurred or existed before the Closing Date. The rights contained in this Section 6.2 shall not be deemed to preclude or otherwise limit in any way the exercise of any other rights or pursuit of other remedies for the breach of this Agreement or with respect to any misrepresentation.

(ii) Founder 1 shall, and hereby agrees to indemnify and hold harmless each Indemnified Person from and against any and all Indemnifiable Losses suffered by such Indemnified Person, directly or indirectly, arising from Founder 1's breach of full time commitment or other similar covenants or undertakings to any Person other than the Group Companies and Investors. The rights contained in this Section 6.2 shall not be deemed to preclude or otherwise limit in any way the exercise of any other rights or pursuit of other remedies for the breach of this Agreement or with respect to any misrepresentation.

(iii) Each Indemnified Party will notify each of the Covenantors and the other Parties in writing of any Action against such Indemnified Party in respect of which any Covenantor is or may be obligated to provide indemnification hereunder promptly after the receipt of notice or knowledge of the commencement thereof. The failure of any Indemnified Party to notify any Covenantor shall not relieve such Covenantor from any Liability which it may have to such Indemnified Party under this Section 6.2 or otherwise unless the failure to so notify results in the forfeiture by such Covenantor of substantial rights and defense and will not in any event relieve such Covenantor from any obligations other than the indemnification provided for herein. Each Covenantor will have the right to participate in and, to the extent it so desires, to assume the defense thereof, with counsel reasonably satisfactory to such Indemnified Party. Such participation made by any Covenantor to assume the defense shall not be deemed an acknowledgement that such Covenantor is subject to indemnification hereunder. However, such Indemnified Party will have the right to retain a separate counsel and to participate in the defense thereof, with the fees and expenses of such counsel to be paid by the Covenantors if representation of such Indemnified Party by the counsel retained by the Covenantors would be, in such Indemnified Party's view, inappropriate due to actual or potential differing interests between such Indemnified Party and any other party represented by such counsel in such proceeding. The Covenantors will be responsible for the expenses of such defense even if it does not elect to assume such defense. None of the Covenantors may, except with the consent of such Indemnified Party, consent to the entry of any judgment or enter into any settlement which does not include as a term thereof the unconditional release of such Indemnified Party of all liabilities in respect of such Action.

- 6.3 Compliance of Laws. Each of the Group Companies shall, and the Covenantors shall cause each of the Group Companies to, conduct their respective business as currently conducted or proposed to be conducted in compliance with all applicable laws of each relevant jurisdiction on a continuing basis in all material respects. Without limiting the generality of the foregoing, (A) each of the Group Company shall, and the Covenantors shall cause each of the Group Companies to, (i) refrain from conducting any operations or other activities that is in conflict with or in violation of the applicable laws of PRC without the requisite approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval necessary for its respective business and operations as now conducted issued by the competent governmental authority of the PRC; (ii) at all times comply with all applicable employment laws in material aspects in each applicable jurisdiction; (iii) comply with all applicable tax laws and all record-keeping, reporting, and other legal requirements necessary for such Group Company to comply with any applicable tax law or to allow the Investors to avail themselves of any applicable provision of tax laws and the Covenantors will also provide the Investors with any documentation or information reasonably requested in writing by the Investors to allow the Investors to comply with applicable tax laws; and (iv) at all times comply with all applicable Intellectual Property laws in material aspects, and obtain and maintain any and all licenses and authorizations required under the applicable laws for all patents, copyrighted materials, trademarks, service marks, logos, tradenames or any other contents that are used in the businesses of the Group Companies; and (B) the Covenantors shall, on a continuous basis, cause each of the record and beneficial owners of shares and equity interest in the Company, who is a “domestic resident” (as defined in Circular 37) and beneficially holds equity securities in the Company, to duly complete, obtain and keep current the foreign exchange registration with the competent local branch of the SAFE with respect to his/her direct and indirect record and beneficial ownership of shares and equity interest in the Company in accordance with the requirements of Circular 37, any other applicable SAFE rules and regulations and the requirement of local branch of the SAFE.
- 6.4 Satisfaction of Conditions. The Covenantors shall use their respective best effort to satisfy (or cause the satisfaction of) of the Closing Conditions as soon as practicable.
- 6.5 Executory Period Covenants.
- (i) Access. Between the Signing Date and the Closing Date (unless this Agreement is terminated pursuant to Section 7.10), the Covenantors shall permit the Investors, or any representative thereof, to (i) visit and inspect the properties of the Group Companies, (ii) inspect the contracts, books of account, records, ledgers, and other documents and data of the Group Companies, (iii) discuss the business, affairs, finances and accounts of the Group Companies with officers and employees of the Group Companies, and (iv) review such other information as the Investors reasonably request, in such a manner so as not to unreasonably interfere with their normal operations.

(ii) **Covenants.** Prior to the Closing, except as the Investors otherwise agree in writing or the transactions contemplated under the Transaction Documents, each of the Group Companies shall, and the Covenantors shall cause each of the Group Companies to, (i) conduct its business in the ordinary course consistent with past practice, as a going concern and in compliance with all applicable laws and contracts of such Group Company, (ii) pay or perform its debts, taxes, and other obligations when due, (iii) maintain its assets in a condition comparable to their current condition, reasonable wear, tear and depreciation excepted, (iv) use reasonable best efforts to preserve intact its current business organizations and keep available the services of its current officers and employees and preserve its relationships with customers, suppliers and others having business dealings with it, (v) otherwise periodically report to the Investors concerning any major change in the status of its business, operations and finance, and (vi) take all actions reasonably necessary, to consummate the transactions contemplated hereby promptly, including the taking of all reasonable acts necessary to cause all of the conditions precedent of the Investors to be satisfied.

(iii) **Negative Covenants.** Prior to the Closing, except as the Investors otherwise agree in writing or the transactions contemplated under the Transaction Documents, none of the Group Companies shall (and the Covenantors shall not permit any of the Group Companies to) (i) take any action that would make any of the Covenantor Representations and Warranties inaccurate at the Closing, (ii) waive, release or assign any material right or claim, (iii) take any action that would reasonably be expected to materially impair the value of the Group Companies, (iv) sell, purchase, assign, lease, transfer, pledge, encumber or otherwise dispose of any material asset, (v) issue, sell, or grant any equity security unless otherwise pursuant to the Transaction Documents, (vi) declare, issue, make, or pay any dividend or other distribution with respect to any equity security of any Group Company, (vii) incur any Indebtedness for borrowed money or capital lease commitments or assume or guarantee any Indebtedness of any Person, (viii) enter into any contract or other transaction with any Related Party unless otherwise pursuant to the Transaction Documents, or (ix) authorize, approve or agree to any of the foregoing.

(iv) **Information.** Between the Signing Date and the Closing Date (unless this Agreement is terminated pursuant to [Section 7.10](#)), (i) the Company shall promptly notify the Investors of any Action commenced or threatened in writing against any Group Company, (ii) each Covenantor shall promptly notify the Investors of any breach, violation or non-compliance of any representation, warranty or covenant made by any Covenantor hereunder, and (iii) the Company will promptly provide the Investors with copies of all correspondence and inquiries to and from, and all filings made with, any governmental authority with respect to the transactions contemplated hereby.

- 6.6 **Fees and Expenses.** At the Closing, the Company shall promptly pay and reimburse TCL for all out-of-pocket documented legal, professional and other third-party fees, costs and expenses incurred by TCL in connection with the conduct of its legal, business and financial due diligence and its negotiation, preparation, execution and completion of this Agreement and any other Transaction Documents hereunder and thereunder (the "**Expenses**") for an amount up to US\$30,000 (or its equivalent in other currency). If the Closing is effected, the Company shall reimburse all Expenses incurred by TCL for an amount up to US\$30,000 (or its equivalent in other currency) by wiring such amount to the bank account designated by TCL within five (5) Business Days after the Closing Date. If the Closing fails to occur for any reason attributable to any Group Company or the Founder Parties, the Company shall reimburse all Expenses incurred by TCL for an amount up to US\$60,000 (or its equivalent in other currency), within five (5) Business Days upon the demand of TCL. If the Closing fails to occur for any reason attributable to the Investors, each Party shall pay all of its respective Expenses.

- 6.7 Exclusivity. Between the Signing Date and the Closing Date (unless this Agreement is terminated pursuant to Section 7.10), the Covenantors shall not, and they shall not permit any of the Company's Affiliates or any Group Company to, directly or indirectly solicit, initiate, respond to, participate in any way in, or encourage any inquiries or proposals from, discuss or negotiate with, provide any non-public information to, or approve or authorize any transaction with any Person other than the Investors that would involve an investment in, purchase of shares of, or acquisition of any Group Company or any material assets thereof or would be in substitution or an alternative for or would impede or interfere with the transactions contemplated hereby. The Covenantors shall, and shall cause the Company's Affiliates and the Group Companies to, immediately terminate all existing activities, discussions and negotiations with any third parties with respect to the foregoing, and if any of them hereafter receives any correspondence or communication that constitutes, or could reasonably be expected to lead to, any such transaction, they shall immediately give notice thereof (including the third party and the material terms of such transaction) to the Investors.
- 6.8 Confidentiality. From the Signing Date, each Party shall, and shall cause any Person who is controlled by such Party to, keep confidential the terms, conditions, and existence of this Agreement, the other Transaction Documents and any related documentation, the identities of any of the Parties, and other information of a non-public nature received from any other Party or prepared by such Party exclusively in connection herewith or therewith (collectively, the "Confidential Information") except as the Company and the Investors shall mutually agree otherwise; provided, that any Party hereto may disclose Confidential Information or permit the disclosure of Confidential Information (a) to the extent required by applicable laws or the rules of any stock exchange; provided that such Party shall, where practicable and to the extent permitted by applicable laws, provide the other Parties with prompt written notice of that fact and use all reasonable efforts to seek (with the cooperation and reasonable efforts of the other Parties) a protective order, confidential treatment or other appropriate remedy; and in such event, such Party shall furnish only that portion of the information which is legally required to be disclosed and shall exercise reasonable efforts to keep such information confidential to the extent reasonably requested by any such other Parties, (b) to its officers, directors, employees, and professional advisors on a need-to-know basis, (c) in the case of each of the Investors, to its auditors, counsel, directors, officers, employees, fund managers, shareholders, partners or investors so long as such Party advises each Person to whom any Confidential Information is so disclosed as to the confidential nature thereof, and (d) to its current or bona fide prospective investors, investment bankers and any Person otherwise providing substantial debt or equity financing to such Party on a need-to know basis for the performance of its obligations in connection thereof so long as the Party advises each Person to whom any Confidential Information is so disclosed as to the confidential nature thereof. For the avoidance of doubt, Confidential Information does not include information that (i) was already in the possession of the receiving Party before such disclosure by the disclosing Party, (ii) is or becomes available to the public other than as a result of disclosure by the receiving Party in violation of this Section 6.9, or (iii) is or becomes available to the receiving Party from a third party who has no confidentiality obligations to the disclosing Party. Save as to disclosures required under applicable laws or the rules of any stock exchanges, each Party shall not, and shall cause its Affiliate(s) not to, make any announcement regarding the consummation of the transaction contemplated by this Agreement, the other Transaction Documents and any related documentation in a press release, conference, advertisement, announcement, professional or trade publication, marketing materials or otherwise to the general public without the other Parties' prior written consents.

- 6.9 **Founder 1 Resignation.** Within twelve (12) months following the Closing, Founder 1 shall resign any and all position other than director in any company other than the Group Companies so as to no longer operation or manage any company other than the Group Companies and shall complete any and all necessary approval, registration, filings and any other required procedures in relation thereto with the competent governmental authorities. Without prejudice to the foregoing, Founder 1 hereby covenants and agrees that Founder 1 shall not be involved in or spend his business time in the daily operation of Founder 1 Business Companies.
- 6.10 **Domestic Nominee.** As soon as practicable upon the request of any Investor, the Covenantors shall cause the representatives nominated by such Investor to become a shareholder of the Domestic Company, holding the same percentage of the equity interests of the Domestic Company with such Investor's respective shareholding in the Company at the minimum price as required by applicable laws (and the transferors shall waive such purchase price) and complete any and all necessary approval, registration, filings and any other required procedures in relation thereto with the competent governmental authorities.
- 6.11 **Performance of the PRC Companies.** The Covenantors undertake that: (i) the audited revenue of the PRC Companies (on consolidated basis) for the fiscal year ended on December 31, 2016 ("2016 Fiscal Year") shall be no less than RMB 80,000,000 ("2016 Fiscal Year's Committed Revenue"); and (ii) the audited revenue of the PRC (on consolidated basis) Companies for the fiscal year ended on December 31, 2017 ("2017 Fiscal Year") shall be no less than RMB 120,000,000 ("2017 Fiscal Year's Committed Revenue", together with 2016 Fiscal Year's Committed Revenue, the "Committed Revenue"). The amount of the revenue of 2016 Fiscal Year and 2017 Fiscal Year shall be verified by auditors qualified for securities practice (□□□□□), and the auditors shall be jointly appointed by the Company, Guohai and TCL.

6.12 Compensation by Founder 1 (Luo Weidong) and the Group Companies. If the PRC Companies fail to achieve the Committed Revenue in Section 6.12, and the actual revenue of either 2016 Fiscal Year or 2017 Fiscal Year is less than 90% of the Committed Revenue of such fiscal year ("Compensation Year"), Founder 1 and the Group Companies shall, jointly and severally, compensate each of the Investors in one of the following methods or the combination of the following methods as agreed among Founder 1, Group Companies and the Investors and as applicable:

- (i) Founder 1 and the Group Companies shall, jointly and severally, compensate TCL, Mandra and/or Genesis respectively and as applicable, in cash. The formula for compensation in such year shall be:

Compensation amount = TCL/Mandra/Genesis' portion of the Purchase Price as set forth on Part I of Exhibit A × (Committed Revenue of such Compensation Year - Actual audited revenue of such Compensation Year) / Committed Revenue of such Compensation Year

The cap of the compensation amount paid to TCL is US\$ 3,048,100. The cap of the compensation amount paid to Mandra is US\$1,143,100. The cap of the compensation amount paid to Genesis is US\$381,000

- (ii) Founder 1 shall transfer certain number of Shares to TCL, Mandra and/or Genesis respectively and as applicable, to adjust shareholding percentage of TCL, Mandra and/or Genesis in the Company according to the formula below:

The adjusted shareholding percentage of TCL, Mandra and/or Genesis = initial shareholding percentage in respect of Series C Preferred Shares of TCL, Mandra and/or Genesis as set forth on Part B of Exhibit C × Committed Revenue of such Compensation Year / Actual audited revenue of such Compensation Year

The total consideration for the Shares transferred by Founder 1 to TCL, Mandra and/or Genesis pursuant to Section 6.12 (ii) shall be nil or RMB1, and the taxes incurred in relation to such transfer shall be borne by TCL, Mandra and/or Genesis. The cap of TCL's shareholding percentage in the Company after the adjustment made pursuant to Section 6.12 (ii) is 4 %, the cap of Mandra's shareholding percentage in respect of Series C Preferred Shares in the Company after the adjustment made pursuant to Section 6.12 (ii) is 1.5%, and the cap of Genesis' shareholding percentage in the Company after the adjustment made pursuant to Section 6.12 (ii) is 0.5%; provided that the valuation of the Company shall be no lower than US\$ 200,000,000.

If the PRC Companies fail to achieve the Committed Revenue in both 2016 Fiscal Year and 2017 Fiscal Year, the Investors may each choose the year with higher compensation amount and/or adjusted shareholding percentage, as applicable. For the avoidance of doubt, Founder 1 and the Group Companies are not obligated to compensate for both 2016 Fiscal Year and 2017 Fiscal Year.

- 6.13 Termination of Section 6.12. After the Closing, Section 6.12 shall be terminated if the Company satisfies all of the following conditions: (i) the valuation of the Company immediately prior to any round of future financing is no lower than US\$ 550,000,000; (ii) Guohai's Internal Rate of Return reaches 30 % as a result of such round of future financing; (iii) Investor's Internal Rate of Return reaches 30 % as a result of such round of future financing; (iv) the total investment of new investors during next series of future financing exceeds US\$20,000,000 at a per share issued price more than US\$47.25 (excluding Founders and their affiliates); (v) regarding the rights under Section 6.12, if the new investors have any rights, privileges or protections more favorable than those granted to the Investors, those rights, privileges or protections granted to the new investors shall be automatically applicable to Investors.
- 6.14 Lease Registrations. Within six (6) months following the Signing Date, the Group Companies shall complete the lease registrations with governing authorities pursuant to applicable laws.
- 6.15 Sublease Consent. Following the Closing and as soon as practicable, the Group Companies shall obtain the sublease consent from the owner of the leased housing evidencing that the Group Companies have the right to sublease the housing from the lessor.
- 6.16 Shareholder Loan. Within three (3) months following the Signing Date, the shareholder loans as set forth on Exhibit G shall be solved in the way satisfactory to the Investors.
- 6.17 Financial System. Within three (3) months following the Signing Date, the Group Companies shall engage auditors to implement an adequate system of procedures and controls with respect to finance of each Group Company in compliance with applicable laws. The Covenantors hereby undertake that each Group Company shall maintains and will continue to maintain a standard system of accounting established and administered in accordance with applicable laws, PRC GAAP and IPO requirements since the fiscal year of 2016.
- 6.18 Business Contracts. Within six (6) months following the Signing Date, the Group Companies shall manage the business contracts in accordance with sound business practices, including but not limited to the renewal of expired business contracts and supplement of the executed date of the business contracts without the executed date.
- 6.19 Social Insurance. Following the Closing, during the period as required by the Investors, Group Companies shall fully contribute to the statutory Social Insurance, housing provident fund and personal income tax on behalf of their respective employees in accordance with the applicable laws and regulations. The Covenantors shall, jointly and severally indemnify and hold harmless the Indemnified Person, from and against any and all Indemnifiable Losses suffered by such Indemnified Person, directly or indirectly, as a result of, or based upon or arising from any Group Company's failure to pay any tax or Social Insurance.
- 6.20 Industry and Commerce Registrations. Within six (6) months following the Signing Date, the Group Companies shall complete the industry and commerce registrations of all the offices (including but not limited to the offices located in Beijing, Shanghai and Chengdu) with governing authorities pursuant to applicable laws and regulations.

- 6.21 Related Party Transaction. Within six (6) months following the Signing Date, the Group Companies shall complete the management system and pricing mechanism for the related party transaction.
- 6.22 Certificate of Employment of Foreigner. Within six (6) months following the Signing Date, the Domestic Company shall obtain the certificate of employment of foreigner in order to employ foreigners in accordance with the applicable laws and regulations.
- 6.23 Execution of Cooperation Contract. Within one (1) month following the Closing, the Group Companies shall execute a Data Service Cooperation Contract with TCL or a third party designated by TCL, in form satisfactory to TCL.
- 6.24 Spouse Consent. Within one (1) month following the Closing, the spouses of each shareholder of Domestic Company shall execute a spouse consent letter respectively, in form and substance satisfactory to the Investors, as a portion of the Control Documents.
- 6.25 Genesis Shares Transfer. As soon as possible following the Closing, the Investors shall have received a deed of adherence executed by Genesis and the Company, in form and substance satisfactory to the Investors, indicating that Genesis shall adhere to, observe, perform and be bound by all the duties and obligations related to the transferred Series A Preferred Shares.
- 6.26 As soon as possible following the Closing, each of the Key Employees listed on Part III(B) of Exhibit C shall have entered into an employment contract and an employee confidentiality and invention assignment agreement and non-competition agreement in the form satisfactory to the Investors, with no less than two years' non-competition and confidentiality period.

7. MISCELLANEOUS

- 7.1 Governing Law. This Agreement shall be governed by and construed under the laws of Hong Kong, without regard to principles of conflict of laws thereunder.
- 7.2 Dispute Resolution.
- (i) Any dispute, controversy or claim arising out of, in connection with or relating to this Agreement, including the interpretation, validity, invalidity, breach or termination thereof, shall be settled by arbitration.
  - (ii) The arbitration shall be conducted in Hong Kong under the Hong Kong International Arbitration Centre Administered Arbitration Rules in force when the notice of arbitration is submitted in accordance with the said Rules. The number of arbitrators shall be three. The arbitration shall be conducted in the English language.

- (iii) Each Party shall cooperate with the other in making full disclosure of and providing complete access to all information and documents requested by the other in connection with such arbitration proceedings, subject only to any doctrine of legal privilege or any confidentiality obligations binding on such Party.
  - (iv) The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.
  - (v) When any dispute occurs and when any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfill their respective obligations and shall be entitled to exercise their rights under this Agreement.
  - (vi) The award of the arbitration tribunal shall be final and binding upon the Parties, and the prevailing Party may apply to a court of competent jurisdiction for enforcement of such award.
  - (vii) Regardless of anything else contained herein, any Party shall be entitled to seek preliminary injunctive relief from any court of competent jurisdiction pending the conclusion of the arbitration.
- 7.3 **Notices.** All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by an internationally recognized overnight courier service, by facsimile or registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the addresses specified on Part IV of Exhibit A (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 7.3).
- 7.4 **Successors and Assigns.** Except as otherwise provided herein, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties whose rights or obligations hereunder are affected by such terms and conditions. This Agreement, and the rights and obligations hereunder, shall not be assigned without the mutual written consents of the Investors and the Company; provided that each Investor may without consent of the other Parties under this Agreement assign its rights and obligations to its Affiliate(s) or to any third party purchaser in connection with the transfer of Purchase Shares held by such Investor to such third party purchaser so long as such transfer is made in accordance with the Shareholders' Agreement.
- 7.5 **Severability.** In case any provision of the Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. If, however, any provision of this Agreement shall be invalid, illegal, or unenforceable under any such applicable laws in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such law.

- 7.6 Waiver and Amendment. Any Party may (a) extend the time for the performance of any of the obligations or other acts of another Party, (b) waive any inaccuracies in the representations and warranties of another Party contained herein or in any document delivered by another Party pursuant hereto or (c) waive compliance with any of the agreements of another Party or conditions to such Party's obligations contained herein. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the party to be bound thereby. Any waiver of any term or condition shall not be construed as a waiver of any subsequent breach or a subsequent waiver of the same term or condition, or a waiver of any other term or condition of this Agreement. The failure of any Party to assert any of its rights hereunder shall not constitute a waiver of any of such rights. This Agreement may not be amended or modified except (a) by an instrument in writing signed by the Company, the Founder Holdco 1, the Founder Holdco 2 and the Investors, or (b) by a waiver in accordance with the immediately preceding sentence.
- 7.7 Interpretation. For all purposes of this Agreement, except as otherwise expressly provided, (a) the defined terms shall have the meanings assigned to them in its definition and include the plural as well as the singular, and pronouns of either gender or neuter shall include, as appropriate, the other pronoun forms; (b) all references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise, and all references in this Agreement to designated exhibits are to the exhibits attached to this Agreement unless explicitly stated otherwise, (c) the words "herein", "hereof", and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision, (d) the word "knowledge" means, with respect to a Person's "knowledge", the actual knowledge of such Person, and that knowledge which should have been acquired by such Person after making such due inquiry and exercising such due diligence as a prudent business person would have made or exercised in the management of his or her business affairs, including but not limited to due inquiry of all officers, directors, employees, consultants and professional advisers (including attorneys, accountants and auditors) of the Group Companies and of its Affiliates who could reasonably be expected to have knowledge of the matters in question, and where any statement in the representations and warranties hereunder is expressed to be given or made to a Person's knowledge, or so far as a party is aware, or is qualified in some other manner having a similar effect, the statement shall be deemed to be supplemented by the additional statement that such party has made such due inquiry and due diligence, (e) the titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement, (f) any reference in this Agreement to any "Party" or any other Person shall be construed so as to include its successors in title, permitted assigns and permitted transferees, (g) any reference in this Agreement to any agreement or instrument is a reference to that agreement or instrument as amended or novated and (h) this Agreement is jointly prepared by the Parties and should not be interpreted against any Party by reason of authorship.

- 7.8 Entire Agreement. This Agreement and the other Transaction Documents constitute the entire agreement of the Parties with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, among the Parties with respect to the subject matter hereof and thereof.
- 7.9 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile and e-mailed copies of signatures shall be deemed to be originals for purposes of the effectiveness of this Agreement.
- 7.10 Termination.
- (i) Termination of Agreement. This Agreement may be terminated prior to the Closing (a) by mutual written consent of the Parties, (b) by an Investor with respect to such Investor if the Closing has not occurred within forty five (45) days after the Signing Date, (c) by an Investor with respect to such Investor by written notice to the Company if there has been a material misrepresentation or breach of a covenant or agreement contained in this Agreement on the part of any Covenantor, or (d) by an Investor with respect to such Investor if, due to any change of the applicable laws, the consummation of the transactions contemplated hereunder would become prohibited under applicable laws.
- (ii) Effect of Termination. If this Agreement is terminated pursuant to the provision of Section 7.10(i), this Agreement will be of no further force or effect, provided that, if only one Investor terminates this Agreement pursuant to Section 7.10(i)(b), Section 7.10(i)(c) or Section 7.10(i)(d), this Agreement shall be of no further force or effect with respect to such Investor terminating this Agreement; provided further that no Party shall be relieved of any liability for a breach of this Agreement or for any misrepresentation hereunder, nor shall such termination be deemed to constitute a waiver of any available remedy (including specific performance if available) for any such breach or misrepresentation.
- (iii) Survival. The provisions of Sections 1, 6.2, 6.8, and 7 shall survive the expiration or early termination of this Agreement.

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**GROUP COMPANIES**

**AURORA MOBILE LIMITED**

By: /s/ Wang Xiaodao

Name: Wang Xiaodao

Title: Director

**UA MOBILE LIMITED**

By: /s/ Wang Xiaodao

Name: Wang Xiaodao

Title: Director

**KK MOBILE INVESTMENT LIMITED**

By: /s/ Wang Xiaodao

Name: Wang Xiaodao

Title: Director

**SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD. (XXXXXXXXXXXXXXXXXX)**

Company seal: /s/ SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD.

By: /s/ Wang Xiaodao

Name: Wang Xiaodao

Title: Legal Representative

**JPUSH INFORMATION CONSULTATION (SHENZHEN) CO., LTD. (XXXXXXXXXXXXXXXXXX)**

Company seal: /s/ JPUSH INFORMATION CONSULTATION (SHENZHEN) CO., LTD.

By: /s/ Wang Xiaodao

Name: Wang Xiaodao

Title: Legal Representative

IN WITNESS WHEREOF, the Parties have duly executed this Series C Preferred Share Purchase Agreement as of the date first above written.

**FOUNDER PARTIES**

**KK MOBILE LIMITED**

By: /s/ LUO Weidong

Name: LUO Weidong

Title: Director

**STABLE VIEW LIMITED**

By: /s/ WANG Xiaodao

Name: WANG Xiaodao

Title: Director

**FOCUS AXIS LIMITED**

By: /s/ FANG Jiawen

Name: FANG Jiawen

Title: Director

**ELITE BRIGHT INTERNATIONAL LIMITED**

By: /s/ CHEN Fei

Name: CHEN Fei

Title: Director

Signature Pages of the Series C Preferred Share Purchase Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Series C Preferred Share Purchase Agreement as of the date first above written.

**FOUNDER PARTIES**

**LUO WEIDONG (罗卫东)**

/s/ LUO WEIDONG

**WANG XIAODAO (王 Xiaodao)**

/s/ WANG XIAODAO

**FANG JIAWEN (方 健文)**

/s/ FANG JIAWEN

**CHEN FEI (陈 飞)**

/s/ CHEN FEI

Signature Pages of the Series C Preferred Share Purchase Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Series C Preferred Share Purchase Agreement as of the date first above written.

**INVESTOR**

**T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD**

By: /s/ Liao Qian

Name: Liao Qian

Title: Authorized Signatory

Signature Pages of the Series C Preferred Share Purchase Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Series C Preferred Share Purchase Agreement as of the date first above written.

**INVESTOR**

**Mandra iBase Limited**

By: /s/ Song Yi ZHANG

Name: Song Yi ZHANG

Title: Director

Signature Pages of the Series C Preferred Share Purchase Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Series C Preferred Share Purchase Agreement as of the date first above written.

**INVESTOR**

**Genesis Ventures Limited**

By: /s/ OEI Kang Eric

Name: OEI Kang Eric

Title: Authorized Signatory

Signature Pages of the Series C Preferred Share Purchase Agreement

EXHIBIT A  
PARTIES

Part I Investors

<u>Investor</u>	<u>Purchase Shares</u>	<u>Purchase Price</u>
T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD ("TCL")	169,312 Series C Preferred Shares	US\$ 8,000,000
Mandra iBase Limited ("Mandra")	63,492 Series C Preferred Shares	US\$ 3,000,000
Genesis Ventures Limited ("Genesis")	21,164 Series C Preferred Shares	US\$ 1,000,000
Total	253,968 Series C Preferred Shares	US\$12,000,000

Part II Founder Parties

1. LUO WEIDONG (罗伟东), a Chinese citizen (residential ID number: #####) (the "Founder 1"),
2. WANG XIAODAO (王 Xiaodao), a Chinese citizen (residential ID number: #####) (the "Founder 2"),
3. FANG JIAWEN (方 嘉文), a Chinese citizen (residential ID number: #####) (the "Founder 3"),
4. CHEN FEI (陈 飞), a Hong Kong resident (residential ID number: #####) (the "Founder 4", together with Founder 1, Founder 2 and Founder 3, the "Founders" and each a "Founder"),
5. KK Mobile Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the "Founder Holdco 1"),
6. Stable View Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the "Founder Holdco 2"),
7. Focus Axis Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the "Founder Holdco 3"), and
8. Elite Bright International Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the "Founder Holdco 4", together with Founder Holdco 1, Founder Holdco 2 and Founder Holdco 3, the "Founder Holdcos" and each a "Founder Holdco").

The ownership structure of the Founder Holdco 1 is as follows:

Shareholder	Shareholding Percentage
Luo Weidong	100%

The ownership structure of the Founder Holdco 2 is as follows:

Shareholder	Shareholding Percentage
Wang Xiaodao	100%

The ownership structure of the Founder Holdco 3 is as follows:

Shareholder	Shareholding Percentage
Fang Jiawen	100%

The ownership structure of the Founder Holdco 4 is as follows:

Shareholder	Shareholding Percentage
Chen Fei	100%

### Part III Major Subsidiaries

1. UA MOBILE LIMITED, a limited liability company duly established and validly existing under the laws of British Virgin Islands and a wholly owned subsidiary of the Company (the "BVI Company"),
2. KK MOBILE INVESTMENT LIMITED, a company duly established and existing under the laws of Hong Kong and wholly owned subsidiary of the BVI Company (the "HK Company"),
3. SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD. (深圳合讯华谷信息技术有限公司), a company duly established and existing under the laws of the PRC (the "Domestic Company"), and
4. JPUSH INFORMATION CONSULTATION (SHENZHEN) CO., LTD. (捷普信息咨询(深圳)有限公司), a wholly foreign owned enterprise duly established and existing under the laws of the PRC (the "WFOE").

### Part IV Notice Address

For the purpose of the notice provisions contained in this Agreement, the following are the initial addresses of each party:

If to any of the Group Companies and the Founder Parties:

c/o: SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD. (XXXXXXXXXXXXXXXXXX)  
Attn:  
Fax:  
Mobile:

If to TCL:

c/o: T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD (T.C.L. XXXX(XX)XXXX)  
Attention:  
Address:  
Email:

If to Mandra:

c/o: Mandra Capital  
Attention:  
Address:  
Email:

If to Genesis:

c/o: Genesis Ventures Limited  
Attention:  
Address:  
Email:

EXHIBIT B  
DEFINITIONS

<u>“Action”</u>	means any charge, claim, action, complaint, petition, investigation, appeal, suit, litigation, grievance, inquiry or other proceeding initiated or conducted by a mediator, arbitrator or governmental authority, whether administrative, civil, regulatory or criminal, and whether at law or in equity, or otherwise under any applicable laws.
<u>“Affiliate”</u>	with respect to a Person, any other Person that, directly or indirectly, Controls, is Controlled by or is under common Control with such Person. “Control” shall mean the power or authority, whether exercised or not, to direct the business, management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; provided, that such power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty percent (50%) of the votes entitled to be cast at a meeting of the members or shareholders of such Person or power to control the composition of a majority of the board of directors of such Person. The terms “Controlled” and “Controlling” have meanings correlative to the foregoing. In the case of any individual, his/her spouse, children, siblings, parents, the relatives of such spouse, trustee of any trust in which such individual or any of his/her immediate family member is a beneficiary or a discretionary object, or any entity or company controlled by any of the aforesaid Persons. In the case of the Investor, the term “Affiliate” also includes (v) any shareholder of such Investor, (w) any of such shareholder’s or Investor’s general partners or limited partners, (x) the fund manager managing or advising such shareholder or Investor (and general partners, limited partners and officers thereof) and other funds managed or advised by such fund manager, (y) trusts controlled by or for the benefit of any such Person referred to in (v), (w) or (x), and (z) any fund or holding company formed for investment purposes that is promoted, sponsored, managed, advised or serviced by such Investor.
<u>“Agreement”</u>	has the meaning set forth in the Preamble.
<u>“Angel Investor”</u> or “Mandra”	means Mandra iBase Limited.
<u>“Balance Sheet Date”</u>	has the meaning set forth in <u>Section 11.1</u> of <u>Exhibit D</u> .
<u>“Business”</u>	has the meaning set forth in Recitals.
<u>“Business Day”</u>	means any day that is not a Saturday, Sunday, public holiday or other day on which commercial banks are required or authorized by applicable laws to be closed in the Cayman Islands, New York, Hong Kong, or the PRC.
<u>“BVI Company”</u>	has the meaning set forth in <u>Part III</u> of <u>Exhibit A</u> .

<u>“Circular 37”</u>	means the Notice on Relevant Issues Concerning Foreign Exchange Administration for Domestic Residents to Engage in Overseas Investment and Financing and Round Trip Investment via Overseas Special Purpose Companies ( ) issued by SAFE on July 4, 2014, and its amendment and interpretation promulgated by SAFE from time to time
<u>“Closing”</u>	has the meaning set forth in <u>Section 3</u> .
<u>“Closing Conditions”</u>	has the meaning set forth in <u>Section 5.1</u> .
<u>“Closing Date”</u>	has the meaning set forth in <u>Section 3</u> .
<u>“Common Shares”</u>	means the Company’s common shares, par value US\$0.001 each.
<u>“Company”</u>	has the meaning set forth in the Preamble.
<u>“Company Intellectual Properties”</u>	has the meaning set forth in <u>Section 13.3</u> of <u>Exhibit D</u> .
<u>“Company Real Properties”</u>	has the meaning set forth in <u>Section 13.2</u> of <u>Exhibit D</u> .
<u>“Confidential Information”</u>	has the meaning set forth in <u>Section 6.9</u> .
<u>“Control Documents”</u>	means the following: (1) documents dated August 7, 2014 entered into by the relevant parties: (a) the exclusive business cooperation agreement by and between the Domestic Company and the WFOE; (b) the exclusive option agreement by and among the WFOE, Domestic Company and its shareholders; (c) the equity interest pledge agreement by and among the WFOE, Domestic Company and its shareholders; and (d) the power of attorney signed by the shareholders of the Domestic Company; and (2) Spouse Consent Letter as described in Section 5.1 (xv)
<u>“Covenantor”</u>	has the meaning set forth in <u>Section 4.1</u> .
<u>“Covenantor Representations and Warranties”</u>	has the meaning set forth in <u>Section 4.1</u> .
<u>“Disclosure Schedule”</u>	has the meaning set forth in <u>Section 4.1</u> .
<u>“Domestic Company”</u>	has the meaning set forth in <u>Part III</u> of <u>Exhibit A</u> .
<u>“ESOP”</u>	has the meaning set forth in <u>Section 2.3</u> .
<u>“Financial Statements”</u>	has the meaning set forth in <u>Section 11.1</u> of <u>Exhibit D</u> .
<u>“Purchase Price”</u>	has the meaning set forth in <u>Section 2</u> .
<u>“Founder Holdcos”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founders”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founder Holdco 1”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founder Holdco 2”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founder Holdco 3”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founder Holdco 4”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founder Parties”</u>	has the meaning set forth in the Preamble.
<u>“Fosun”</u>	means the Greatest Investments Limited
<u>“Group Company”</u>	means each of the Company and its subsidiaries (including the Major Subsidiaries), and “ <u>Group</u> ” refers to all of Group Companies collectively.

“ <u>Guohai</u> ”	means the Shenzhen Guohai Chuangxin Investment Management Limited Corporation (深圳前海创世创信投资管理有限公司).
“ <u>Genesis</u> ”	means Genesis Ventures Limited
“ <u>Genesis Shares Transfer</u> ”	means the Genesis intends to purchases 102,480 Series A Preferred Shares from IDG-ACCEL CHINA GROWTH FUND III L.P..
“ <u>HAKIM</u> ”	means the HAKIM International Development Co., Limited.
“ <u>HAKIM Shares Transfer</u> ”	means the HAKIM International Development Co., Limited purchases 131,677 Common Shares from Founder Holdco 1, 62,262 Common Shares from Founder Holdco 2 and 62,262 Common Shares from Founder Holdco 3.
“ <u>Hong Kong</u> ”	means the Hong Kong Special Administrative Region of the PRC.
“ <u>HK Company</u> ”	has the meaning set forth in <u>Part III</u> of <u>Exhibit A</u> .
“ <u>IDG Growth</u> ”	means the IDG-Accel China Growth Fund III L.P.
“ <u>IDG III</u> ”	means the IDG-Accel China III Investors L.P.
“ <u>IDG</u> ”	means the IDG Growth and IDG III.
“ <u>Indebtedness</u> ”	means, with respect to any Person, without duplication, each of the following of such Person: (i) all indebtedness for borrowed money, (ii) all obligations issued, undertaken or assumed as the deferred purchase price of property or services (other than trade payables entered into in the ordinary course of business), (iii) all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments, (iv) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced that are incurred in connection with the acquisition of properties, assets or businesses, (v) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to any property or assets acquired with the proceeds of such indebtedness (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property), (vi) all obligations that are capitalized (including capitalized lease obligations), (vii) all obligations under banker’s acceptance, letter of credit or similar facilities, (viii) all obligations to purchase, redeem, retire, defease or otherwise acquire for value any equity securities of such Person, (ix) all obligations in respect of any interest rate swap, hedge or cap agreement, and (x) all guarantees issued in respect of the Indebtedness referred to in clauses (i) through (ix) above of any other Person, but only to the extent of the Indebtedness guaranteed.

<u>“Indemnifiable Losses”</u>	means, with respect to any Person, any action, claim, cost, damage, deficiency, diminution in value, disbursement, expense, liability, loss, obligation, penalty, settlement, suit, or tax of any kind or nature, together with all interest, penalties, legal, accounting and other professional fees and expenses reasonably incurred in the investigation, collection, prosecution and defense of claims and amounts paid in settlement, that may be imposed on or otherwise incurred or suffered by such Person, whether directly or indirectly.
<u>“Indemnified Person”</u>	has the meaning set forth in <a href="#">Section 5.1(v)(a)</a> .
<u>“Indemnification Agreement”</u>	has the meaning set forth in <a href="#">Section 5.1(v)(a)</a> .
<u>“Intellectual Property”</u>	means any and all (i) patents, patent rights and applications therefor and reissues, reexaminations, continuations, continuations-in-part, divisions, and patent term extensions thereof, (ii) inventions (whether patentable or not), discoveries, improvements, concepts, innovations and industrial models, (iii) registered and unregistered copyrights, copyright registrations and applications, mask works and registrations and applications therefor, author’s rights and works of authorship (including artwork, Software, computer programs, source code, object code and executable code, firmware, development tools, files, records and data, and related documentation), (iv) URLs, web sites, web pages and any part thereof, (v) technical information, know-how, trade secrets, drawings, designs, design protocols, specifications, proprietary data, customer lists, databases, proprietary processes, technology, formulae, and algorithms and other intellectual property, (vi) trade names, trade dress, trademarks, domain names, service marks, logos, business names, and registrations and applications therefor, and (vii) the goodwill symbolized or represented by the foregoing.
<u>“Investor”</u> or <u>“Investors”</u>	has the meaning set forth in the Preamble
<u>“Key Employees”</u>	has the meaning set forth in <a href="#">Section 4.2</a> .
<u>“Memorandum and Articles”</u>	has the meaning set forth in <a href="#">Section 5.1(v)(a)</a> .
<u>“Major Subsidiary”</u>	has the meaning set forth in the Preamble.
<u>“Management Rights Letter”</u>	has the meaning set forth in <a href="#">Section 5.1(v)(a)</a> .
<u>“Material Contract”</u>	has the meaning set forth in <a href="#">Section 0.2</a> of <a href="#">Exhibit D</a> .
<u>“Material Adverse Effect”</u>	means any change, event or circumstance that is or would have a material adverse effect on (i) the business, properties or condition (financial or otherwise), results of operations or prospects of any of the Group Companies individually or taken as a whole, (ii) the validity or enforceability of the Transaction Documents, or (iii) the ability of any Covenantor to perform its obligations under the Transaction Documents or in connection with the transactions contemplated thereunder.
<u>“Party”</u>	has the respective meaning set out in the Preamble.

“ <u>Person</u> ”	shall be construed as broadly as possible and shall include an individual, a partnership (including a limited liability partnership), a company, an association, a joint stock company, a limited liability company, a trust, a joint venture, a legal person, an unincorporated organization and a governmental authority.
“ <u>PRC</u> ”	means the People’s Republic of China, solely for purposes of this Agreement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan.
“ <u>PRC Companies</u> ”	mean collectively the Subsidiaries of the Company which are incorporated under the laws of the PRC, including for the time being the WFOE and the Domestic Company; and a “ <u>PRC Company</u> ” means any of the foregoing.
“ <u>PRC GAAP</u> ”	means the generally accepted accounting principles in PRC, as in effect from time to time.
“ <u>Preamble</u> ”	means the preamble of this Agreement.
“ <u>Purchase Price</u> ”	has the meaning set forth in <u>Section 2</u> .
“ <u>Purchase Shares</u> ”	has the meaning set forth in <u>Section 2</u> .
“ <u>Real Property</u> ”	means any and all land, land use rights, buildings, structures, improvements and fixtures located thereon, easement and other rights in real property.
“ <u>Qualified IPO</u> ”	has the meaning set forth in the Memorandum and Articles.
“ <u>Related Party</u> ”	means any Affiliate, officer, director, supervisory board member, or holder of any equity security of any Group Company, and any Affiliate of any of the foregoing.
“ <u>RMB</u> ”	means the lawful currency of the PRC.
“ <u>SAFE</u> ”	means the State Administration of Foreign Exchange of the PRC.
“ <u>Series C Preferred Shares</u> ”	means the Company’s Series C Preferred Shares, of par value US\$0.001 each.
“ <u>Shareholders’ Agreement</u> ”	has the meaning set forth in <u>Section 5.1(v)(b)</u> .
“ <u>Signing Date</u> ”	has the meaning set forth in the Preamble.
“ <u>Social Insurance</u> ”	means any form of social insurance as required by applicable laws (including without limitation pension fund, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing fund).
“ <u>Transaction Documents</u> ”	means collectively, this Agreement, the Shareholders’ Agreement, the Memorandum and Articles, the Management Rights Letter, the Indemnification Agreement, the Control Documents and each of the other agreements and documents otherwise required in connection with implementing the transactions contemplated by any of the foregoing.
“ <u>TCL</u> ”	means T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD
“ <u>U.S.</u> ”	means the United States of America.
“ <u>US\$</u> ”	means the lawful currency of the United States of America.
“ <u>WFOE</u> ”	has the meaning set forth in <u>Part III</u> of <u>Exhibit A</u> .

EXHIBIT D  
COVENANTOR REPRESENTATIONS AND WARRANTIES

1. Organization, Standing and Qualification. Each of the Covenantors (to the extent that such Party is not a natural person) is duly incorporated, organized, validly existing and in good standing (or equivalent status in the relevant jurisdiction) under the laws of the jurisdiction of its incorporation or organization. Each of the Covenantors has all requisite capacity, power and authority to own and operate its properties and to carry on its business as now conducted and as proposed to be conducted, and is duly qualified to transact business in each jurisdiction in which it conducts and proposes to conduct business.
2. Due Authorization. All actions on the part of each Covenantor and, as applicable, their respective officers, directors and shareholders necessary for (i) the authorization, execution and delivery of, and the performance of all obligations of such Covenantor under this Agreement and the other Transaction Documents to which it is a party has been taken or will be taken prior to the Closing; and (ii) the authorization, issuance, reservation for issuance and allotment of all the Purchase Shares and the Common Shares issued upon conversion of the Purchase Shares at the Closing have been obtained or will have been obtained prior to the Closing. Each Covenantor has all requisite capacity, power and authority to execute and deliver this Agreement and the other Transaction Documents to which it is a party. Each Transaction Document to which a Covenantor is a party is a valid and binding obligation of such Covenantor, enforceable against it in accordance with its terms.
3. Approvals. All approval, authorization or consent which are required to be obtained by each Covenantor in connection with the consummation of the transactions contemplated under this Agreement and the other Transaction Documents will have been obtained prior to and be effective as of the Closing Date.
4. Non-Contravention. The execution, delivery and performance by each Covenantor of and compliance with this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, will not result in (i) any material violation, breach or default, or be in conflict with or constitute, with or without the passage of time or the giving of notice or both, a material default under (a) the constitutional documents of such Covenantor, (b) any term or provision of any Material Contract to which such Covenantor is a party or by which it may be bound, or (c) any applicable law, (ii) the creation or imposition of any encumbrance upon, or with respect to, any of the properties or rights of any Covenantor (except for such encumbrance created by the Transaction Documents and arises automatically by operation of law), or (iii) any termination, modification, cancellation, or suspension of any material right of, or any augmentation or acceleration of any material obligation of, any Covenantor.

5. Valid Issuance of Purchase Shares. The Purchase Shares when issued, registered in the register of members of the Company, allotted and paid in accordance with the terms of this Agreement for the consideration expressed herein, and the Common Shares issued upon conversion of the Purchase Shares will be duly and validly issued, fully paid and non-assessable, free from any encumbrance.

6. Capitalization

6.1 Company. The Company's capital structure (including its authorized and issued share capital, and the holders thereof) as set forth on Part I of Exhibit C are complete, true and accurate as of the time indicated therein.

6.2 Other Group Companies. The ownership of the equity interests of each Group Company (other than the Company) as set forth on Part II of Exhibit C are complete, true and accurate as of the time indicated therein.

6.3 Founders and Founder Holdcos. The ownership of the equity interests of each Founder Holdco as set forth on Part II of Exhibit A are complete, true and accurate as of the time indicated therein. None of the Founders and the Founder Holdcos has been in violation of any valid contracts or agreements that are binding upon and enforceable against such Founder or his respective Founder Holdco.

6.4 Status.

(i) Other than those set forth on Part I of Exhibit C, there is no outstanding equity securities of any Group Company. All presently outstanding equity securities of each Group Company were (or will be) duly and validly issued (or subscribed for) in compliance with all applicable laws, preemptive rights (or similar requirements) of any Person, are fully paid and non-assessable and are free from any encumbrance. The registered capital of each of the PRC Companies has been fully paid by its shareholders in accordance with the payment schedule as stipulated in its constitutional documents.

(ii) Except as contemplated in the Transaction Documents or as set forth on Exhibit C, there are no options, warrants, conversion privileges or other rights, or agreements with respect to the issuance thereof, presently outstanding to purchase any of the equity securities of the Company. Except as noted in this Section 6 and the rights provided in the Shareholders' Agreement, no shares of the Company's outstanding share capital, or shares issuable upon exercise or exchange of any outstanding options or other shares issuable by the Company, are subject to any preemptive rights, rights of first refusal or other rights to purchase such shares (whether in favor of the Company or any other Person). Other than those provided in the Transaction Documents, no existing Shareholder has any rights, privileges or protections more favorable than those granted to the Investors.

7. Corporate Structure. The corporate particulars of each of the Group Companies and the corporate structure of the Group as set forth in Part II of Exhibit C are true, correct and complete. The corporate structure of the Group and the ownership and control relationship among the Group Companies and the establishment thereof are in compliance with applicable laws. Each of the Control Documents is a valid and binding agreement of the parties thereto, the performance of which does not and will not violate any applicable laws, and is in full force and effect. Each of the Control Documents is a valid and binding agreement of the parties thereto, enforceable against it in accordance with its terms, the performance of which does not and will not violate any applicable laws, and is in full force and effect.
8. Permits. Each Group Company has all approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval (i) which are required and material to be obtained or made by any Covenantor under applicable laws in connection with the due and proper establishment of each Group Company and (ii) which are necessary and material to carry out the business and operations of each Group Company in each relevant jurisdiction as now conducted. Each of such approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval is valid and in full force and effect. No Group Company (i) is in material default or violation of any of such permits, licenses or other governmental approval, or (ii) has received any written notice from any governmental authority regarding any actual or possible default or violation of any of such permits, licenses or other governmental approval. In respect of the approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval which are subject to periodic renewal, none of the Covenantors has any reason to believe that such requisite renewals will not be timely granted by the relevant governmental authorities.
9. Compliance.
  - (i) Compliance with Laws. Except as disclosed in Section 9 of the Disclosure Schedule, each Group Company has complied in all material aspects with all applicable laws and to the best knowledge of the Covenantors, none of them is under investigation with respect to any violation of any applicable law. The Control Documents (individually or when taken together) and the establishment of captive structure through the Control Documents do not violate any applicable laws.

(ii) The PRC Companies. The constitutional documents and certificates of each PRC Company are valid and have been duly approved or issued (as applicable) by appropriate PRC governmental authorities. The capital and organizational structure of each PRC Company and the business conducted by such PRC Company are valid and in compliance in all material aspects with relevant PRC laws. All approvals, permits, licenses authorizations, certifications, registrations, filings and other governmental approval required under PRC laws for the establishment and operation of each PRC Company, have been obtained from the relevant PRC governmental authorities or completed in accordance with the relevant laws, and are in full force and effect. In respect of approvals, permits, licenses authorizations, certifications, registrations, filings and other governmental approval requisite for the conduct of any part of the business of such PRC Company which are subject to periodic renewal, none of the Covenantors has any reason to believe that such material requisite renewals will not be timely granted by the relevant PRC governmental authorities. Each PRC Company has been conducting its business activities within the permitted scope of business, and has been operating its business in compliance in all material aspects with all relevant legal requirements and with all requisite approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval granted by the competent PRC governmental authorities. No PRC Company has received any letter or notice from any governmental authority notifying the revocation of any approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval issued to it for material non-compliance or the need for compliance or remedial actions in respect of the activities carried out directly or indirectly by it.

(iii) SAFE Compliance. All SAFE rules and regulations have been fully complied with by the Group Companies and their shareholders and beneficial owners and all requisite approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval required under the SAFE rules and regulations in relation thereto have been duly and lawfully obtained and are in full force and effect, and there exist no grounds on which any such approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval may be cancelled or revoked or any PRC Company or its legal representative may be subject to liability or penalties for misrepresentations or failure to disclose information to the issuing SAFE. Each Person who beneficially owns any equity securities of the Company and is required to comply with the SAFE rules and regulations has registered with SAFE with respect to their direct or indirect holdings of equity securities in the Company in accordance with the SAFE rules and regulations. Such Person has not received any written inquiries, notifications, orders or any other forms of correspondence in writing from SAFE with respect to any actual or alleged non-compliance with the SAFE rules and regulations.

(iv) Anti-Corruption Laws Compliance. None of the Group Companies or, to the best knowledge of the Covenantors, any director, officer, agent, employee, or any other Person acting for or on behalf of the foregoing, has materially violated any anti-corruption or anti-bribery laws, nor has any of the above Persons offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, to any government official or to any Person under circumstances where there is a high probability that all or a portion of such money or thing of value would be offered, given or promised, directly or indirectly, to any government official, for the purpose of (i) influencing any act or decision of such government official in his official capacity, (ii) inducing such government official to do or omit to do any act in relation to his lawful duty, (iii) securing any improper advantage, or (iv) inducing such government official to influence or affect any act or decision of any governmental authority, or assisting any Group Company in obtaining or retaining business for or with, or directing business to any Group Company.

(v) Securities Act Compliance. The offer, sale and issuance of the Purchase Shares in conformity with the terms of this Agreement are exempt from the registration and qualification requirements of all applicable securities laws, including the U.S. Securities Act of 1933, as amended, and the issuance of Common Shares upon conversion of the Purchase Share in accordance with the Memorandum and Articles, will be exempt from such registration or qualification requirements.

(vi) Compliance with Other Instruments. The constitutional documents of each Group Company are valid and have been duly approved or issued (as applicable) by competent governmental authorities in the jurisdiction where such Group Company is incorporated. None of the Group Companies is in violation, breach or default of any term or provision of the constitutional documents. The execution, delivery and performance of and compliance with this Agreement and any other Transaction Documents and the consummation of the transactions contemplated hereby and thereby will not result in any violation, breach or default, or be in conflict with or constitute, a default under (a) the constitutional documents of such Group Company, (b) any term or provision of any Material Contract to which such Group Company is a party or by which it may be bound, or (c) any applicable law.

(vi) Use of Proceeds. The use of all proceeds from the sale of the Company's shares are in compliance with the shares purchase agreement signed by the investors, the Company and other certain parties in all aspects and the proceeds have been or will be used in the business operation of the Group Company.

Unless otherwise provided in the budget of the Company approved by the Board, any and all of the proceeds from the sale of the Purchase Shares shall be injected into the WFOE for increasing the registered capital of the WFOE to be used for research and development, business development, marketing and working capital of the Group Companies, and other capital expenditure. Unless otherwise stated, no proceeds shall be used in the payment of any Indebtedness of the Group Companies or in the repurchase, redemption or cancellation of securities held by any shareholders without the prior consent of the Investors.

10. Litigation. There is no Action or arbitration pending or, to the knowledge of any Covenantor, threatened against any Group Company.

11. Financial Conditions

- 11.1 Financial Statements. The Covenantors have delivered to the Investor true, correct and complete copies of unaudited financial statements of the Group Companies for the period commencing from its inception to December 31, 2015 (collectively, the “Financial Statements”, and December 31, 2015, the “Balance Sheet Date”). Such Financial Statements (i) have been prepared in accordance with the books and records of each Group Company, (ii) are true, correct and complete and present fairly the financial condition of such Group Company at the date or dates therein indicated and the results of operations for the period or periods therein specified, and (iii) have been prepared in accordance with PRC GAAP applied on a consistent basis, except as to the unaudited consolidated Financial Statements, for the omission of notes thereto and normal year-end audit adjustments. Specifically, but not by way of limitation, the most recent balance sheets included within the Financial Statements disclose each Group Company’s complete and accurate Indebtedness and liabilities, as of their respective dates (including, without limitation, absolute liabilities, accrued liabilities, and contingent liabilities) to the extent such Indebtedness and Liabilities are required to be disclosed on a balance sheet in accordance with the PRC GAAP applied on a consistent basis, other than current liabilities that were incurred after the Balance Sheet Date in the ordinary course of business consistent with its past practices that are not material in the aggregate. Each Group Company maintains and will continue to maintain a standard system of accounting established and administered in accordance with PRC GAAP applied on a consistent basis.
- 11.2 Changes since Balance Sheet Date. Other than may be contemplated by the Transaction Documents, since the Balance Sheet Date, each Group Company (i) has operated its business in the ordinary course consistent with its past practice, (ii) used its reasonable best efforts to preserve its business, (iii) collected receivables and paid payables and similar obligations in the ordinary course of business consistent with past practice, and (iv) not engaged in any new line of business or entered into any material agreement, transaction or activity or made any commitment except those in the ordinary course of business consistent with past practice. Since the Balance Sheet Date, there has not been any Material Adverse Effect and no Group Company has entered into any transaction outside of the ordinary course of business consistent with its past practice, and there has not been by or with respect to any Group Company:
- (i) any purchase, acquisition, sale, lease, disposal of or other transfer of any assets that are individually or in the aggregate material to its business, whether tangible or intangible, other than the purchase or sale of inventory in the ordinary course of business consistent with its past practice;
  - (ii) any acquisition (by merger, consolidation or other combination, or acquisition of stock or assets, or otherwise) of any business or other Person or division thereof, or any sale or disposition of any business or division thereof;
  - (iii) any waiver, termination, cancellation, settlement or compromise by a Group Company of a material right, debt or claim owed to it;
  - (iv) any incurrence, creation, assumption, repayment, satisfaction, or discharge of (1) any material encumbrance or (2) any Indebtedness, or the making of any loan or advance (other than reasonable and normal advances to employees for bona fide expenses that are incurred in the ordinary course of business consistent with its past practice), or the making of any investment or capital contribution;

- (v) any amendment to or early termination of any Material Contract, any entering of any new contract that would have been a Material Contract if in effect on the date hereof, or any amendment to or waiver under any constitutional documents;
- (vi) any material change in any compensation arrangement or contract with any employee of any Group Company except in the ordinary course of business consistent with past practice, or adoption of any new benefit plan, or made any material change in any existing benefit plan;
- (vii) any declaration, setting aside or payment or other distribution in respect of any equity securities of any Group Company, or any issuance, transfer, redemption, purchase or acquisition of any equity securities by any Group Company;
- (viii) any material damage, destruction or loss, whether or not covered by insurance, that would have a Material Adverse Effect to a Group Company;
- (ix) any material change in accounting methods or practices or any revaluation of any of its assets;
- (x) any change in the approved or registered business scope of any PRC Company or any change to any consent or permits held by such PRC Company;
- (xi) except in the ordinary course of business consistent with its past practice, entry into any closing agreement in respect of taxes, settlement of any claim or assessment in respect of any taxes, or consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of any taxes, entry or change of any tax election, change of any method of accounting resulting in an amount of additional tax or filing of any material amended tax return;
- (xii) any commencement or settlement of any dispute;
- (xiii) any authorization, sale, issuance, transfer, pledge or other disposition of any equity securities of any Group Company;
- (xiv) any resignation or termination of any Key Employee of any Group Company or any material group of employees of any Group Company that is deemed essential to the business as now conducted;
- (xv) any Related Party transaction; or

(xvi) any agreement or commitment to do any of the things described in this Section 11.2.

12. Material Contracts.

- 12.1 The Covenantors have delivered a true copy of each Material Contract (as defined below) to the Investors. Each Material Contract is a valid and binding agreement of the parties thereto, the performance of which does not and will not violate any applicable laws, and is in full force and effect, and such party has duly performed all of its material obligations under each Material Contract to the extent that such obligations to perform have accrued, and no breach or default, alleged breach or alleged default has occurred. There are no circumstances likely to give rise to any breach of such terms, no grounds for rescission, avoidance or repudiation of any of the Material Contracts and no written notices of violation, default or termination have been received in respect of any Material Contract.
- 12.2 For purposes hereof, "Material Contract" means such contract that any Group Company is a party to or is bound by, having an aggregate value, cost or amount, or imposing Liability on any Group Company in excess of US\$50,000 or extending for more than one (1) year beyond the date of this Agreement, and that:
- (i) is not readily to be fulfilled or performed by a Group Company on time or without undue or unusual expenditure of money or efforts or a Group Company does not have the technical and other capabilities or the human and material resources to enable it to fulfill, perform and discharge all its outstanding obligations in the ordinary course of business without realizing a loss on closing of performance,
  - (ii) is material to the conduct and operations of a Group Company's business and properties,
  - (iii) involves any Related Party transactions as described in Section 16 below,
  - (iv) relates to the sale, issuance, grant, exercise, award, purchase, repurchase or redemption of any equity securities of any Group Company,
  - (v) is entered into with a material customer or material supplier of a Group Company or with a governmental authority,
  - (vi) involves Indebtedness, an extension of credit, a guaranty or assumption of any obligation, or the creation of any lien on any equity interest, properties or assets of any Group Company,
  - (vii) involves the acquisition or sale of a business, a merger, consolidation, amalgamation, a partnership, joint venture, or similar arrangement,

- (viii) involves the transfer or license of any Intellectual Property to or from a Group Company (other than licenses granted in the ordinary course of business or from commercially readily available “off the shelf” computer software), or obligates a Group Company to share or develop any Intellectual Property with any third party,
  - (ix) contains change in control, exclusivity, non-competition or similar clauses in each case which would be reasonably expected to impair, restrict or impose conditions on a Group Company’s right to offer or sell products or services in specified areas, during specified periods or otherwise,
  - (x) the entering into and termination of which would be reasonably likely to have a Material Adverse Effect on any Group Company, or
  - (xi) is otherwise substantially dependent on by a Group Company, or is not in the ordinary course of business of a Group Company.
- 12.3 Section 12 of the Disclosure Schedule lists all Material Contracts to which any Group Company is a party or by which its properties may be bound or affected.

13. Properties

- 13.1 Title. The Group Companies have good and valid title to, or a valid leasehold interest in, all of their properties, free from any encumbrance. Except for leased properties, no Person other than a Group Company owns any interest in any such properties. All leases of properties leased by the Group Companies are fully effective and afford the Group Companies the right to use and process such leased property. The Group Companies’ property collectively represent in all material respects all properties necessary for the conduct of the business of the Group in the manner currently conducted.
- 13.2 Real Property. The Group Companies do not own any Real Property. Section 13.2 of the Disclosure Schedule sets forth a true, accurate and complete list of all Real Properties leased or otherwise used by any Group Company (the “Company Real Properties”). The Group Company named as the lessee of a Company Real Properties in Section 13.2 of the Disclosure Schedule leases such Company Real Properties under, valid, binding and enforceable lease. All leases of the Company Real Properties is in compliance with applicable laws, including with respect to the ownership, registered land use, operation of property and conduct of business as now conducted by the applicable Group Company which is a party to such lease.

### 13.3 Intellectual Property.

(i) Intellectual Property Ownership. Section 13.3 of the Disclosure Schedule sets forth a complete list of all the Intellectual Properties that are owned by, or registered or applied for in the name of, or licensed to any Group Company (the "Company Intellectual Properties"). Each Company Intellectual Properties is owned exclusively by, registered or applied for in the sole name of, or licensed exclusively to the relevant Group Company, and is not subject to any encumbrance. All Company Intellectual Properties are valid and subsisting and have not been abandoned, and all necessary registration, maintenance and renewal fees with respect thereto and currently due have been satisfied. The Group Companies own or possess all rights and/or license to use all Intellectual Properties necessary for the conduct of their respective businesses as currently being conducted. No Group Company has taken any actions or failed to take any actions that would cause any Company Intellectual Properties to be invalid, unenforceable or not subsisting. No Company Intellectual Property is the subject of any encumbrance, license or other Contract granting rights therein to any other Person. No Company Intellectual Property is subject to any proceeding or outstanding governmental order or settlement agreement or stipulation that (a) restricts in any manner the use, transfer or licensing thereof, or the making, using, sale, or offering for sale of any Group Company's products or services, by any Group Company, or (b) may affect the validity, use or enforceability of such material Company Intellectual Properties. Each Covenantor has assigned and transferred or has agreed to assign and transfer to a Group Company hereunder any and all of its Intellectual Property related to the business as now conducted and to be conducted in the future.

(ii) Infringement, Misappropriation and Claims. To the best knowledge of the Covenantors, (i) no Group Company has violated, infringed or misappropriated any Intellectual Property of any other Person, nor has any Group Company received any written notice alleging any of the foregoing; (ii) no Person has violated, infringed or misappropriated any Company Intellectual Properties of any Group Company, and no Group Company has given any written notice to any other Person alleging any of the foregoing; (iii) no Person has challenged the ownership or use of any Company Intellectual Properties by a Group Company in writing; and (iv) no Group Company has agreed to indemnify any Person for any infringement, violation or misappropriation of any Intellectual Property by such Person.

(iii) Assignment and Prior Intellectual Properties. All inventions and know-how conceived by employees of a Group Company related to the business of such Group Company are currently owned exclusively by a Group Company. None of the Group Companies believes it is or will be necessary to utilize any inventions of any of its officers or employees (or any Person it currently intends to hire) made prior to or outside the scope of their employment by such Group Company. All employees, and to the best knowledge of the Covenantors, all contractors, agents and consultants of a Group Company who are or were involved in the creation of any Intellectual Property for such Group Company have executed an assignment of inventions agreement that vests in a Group Company exclusive ownership of all right, title and interest in and to such Intellectual Property, to the extent not already provided by law. To the best knowledge of the Covenantors, none of the employees, consultants or independent contractors, currently or previously employed or otherwise engaged by any Group Company, (a) is in violation of any current or prior confidentiality, non-competition or non-solicitation obligations to such Group Company or to any other Persons, including former employers, or (b) is obligated under any contract, or subject to any governmental order, that would interfere with the use of his or her best efforts to promote the interests of the Group Companies or that would conflict with the business of such Group Company as presently conducted.

(iv) Protection of Intellectual Property. Each Group Company has taken reasonable steps to protect, maintain and safeguard Company Intellectual Properties and made all applicable filings, registrations and payments of fees in connection with the foregoing.

#### 14. Employment Matters.

14.1 Except as disclosed in Section 14 of the Disclosure Schedule, each Group Company (i) is in compliance in all aspects with all applicable laws respecting employment, employment practices and terms and conditions of employment, including without limitation the applicable PRC laws pertaining to Social Insurances; (ii) has withheld and reported all amounts required by any applicable law or any contract to be withheld and reported with respect to wages, salaries and other payments to employees; (iii) is not liable for any arrear of wages, tax or penalty for failure to comply with any of the foregoing; and (iv) other than as required by applicable laws, is not liable for any payment to any trust or fund governed by or maintained by or on behalf of any governmental authority with respect to any Social Insurance or other benefits or obligations for employees.

14.2 Each employee, officer, director and consultant of the Group Companies has duly executed an employment agreement containing confidentiality, non-competition, non-solicitation and invention assignment provisions, which is in full force and effect and binding upon and enforceable against each such Person. To the best knowledge of the Covenantors, none of the employees, officers, directors or consultants is in violation of such employment agreement. None of the Covenantors is aware that any Key Employee of a Group Company intends to terminate his employment with the Group Company, nor does any Group Company have a present intention to terminate the employment of any Key Employee. Except as required by applicable laws, no Group Company has or maintains any employee benefit plan, employee pension plan, medical insurance, or life insurance to which any Group Company contributed or is obligated to contribute thereunder for employees of any Group Company.

14.3 The employment relationship with and any service provided to any of the Group Company by any Key Employee is in no violation of any employment agreements, confidentiality, non-competition, non-solicitation and invention assignment agreements and any other employment-related agreements entered into by such Key Employee with any of his/her former or previous employer(s).

15. Tax Matters

15.1 All tax returns required to be filed on or prior to the date hereof with respect to each Group Company have been duly and timely filed by such Group Company within the requisite period and completed on a proper basis in accordance with applicable laws, and are up to date and correct. All taxes owed by each Group Company (whether or not shown on every tax return) have been paid in full or provision for the payment thereof have been made. No deficiencies for any Taxes with respect to any tax returns have been asserted in writing by, and no notice of any pending action with respect to such tax returns has been received from, any tax authority, and no dispute relating to any tax returns with any such tax authority is outstanding or contemplated. Each Group Company has timely paid all taxes owed by it which are due and payable (whether or not shown on any tax return) and withheld and remitted to the appropriate governmental authority all taxes which it is obligated to withhold and remit from amounts owing to any employee, creditor, customer or third party.

15.2 No audit of any tax return of each Group Company and no formal investigation with respect to any such tax return by any tax authority is currently in progress. No Group Company has been or is currently the subject of any examination or investigation by any tax authority relating to the conduct of its business or the payment or withholding of taxes.

15.3 No written claim has been received by the Company in a jurisdiction where the Group does not file tax returns that any Group Company is or may be subject to taxation by that jurisdiction. No Group Company is responsible for the taxes of any other Person by reason of contract, successor liability or otherwise. No Group Company has waived any statute of limitations with respect to any taxes, or agreed to any extension of time with respect to an assessment or deficiency for such taxes.

15.4 The assessment of any additional taxes with respect to the applicable Group Company for periods for which tax returns have been filed is not expected to exceed the recorded liability therefor in the most recent balance sheet in the Financial Statements, and there are no unresolved questions or claims concerning any tax liability of any Group Company. Since the Balance Sheet Date, no Group Company has incurred any liability for taxes outside the ordinary course of business or otherwise inconsistent with past custom and practice. There is no pending dispute with, or notice from, any tax authority relating to any of the tax returns filed by any Group Company, and there is no proposed liability for a deficiency in any tax to be imposed upon the properties or assets of any Group Company.

15.5 All tax credits and tax holidays enjoyed by the Group Company established under applicable law since its establishment have been in compliance in all applicable laws and is not subject to reduction, revocation, cancellation or any other changes (including retroactive changes) in the future, except through change in applicable law published by relevant governmental authority.

15.6 No Group Company has been nor anticipates that it will be a “controlled foreign corporation” or “passive foreign investment company” as defined under the U.S. tax laws. No Group Company is or has ever been a U.S. real property holding corporation. No Group Company has any plan or intention to conduct its business in a manner that would be reasonably expected to result in such Group Company becoming a “controlled foreign corporation” or “passive foreign investment company” as defined under the U.S. tax laws or a U.S. real property holding corporation in the future.

16. Related Party Transactions. Except as disclosed in Section 16 of the Disclosure Schedule, no directors or officers of any Group Company, or any member of their immediate families, any Affiliate of the foregoing (i) has any direct or indirect ownership interest in any Person (other than a Group Company) with which a Group Company is affiliated or Group Company has a business relationship, or competes (except for passive investment of less than 1% of the stock of any publicly traded company that engages in the foregoing), (ii) is, directly or indirectly, indebted to any Group Company, or (iii) has any direct or indirect interest in any contract or transaction with any Group Company. All contracts and transaction documents for any Related Party transaction were entered into by the parties thereto on an arm’s-length basis and no Material Adverse Effect on the Group Companies.
17. Registration Rights. Except as provided in the Shareholders’ Agreement, no Group Company has granted or agreed to grant any Person or entity any registration rights (including piggyback registration rights) with respect to, nor is any Group Company obliged to list, any Group Company’s equity securities on any securities exchange. Except as contemplated under this Agreement or the Shareholders’ Agreement, there are no voting or similar agreements which relate to any Group Company’s equity securities.
18. Insolvency. Prior to the Closing, (i) the aggregate assets of each Group Company, at a fair valuation, exceeds the aggregate Indebtedness of each such entity, as the Indebtedness becomes absolute and mature, and (ii) each Group Company does not incur Indebtedness beyond its ability to pay such Indebtedness as such Indebtedness becomes absolute and matures. There has not been commenced against any Group Company an involuntary case under any applicable national, provincial, city, local or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, or any action for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of such Person or for any substantial part of its property or for the winding up or liquidation of its affairs.

19. No Other Business. Each of the Company and the HK Company was formed solely to acquire and hold the equity securities in its Subsidiaries and since its formation it has not engaged in any other business and has not incurred any liability in the course of its business of acquiring and holding its equity securities in its Subsidiaries. Each of the PRC Companies is conducting its business activities within the scope of business as disclosed to the Investors in writing.
20. Internal Controls. Each Group Company maintains a system of internal accounting controls. Any and all of the bank account of each Group Company is listed on Section 20 of the Disclosure Schedule.
21. Control Documents. Each of the Covenantors which is a party to the Control Documents has full power, authority and legal right to execute, deliver and perform their respective obligations under each of the Control Documents to which it is a party, and upon the execution of the Control Documents, has authorized, executed and delivered each of the Control Documents to which it is a party, and such obligations constitute valid, legal and binding obligations enforceable against it in accordance with the terms of each of such Control Documents. The execution, delivery and performance of each Control Document by the parties thereto did not and is not reasonably expected to (i) result in any violation of the charter documents (if any) of any Group Company; (ii) result in any violation of or penalty under any laws of the PRC as in effect as of the date hereof; or (iii) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any other contract, agreement, arrangement, license, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument in effect as of the date hereof and the Closing to which any of them is a party or by which any of them is bound or to which any of their property or assets is subject.
22. Corporate Records. Each of the Group Companies maintains its corporate records including without limitation (i) minutes of each meeting of its board of directors, any committees of its board of directors and its shareholders, and (ii) each written resolution in lieu of a meeting by its board of directors, any committees of its board of directors and its shareholders.
23. Disclosure. Each of the Covenantors has fully provided the Investors with all information requested by the Investors to decide whether to purchase the Purchase Shares. No representation or warranty of the Covenantors contained in this Agreement, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made.

## SERIES D PREFERRED SHARE PURCHASE AGREEMENT

THIS SERIES D PREFERRED SHARE PURCHASE AGREEMENT (this “Agreement”) is made on May 10, 2017 (the “Signing Date”) by and among:

- (1) Aurora Mobile Limited, an exempted company duly incorporated with limited liability and validly existing under the laws of Cayman Islands (the “Company”),
- (2) the parties listed on Part I of Exhibit A attached hereto (the “Investors”, and each an “Investor”),
- (3) the parties listed on Part II of Exhibit A attached hereto (the “Founder Parties”, and each a “Founder Party”), and
- (4) the parties listed on Part III of Exhibit A attached hereto (the “Major Subsidiaries”, and each a “Major Subsidiary”).

Each of the forgoing parties is referred to herein individually as a “Party” and collectively as the “Parties”.

RECITALS

A. The Domestic Company and the WFOE are engaged in internet information push service technology and related business (the “Business”). The Company seeks expansion capital to grow the Business and, correspondingly, seeks to secure an investment from the Investors, on the terms and conditions set forth herein.

B. The Investors desire to invest in the Company by subscribing for and purchasing certain Series D Preferred Shares, and the Company desires to issue and sell such Series D Preferred Shares to the Investors, pursuant to the terms and subject to the conditions of this Agreement.

C. The Parties desire to enter into this Agreement and make the respective representations, warranties, covenants and agreements set forth herein on the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. DEFINITIONS

Unless otherwise defined in this Agreement, capitalized terms used in this Agreement shall have the meanings set forth in Exhibit B.

2. TRANSACTIONS

- 2.1 Agreement to Purchase and Sell. Subject to the terms and conditions of this Agreement, at the Closing (as defined below), the Company agrees to issue and sell to the Investors: an aggregate number of 5,559,487 Series D Preferred Shares (the “Purchase Shares”) at a per share issue price of US\$5.3962 for an aggregate purchase price of US\$30,000,000 (the “Purchase Price”). Each Investor, severally and not jointly, agrees to subscribe for and purchase from the Company its portion of the Purchase Shares for its portion of the Purchase Price as set forth opposite such Investor’s name on Part I of Exhibit A. The Company’s agreement with each Investor is a separate agreement, and the sale and issuance of the Purchase Shares to each Investor is a separate sale and issuance.

- 2.2 Authorization. As of the Closing Date, the Company will have authorized the issuance, pursuant to the terms and conditions of this Agreement 5,559,487 Series D Preferred Shares at a per share issue price of US\$5.3962. The Company shall have also authorized the reservation and issuance of the Common Shares into which Series D Preferred Shares are convertible.
- 2.3 ESOP. The Company has adopted a stock incentive plan adopted on March 1, 2017 (the “ESOP”), under which, a total of 7,412,650 Common Shares, representing 10% of the Company’s issued share capital (on a fully diluted basis) as of immediately before the Closing, will be used for issuance pursuant to the ESOP.

### 3. CLOSING

- 3.1 Closing. The consummation of the purchase and sale of the Purchase Shares (the “Closing”) shall take place remotely via the exchange of documents and signatures on a date (the “Closing Date”) that is no later than three (3) Business Days after all Closing Conditions (except for such Closing Conditions that will be satisfied at the Closing, but nonetheless subject to the satisfaction or waiver thereof at the Closing) have been satisfied or waived (or such other time and place as the Company and the Investors shall mutually agree).
- 3.2 Procedure.
- (i) Closing Deliverables. At the Closing, the Company shall deliver (or cause to be delivered) to each Investor, (i) a true copy of the Company’s updated register of members of the Company certified by a director of the Company, reflecting such Investor’s ownership of the portion of the Purchase Shares purchased by such Investor pursuant to Section 2.1 and (ii) to the extent not previously delivered, such documents, instruments and items required to be delivered in connection with the reasonable satisfaction of the closing conditions pursuant to Section 5.1. Within fifteen (15) days after the Closing Date, the Company shall deliver to each Investor (i) an original share certificate representing the respective portion of the Purchase Shares purchased by such Investor, and (ii) a true copy of the Company’s updated register of members of the Company certified by the registered agent of the Company, reflecting such Investor’s ownership of the portion of the Purchase Shares purchased by such Investor pursuant to Section 2.1.
  - (ii) Closing Payment. At the Closing and against the delivery of the items pursuant to Section 3.2(i) above, each Investor shall pay its portion of the Purchase Price payable in cash at the Closing to the Company by wire transfer of immediately available funds to a bank account designated by the Company. The Company shall provide its bank account information to the Investors at least three (3) Business Days prior to the Closing Date.

4. REPRESENTATIONS AND WARRANTIES

- 4.1 Representations and Warranties of Covenantors. Subject to such exceptions as may be specifically set forth in the Disclosure Schedule attached hereto as Exhibit E (the “Disclosure Schedule”), each of the Company, the Major Subsidiaries and the Founder Parties (collectively, the “Covenantors”) hereby, jointly and severally, represents and warrants to the Investors that each of the statements contained in Exhibit D attached hereto (the “Covenantor Representations and Warranties”) is true and complete as of the Signing Date and will be true and correct as of the Closing Date.
- 4.2 Representations and Warranties of the Investors. Each Investor hereby, severally but not jointly, represents and warrants to the Covenantors that the representations and warranties set forth in this Section 4.2 with respect to such Investor itself (the “Investor Representations and Warranties”) are true and correct as of the Signing Date and will be true and correct as of the Closing Date:
- (i) Due Organization. Such Investor is duly incorporated, organized, validly existing and in good standing (or equivalent status in the relevant jurisdiction) under the laws of the jurisdiction of its incorporation or organization.
  - (ii) Authorization. Such Investor has all requisite power, authority and capacity to enter into the Transaction Documents to which it is a party, and to perform its obligations hereunder and thereunder. Each Transaction Document to which it is a party has been duly authorized, executed and delivered by such Investor. Each Transaction Document to which such Investor is a party, when executed and delivered by such Investor, will constitute valid and legally binding obligations of it, enforceable against it in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, moratorium, reorganization, and other laws of general application affecting the enforcement of creditors’ rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.
  - (iii) Accredited Investor. Each Investor either (1) is an Accredited Investor within the definition set forth in Rule 501(a) under Regulation D of the Act, or (2) is not a “U.S. Person” (as such term is defined in Regulation S promulgated under the Act (“Regulation S”)) and is not subscribing for the Purchase Shares for the account or benefit of any U.S. Person (as defined in Regulation S).

- (iv) Purchase for Own Account. The Purchase Shares will be acquired for such Investor's own account, not as a nominee or agent, and not with a view to or in connection with the sale or distribution of any part thereof.

5. CONDITIONS

- 5.1 Closing Conditions. The obligation of each Investor to purchase its portion of the Purchase Shares and pay its portion of the Purchase Price on the Closing Date is subject to the satisfaction, or waiver by such Investor, of each of the following conditions (the "Closing Conditions"):
- (i) Representations and Warranties. The Covenantor Representations and Warranties shall be true and correct and complete without any Material Adverse Effect as of the Signing Date and as of the Closing Date, with the same force and effect as if they were made on and as of such date.
  - (ii) Performance of Obligations. Each Covenantor shall have performed and complied with all agreements, obligations and conditions contained in the Transaction Documents that are required to be performed or complied with by it on or before the Closing.
  - (iii) Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated under this Agreement and the other Transaction Documents and all documents and instruments incident to such transactions shall be completed and reasonably satisfactory in substance and form to the Investors.
  - (iv) Consent. All approval, authorization or consent, including but not limited to the approval and consent granted by the government, the existing shareholders of the Company waiving their preemptive rights, rights of first offer and any other rights that they may have in relation to the purchase and subscription of the Series D Preferred Shares, and all approvals, authorizations or consents necessary for consummation of the transactions contemplated under this Agreement and the other Transaction Documents shall be obtained.
  - (v) Closing Documents.
    - (a) Memorandum and Articles. The fifth amended and restated memorandum and articles of associations in the form attached hereto as Part I of Exhibit F (the "Memorandum and Articles") shall have been duly adopted by all necessary action of the board of directors and the members of the Company, and such adoption shall have become effective prior to the Closing with no alternation or amendment as of the Closing Date.

- (b) Shareholders' Agreement. The fourth amended and restated shareholders' agreement in the form attached hereto as Part II of Exhibit F (the "Shareholders' Agreement") shall have been duly executed and delivered by the parties thereto.
  - (c) Confidentiality and Non-Competition Agreement. Each of the Founders and the other key employees (the "Key Employees") listed on Part III of Exhibit C shall have entered into an employment contract and an employee confidentiality and invention assignment agreement and non-competition agreement in the form satisfactory to the Investors, with no less than two years' non-competition and confidentiality period.
  - (vi) Board Observer Appointment. Fidelity has appointed an observer of the Board (the "Board Observer") to the Company. The shareholders and directors of the Company have approved this appointment.
  - (vii) Due Diligence. The Investors' legal, financial, technology and business due diligence investigation of the Company shall have been completed to their satisfaction.
  - (viii) No Material Adverse Effect. There shall have been no event or events which would have a Material Adverse Effect on the Group Companies or their businesses, operations, technologies, assets or other financial conditions. None of the Group Companies has taken any step, action or measure (or omitted to take the same), which has or could be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.
  - (ix) Legal Opinions. The PRC counsel to the Company shall have issued a signed PRC legal opinion dated as of the Closing Date and addressed to each Investor in form and substance satisfactory to each Investor. The Cayman Islands counsel to the Company shall have issued a signed Cayman Islands legal opinion dated as of the Closing Date and addressed to each Investor in form and substance satisfactory to such Investor.
  - (x) Investment Committee Approval. The Investors shall have obtained all required approvals from their respective investment committees with respect to the consummation of the transactions contemplated by this Agreement.
- 5.2 Conditions to Covenantors' Obligations at Closing. The obligation of the Covenantors to issue and sell the Purchase Shares at the Closing is subject to the satisfaction, or waiver by the Company, of each of the following conditions:
- (i) Representations and Warranties. The Investor Representations and Warranties shall be true and correct as of the Signing Date and as of the Closing Date, with the same force and effect as if they were made on and as of such date.

- (ii) Performance of Obligations. Each Investor shall have performed and complied with all agreements, obligations and conditions contained in the Transaction Documents that are required to be performed or complied with by it on or before the Closing.

## 6. COVENANTS

- 6.1 Use of Proceeds. Unless otherwise provided in the budget of the Company approved by the Board, any and all of the proceeds from the sale of the Purchase Shares shall be injected into the WFOE for increasing the registered capital of the WFOE to be used for research and development, business development, marketing and working capital of the Group Companies, and other capital expenditure. Unless otherwise stated, no proceeds will be used in the payment of any Indebtedness of the Group Companies or in the repurchase, redemption or cancellation of securities held by any shareholders without the prior consent of the Investors.
- 6.2 Indemnity.
- (i) The Covenantors shall, and hereby agree to, jointly and severally indemnify and hold harmless each Investor, and such Investor's Affiliates, directors, officers, agents and assigns (each, an "Indemnified Person"), from and against any and all Indemnifiable Losses suffered by such Indemnified Person, directly or indirectly, as a result of, or based upon or arising from (a) any inaccuracy in or breach or non-performance of any of the representations, warranties, covenants or agreements made by any Covenantor in or pursuant to this Agreement or any other Transaction Documents, (b) any Group Company's failure to pay any tax or Social Insurance in accordance with the applicable laws for all tax periods ending on or before the Closing Date and the portion through the end of the Closing Date for any tax period that includes (but does not end on) the Closing Date; (c) any Group Company's failure to comply with any applicable laws during any time prior to the Closing; (d) any liability attributable to the infringement, violation or misappropriation of any Intellectual Property rights of any third party by any Group Company; (e) any Group Company's failure to timely obtain any consent or permit from any competent governmental authority in accordance with applicable laws; (f) any failure by any shareholder of Group Companies to file and/or pay tax in connection with any transfer of equity interests of any Group Company effected prior to the Closing Date; and (g) any litigation, arbitration, investigations that are brought against any Group Company for matters that incurred before or are attributable to any event or situation incurred or existed before the Closing Date. The rights contained in this Section 6.2 shall not be deemed to preclude or otherwise limit in any way the exercise of any other rights or pursuit of other remedies for the breach of this Agreement or with respect to any misrepresentation.

(ii) Founder 1 shall, and hereby agrees to indemnify and hold harmless each Indemnified Person from and against any and all Indemnifiable Losses suffered by such Indemnified Person, directly or indirectly, arising from Founder 1's breach of full time commitment or other similar covenants or undertakings to any Person other than the Group Companies and Investors. The rights contained in this Section 6.2 shall not be deemed to preclude or otherwise limit in any way the exercise of any other rights or pursuit of other remedies for the breach of this Agreement or with respect to any misrepresentation.

(iii) Each Indemnified Party will notify each of the Covenantors and the other Parties in writing of any Action against such Indemnified Party in respect of which any Covenantor is or may be obligated to provide indemnification hereunder promptly after the receipt of notice or knowledge of the commencement thereof. The failure of any Indemnified Party to notify any Covenantor shall not relieve such Covenantor from any Liability which it may have to such Indemnified Party under this Section 6.2 or otherwise unless the failure to so notify results in the forfeiture by such Covenantor of substantial rights and defense and will not in any event relieve such Covenantor from any obligations other than the indemnification provided for herein. Each Covenantor will have the right to participate in and, to the extent it so desires, to assume the defense thereof, with counsel reasonably satisfactory to such Indemnified Party. Such participation made by any Covenantor to assume the defense shall not be deemed an acknowledgement that such Covenantor is subject to indemnification hereunder. However, such Indemnified Party will have the right to retain a separate counsel and to participate in the defense thereof, with the fees and expenses of such counsel to be paid by the Covenantors if representation of such Indemnified Party by the counsel retained by the Covenantors would be, in such Indemnified Party's view, inappropriate due to actual or potential differing interests between such Indemnified Party and any other party represented by such counsel in such proceeding. The Covenantors will be responsible for the expenses of such defense even if it does not elect to assume such defense. None of the Covenantors may, except with the consent of such Indemnified Party, consent to the entry of any judgment or enter into any settlement which does not include as a term thereof the unconditional release of such Indemnified Party of all liabilities in respect of such Action.

6.3 Compliance of Laws. Each of the Group Companies shall, and the Covenantors shall cause each of the Group Companies to, conduct their respective business as currently conducted or proposed to be conducted in compliance with all applicable laws of each relevant jurisdiction on a continuing basis in all material respects. Without limiting the generality of the foregoing, (A) each of the Group Company shall, and the Covenantors shall cause each of the Group Companies to, (i) refrain from conducting any operations or other activities that is in conflict with or in violation of the applicable laws of PRC without the requisite approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval necessary for its respective business and operations as now conducted issued by the competent governmental authority of the PRC; (ii) at all times comply with all applicable employment laws in material aspects in each applicable jurisdiction; (iii) comply with all applicable tax laws and all record-keeping, reporting, and other legal requirements necessary for such Group Company to comply with any applicable tax law or to allow the Investors to avail themselves of any applicable provision of tax laws and the Covenantors will also provide the Investors with any documentation or information reasonably requested in writing by the Investors to allow the Investors to comply with applicable tax laws; and (iv) at all times comply with all applicable Intellectual Property laws in material aspects, and obtain and maintain any and all licenses and authorizations required under the applicable laws for all patents, copyrighted materials, trademarks, service marks, logos, tradenames or any other contents that are used in the businesses of the Group Companies; and (B) the Covenantors shall, on a continuous basis, cause each of the record and beneficial owners of shares and equity interest in the Company, who is a "domestic resident" (as defined in Circular 37) and beneficially holds equity securities in the Company, to duly complete, obtain and keep current the foreign exchange registration with the competent local branch of the SAFE with respect to his/her direct and indirect record and beneficial ownership of shares and equity interest in the Company in accordance with the requirements of Circular 37, any other applicable SAFE rules and regulations and the requirement of local branch of the SAFE.

6.4 Satisfaction of Conditions. The Covenantors shall use their respective best effort to satisfy (or cause the satisfaction of) of the Closing Conditions as soon as practicable.

6.5 Executory Period Covenants.

(i) Access. Between the Signing Date and the Closing Date (unless this Agreement is terminated pursuant to Section 7.10), the Covenantors shall permit the Investors, or any representative thereof, to (i) visit and inspect the properties of the Group Companies, (ii) inspect the contracts, books of account, records, ledgers, and other documents and data of the Group Companies, (iii) discuss the business, affairs, finances and accounts of the Group Companies with officers and employees of the Group Companies, and (iv) review such other information as the Investors reasonably request, in such a manner so as not to unreasonably interfere with their normal operations.

(ii) Covenants. Prior to the Closing, except as the Investors otherwise agree in writing or the transactions contemplated under the Transaction Documents, each of the Group Companies shall, and the Covenantors shall cause each of the Group Companies to, (i) conduct its business in the ordinary course consistent with past practice, as a going concern and in compliance with all applicable laws and contracts of such Group Company, (ii) pay or perform its debts, taxes, and other obligations when due, (iii) maintain its assets in a condition comparable to their current condition, reasonable wear, tear and depreciation excepted, (iv) use reasonable best efforts to preserve intact its current business organizations and keep available the services of its current officers and employees and preserve its relationships with customers, suppliers and others having business dealings with it, (v) otherwise periodically report to the Investors concerning any major change in the status of its business, operations and finance, and (vi) take all actions reasonably necessary, to consummate the transactions contemplated hereby promptly, including the taking of all reasonable acts necessary to cause all of the conditions precedent of the Investors to be satisfied.

(iii) **Negative Covenants.** Prior to the Closing, except as the Investors otherwise agree in writing or the transactions contemplated under the Transaction Documents, none of the Group Companies shall (and the Covenantors shall not permit any of the Group Companies to) (i) take any action that would make any of the Covenantor Representations and Warranties inaccurate at the Closing, (ii) waive, release or assign any material right or claim, (iii) take any action that would reasonably be expected to materially impair the value of the Group Companies, (iv) sell, purchase, assign, lease, transfer, pledge, encumber or otherwise dispose of any material asset, (v) issue, sell, or grant any equity security unless otherwise pursuant to the Transaction Documents, (vi) declare, issue, make, or pay any dividend or other distribution with respect to any equity security of any Group Company, (vii) incur any Indebtedness for borrowed money or capital lease commitments or assume or guarantee any Indebtedness of any Person, (viii) enter into any contract or other transaction with any Related Party unless otherwise pursuant to the Transaction Documents, or (ix) authorize, approve or agree to any of the foregoing.

(iv) **Information.** Between the Signing Date and the Closing Date (unless this Agreement is terminated pursuant to [Section 7.10](#)), (i) the Company shall promptly notify the Investors of any Action commenced or threatened in writing against any Group Company, (ii) each Covenantor shall promptly notify the Investors of any breach, violation or non-compliance of any representation, warranty or covenant made by any Covenantor hereunder, and (iii) the Company will promptly provide the Investors with copies of all correspondence and inquiries to and from, and all filings made with, any governmental authority with respect to the transactions contemplated hereby.

6.6 **Fees and Expenses.** The Company shall reimburse the Investors (ratably based on their amount of investment) of reasonable expenses (including third-party professional fees) up to an amount of US\$10,000 incurred by the Investors in respect of the conduct of its legal, business and financial due diligence and its negotiation, preparation, execution and completion of this Agreement and any other Transaction Documents hereunder and thereunder, except where the Investors cease to proceed with the Closing for no cause on part of the Group Companies or the Founders.

6.7 **Exclusivity.** Between the Signing Date and the Closing Date (unless this Agreement is terminated pursuant to [Section 7.10](#)), the Covenantors shall not, and they shall not permit any of the Company's Affiliates or any Group Company to, directly or indirectly solicit, initiate, respond to, participate in any way in, or encourage any inquiries or proposals from, discuss or negotiate with, provide any non-public information to, or approve or authorize any transaction with any Person other than the Investors that would involve an investment in, purchase of shares of, or acquisition of any Group Company or any material assets thereof or would be in substitution or an alternative for or would impede or interfere with the transactions contemplated hereby. The Covenantors shall, and shall cause the Company's Affiliates and the Group Companies to, immediately terminate all existing activities, discussions and negotiations with any third parties with respect to the foregoing, and if any of them hereafter receives any correspondence or communication that constitutes, or could reasonably be expected to lead to, any such transaction, they shall immediately give notice thereof (including the third party and the material terms of such transaction) to the Investors.

6.8 Confidentiality. From the Signing Date, each Party shall, and shall cause any Person who is controlled by such Party to, keep confidential the terms, conditions, and existence of this Agreement, the other Transaction Documents and any related documentation, the identities of any of the Parties, and other information of a non-public nature received from any other Party or prepared by such Party exclusively in connection herewith or therewith (collectively, the “Confidential Information”) except as the Company and the Investors shall mutually agree otherwise; provided, that any Party hereto may disclose Confidential Information or permit the disclosure of Confidential Information (a) to the extent required by applicable laws or the rules of any stock exchange; provided that such Party shall, where practicable and to the extent permitted by applicable laws, provide the other Parties with prompt written notice of that fact and use all reasonable efforts to seek (with the cooperation and reasonable efforts of the other Parties) a protective order, confidential treatment or other appropriate remedy; and in such event, such Party shall furnish only that portion of the information which is legally required to be disclosed and shall exercise reasonable efforts to keep such information confidential to the extent reasonably requested by any such other Parties, (b) to its officers, directors, employees, and professional advisors on a need-to-know basis, (c) in the case of each of the Investors, to its auditors, counsel, directors, officers, employees, fund managers, shareholders, partners or investors so long as such Party advises each Person to whom any Confidential Information is so disclosed as to the confidential nature thereof, and (d) to its current or bona fide prospective investors, investment bankers and any Person otherwise providing substantial debt or equity financing to such Party on a need-to know basis for the performance of its obligations in connection thereof so long as the Party advises each Person to whom any Confidential Information is so disclosed as to the confidential nature thereof. For the avoidance of doubt, Confidential Information does not include information that (i) was already in the possession of the receiving Party before such disclosure by the disclosing Party, (ii) is or becomes available to the public other than as a result of disclosure by the receiving Party in violation of this Section 6.9, or (iii) is or becomes available to the receiving Party from a third party who has no confidentiality obligations to the disclosing Party. Save as to disclosures required under applicable laws or the rules of any stock exchanges, each Party shall not, and shall cause its Affiliate(s) not to, make any announcement regarding the consummation of the transaction contemplated by this Agreement, the other Transaction Documents and any related documentation in a press release, conference, advertisement, announcement, professional or trade publication, marketing materials or otherwise to the general public without the other Parties’ prior written consents.

7. MISCELLANEOUS

7.1 Governing Law. This Agreement shall be governed by and construed under the laws of Hong Kong, without regard to principles of conflict of laws thereunder.

7.2 Dispute Resolution.

- (i) Any dispute, controversy or claim arising out of, in connection with or relating to this Agreement, including the interpretation, validity, invalidity, breach or termination thereof, shall be settled by arbitration.
  - (ii) The arbitration shall be conducted in Hong Kong under the Hong Kong International Arbitration Centre Administered Arbitration Rules in force when the notice of arbitration is submitted in accordance with the said Rules. The number of arbitrators shall be three. The arbitration shall be conducted in the English language.
  - (iii) Each Party shall cooperate with the other in making full disclosure of and providing complete access to all information and documents requested by the other in connection with such arbitration proceedings, subject only to any doctrine of legal privilege or any confidentiality obligations binding on such Party.
  - (iv) The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.
  - (v) When any dispute occurs and when any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfill their respective obligations and shall be entitled to exercise their rights under this Agreement.
  - (vi) The award of the arbitration tribunal shall be final and binding upon the Parties, and the prevailing Party may apply to a court of competent jurisdiction for enforcement of such award.
  - (vii) Regardless of anything else contained herein, any Party shall be entitled to seek preliminary injunctive relief from any court of competent jurisdiction pending the conclusion of the arbitration.
- 7.3 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by an internationally recognized overnight courier service, by facsimile or registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the addresses specified on Part IV of Exhibit A (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 7.3).
- 7.4 Successors and Assigns. Except as otherwise provided herein, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties whose rights or obligations hereunder are affected by such terms and conditions. This Agreement, and the rights and obligations hereunder, shall not be assigned without the mutual written consents of the Investors and the Company; provided that each Investor may without consent of the other Parties under this Agreement assign its rights and obligations to its Affiliate(s) or to any third party purchaser in connection with the transfer of Purchase Shares held by such Investor to such third party purchaser so long as such transfer is made in accordance with the Shareholders' Agreement.

- 7.5 **Severability.** In case any provision of the Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. If, however, any provision of this Agreement shall be invalid, illegal, or unenforceable under any such applicable laws in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such law.
- 7.6 **Waiver and Amendment.** Any Party may (a) extend the time for the performance of any of the obligations or other acts of another Party, (b) waive any inaccuracies in the representations and warranties of another Party contained herein or in any document delivered by another Party pursuant hereto or (c) waive compliance with any of the agreements of another Party or conditions to such Party's obligations contained herein. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the party to be bound thereby. Any waiver of any term or condition shall not be construed as a waiver of any subsequent breach or a subsequent waiver of the same term or condition, or a waiver of any other term or condition of this Agreement. The failure of any Party to assert any of its rights hereunder shall not constitute a waiver of any of such rights. This Agreement may not be amended or modified except (a) by an instrument in writing signed by the Company, the Founder Holdco 1, the Founder Holdco 2 and the Investors, or (b) by a waiver in accordance with the immediately preceding sentence.
- 7.7 **Interpretation.** For all purposes of this Agreement, except as otherwise expressly provided, (a) the defined terms shall have the meanings assigned to them in its definition and include the plural as well as the singular, and pronouns of either gender or neuter shall include, as appropriate, the other pronoun forms; (b) all references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise, and all references in this Agreement to designated exhibits are to the exhibits attached to this Agreement unless explicitly stated otherwise, (c) the words "herein", "hereof", and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision, (d) the word "knowledge" means, with respect to a Person's "knowledge", the actual knowledge of such Person, and that knowledge which should have been acquired by such Person after making such due inquiry and exercising such due diligence as a prudent business person would have made or exercised in the management of his or her business affairs, including but not limited to due inquiry of all officers, directors, employees, consultants and professional advisers (including attorneys, accountants and auditors) of the Group Companies and of its Affiliates who could reasonably be expected to have knowledge of the matters in question, and where any statement in the representations and warranties hereunder is expressed to be given or made to a Person's knowledge, or so far as a party is aware, or is qualified in some other manner having a similar effect, the statement shall be deemed to be supplemented by the additional statement that such party has made such due inquiry and due diligence, (e) the titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement, (f) any reference in this Agreement to any "Party" or any other Person shall be construed so as to include its successors in title, permitted assigns and permitted transferees, (g) any reference in this Agreement to any agreement or instrument is a reference to that agreement or instrument as amended or novated and (h) this Agreement is jointly prepared by the Parties and should not be interpreted against any Party by reason of authorship.

- 7.8 Entire Agreement. This Agreement and the other Transaction Documents constitute the entire agreement of the Parties with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, among the Parties with respect to the subject matter hereof and thereof.
- 7.9 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile and e-mailed copies of signatures shall be deemed to be originals for purposes of the effectiveness of this Agreement.
- 7.10 Termination.
- (i) Termination of Agreement. This Agreement may be terminated prior to the Closing (a) by mutual written consent of the Parties, (b) by an Investor with respect to such Investor by written notice to the Company if there has been a material misrepresentation or breach of a covenant or agreement contained in this Agreement on the part of any Covenantor, or (c) by an Investor with respect to such Investor if, due to any change of the applicable laws, the consummation of the transactions contemplated hereunder would become prohibited under applicable laws.
- (ii) Effect of Termination. If this Agreement is terminated pursuant to the provision of Section 7.10(i), this Agreement will be of no further force or effect, provided that, if only one Investor terminates this Agreement pursuant to Section 7.10(i)(b), Section 7.10(i)(c) or Section 7.10(i)(d), this Agreement shall be of no further force or effect with respect to such Investor terminating this Agreement; provided further that no Party shall be relieved of any liability for a breach of this Agreement or for any misrepresentation hereunder, nor shall such termination be deemed to constitute a waiver of any available remedy (including specific performance if available) for any such breach or misrepresentation.
- (iii) Survival. The provisions of Sections 1, 6.2, 6.8, and 7 shall survive the expiration or early termination of this Agreement.

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IN WITNESS WHEREOF, the Parties have duly executed this Series D Preferred Share IN WITNESS WHEREOF, the Parties have duly executed this Series C Preferred Share Purchase Agreement as of the date first above written.

**GROUP COMPANIES**

**AURORA MOBILE LIMITED**

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Director

**UA MOBILE LIMITED**

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Director

**KK MOBILE INVESTMENT LIMITED**

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Director

**SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD. (XXXXXXXXXXXXXXXXXX)**  
Company seal: /s/ SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD.

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Legal Representative

**JPUSH INFORMATION CONSULTATION (SHENZHEN) CO., LTD. (XXXXXXXXXXXXXXXXXX)**  
Company seal: /s/ JPUSH INFORMATION CONSULTATION (SHENZHEN) CO., LTD.

By: /s/ Wang Xiaodao  
Name: Wang Xiaodao  
Title: Legal Representative

Signature Pages of the Series D Preferred Share Purchase Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Series C Preferred Share Purchase Agreement as of the date first above written.

**FOUNDER PARTIES**

**KK MOBILE LIMITED**

By: /s/ LUO Weidong

Name: LUO Weidong

Title: Director

**STABLE VIEW LIMITED**

By: /s/ WANG Xiaodao

Name: WANG Xiaodao

Title: Director

**FOCUS AXIS LIMITED**

By: /s/ FANG Jiawen

Name: FANG Jiawen

Title: Director

**ELITE BRIGHT INTERNATIONAL LIMITED**

By: /s/ CHEN Fei

Name: CHEN Fei

Title: Director

Signature Pages of the Series D Preferred Share Purchase Agreement

IN WITNESS WHEREOF, the Parties have duly executed this Series D Preferred Share Purchase Agreement as of the date first above written.

**FOUNDER PARTIES**

**LUO WEIDONG (罗卫东)**

/s/ LUO WEIDONG

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**WANG XIAODAO (王 Xiaodao)**

/s/ WANG XIAODAO

---

**FANG JIAWEN (方 健文)**

/s/ FANG JIAWEN

---

**CHEN FEI (陈 飞)**

/s/ CHEN FEI

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Signature Pages of the Series D Preferred Share Purchase Agreement



IN WITNESS WHEREOF, the Parties have duly executed this Series D Preferred Share Purchase Agreement as of the date first above written.

**INVESTOR**

**For and on behalf of  
Fidelity China Special Situations PLC**

By: /s/ Christopher Pirnie

Name: Christopher Pirnie

Title: Authorized Signatory

Signature Pages of the Series D Preferred Share Purchase Agreement

EXHIBIT A  
PARTIES

Part I Investors

<u>Investor</u>	<u>Purchase Shares</u>	<u>Purchase Price</u>
Fidelity Investment Funds	28,062 Series D Preferred Shares	US\$ 151,428
Fidelity China Special Situations PLC	2,441,572 Series D Preferred Shares	US\$13,175,165
Fidelity Funds	3,089,853 Series D Preferred Shares	US\$16,673,407
Total	5,559,487 Series D Preferred Shares	US\$30,000,000

Part II Founder Parties

1. LUO WEIDONG (罗伟东), a Chinese citizen (residential ID number: #####) (the "Founder 1"),
2. WANG XIAODAO (王 Xiao Dao), a Chinese citizen (residential ID number: #####) (the "Founder 2"),
3. FANG JIAWEN (方 嘉文), a Chinese citizen (residential ID number: #####) (the "Founder 3"),
4. CHEN FEI (陈 飞), a Hong Kong resident (residential ID number: #####) (the "Founder 4", together with Founder 1, Founder 2 and Founder 3, the "Founders" and each a "Founder"),
5. KK Mobile Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the "Founder Holdco 1"),
6. Stable View Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the "Founder Holdco 2"),
7. Focus Axis Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the "Founder Holdco 3"), and
8. Elite Bright International Limited, a limited liability company duly established and validly existing under the laws of British Virgin Islands (the "Founder Holdco 4", together with Founder Holdco 1, Founder Holdco 2 and Founder Holdco 3, the "Founder Holdcos" and each a "Founder Holdco").

The ownership structure of the Founder Holdco 1 is as follows:

Shareholder	Shareholding Percentage
Luo Weidong	100%

The ownership structure of the Founder Holdco 2 is as follows:

Shareholder	Shareholding Percentage
Wang Xiaodao	100%

The ownership structure of the Founder Holdco 3 is as follows:

Shareholder	Shareholding Percentage
Fang Jiawen	100%

The ownership structure of the Founder Holdco 4 is as follows:

Shareholder	Shareholding Percentage
Chen Fei	100%

### Part III Major Subsidiaries

1. UA MOBILE LIMITED, a limited liability company duly established and validly existing under the laws of British Virgin Islands and a wholly owned subsidiary of the Company (the "BVI Company"),
2. KK MOBILE INVESTMENT LIMITED, a company duly established and existing under the laws of Hong Kong and wholly owned subsidiary of the BVI Company (the "HK Company"),
3. SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD. (深圳合讯华谷信息技术有限公司), a company duly established and existing under the laws of the PRC (the "Domestic Company"), and
4. JPUSH INFORMATION CONSULTATION (SHENZHEN) CO., LTD. (捷普信息咨询有限公司), a wholly foreign owned enterprise duly established and existing under the laws of the PRC (the "WFOE").

Part IV Notice Address

For the purpose of the notice provisions contained in this Agreement, the following are the initial addresses of each party:

If to any of the Group Companies and the Founder Parties:

c/o: SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD. (XXXXXXXXXXXXXXXXXX)  
Attn:  
Fax:  
Mobile:

If to Fidelity:

c/o: FIL Investment Management (Hong Kong) Limited  
Attention:  
Address:  
Email:

EXHIBIT B  
DEFINITIONS

- “Action” means any charge, claim, action, complaint, petition, investigation, appeal, suit, litigation, grievance, inquiry or other proceeding initiated or conducted by a mediator, arbitrator or governmental authority, whether administrative, civil, regulatory or criminal, and whether at law or in equity, or otherwise under any applicable laws.
- “Affiliate” with respect to a Person, any other Person that, directly or indirectly, Controls, is Controlled by or is under common Control with such Person. “Control” shall mean the power or authority, whether exercised or not, to direct the business, management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; provided, that such power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty percent (50%) of the votes entitled to be cast at a meeting of the members or shareholders of such Person or power to control the composition of a majority of the board of directors of such Person. The terms “Controlled” and “Controlling” have meanings correlative to the foregoing. In the case of any individual, his/her spouse, children, siblings, parents, the relatives of such spouse, trustee of any trust in which such individual or any of his/her immediate family member is a beneficiary or a discretionary object, or any entity or company controlled by any of the aforesaid Persons. In the case of the Investor, the term “Affiliate” also includes (v) any shareholder of such Investor, (w) any of such shareholder’s or Investor’s general partners or limited partners, (x) the fund manager managing or advising such shareholder or Investor (and general partners, limited partners and officers thereof) and other funds managed or advised by such fund manager, (y) trusts controlled by or for the benefit of any such Person referred to in (v), (w) or (x), and (z) any fund or holding company formed for investment purposes that is promoted, sponsored, managed, advised or serviced by such Investor.
- “Agreement” has the meaning set forth in the Preamble.
- “Angel Investor” or “Mandra” means Mandra iBase Limited.
- “Balance Sheet Date” has the meaning set forth in Section 11.1 of Exhibit D.
- “Business” has the meaning set forth in Recitals.
- “Business Day” means any day that is not a Saturday, Sunday, public holiday or other day on which commercial banks are required or authorized by applicable laws to be closed in the Cayman Islands, New York, Hong Kong, or the PRC.
- “BVI Company” has the meaning set forth in Part III of Exhibit A.

<u>“Circular 37”</u>	means the Notice on Relevant Issues Concerning Foreign Exchange Administration for Domestic Residents to Engage in Overseas Investment and Financing and Round Trip Investment via Overseas Special Purpose Companies ( ) issued by SAFE on July 4, 2014, and its amendment and interpretation promulgated by SAFE from time to time
<u>“Closing”</u>	has the meaning set forth in <u>Section 3</u> .
<u>“Closing Conditions”</u>	has the meaning set forth in <u>Section 5.1</u> .
<u>“Closing Date”</u>	has the meaning set forth in <u>Section 3</u> .
<u>“Common Shares”</u>	means the Company’s common shares, par value US\$0.0001 each.
<u>“Company”</u>	has the meaning set forth in the Preamble.
<u>“Company Intellectual Properties”</u>	has the meaning set forth in <u>Section 13.3</u> of <u>Exhibit D</u> .
<u>“Company Real Properties”</u>	has the meaning set forth in <u>Section 13.2</u> of <u>Exhibit D</u> .
<u>“Confidential Information”</u>	has the meaning set forth in <u>Section 6.9</u> .
<u>“Control Documents”</u>	means the following: (1) documents dated August 7, 2014 entered into by the relevant parties: (a) the exclusive business cooperation agreement by and between the Domestic Company and the WFOE; (b) the exclusive option agreement by and among the WFOE, Domestic Company and its shareholders; (c) the equity interest pledge agreement by and among the WFOE, Domestic Company and its shareholders; and (d) the power of attorney signed by the shareholders of the Domestic Company; and (2) Spouse Consent Letter as described in Section 5.1 (xv)
<u>“Covenantor”</u>	has the meaning set forth in <u>Section 4.1</u> .
<u>“Covenantor Representations and Warranties”</u>	has the meaning set forth in <u>Section 4.1</u> .
<u>“Disclosure Schedule”</u>	has the meaning set forth in <u>Section 4.1</u> .
<u>“Domestic Company”</u>	has the meaning set forth in <u>Part III</u> of <u>Exhibit A</u> .
<u>“ESOP”</u>	has the meaning set forth in <u>Section 2.3</u> .
<u>“Financial Statements”</u>	has the meaning set forth in <u>Section 11.1</u> of <u>Exhibit D</u> .
<u>“Purchase Price”</u>	has the meaning set forth in <u>Section 2</u> .
<u>“Fidelity”</u>	means, collectively, Fidelity Investment Funds, Fidelity China Special Situations PLC, and Fidelity Funds
<u>“Founder Holdcos”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founders”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founder Holdco 1”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founder Holdco 2”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founder Holdco 3”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founder Holdco 4”</u>	has the meaning set forth in <u>Part II</u> of <u>Exhibit A</u> .
<u>“Founder Parties”</u>	has the meaning set forth in the Preamble.
<u>“Fosun”</u>	means the Greatest Investments Limited
<u>“Group Company”</u>	means each of the Company and its subsidiaries (including the Major Subsidiaries), and <u>“Group”</u> refers to all of Group Companies collectively.

“ <u>Guohai</u> ”	means the Shenzhen Guohai Chuangxin Investment Management Limited Corporation (深圳前海创世创信投资管理有限公司).
“ <u>Genesis</u> ”	means Genesis Ventures Limited
“ <u>HAKIM</u> ”	means the HAKIM International Development Co., Limited.
“ <u>Hong Kong</u> ”	means the Hong Kong Special Administrative Region of the PRC.
“ <u>HK Company</u> ”	has the meaning set forth in <u>Part III</u> of <u>Exhibit A</u> .
“ <u>IDG Growth</u> ”	means the IDG-Accel China Growth Fund III L.P.
“ <u>IDG III</u> ”	means the IDG-Accel China III Investors L.P.
“ <u>IDG</u> ”	means the IDG Growth and IDG III.
“ <u>Indebtedness</u> ”	means, with respect to any Person, without duplication, each of the following of such Person: (i) all indebtedness for borrowed money, (ii) all obligations issued, undertaken or assumed as the deferred purchase price of property or services (other than trade payables entered into in the ordinary course of business), (iii) all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments, (iv) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced that are incurred in connection with the acquisition of properties, assets or businesses, (v) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to any property or assets acquired with the proceeds of such indebtedness (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property), (vi) all obligations that are capitalized (including capitalized lease obligations), (vii) all obligations under banker’s acceptance, letter of credit or similar facilities, (viii) all obligations to purchase, redeem, retire, defease or otherwise acquire for value any equity securities of such Person, (ix) all obligations in respect of any interest rate swap, hedge or cap agreement, and (x) all guarantees issued in respect of the Indebtedness referred to in clauses (i) through (ix) above of any other Person, but only to the extent of the Indebtedness guaranteed.
“ <u>Indemnifiable Losses</u> ”	means, with respect to any Person, any action, claim, cost, damage, deficiency, diminution in value, disbursement, expense, liability, loss, obligation, penalty, settlement, suit, or tax of any kind or nature, together with all interest, penalties, legal, accounting and other professional fees and expenses reasonably incurred in the investigation, collection, prosecution and defense of claims and amounts paid in settlement, that may be imposed on or otherwise incurred or suffered by such Person, whether directly or indirectly.
“ <u>Indemnified Person</u> ”	has the meaning set forth in <u>Section 5.1(v)(a)</u> .
“ <u>Indemnification Agreement</u> ”	has the meaning set forth in <u>Section 5.1(v)(a)</u> .

“ <u>Intellectual Property</u> ”	means any and all (i) patents, patent rights and applications therefor and reissues, reexaminations, continuations, continuations-in-part, divisions, and patent term extensions thereof, (ii) inventions (whether patentable or not), discoveries, improvements, concepts, innovations and industrial models, (iii) registered and unregistered copyrights, copyright registrations and applications, mask works and registrations and applications therefor, author’s rights and works of authorship (including artwork, Software, computer programs, source code, object code and executable code, firmware, development tools, files, records and data, and related documentation), (iv) URLs, web sites, web pages and any part thereof, (v) technical information, know-how, trade secrets, drawings, designs, design protocols, specifications, proprietary data, customer lists, databases, proprietary processes, technology, formulae, and algorithms and other intellectual property, (vi) trade names, trade dress, trademarks, domain names, service marks, logos, business names, and registrations and applications therefor, and (vii) the goodwill symbolized or represented by the foregoing.
“ <u>Investor</u> ” or “ <u>Investors</u> ”	has the meaning set forth in the Preamble
“ <u>Key Employees</u> ”	has the meaning set forth in <u>Section 4.2</u> .
“ <u>Memorandum and Articles</u> ”	has the meaning set forth in <u>Section 5.1(v)(a)</u> .
“ <u>Major Subsidiary</u> ”	has the meaning set forth in the Preamble.
“ <u>Management Rights Letter</u> ”	has the meaning set forth in <u>Section 5.1(v)(a)</u> .
“ <u>Material Contract</u> ”	has the meaning set forth in <u>Section 0.2</u> of <u>Exhibit D</u> .
“ <u>Material Adverse Effect</u> ”	means any change, event or circumstance that is or would have a material adverse effect on (i) the business, properties or condition (financial or otherwise), results of operations or prospects of any of the Group Companies individually or taken as a whole, (ii) the validity or enforceability of the Transaction Documents, or (iii) the ability of any Covenantor to perform its obligations under the Transaction Documents or in connection with the transactions contemplated thereunder.
“ <u>Party</u> ”	has the respective meaning set out in the Preamble.
“ <u>Person</u> ”	shall be construed as broadly as possible and shall include an individual, a partnership (including a limited liability partnership), a company, an association, a joint stock company, a limited liability company, a trust, a joint venture, a legal person, an unincorporated organization and a governmental authority.
“ <u>PRC</u> ”	means the People’s Republic of China, solely for purposes of this Agreement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan.
“ <u>PRC Companies</u> ”	mean collectively the Subsidiaries of the Company which are incorporated under the laws of the PRC, including for the time being the WFOE and the Domestic Company; and a “ <u>PRC Company</u> ” means any of the foregoing.
“ <u>PRC GAAP</u> ”	means the generally accepted accounting principles in PRC, as in effect from time to time.

“ <u>Preamble</u> ”	means the preamble of this Agreement.
“ <u>Purchase Price</u> ”	has the meaning set forth in <u>Section 2</u> .
“ <u>Purchase Shares</u> ”	has the meaning set forth in <u>Section 2</u> .
“ <u>Real Property</u> ”	means any and all land, land use rights, buildings, structures, improvements and fixtures located thereon, easement and other rights in real property.
“ <u>Qualified IPO</u> ”	has the meaning set forth in the Memorandum and Articles.
“ <u>Related Party</u> ”	means any Affiliate, officer, director, supervisory board member, or holder of any equity security of any Group Company, and any Affiliate of any of the foregoing.
“ <u>RMB</u> ”	means the lawful currency of the PRC.
“ <u>SAFE</u> ”	means the State Administration of Foreign Exchange of the PRC.
“ <u>Series D Preferred Shares</u> ”	means the Company’s Series D Preferred Shares, of par value US\$0.0001 each.
“ <u>Shareholders’ Agreement</u> ”	has the meaning set forth in <u>Section 5.1(v)(b)</u> .
“ <u>Signing Date</u> ”	has the meaning set forth in the Preamble.
“ <u>Social Insurance</u> ”	means any form of social insurance as required by applicable laws (including without limitation pension fund, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing fund).
“ <u>Transaction Documents</u> ”	means collectively, this Agreement, the Shareholders’ Agreement, the Memorandum and Articles, the Management Rights Letter, the Control Documents and each of the other agreements and documents otherwise required in connection with implementing the transactions contemplated by any of the foregoing.
“ <u>TCL</u> ”	means T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD (T.C.L. 德華(香港)有限公司)
“ <u>U.S.</u> ”	means the United States of America.
“ <u>US\$</u> ”	means the lawful currency of the United States of America.
“ <u>WFOE</u> ”	has the meaning set forth in <u>Part III</u> of <u>Exhibit A</u> .

EXHIBIT D  
COVENANTOR REPRESENTATIONS AND WARRANTIES

1. Organization, Standing and Qualification. Each of the Covenantors (to the extent that such Party is not a natural person) is duly incorporated, organized, validly existing and in good standing (or equivalent status in the relevant jurisdiction) under the laws of the jurisdiction of its incorporation or organization. Each of the Covenantors has all requisite capacity, power and authority to own and operate its properties and to carry on its business as now conducted and as proposed to be conducted, and is duly qualified to transact business in each jurisdiction in which it conducts and proposes to conduct business.
2. Due Authorization. All actions on the part of each Covenantor and, as applicable, their respective officers, directors and shareholders necessary for (i) the authorization, execution and delivery of, and the performance of all obligations of such Covenantor under this Agreement and the other Transaction Documents to which it is a party has been taken or will be taken prior to the Closing; and (ii) the authorization, issuance, reservation for issuance and allotment of all the Purchase Shares and the Common Shares issued upon conversion of the Purchase Shares at the Closing have been obtained or will have been obtained prior to the Closing. Each Covenantor has all requisite capacity, power and authority to execute and deliver this Agreement and the other Transaction Documents to which it is a party. Each Transaction Document to which a Covenantor is a party is a valid and binding obligation of such Covenantor, enforceable against it in accordance with its terms.
3. Approvals. All approval, authorization or consent which are required to be obtained by each Covenantor in connection with the consummation of the transactions contemplated under this Agreement and the other Transaction Documents will have been obtained prior to and be effective as of the Closing Date.
4. Non-Contravention. The execution, delivery and performance by each Covenantor of and compliance with this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, will not result in (i) any material violation, breach or default, or be in conflict with or constitute, with or without the passage of time or the giving of notice or both, a material default under (a) the constitutional documents of such Covenantor, (b) any term or provision of any Material Contract to which such Covenantor is a party or by which it may be bound, or (c) any applicable law, (ii) the creation or imposition of any encumbrance upon, or with respect to, any of the properties or rights of any Covenantor (except for such encumbrance created by the Transaction Documents and arises automatically by operation of law), or (iii) any termination, modification, cancellation, or suspension of any material right of, or any augmentation or acceleration of any material obligation of, any Covenantor.
5. Valid Issuance of Purchase Shares. The Purchase Shares when issued, registered in the register of members of the Company, allotted and paid in accordance with the terms of this Agreement for the consideration expressed herein, and the Common Shares issued upon conversion of the Purchase Shares will be duly and validly issued, fully paid and non-assessable, free from any encumbrance.

6. Capitalization

- 6.1 Company. The Company's capital structure (including its authorized and issued share capital, and the holders thereof) as set forth on Part I of Exhibit C are complete, true and accurate as of the time indicated therein.
- 6.2 Other Group Companies. The ownership of the equity interests of each Group Company (other than the Company) as set forth on Part II of Exhibit C are complete, true and accurate as of the time indicated therein.
- 6.3 Founders and Founder Holdcos. The ownership of the equity interests of each Founder Holdco as set forth on Part II of Exhibit A are complete, true and accurate as of the time indicated therein. None of the Founders and the Founder Holdcos has been in violation of any valid contracts or agreements that are binding upon and enforceable against such Founder or his respective Founder Holdco.
- 6.4 Status.
- (i) Other than those set forth on Part I of Exhibit C, there is no outstanding equity securities of any Group Company. All presently outstanding equity securities of each Group Company were (or will be) duly and validly issued (or subscribed for) in compliance with all applicable laws, preemptive rights (or similar requirements) of any Person, are fully paid and non-assessable and are free from any encumbrance. The registered capital of each of the PRC Companies has been fully paid by its shareholders in accordance with the payment schedule as stipulated in its constitutional documents.
- (ii) Except as contemplated in the Transaction Documents or as set forth on Exhibit C, there are no options, warrants, conversion privileges or other rights, or agreements with respect to the issuance thereof, presently outstanding to purchase any of the equity securities of the Company. Except as noted in this Section 6 and the rights provided in the Shareholders' Agreement, no shares of the Company's outstanding share capital, or shares issuable upon exercise or exchange of any outstanding options or other shares issuable by the Company, are subject to any preemptive rights, rights of first refusal or other rights to purchase such shares (whether in favor of the Company or any other Person). Other than those provided in the Transaction Documents, no existing Shareholder has any rights, privileges or protections more favorable than those granted to the Investors.

7. **Corporate Structure.** The corporate particulars of each of the Group Companies and the corporate structure of the Group as set forth in Part II of Exhibit C are true, correct and complete. The corporate structure of the Group and the ownership and control relationship among the Group Companies and the establishment thereof are in compliance with applicable laws. Each of the Control Documents is a valid and binding agreement of the parties thereto, the performance of which does not and will not violate any applicable laws, and is in full force and effect. Each of the Control Documents is a valid and binding agreement of the parties thereto, enforceable against it in accordance with its terms, the performance of which does not and will not violate any applicable laws, and is in full force and effect.
8. **Permits.** Each Group Company has all approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval (i) which are required and material to be obtained or made by any Covenantor under applicable laws in connection with the due and proper establishment of each Group Company and (ii) which are necessary and material to carry out the business and operations of each Group Company in each relevant jurisdiction as now conducted. Each of such approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval is valid and in full force and effect. No Group Company (i) is in material default or violation of any of such permits, licenses or other governmental approval, or (ii) has received any written notice from any governmental authority regarding any actual or possible default or violation of any of such permits, licenses or other governmental approval. In respect of the approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval which are subject to periodic renewal, none of the Covenantors has any reason to believe that such requisite renewals will not be timely granted by the relevant governmental authorities.
9. **Compliance.**
- (i) **Compliance with Laws.** Except as disclosed in Section 9 of the Disclosure Schedule, each Group Company has complied in all material aspects with all applicable laws and to the best knowledge of the Covenantors, none of them is under investigation with respect to any violation of any applicable law. The Control Documents (individually or when taken together) and the establishment of captive structure through the Control Documents do not violate any applicable laws.
- (ii) **The PRC Companies.** The constitutional documents and certificates of each PRC Company are valid and have been duly approved or issued (as applicable) by appropriate PRC governmental authorities. The capital and organizational structure of each PRC Company and the business conducted by such PRC Company are valid and in compliance in all material aspects with relevant PRC laws. All approvals, permits, licenses authorizations, certifications, registrations, filings and other governmental approval required under PRC laws for the establishment and operation of each PRC Company, have been obtained from the relevant PRC governmental authorities or completed in accordance with the relevant laws, and are in full force and effect. In respect of approvals, permits, licenses authorizations, certifications, registrations, filings and other governmental approval requisite for the conduct of any part of the business of such PRC Company which are subject to periodic renewal, none of the Covenantors has any reason to believe that such material requisite renewals will not be timely granted by the relevant PRC governmental authorities. Each PRC Company has been conducting its business activities within the permitted scope of business, and has been operating its business in compliance in all material aspects with all relevant legal requirements and with all requisite approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval granted by the competent PRC governmental authorities. No PRC Company has received any letter or notice from any governmental authority notifying the revocation of any approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval issued to it for material non-compliance or the need for compliance or remedial actions in respect of the activities carried out directly or indirectly by it.

(iii) SAFE Compliance. All SAFE rules and regulations have been fully complied with by the Group Companies and their shareholders and beneficial owners and all requisite approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval required under the SAFE rules and regulations in relation thereto have been duly and lawfully obtained and are in full force and effect, and there exist no grounds on which any such approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval may be cancelled or revoked or any PRC Company or its legal representative may be subject to liability or penalties for misrepresentations or failure to disclose information to the issuing SAFE. Each Person who beneficially owns any equity securities of the Company and is required to comply with the SAFE rules and regulations has registered with SAFE with respect to their direct or indirect holdings of equity securities in the Company in accordance with the SAFE rules and regulations. Such Person has not received any written inquiries, notifications, orders or any other forms of correspondence in writing from SAFE with respect to any actual or alleged non-compliance with the SAFE rules and regulations.

(iv) Anti-Corruption Laws Compliance. None of the Group Companies or, to the best knowledge of the Covenantors, any director, officer, agent, employee, or any other Person acting for or on behalf of the foregoing, has materially violated any anti-corruption or anti-bribery laws, nor has any of the above Persons offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, to any government official or to any Person under circumstances where there is a high probability that all or a portion of such money or thing of value would be offered, given or promised, directly or indirectly, to any government official, for the purpose of (i) influencing any act or decision of such government official in his official capacity, (ii) inducing such government official to do or omit to do any act in relation to his lawful duty, (iii) securing any improper advantage, or (iv) inducing such government official to influence or affect any act or decision of any governmental authority, or assisting any Group Company in obtaining or retaining business for or with, or directing business to any Group Company.

(v) Securities Act Compliance. The offer, sale and issuance of the Purchase Shares in conformity with the terms of this Agreement are exempt from the registration and qualification requirements of all applicable securities laws, including the U.S. Securities Act of 1933, as amended, and the issuance of Common Shares upon conversion of the Purchase Share in accordance with the Memorandum and Articles, will be exempt from such registration or qualification requirements.

(vi) Compliance with Other Instruments. The constitutional documents of each Group Company are valid and have been duly approved or issued (as applicable) by competent governmental authorities in the jurisdiction where such Group Company is incorporated. None of the Group Companies is in violation, breach or default of any term or provision of the constitutional documents. The execution, delivery and performance of and compliance with this Agreement and any other Transaction Documents and the consummation of the transactions contemplated hereby and thereby will not result in any violation, breach or default, or be in conflict with or constitute, a default under (a) the constitutional documents of such Group Company, (b) any term or provision of any Material Contract to which such Group Company is a party or by which it may be bound, or (c) any applicable law.

(vii) Use of Proceeds. The use of all proceeds from the sale of the Company's shares are in compliance with the shares purchase agreement signed by the investors, the Company and other certain parties in all aspects and the proceeds have been or will be used in the business operation of the Group Company.

Unless otherwise provided in the budget of the Company approved by the Board, any and all of the proceeds from the sale of the Purchase Shares shall be injected into the WFOE for increasing the registered capital of the WFOE to be used for research and development, business development, marketing and working capital of the Group Companies, and other capital expenditure. Unless otherwise stated, no proceeds shall be used in the payment of any Indebtedness of the Group Companies or in the repurchase, redemption or cancellation of securities held by any shareholders without the prior consent of the Investors.

10. Litigation. There is no Action or arbitration pending or, to the knowledge of any Covenantor, threatened against any Group Company.

11. Financial Conditions

11.1 Financial Statements. The Covenantors have delivered to the Investor true, correct and complete copies of unaudited financial statements of the Group Companies for the period commencing from its inception to December 31, 2016 (collectively, the "Financial Statements", and December 31, 2016, the "Balance Sheet Date"). Such Financial Statements (i) have been prepared in accordance with the books and records of each Group Company, (ii) are true, correct and complete and present fairly the financial condition of such Group Company at the date or dates therein indicated and the results of operations for the period or periods therein specified, and (iii) have been prepared in accordance with PRC GAAP applied on a consistent basis, except as to the unaudited consolidated Financial Statements, for the omission of notes thereto and normal year-end audit adjustments. Specifically, but not by way of limitation, the most recent balance sheets included within the Financial Statements disclose each Group Company's complete and accurate Indebtedness and liabilities, as of their respective dates (including, without limitation, absolute liabilities, accrued liabilities, and contingent liabilities) to the extent such Indebtedness and Liabilities are required to be disclosed on a balance sheet in accordance with the PRC GAAP applied on a consistent basis, other than current liabilities that were incurred after the Balance Sheet Date in the ordinary course of business consistent with its past practices that are not material in the aggregate. Each Group Company maintains and will continue to maintain a standard system of accounting established and administered in accordance with PRC GAAP applied on a consistent basis.

- 11.2 Changes since Balance Sheet Date. Other than may be contemplated by the Transaction Documents, since the Balance Sheet Date, each Group Company (i) has operated its business in the ordinary course consistent with its past practice, (ii) used its reasonable best efforts to preserve its business, (iii) collected receivables and paid payables and similar obligations in the ordinary course of business consistent with past practice, and (iv) not engaged in any new line of business or entered into any material agreement, transaction or activity or made any commitment except those in the ordinary course of business consistent with past practice. Since the Balance Sheet Date, there has not been any Material Adverse Effect and no Group Company has entered into any transaction outside of the ordinary course of business consistent with its past practice, and there has not been by or with respect to any Group Company:
- (i) any purchase, acquisition, sale, lease, disposal of or other transfer of any assets that are individually or in the aggregate material to its business, whether tangible or intangible, other than the purchase or sale of inventory in the ordinary course of business consistent with its past practice;
  - (ii) any acquisition (by merger, consolidation or other combination, or acquisition of stock or assets, or otherwise) of any business or other Person or division thereof, or any sale or disposition of any business or division thereof;
  - (iii) any waiver, termination, cancellation, settlement or compromise by a Group Company of a material right, debt or claim owed to it;
  - (iv) any incurrence, creation, assumption, repayment, satisfaction, or discharge of (1) any material encumbrance or (2) any Indebtedness, or the making of any loan or advance (other than reasonable and normal advances to employees for bona fide expenses that are incurred in the ordinary course of business consistent with its past practice), or the making of any investment or capital contribution;

- (v) any amendment to or early termination of any Material Contract, any entering of any new contract that would have been a Material Contract if in effect on the date hereof, or any amendment to or waiver under any constitutional documents;
- (vi) any material change in any compensation arrangement or contract with any employee of any Group Company except in the ordinary course of business consistent with past practice, or adoption of any new benefit plan, or made any material change in any existing benefit plan;
- (vii) any declaration, setting aside or payment or other distribution in respect of any equity securities of any Group Company, or any issuance, transfer, redemption, purchase or acquisition of any equity securities by any Group Company;
- (viii) any material damage, destruction or loss, whether or not covered by insurance, that would have a Material Adverse Effect to a Group Company;
- (ix) any material change in accounting methods or practices or any revaluation of any of its assets;
- (x) any change in the approved or registered business scope of any PRC Company or any change to any consent or permits held by such PRC Company;
- (xi) except in the ordinary course of business consistent with its past practice, entry into any closing agreement in respect of taxes, settlement of any claim or assessment in respect of any taxes, or consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of any taxes, entry or change of any tax election, change of any method of accounting resulting in an amount of additional tax or filing of any material amended tax return;
- (xii) any commencement or settlement of any dispute;
- (xiii) any authorization, sale, issuance, transfer, pledge or other disposition of any equity securities of any Group Company;
- (xiv) any resignation or termination of any Key Employee of any Group Company or any material group of employees of any Group Company that is deemed essential to the business as now conducted;
- (xv) any Related Party transaction; or

(xvi) any agreement or commitment to do any of the things described in this Section 11.2.

12. Material Contracts.

- 12.1 The Covenantors have delivered a true copy of each Material Contract (as defined below) to the Investors. Each Material Contract is a valid and binding agreement of the parties thereto, the performance of which does not and will not violate any applicable laws, and is in full force and effect, and such party has duly performed all of its material obligations under each Material Contract to the extent that such obligations to perform have accrued, and no breach or default, alleged breach or alleged default has occurred. There are no circumstances likely to give rise to any breach of such terms, no grounds for rescission, avoidance or repudiation of any of the Material Contracts and no written notices of violation, default or termination have been received in respect of any Material Contract.
- 12.2 For purposes hereof, "Material Contract" means such contract that any Group Company is a party to or is bound by, having an aggregate value, cost or amount, or imposing Liability on any Group Company in excess of US\$50,000 or extending for more than one (1) year beyond the date of this Agreement, and that:
- (i) is not readily to be fulfilled or performed by a Group Company on time or without undue or unusual expenditure of money or efforts or a Group Company does not have the technical and other capabilities or the human and material resources to enable it to fulfill, perform and discharge all its outstanding obligations in the ordinary course of business without realizing a loss on closing of performance,
  - (ii) is material to the conduct and operations of a Group Company's business and properties,
  - (iii) involves any Related Party transactions as described in Section 16 below,
  - (iv) relates to the sale, issuance, grant, exercise, award, purchase, repurchase or redemption of any equity securities of any Group Company,
  - (v) is entered into with a material customer or material supplier of a Group Company or with a governmental authority,
  - (vi) involves Indebtedness, an extension of credit, a guaranty or assumption of any obligation, or the creation of any lien on any equity interest, properties or assets of any Group Company,
  - (vii) involves the acquisition or sale of a business, a merger, consolidation, amalgamation, a partnership, joint venture, or similar arrangement,

- (viii) involves the transfer or license of any Intellectual Property to or from a Group Company (other than licenses granted in the ordinary course of business or from commercially readily available “off the shelf” computer software), or obligates a Group Company to share or develop any Intellectual Property with any third party,
  - (ix) contains change in control, exclusivity, non-competition or similar clauses in each case which would be reasonably expected to impair, restrict or impose conditions on a Group Company’s right to offer or sell products or services in specified areas, during specified periods or otherwise,
  - (x) the entering into and termination of which would be reasonably likely to have a Material Adverse Effect on any Group Company, or
  - (xi) is otherwise substantially dependent on by a Group Company, or is not in the ordinary course of business of a Group Company.
- 12.3 Section 12 of the Disclosure Schedule lists all Material Contracts to which any Group Company is a party or by which its properties may be bound or affected.

13. Properties

- 13.1 Title. The Group Companies have good and valid title to, or a valid leasehold interest in, all of their properties, free from any encumbrance. Except for leased properties, no Person other than a Group Company owns any interest in any such properties. All leases of properties leased by the Group Companies are fully effective and afford the Group Companies the right to use and process such leased property. The Group Companies’ property collectively represent in all material respects all properties necessary for the conduct of the business of the Group in the manner currently conducted.
- 13.2 Real Property. The Group Companies do not own any Real Property. Section 13.2 of the Disclosure Schedule sets forth a true, accurate and complete list of all Real Properties leased or otherwise used by any Group Company (the “Company Real Properties”). The Group Company named as the lessee of a Company Real Properties in Section 13.2 of the Disclosure Schedule leases such Company Real Properties under, valid, binding and enforceable lease. All leases of the Company Real Properties is in compliance with applicable laws, including with respect to the ownership, registered land use, operation of property and conduct of business as now conducted by the applicable Group Company which is a party to such lease.

### 13.3 Intellectual Property.

(i) Intellectual Property Ownership. Section 13.3 of the Disclosure Schedule sets forth a complete list of all the Intellectual Properties that are owned by, or registered or applied for in the name of, or licensed to any Group Company (the "Company Intellectual Properties"). Each Company Intellectual Properties is owned exclusively by, registered or applied for in the sole name of, or licensed exclusively to the relevant Group Company, and is not subject to any encumbrance. All Company Intellectual Properties are valid and subsisting and have not been abandoned, and all necessary registration, maintenance and renewal fees with respect thereto and currently due have been satisfied. The Group Companies own or possess all rights and/or license to use all Intellectual Properties necessary for the conduct of their respective businesses as currently being conducted. No Group Company has taken any actions or failed to take any actions that would cause any Company Intellectual Properties to be invalid, unenforceable or not subsisting. No Company Intellectual Property is the subject of any encumbrance, license or other Contract granting rights therein to any other Person. No Company Intellectual Property is subject to any proceeding or outstanding governmental order or settlement agreement or stipulation that (a) restricts in any manner the use, transfer or licensing thereof, or the making, using, sale, or offering for sale of any Group Company's products or services, by any Group Company, or (b) may affect the validity, use or enforceability of such material Company Intellectual Properties. Each Covenantor has assigned and transferred or has agreed to assign and transfer to a Group Company hereunder any and all of its Intellectual Property related to the business as now conducted and to be conducted in the future.

(ii) Infringement, Misappropriation and Claims. To the best knowledge of the Covenantors, (i) no Group Company has violated, infringed or misappropriated any Intellectual Property of any other Person, nor has any Group Company received any written notice alleging any of the foregoing; (ii) no Person has violated, infringed or misappropriated any Company Intellectual Properties of any Group Company, and no Group Company has given any written notice to any other Person alleging any of the foregoing; (iii) no Person has challenged the ownership or use of any Company Intellectual Properties by a Group Company in writing; and (iv) no Group Company has agreed to indemnify any Person for any infringement, violation or misappropriation of any Intellectual Property by such Person.

(iii) Assignment and Prior Intellectual Properties. All inventions and know-how conceived by employees of a Group Company related to the business of such Group Company are currently owned exclusively by a Group Company. None of the Group Companies believes it is or will be necessary to utilize any inventions of any of its officers or employees (or any Person it currently intends to hire) made prior to or outside the scope of their employment by such Group Company. All employees, and to the best knowledge of the Covenantors, all contractors, agents and consultants of a Group Company who are or were involved in the creation of any Intellectual Property for such Group Company have executed an assignment of inventions agreement that vests in a Group Company exclusive ownership of all right, title and interest in and to such Intellectual Property, to the extent not already provided by law. To the best knowledge of the Covenantors, none of the employees, consultants or independent contractors, currently or previously employed or otherwise engaged by any Group Company, (a) is in violation of any current or prior confidentiality, non-competition or non-solicitation obligations to such Group Company or to any other Persons, including former employers, or (b) is obligated under any contract, or subject to any governmental order, that would interfere with the use of his or her best efforts to promote the interests of the Group Companies or that would conflict with the business of such Group Company as presently conducted.

(iv) Protection of Intellectual Property. Each Group Company has taken reasonable steps to protect, maintain and safeguard Company Intellectual Properties and made all applicable filings, registrations and payments of fees in connection with the foregoing.

14. Employment Matters.

14.1 Except as disclosed in Section 14 of the Disclosure Schedule, each Group Company (i) is in compliance in all aspects with all applicable laws respecting employment, employment practices and terms and conditions of employment, including without limitation the applicable PRC laws pertaining to Social Insurances; (ii) has withheld and reported all amounts required by any applicable law or any contract to be withheld and reported with respect to wages, salaries and other payments to employees; (iii) is not liable for any arrear of wages, tax or penalty for failure to comply with any of the foregoing; and (iv) other than as required by applicable laws, is not liable for any payment to any trust or fund governed by or maintained by or on behalf of any governmental authority with respect to any Social Insurance or other benefits or obligations for employees.

14.2 Each employee, officer, director and consultant of the Group Companies has duly executed an employment agreement containing confidentiality, non-competition, non-solicitation and invention assignment provisions, which is in full force and effect and binding upon and enforceable against each such Person. To the best knowledge of the Covenantors, none of the employees, officers, directors or consultants is in violation of such employment agreement. None of the Covenantors is aware that any Key Employee of a Group Company intends to terminate his employment with the Group Company, nor does any Group Company have a present intention to terminate the employment of any Key Employee. Except as required by applicable laws, no Group Company has or maintains any employee benefit plan, employee pension plan, medical insurance, or life insurance to which any Group Company contributed or is obligated to contribute thereunder for employees of any Group Company.

14.3 The employment relationship with and any service provided to any of the Group Company by any Key Employee is in no violation of any employment agreements, confidentiality, non-competition, non-solicitation and invention assignment agreements and any other employment-related agreements entered into by such Key Employee with any of his/her former or previous employer(s).

15. Tax Matters

15.1 All tax returns required to be filed on or prior to the date hereof with respect to each Group Company have been duly and timely filed by such Group Company within the requisite period and completed on a proper basis in accordance with applicable laws, and are up to date and correct. All taxes owed by each Group Company (whether or not shown on every tax return) have been paid in full or provision for the payment thereof have been made. No deficiencies for any Taxes with respect to any tax returns have been asserted in writing by, and no notice of any pending action with respect to such tax returns has been received from, any tax authority, and no dispute relating to any tax returns with any such tax authority is outstanding or contemplated. Each Group Company has timely paid all taxes owed by it which are due and payable (whether or not shown on any tax return) and withheld and remitted to the appropriate governmental authority all taxes which it is obligated to withhold and remit from amounts owing to any employee, creditor, customer or third party.

15.2 No audit of any tax return of each Group Company and no formal investigation with respect to any such tax return by any tax authority is currently in progress. No Group Company has been or is currently the subject of any examination or investigation by any tax authority relating to the conduct of its business or the payment or withholding of taxes.

15.3 No written claim has been received by the Company in a jurisdiction where the Group does not file tax returns that any Group Company is or may be subject to taxation by that jurisdiction. No Group Company is responsible for the taxes of any other Person by reason of contract, successor liability or otherwise. No Group Company has waived any statute of limitations with respect to any taxes, or agreed to any extension of time with respect to an assessment or deficiency for such taxes.

15.4 The assessment of any additional taxes with respect to the applicable Group Company for periods for which tax returns have been filed is not expected to exceed the recorded liability therefor in the most recent balance sheet in the Financial Statements, and there are no unresolved questions or claims concerning any tax liability of any Group Company. Since the Balance Sheet Date, no Group Company has incurred any liability for taxes outside the ordinary course of business or otherwise inconsistent with past custom and practice. There is no pending dispute with, or notice from, any tax authority relating to any of the tax returns filed by any Group Company, and there is no proposed liability for a deficiency in any tax to be imposed upon the properties or assets of any Group Company.

15.5 All tax credits and tax holidays enjoyed by the Group Company established under applicable law since its establishment have been in compliance in all applicable laws and is not subject to reduction, revocation, cancellation or any other changes (including retroactive changes) in the future, except through change in applicable law published by relevant governmental authority.

15.6 No Group Company has been nor anticipates that it will be a “controlled foreign corporation” or “passive foreign investment company” as defined under the U.S. tax laws. No Group Company is or has ever been a U.S. real property holding corporation. No Group Company has any plan or intention to conduct its business in a manner that would be reasonably expected to result in such Group Company becoming a “controlled foreign corporation” or “passive foreign investment company” as defined under the U.S. tax laws or a U.S. real property holding corporation in the future.

16. Related Party Transactions. Except as disclosed in Section 16 of the Disclosure Schedule, no directors or officers of any Group Company, or any member of their immediate families, any Affiliate of the foregoing (i) has any direct or indirect ownership interest in any Person (other than a Group Company) with which a Group Company is affiliated or Group Company has a business relationship, or competes (except for passive investment of less than 1% of the stock of any publicly traded company that engages in the foregoing), (ii) is, directly or indirectly, indebted to any Group Company, or (iii) has any direct or indirect interest in any contract or transaction with any Group Company. All contracts and transaction documents for any Related Party transaction were entered into by the parties thereto on an arm’s-length basis and no Material Adverse Effect on the Group Companies.
17. Registration Rights. Except as provided in the Shareholders’ Agreement, no Group Company has granted or agreed to grant any Person or entity any registration rights (including piggyback registration rights) with respect to, nor is any Group Company obliged to list, any Group Company’s equity securities on any securities exchange. Except as contemplated under this Agreement or the Shareholders’ Agreement, there are no voting or similar agreements which relate to any Group Company’s equity securities.
18. Insolvency. Prior to the Closing, (i) the aggregate assets of each Group Company, at a fair valuation, exceeds the aggregate Indebtedness of each such entity, as the Indebtedness becomes absolute and mature, and (ii) each Group Company does not incur Indebtedness beyond its ability to pay such Indebtedness as such Indebtedness becomes absolute and matures. There has not been commenced against any Group Company an involuntary case under any applicable national, provincial, city, local or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, or any action for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of such Person or for any substantial part of its property or for the winding up or liquidation of its affairs.

19. No Other Business. Each of the Company and the HK Company was formed solely to acquire and hold the equity securities in its Subsidiaries and since its formation it has not engaged in any other business and has not incurred any liability in the course of its business of acquiring and holding its equity securities in its Subsidiaries. Each of the PRC Companies is conducting its business activities within the scope of business as disclosed to the Investors in writing.
20. Internal Controls. Each Group Company maintains a system of internal accounting controls. Any and all of the bank account of each Group Company is listed on Section 20 of the Disclosure Schedule.
21. Control Documents. Each of the Covenantors which is a party to the Control Documents has full power, authority and legal right to execute, deliver and perform their respective obligations under each of the Control Documents to which it is a party, and upon the execution of the Control Documents, has authorized, executed and delivered each of the Control Documents to which it is a party, and such obligations constitute valid, legal and binding obligations enforceable against it in accordance with the terms of each of such Control Documents. The execution, delivery and performance of each Control Document by the parties thereto did not and is not reasonably expected to (i) result in any violation of the charter documents (if any) of any Group Company; (ii) result in any violation of or penalty under any laws of the PRC as in effect as of the date hereof; or (iii) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any other contract, agreement, arrangement, license, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument in effect as of the date hereof and the Closing to which any of them is a party or by which any of them is bound or to which any of their property or assets is subject.
22. Corporate Records. Each of the Group Companies maintains its corporate records including without limitation (i) minutes of each meeting of its board of directors, any committees of its board of directors and its shareholders, and (ii) each written resolution in lieu of a meeting by its board of directors, any committees of its board of directors and its shareholders.
23. Disclosure. Each of the Covenantors has fully provided the Investors with all information requested by the Investors to decide whether to purchase the Purchase Shares. No representation or warranty of the Covenantors contained in this Agreement, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made.

T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD (T.C.L. 有限公司)

and

AURORA MOBILE LIMITED

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SHARE REDEMPTION AGREEMENT

in respect of

AURORA MOBILE LIMITED

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**THIS SHARE REDEMPTION AGREEMENT** (this “**Agreement**”) is made on March 15, 2018 by and between:

- (1) **Aurora Mobile Limited**, an exempted company incorporated, organised and existing under the laws of Cayman Islands (the “**Company**”); and
- (2) **T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD (T.C.L. 德興(香港)有限公司)**, a limited company organised and existing under the laws of Hong Kong (the “**Seller**”).

WHEREAS:

The Seller desires to sell to the Company, and the Company desires to redeem from the Seller, 1,738,720 Series C Preferred Shares of the Company held by the Seller (the “**Redeemed Shares**”) for cancellation pursuant to the terms and conditions of this Agreement.

NOW, it is agreed as follows:

1. **DEFINITIONS**

Unless otherwise defined in this Agreement, the following terms shall have the meanings set out below:

“**Business Day**” means a day other than a Saturday, Sunday or public holiday in Beijing or Hong Kong.

“**Completion**” means the consummation of the Share Redemption under this Agreement.

“**Completion Date**” means the date immediately after all of the conditions provided in Section 3.1 hereof have been satisfied or (as the case may be) waived, or such other day as may be agreed by the Parties in writing.

“**Encumbrance**” means a pledge, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, any other encumbrance or security interest of any kind.

“**Parties**” means the parties to this Agreement and a “**Party**” means any of them.

“**PRC**” means the People’s Republic of China, for purpose of this Agreement, excluding Hong Kong, Macao and Taiwan.

“**Redeemed Shares**” means 1,738,720 Series C Preferred Shares of the Company with par value US\$0.0001 per share held by the Seller together with all rights and benefits attached thereto.

“**Share Redemption**” means the redemption of the Redeemed Shares by the Company from the Seller under this Agreement.

2. **SHARE REDEMPTION**

2.1 Subject to the terms and conditions of this Agreement, the Seller agrees to sell to the Company, and the Company agrees to redeem from the Seller the Redeemed Shares for cancellation, free of any Encumbrance, for the consideration (the “**Redemption Consideration**”) set out as bellow:

<u>Seller</u>	<u>Company</u>	<u>Redeemed Shares</u>	<u>Redemption Consideration (US\$)</u>
T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD (T.C.L. 德立有限公司)	Aurora Mobile Limited	1,738,720 Series C Preferred Shares	100% of the original issue price of the Redeemed Shares (US\$8,000,000), plus an annual simple return of 10% accrued thereon till the actual payment date. As of the date of this Agreement, the original issue price plus such return accrued thereon amounted to US\$9,048,889 in total.
<b>Total</b>		<b>1,738,720 Series C Preferred Shares</b>	<b>100% of the original issue price of the Redeemed Shares (US\$8,000,000), plus an annual simple return of 10% accrued thereon till the actual payment date. As of the date of this Agreement, the original issue price plus such return accrued thereon amounted to US\$9,048,889 in total.</b>

3. **CONDITIONS PRECEDENT**

3.1 Completion of the Share Redemption shall be conditional upon satisfaction, or waiver (where appropriate) in writing by the Parties, of the following:

- (a) This Agreement and the Share Redemption have been duly approved and/or ratified by a set of unanimous written resolutions of the board of directors of the Company, in the form and substance acceptable to both the Seller and the Company;
- (b) This Agreement and the Share Redemption have been duly approved and/or ratified by a set of unanimous written resolutions of shareholders of the Company (the “**Shareholders’ Resolutions**”), in the form and substance acceptable to both the Seller and the Company;
- (c) The shareholders’ agreement of the Company (as amended) and the memorandum and articles of association of the Company (as amended) have been duly amended and restated for purpose of the Share Redemption;
- (d) The observer of the board of the Company designated by the Seller have duly resigned from the board of the Company by executing and delivering to the Company a letter of resignation in the form and substance reasonably acceptable to the Company (the “**Resignation Letter**”);

- (e) The register of members of the Company have been updated to reflect that the Redeemed Shares have been redeemed and cancelled, subject to and upon the Seller having received the Redemption Consideration by the Company;
  - (f) The Seller has tendered the share certificate representing the Redeemed Shares, duly endorsed for redemption (the “**Share Certificate**”), to the Company; and
  - (g) The Company has paid the Redemption Consideration by wire transfer to the bank account designated by the Seller.
- 3.2 The Parties shall use its best efforts to procure, to the extent relevant to the Party, the satisfaction of the conditions provided in Section 3.1 hereof as soon as practicable.

#### 4. COMPLETION

- 4.1 Completion shall take place on the Completion Date remotely via the exchange of documents and signatures or at such other place as may be agreed by the Parties.
- 4.2 At the Completion, subject to the Seller having received the Redemption Consideration from the Company, the Share Redemption shall be deemed completed, and the Seller shall no longer be considered the owner of the Redeemed Shares purchased for record or any other purposes.
- 4.3 Escrow
- (a) The Seller shall deliver to an escrow agent engaged by both the Company and the Seller (the “**Escrow Agent**”) for escrow, as soon as practicable but in no later than three (3) Business Days after the date when the Parties enter into the relevant escrow agreement (the “**Escrow Agreement**”) with the Escrow Agent, the originals of (i) the signature page of the Seller to the Shareholders’ Resolutions (the “**Seller’s SR Signature Page**”), (ii) the Share Certificate, and (iii) the Resignation Letter (the documents under Item (i), (ii) and (iii) above collectively referred to as the “**Escrow Documents**”).
  - (b) Within three (3) Business Days after the Company fully pays the Redemption Consideration to the Seller, the Seller shall instruct the Escrow Agent to release all and each of the Escrow Documents to the Company.
  - (c) If the Seller fails to instruct the Escrow Agent to release any of the Escrow Documents to the Company within three (3) Business Days after the Company fully pays the Redemption Consideration to the Seller, then unless the Seller has notified the Escrow Agent within such three (3) Business Days that the Seller had not received the Redemption Consideration from the Company, the Seller shall be deemed as having fully received the Redemption Consideration and the Company shall have the right to unilaterally instruct the Escrow Agent to release all and each of the Escrow Documents to the Company.
  - (d) The Parties shall procure that the terms and conditions concerning the escrow arrangement under this Section 4.3 be incorporated into the Escrow Agreement.

5. **REPRESENTATIONS AND WARRANTIES**

5.1 Each Party represents and warrants to the other Party that:

- (a) It is a legal entity duly established and validly existing under the laws of the place of its incorporation;
- (b) It has the right, power and authority to enter into, and to exercise the rights and perform the obligations under, this Agreement; and
- (c) This Agreement will constitute its legal and valid obligations, enforceable against it in accordance with the terms and conditions of this Agreement.

5.2 The Seller further represents and warrants to the Company that the Seller is the legal and beneficial owner of the Redeemed Shares, and that the Redeemed Shares are free of any Encumbrance.

5.3 The Company further represents and warrants to the Seller that the Company, immediately following the date on which the Redemption Consideration is proposed to be made to the Seller, the Company is able to pay its debts as they fall due in the ordinary course of business.

6. **TAX MATTERS**

6.1 The Seller shall timely file, or cause to be timely filed, all tax returns, tax reports and/or all the other documentation and information that are due under PRC laws in connection with the transactions hereunder with the competent PRC tax authority(ies) (the “**Relevant Tax Returns**”), and the Relevant Tax Returns shall be true, accurate and complete in all respects. The Seller shall timely provide the Company with accurate copies of any official assessments of any PRC tax authority with respect to the Relevant Tax Returns, and shall timely pay, or cause to be timely paid, all taxes due and payable with respect to such official assessments (the “**PRC Withholding Tax**”).

6.2 The Seller agrees that, in the event the Seller fails to perform their obligations under Section 6.1 hereof in a timely manner, the Company shall have the right to take the following actions pursuant to the applicable PRC laws with respect to the transactions contemplated by this Agreement: (A) to file the Relevant Tax Returns, and (B) to pay the PRC Withholding Tax to the competent PRC tax authority(ies) on behalf of the Seller. In the event the Company pays the PRC Withholding Tax on behalf of the Seller according to the foregoing provisions under this Section 6.2, the Company’s obligation (if any) to pay the PRC Withholding Tax pursuant to the applicable PRC laws shall be satisfied as between the Company and the Seller, and such amounts of taxes paid to the relevant PRC tax authority(ies) shall be treated for all purposes of this Agreement as having been paid to the Seller. The Seller shall indemnify and hold harmless the Company against any loss incurred in relation to (i) the performance by the Company on behalf of the Seller or non-performance by the Seller of the filing of the Relevant Tax Returns, and/or (ii) any payment (including excessive payments or insufficient payments) by the Company on behalf of the Seller or non-payment by the Seller of the PRC Withholding Tax or any portion thereof.

7. **WAIVERS**

Immediately upon the Completion, the Seller irrevocably and unconditionally waives all rights and claims against the Company, or any director, officer, agent, employee, affiliated entity, related entity, attorney, representative, successors in interest or direct or indirect shareholder or subsidiary of the Company (other than any right or claim arising under this Agreement) with respect to its acquisition and/or ownership of any share of the Company, whether such rights and/or claims arise under (i) applicable laws (to the utmost extent permitted by applicable laws), (ii) the Series C Preferred Share Purchase Agreement dated October 31, 2016 by and among the Seller, the Company and certain other parties, (iii) the Management Rights Letter dated October 31, 2016 issued by the Company to the Seller, (iv) any other contract, agreement or instrument (including without limitation the shareholders' agreement of the Company (as amended) or any other transaction document in connection with the issuance and sale of the Redeemed Shares to the Seller), or (v) the memorandum and articles of association or any other organizational document of the Company (as amended) or otherwise.

8. **LIABILITY FOR BREACH**

If any Party breaches any provision of this Agreement, the breaching Party shall compensate the other Party for all losses suffered by the other Party as a result of such breach.

9. **GOVERNING LAW AND DISPUTE RESOLUTION**

9.1 This Agreement shall be governed by and construed under the laws of Hong Kong, without regard to principles of conflict of laws thereunder.

9.2 **Arbitration**

- (a) Any dispute, controversy or claim arising out of, in connection with or relating to this Agreement, including the interpretation, validity, invalidity, breach or termination thereof, shall be settled by arbitration.
- (b) The arbitration shall be conducted in Hong Kong by Hong Kong International Arbitration Centre under the Hong Kong International Arbitration Centre Administered Arbitration Rules in force when the notice of arbitration is submitted in accordance with the said Rules. The number of arbitrators shall be three. The arbitration shall be conducted in the English language.
- (c) Each party shall cooperate with the other in making full disclosure of and providing complete access to all information and documents requested by the other in connection with such arbitration proceedings, subject only to any doctrine of legal privilege or any confidentiality obligations binding on such party.
- (d) The costs of arbitration shall be borne by the losing party, unless otherwise determined by the arbitration tribunal.
- (e) When any dispute occurs and when any dispute is under arbitration, except for the matters in dispute, the parties shall continue to fulfill their respective obligations and shall be entitled to exercise their rights under this Agreement.
- (f) The award of the arbitration tribunal shall be final and binding upon the parties, and the prevailing party may apply to a court of competent jurisdiction for enforcement of such award.
- (g) Regardless of anything else contained herein, either party shall be entitled to seek preliminary injunctive relief from any court of competent jurisdiction pending the conclusion of the arbitration.

10. **NOTICES.**

All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by an internationally recognized overnight courier service, by facsimile or registered or certified mail (postage prepaid, return receipt requested) or email, to the respective Parties at the addresses specified below (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 10).

If to the Company:

Address:

Attn:

Fax:

Tel:

Email:

If to the Seller:

Address:

Attn:

Fax:

Tel:

Email:

11. **EFFECTIVENESS AND COUNTERPARTS**

This Agreement shall become effective upon execution of the Parties. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile and e-mailed copies of signatures shall be deemed to be originals for purposes of the effectiveness of this Agreement.

*[The remainder of this page is intentionally left blank]*

IN WITNESS WHEREOF, each of the Parties has duly signed this Agreement on the date first written above.

**T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD (T.C.L. 德華  
(德) 德華)**

By: /s/ Liao Qian \_\_\_\_\_

Name: Liao Qian

Title: Authorized Signatory

Signature Page to Share Redemption Agreement in respect of Aurora Mobile Limited

IN WITNESS WHEREOF, each of the Parties has duly signed this Agreement on the date first written above.

**AURORA MOBILE LIMITED**

By: /s/ Luo Weidong

Name: Luo Weidong

Title: Director

Signature Page to Share Redemption Agreement in respect of Aurora Mobile Limited

**SUBSCRIPTION AGREEMENT**

**between**

**AURORA MOBILE LIMITED,  
MERCER INVESTMENTS (SINGAPORE) PTE. LTD.,  
MANDRA IBASE LIMITED, and  
THE PARTIES listed on Schedule 1 hereto**

\_\_\_\_\_  
**Dated April 11, 2018**  
\_\_\_\_\_

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**Paul, Weiss, Rifkind, Wharton & Garrison  
Solicitors and International Lawyers  
12th Floor, Hong Kong Club Building  
3A Chater Road  
Central  
Hong Kong**

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**SUBSCRIPTION AGREEMENT** (this "Agreement") made on the 11th day of April, 2018

**BETWEEN:**

- (1) **AURORA MOBILE LIMITED**, an exempted company limited by shares incorporated and existing under the laws of the Cayman Islands with company number 286958 with its registered office at Harneys Fiduciary (Cayman) Limited, P.O. Box 10240, 4th Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1002, Cayman Islands (the "Company" and "Issuer");
- (2) **MERCER INVESTMENTS (SINGAPORE) PTE. LTD.**, a company incorporated and existing under the laws of Singapore with its registered office at 1 Raffles Link, #07-01, One Raffles Link, Singapore 039393 ("GS");
- (3) **MANDRA IBASE LIMITED**, a limited liability company duly established and validly existing under the laws of British Virgin Islands with its registered office at 3rd Floor, J & C Building, P.O. Box 933, Road Town, Tortola, BVI, VG1110 ("Mandra", together with GS, the "Investors" and each an "Investor"); and
- (4) **THE PARTIES** listed on Schedule 1 (the "Major Subsidiaries", and each a "Major Subsidiary").

**RECITALS:**

- (A) The Company is an exempted company incorporated and existing under the laws of the Cayman Islands. Further particulars of the Company are set forth in Part A of Schedule 2.
- (B) The Company desires to issue to each Investor, and each Investor desires to subscribe for and purchase, a certain number of US\$ denominated convertible notes of the Company upon the terms and subject to the conditions set forth herein, on the date of this Agreement.
- (C) The Parties desire to enter into this Agreement and make the respective representations, warranties, covenants and agreements set forth herein on the terms and conditions set forth herein.

**AGREEMENT:**

**SECTION 1  
INTERPRETATION**

- 1.1 Definitions. In this Agreement, unless the context otherwise requires the following words and expressions have the following meanings:

“Affiliate” of a Person (the “Subject Person”) means (a) in the case of a Person other than a natural person, any other Person that directly or indirectly Controls, is Controlled by or is under direct or indirect common Control with the Subject Person and (b) in the case of a natural person, any other Person that is a Relative of the Subject Person or that is directly or indirectly Controlled by the Subject Person or by a Relative of the Subject Person. In the case of GS, the term “Affiliate” also includes any fund or limited partnership whose general partner, manager or advisor is The Goldman Sachs Group, Inc. or any of its Subsidiaries.

“Anti-Corruption Laws” means any applicable anti-bribery or anti-corruption law of any jurisdiction in which a Group Company conducts business, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act of 2010, as amended, the Criminal Law of China, the PRC Anti-Unfair Competition Law, and the Provisional Regulations on Anti-Commercial Bribery.

“Anti-Money Laundering Laws” means all applicable anti-money laundering laws of all jurisdictions in which a Group Company conducts its business, the rules and regulations thereunder, including all anti-money laundering laws of the PRC, the U.S. and the United Kingdom.

“Board” means the board of directors of the Company.

“Business” means the internet and big data related business conducted by the Group.

“Business Day” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business in (a) the city in which the specified office of the registrar of the Company is located, (b) the city in which the specified office of the Company is located, (c) Hong Kong, (d) Singapore, (e) Beijing and (f) (in relation to any date for payment or purchase of a currency) the principal financial center of the country of that currency.

“Charter Documents” means, collectively, the Memorandum and Articles of Association of the Company.

“Common Shares” means the common shares with a par value of US\$0.0001 per share in the share capital of the Company.

“Completion” means the completion of the subscription for and issuance of the Notes.

“Completion Date” means the date and time at which Completion takes place.

“Conditions” means the terms and conditions in respect of the Notes, in the form of Exhibit B.

“Control” means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of share capital, possession of Voting Rights, by contract or otherwise, and in each case “Controller”, “Controlled”, “Controlling” and “Controls” shall be construed accordingly.

“Control Documents” means (a) the exclusive business cooperation agreement dated August 5, 2014 entered into between Opco and the WFOE, (b) the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 1, Opco and the WFOE, (c) the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 2, Opco and the WFOE, (d) the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 3, Opco and the WFOE, (e) the exclusive option agreement dated August 5, 2014 entered into between Pledgor 1, Opco and the WFOE, (f) the exclusive option agreement dated August 5, 2014 entered into between Pledgor 2, Opco and the WFOE, (g) the exclusive option agreement dated August 5, 2014 entered into between Pledgor 3, Opco and the WFOE, (h) the power of attorney dated August 5, 2014 entered into by Pledgor 1 in favor of the WFOE, and acknowledged by the WFOE and Opco, (i) the power of attorney dated August 5, 2014 entered into by Pledgor 2 in favor of the WFOE, and acknowledged by the WFOE and Opco, (j) the power of attorney dated August 5, 2014 entered into by Pledgor 3 in favor of the WFOE, and acknowledged by the WFOE and Opco and (k) any other document designated as a “Control Document” by the Majority Investors and the Company.

“Conversion Shares” means Common Shares issuable upon conversion of any Notes.

“Covenantor Warranties” means the representations, warranties and undertakings of the Covenantors set forth in Schedule 4.

“Covenantors” means, collectively, the Company and each of the Major Subsidiaries.

“Disclosure Schedule” means the disclosure schedule attached hereto as Exhibit E.

“Encumbrance” means (a) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law, (b) any lease, sub-lease, occupancy agreement, easement or covenant granting a right of use or occupancy to any Person, (c) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, negotiation or refusal or transfer restriction in favor of any Person and (d) any adverse claim as to title, possession or use.

“Equity Interests” means, in relation to any Person, (a) any shares of any class or capital stock of or equity interests (including any membership interest, partnership interest or registered capital, joint venture or other ownership interest) in such Person or any depositary receipt in respect of any such shares, capital stock or equity interests; (b) any securities that are directly or indirectly convertible into, or exercisable or exchangeable for (whether at the option of the holder thereof or otherwise and whether such conversion is conditional or otherwise) any such shares, capital stock or equity interests (including any membership interest, partnership interest registered capital, joint venture or other ownership interest (whether or not such derivative securities are issued by such Person)) or any depositary receipt in respect of any such securities; or (c) any option, warrant or other right to acquire any such shares, capital stock or equity interest securities (including any membership interest, partnership interest registered capital, joint venture or other ownership interest) (whether or not such derivative securities are issued by such Person) or depositary receipts referred to in paragraphs (a) and/or (b) above. Unless the context otherwise requires, any reference to “Equity Interests” refers to the Equity Interests of the Company.

“ESOP” means any share option plan or other equity based incentive plan.

“Existing Preference Share” means any Series A Share, any Series B Share, any Series C Share or any Series D Share.

“Existing Preference Share Documents” means (a) the Existing Shareholders Agreement, (b) the Charter Documents, (c) the Series A Share Purchase Agreement, (d) the Series B Share Purchase Agreement, (e) the Series C Purchase Agreement, (f) the Series D Purchase Agreement and (g) any document or instrument entered into pursuant to or in connection with the subscription of the Existing Preference Shares.

“Existing Shareholders Agreement” means the fourth amended and restated shareholders’ agreement dated May 10, 2017 entered into between Aurora Mobile Limited, the Investors, the Founder Parties, the Major Subsidiaries, the Angel Investor and HAKIM (each as defined therein), as may be amended and/or restated from time to time.

“Finance Documents” means (a) the Notes, (b) the Conditions and (c) any other document designated as a “Finance Document” by the Majority Investors and the Company.

“Governmental Authority” means any government or any governmental agency, semi-governmental or judicial entity or authority (including, without limitation, any stock exchange or any self-regulatory organisation established under statute) of any jurisdiction, or any political subdivision thereof, whether provincial, state or local, and any department, ministry, agency, instrumentality, authority, body, court, central bank or other entity lawfully exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Governmental Order” means any applicable order, ruling, decision, verdict, decree, writ, subpoena, mandate, precept, command, directive, consent, approval, award, judgment, injunction or other similar determination or finding by, before or under the supervision of any Governmental Authority.

“Group” means, collectively, the Company, the Major Subsidiaries and their respective Subsidiaries from time to time, and “Group Company” means any of them.

“Hong Kong” means the Hong Kong Special Administrative Region of the PRC.

“IFRS” means the international financial reporting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

“Investor Warranties” means, with respect to each Investor, the representations, warranties and undertakings of such Investor set forth in Schedule 5.

“Investors’ Rights Agreement” means the Investors’ Rights Agreement, in the form of Exhibit A, to be entered into by the Company, the Investors and certain Shareholders.

“Longstop Date” means May 31, 2018.

“Majority Investors” means, at any time, any one or more Investors holding, in the aggregate, more than 50 per cent. of the then outstanding Equity Interests held by all Investors (calculated on an as converted basis).

“Material Adverse Effect” means any condition, circumstance, change or effect that has or could reasonably be expected to have a material adverse effect or change on (a) the business, operations, assets, property, condition (financial or otherwise) or prospects of any Group Company; (b) the ability of any Covenantor to perform its obligations under the Transaction Documents; or (c) the legality, validity or enforceability of, or the effectiveness of, any Transaction Document or the rights or remedies of any Investor under any of the Transaction Documents.

“MIIT” means the Ministry of Industry and Information Technology of the PRC or its competent local counterpart.

“Notes” means the US\$35,000,000 zero coupon non-guaranteed and unsecured convertible notes due 2021 convertible into Conversion Shares.

“OFAC” means the Office of Foreign Assets Control of the U.S. Department of Treasury.

“Ownership” of any person at any time means the percentage owned by such person of all Common Shares in issue at such time on a fully diluted basis, assuming the exercise, conversion or exchange of all options, warrants and other securities exercisable for or convertible or exchangeable into Common Shares (including the exercise of all outstanding options under the ESOP and conversion of all Notes), regardless of whether such options, warrants or other securities are currently exercisable, convertible or exchangeable at such time.

“Party” or “Parties” means any signatory or the signatories to this Agreement and any Person that subsequently becomes a party to this Agreement as provided herein.

“Person” means any natural person, firm, company, Governmental Authority, joint venture, partnership, association or other entity (whether or not having separate legal personality).

“Pledgor 1” means Luo Weidong (罗卫东), a PRC national who resides at No. 10, Fu Qian Heng Jie, Ye Tang She Qu Ju Wei Hui, Ye Tang Town, Xing Ning, Guangdong, China and holds PRC resident identification number #####.

“Pledgor 2” means Wang Xiaodao (王 Xiao Dao), a PRC national who resides at Room 30C, Ming Yue Garden, Yi Tian Road, Fu Tian District, Shenzhen, Guangdong, China and holds PRC resident identification number #####.

“Pledgor 3” means Fang Jiawen (方佳文), a PRC national who resides at No. 1, Ke Fa Road, Ke Ji Yuan, Nanshan District, Shenzhen, Guangdong, China and holds PRC resident identification number #####.

“PRC” means the People’s Republic of China and for the purpose of this Agreement shall exclude Hong Kong, Taiwan and the Special Administrative Region of Macau.

“PRC Companies” means collectively the Subsidiaries of the Company which are incorporated under the laws of the PRC, including for the time being, the WFOE and Opco, and a “PRC Company” means any of the foregoing.

“PRC GAAP” means the generally accepted accounting principles applied in the PRC.

“Related Party” of a Person (the “Subject Person”) means (a) any direct or indirect shareholder of the Subject Person or its Subsidiaries, (b) any director of the Subject Person or its Subsidiaries, (c) any officer of the Subject Person or its Subsidiaries, (d) any Relative of a shareholder, director or officer of the Subject Person or its Subsidiaries, (e) any Person in which any shareholder, director or officer of the Subject Person or its Subsidiaries has any interest, other than a passive shareholding of less than one percent in a publicly listed company, or over which a Related Party exercises Control or significant influence through voting, position or ownership or (f) any other Affiliate of the Subject Person or its Subsidiaries.

“Relative” of a natural person means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, step-sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, cousin-in-law, uncle, aunt, nephew, niece of that natural person or their spouse, including adoptive relationships.

“Sanctions Laws” means all economic or financial sanctions laws, measures or embargoes administered or enforced by the United States (including all sanctions administered by OFAC, and its “Specially Designated Nationals and Blocked Persons” lists), the PRC, Hong Kong, the European Union (including under Council Regulation (EC) No. 194/2008), the United Nations, the United Kingdom or any other relevant sanctions Governmental Authority.

“Series A Share” means any series A preferred share of par value US\$0.0001 each of the Company, with the rights and privileges as set forth in the Charter Documents;

“Series A Share Purchase Agreement” has the meaning given to such term in the Charter Documents;

“Series B Share” means any series B preferred share of par value US\$0.0001 each of the Company, with the rights and privileges as set forth in the Charter Documents;

“Series B Share Purchase Agreement” has the meaning given to such term in the Charter Documents;

“Series C Share” means any series C preferred share of par value US\$0.0001 each of the Company, with the rights and privileges as set forth in the Charter Documents;

“Series C Share Purchase Agreement” has the meaning given to such term in the Charter Documents;

“Series D Share” means any series D preferred share of par value US\$0.0001 each of the Company, with the rights and privileges as set forth in the Charter Documents;

“Series D Share Purchase Agreement” has the meaning given to such term in the Charter Documents;

“Service Agreement Riders” means the service agreement riders set out in Exhibit D.

“Shareholders” means all the persons set forth in Section 6 of Part A of Schedule 2, who are all the shareholders of the Company as at the date hereof.

“Social Insurance” means any form of social insurance as required by applicable laws (including without limitation pension fund, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing fund).

“Subsidiary” means, with respect to any specified Person, any other Person Controlled by the specified Person, directly or indirectly, whether through contractual arrangements or through ownership of Equity Interests or voting power or is deemed a subsidiary of the specified Person under applicable law or IFRS.

“Tax” means any and all applicable tax or taxes (including any value added tax, sales tax, land use tax, deed tax, real estate tax, capital tax, individual income tax, enterprise income tax, or business tax, stamp or other duty (including any registration and transfer duties), levy, impost, charge, fee, deduction, penalty or withholding imposed, levied, collected or assessed) and includes any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same.

“Template Development Agreement” means the template development agreement set out in Exhibit C.

“Transaction Documents” means (a) this Agreement, (b) the Investors’ Rights Agreement, (c) the Charter Documents, (d) the Finance Documents, (e) the Control Documents, (f) any document designated as a “Transaction Document” by the Majority Investors and the Company and (g) any other document entered into pursuant to or in connection with this Agreement.

“U.K.” means the United Kingdom of Great Britain and Northern Ireland.

“US” or “U.S.” means the United States of America.

“US\$” means United States Dollars, the lawful currency of the US.

“Voting Rights” means the right generally to vote at a general meeting of shareholders of a Person (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

“Warranties” means the Covenantor Warranties and the Investor Warranties.

1.2 Terms Defined Elsewhere in this Agreement. The following terms are defined in this Agreement as follows:

“ <u>Agreement</u> ”	Preamble
“ <u>Arbitration Board</u> ”	Section 14.2(a)
“ <u>Company</u> ”	Preamble
“ <u>Confidential Information</u> ”	Section 10.1
“ <u>Dispute</u> ”	Section 14.2(a)
“ <u>GS Consideration</u> ”	Section 2.1(a)
“ <u>HKIAC Arbitration Rules</u> ”	Section 14.2(a)
“ <u>Indemnified Party</u> ”	Section 9.1
“ <u>Indemnifying Party</u> ”	Section 9.1
“ <u>Investors</u> ”	Preamble
“ <u>Losses</u> ”	Section 9.1
“ <u>Major Subsidiaries</u> ”	Preamble
“ <u>Proceeds</u> ”	Section 2.4
“ <u>Process Agent</u> ”	Section 14.4
“ <u>Representatives</u> ”	Section 10.2(b)

1.3 Interpretation.

(a) Directly or Indirectly. The phrase “directly or indirectly” means directly, or indirectly through one or more intermediate Persons or through contractual or other arrangements, and “direct or indirect” has the correlative meaning.

- (b) Gender and Number. Unless the context otherwise requires, all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders, and words importing the singular include the plural and vice versa.
- (c) Headings. Headings are included for convenience only and shall not affect the construction of any provision of this Agreement.
- (d) Include not Limiting. “Include”, “including”, “are inclusive of” and similar expressions are not expressions of limitation and shall be construed as if followed by the words “without limitation”.
- (e) Law. References to “law” shall include all applicable laws, regulations, rules and orders of any Governmental Authority, any common or customary law, constitution, code, ordinance, statute or other legislative measure and any regulation, rule, treaty, order, decree or judgment; and “lawful” shall be construed accordingly.
- (f) References to Documents. References to this Agreement include the Schedules and Exhibits, which form an integral part hereof. A reference to any Section, Schedule or Exhibit is, unless otherwise specified, to such Section of, or Schedule or Exhibit to this Agreement. The words “hereof”, “hereunder” and “hereto”, and words of like import, unless the context requires otherwise, refer to this Agreement as a whole and not to any particular Section hereof or Schedule or Exhibit hereto. A reference to any document (including this Agreement) is, unless otherwise specified, to that document as amended, restated, consolidated, supplemented, novated or replaced from time to time.
- (g) Knowledge. Where any statement is qualified by the expression “to the knowledge of a Person” or any similar expression, that statement shall, unless otherwise stated, be deemed to refer to the knowledge of a prudent Person in the position of such Person who shall be deemed to have knowledge of such matters as he would have discovered, had he made such enquiries and investigations as a prudent Person would have made to confirm the subject matter of the statement.
- (h) Writing. References to writing and written include any mode of reproducing words in a legible and non-transitory form including emails and faxes.
- (i) Share Calculations. In calculations of share numbers, references to a “fully diluted basis” mean that the calculation is to be made assuming that all outstanding options, warrants and other Equity Interests convertible into or exercisable or exchangeable for Common Shares (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged. Any reference to a number or price of Common Shares shall be appropriately adjusted to reflect any bonus share issue, share subdivision, share combination, share split, recapitalization, reclassification or similar event affecting the shares of the Company.
- (j) Language. This Agreement is drawn up in the English language.

**SECTION 2**  
**SUBSCRIPTION FOR SHARES**

- 2.1 Notes. Upon the terms and subject to the applicable conditions of this Agreement:
- (a) GS agrees to subscribe for, and the Company agrees to issue to GS at Completion, Notes in the principal amount of US\$30,000,000 for a total subscription price of US\$30,000,000 (the “GS Consideration”); and
  - (b) Mandra agrees to subscribe for, and the Company agrees to issue to Mandra at Completion, Notes in the principal amount of US\$5,000,000 for a total subscription price of US\$5,000,000 (the “Mandra Consideration”).
- 2.2 Consideration. GS shall pay the GS Consideration, and Mandra shall pay the Mandra Consideration at Completion in accordance with Section 4.2(b). Compliance by an Investor with its obligations under Section 4.2(b) shall constitute full discharge of such Investor’s obligations to pay to the Company the GS Consideration pursuant to Section 2.1(a) (if such Investor is GS) or the Mandra Consideration pursuant to Section 2.1(b) (if such Investor is Mandra).
- 2.3 Several Subscriptions. The subscription by each of the Investors as set forth in this Section 2 shall be a separate and severally enforceable and terminable transaction in accordance with the terms of this Agreement. Each Investor’s rights and obligations in respect of its respective subscription as provided herein shall be several and independent. Each Investor may, at its sole election, exercise or enforce its rights against the Company severally. Any reference to the Investors in this Agreement shall, where the context permits, mean each of the Investors severally.
- 2.4 Use of Proceeds. The Company shall use all of the proceeds from the issuance of the Notes (the “Proceeds”) for general corporate and working capital purposes of the Group and up to fifty percent (50%) of the Proceeds for repurchase of outstanding shares in the Company.

**SECTION 3**  
**CONDITIONS PRECEDENT TO COMPLETION**

- 3.1 Conditions Precedent to Obligations of Investors at Completion. The obligations of an Investor to complete the subscription of the Notes at Completion are subject to the fulfillment, prior to or simultaneously with the Completion, of the following conditions to the satisfaction of or waiver by such Investor:
- (a) the Covenantor Warranties remaining true and correct in all respects on the Completion Date as provided in Section 6.5;

- (b) each Covenantor having performed and complied in all respects with all of its agreements, obligations and conditions contained in the Transaction Documents to which it is a party that are required to be performed or complied with by it on or before Completion;
- (c) all corporate and other proceedings in connection with the transactions contemplated at or prior to Completion pursuant to the Transaction Documents and all documents and instruments incident thereto being completed and reasonably satisfactory in form and substance to such Investor;
- (d) all approval, authorization, consent or waiver, including the approval and consent granted by any Governmental Authority or any other person (required pursuant to any applicable law or regulation of any Governmental Authority, or pursuant to any contract binding on the Company or to which the Company or its assets are subject or bound), the Shareholders waiving their preemptive rights, rights of first offer and any other rights that they might have in relation to the purchase and subscription of the Notes (and the issue of the Conversion Shares), and all approvals, authorizations or consents necessary for the consummation of the transactions contemplated under this Agreement and the other Transaction Documents having been obtained or made;
- (e) there having been no event or events which would have a Material Adverse Effect on the Group Companies or their businesses, operations, technologies, assets or other financial conditions. None of the Group Companies has taken any step, action or measure (or omitted to take the same), which has or could be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect;
- (f) each Transaction Document having been duly executed by each party thereto other than the Investors;
- (g) such Investor having received an opinion from (i) Travers Thorp Alberga, Cayman Islands counsel to the Company and (ii) Han Kun Law Offices, PRC counsel to the Company, each dated as of the Completion Date in form and substance to the satisfaction of such Investor; and
- (h) the Company having delivered to such Investor a certificate, dated the Completion Date and signed by a director of the Company, certifying that the conditions set forth in paragraphs (a) through (g) of this Section 3.1 have been satisfied, with evidence of the satisfaction of the conditions set forth in paragraphs (c) and (d) of this Section 3.1 appended thereto.

3.2 Conditions Precedent to Obligations of Company at Completion. With respect to an Investor, the Company's obligation to complete the issuance of the Notes to such Investor at the Completion is subject to the fulfillment, prior to or simultaneously with the Completion, of the following conditions to the satisfaction of or waiver by the Company:

- (a) the Investor Warranties of such Investor remaining true and correct in all respects on the Completion Date; and
- (b) each Transaction Document having been duly executed by such Investor to which such Investor is a party.

**SECTION 4  
COMPLETION AND POST-COMPLETION ACTIONS**

4.1 **Time and Place of Completion.** Completion shall take place remotely via the exchange of documents and signatures on the fifth (5th) Business Day (or such shorter period agreed by the Parties) after all the conditions precedent set forth in Sections 3.1 and 3.2 (other than those conditions precedent that by their terms cannot be fulfilled until the Completion, but subject to the satisfaction or waiver thereof) are satisfied or waived in writing, or at such other time and place as the Parties may agree or as may be determined pursuant to Section 4.4.

4.2 **Actions at Completion.** At Completion,

- (a) the Company shall, with respect to an Investor:
  - (i) issue to such Investor the Notes in the principal amount set forth opposite such Investor's name in Schedule 3, free and clear of all Encumbrances;
  - (ii) duly register without registration fee such Investor as the holder of Notes in the principal amount referred to in Section 4.2(a)(i) in the Company's register of noteholders;
  - (iii) deliver to such Investor a copy of the register of noteholders of the Company as at the Completion Date, updated to reflect the issue of the relevant Notes to such Investor and certified by a director of the Company or the Company's registered agent as a true, complete and correct copy of the original; and
  - (iv) deliver to such Investor definitive certificates, duly completed in the name of such Investor and reflecting such Investor's ownership of Notes in the principal amount referred to in Section 4.2(a)(i);
- (b) each of GS and Mandra shall, against compliance by the Company with the provisions of Section 4.2(a) with respect to GS or Mandra (as applicable), pay the GS Consideration and the Mandra Consideration respectively to the Company's bank account (details of which are set out below) in USD, and shall each deliver to the Company a copy of the irrevocable wiring instructions to such Investor's bank (known as "MT-103" and containing the SWIFT number of such remittance):

Account name: AURORA MOBILE LIMITED

Account No.: ###-####-###

Bank: Silicon Valley Bank

Bank Address: SILICON VALLEY BANK, 3003 TASMAN DRIVE, SANTA CLARA, CA95054, USA

SWIFT Code: SVBKUS6S

- 4.3 Efforts to Fulfill Completion Conditions. Each of the Covenantors shall use all reasonable efforts to ensure that the conditions set forth in Section 3.1 shall be fulfilled by the Longstop Date. Each of the Investors shall use all reasonable efforts to ensure that the conditions set forth in Section 3.2 with respect to itself shall be fulfilled by the Longstop Date.
- 4.4 Actions if Conditions not Fulfilled. If any condition set forth in Section 3 shall not have been fulfilled or waived in writing by the Longstop Date,
- (a) each Investor, in the case of any of the conditions set forth in Section 3.1 with respect to itself not being fulfilled or waived in writing, may, at its option, without prejudice to its rights hereunder and in accordance with applicable law:
    - (i) defer the Completion of such Investor's subscription of the relevant Notes to a later date;
    - (ii) so far as practicable, proceed to the Completion of such Investor's subscription of the relevant Notes; or
    - (iii) terminate this Agreement with respect to its subscription of the relevant Notes in accordance with Section 11.2; and
  - (b) the Company, in the case of any of the conditions set forth in Section 3.2 with respect to any Investor not being fulfilled or waived in writing, may, at its option, without prejudice to its rights hereunder and in accordance with applicable law:
    - (i) defer the Completion of such Investor's subscription of the relevant Notes to a later date;
    - (ii) so far as practicable, proceed to the Completion of such Investor's subscription of the relevant Notes; or
    - (iii) terminate this Agreement with respect to such Investor's subscription of the relevant Notes in accordance with Section 11.2.

**SECTION 5**  
**OBLIGATIONS OF THE COMPANY BETWEEN EXECUTION AND COMPLETION**

- 5.1 Notices of Breaches. From the date hereof through to the Completion Date, each Group Company shall (and the Covenantors shall cause each of the Group Companies to), conduct its business in a manner so as to ensure that the Covenantor Warranties shall continue to be true and correct on and as of the Completion Date as if made on and as of the Completion Date. Each Covenantor shall give each Investor prompt notice of any event, condition or circumstance occurring from the date hereof until the Completion Date that would constitute a violation or breach of any Covenantor Warranty if such Covenantor Warranty were made as of any date from the date hereof until the Completion Date, or that would constitute a violation or breach of any terms and conditions contained in this Agreement.
- 5.2 Restrictions on Actions Between Signing and Closing. From the date hereof through the Completion Date, without the prior written consent of each Investor, none of the Group Companies shall, and the Covenantors shall not permit any of the Group Companies to, take any of the actions, or take or omit to take any action that would have the effect of any of the actions, set forth in condition 10 in the Conditions.

**SECTION 6**  
**REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

- 6.1 Covenantor Warranties. Each of the Covenantors hereby, jointly and severally, represents, warrants and undertakes to each Investor in the terms of each of the Covenantor Warranties set forth in Schedule 4 and acknowledges that each Investor in entering into this Agreement is relying on such Covenantor Warranties.
- 6.2 Investor Warranties. Each Investor, severally but not jointly, represents, warrants and undertakes to the Covenantors in the terms of each of the Investor Warranties set forth in Schedule 5 with respect to itself and acknowledges that the Company in entering into this Agreement is relying on such Investor Warranties.
- 6.3 Knowledge of Claims. Each of the Covenantor Warranties is given subject to the matters fully and fairly disclosed in the Disclosure Schedule, but no other information relating to the Covenantors of which any Investor has knowledge (actual or constructive), no other information relating to any Investor of which any Covenantor has knowledge (actual or constructive) and no investigation by or on behalf of any Investor or any Covenantor shall prejudice any claim made by any Investor or any Covenantor, as the case may be, under the indemnity contained in section 9 or operate to reduce any amount recoverable thereunder. It shall not be a defense to any claim against any Covenantor or any Investor that any Investor or any Covenantor, as the case may be, knew or ought to have known or had constructive knowledge of any information (other than as fully and fairly disclosed in the Disclosure Schedule) relating to the circumstances giving rise to such claim.
- 6.4 Separate and Independent. Each of the Covenantor Warranties shall be separate and independent and save as expressly provided shall not be limited by reference to any other paragraph or anything in this Agreement or the Schedules.

- 6.5 Bring-Down to Completion. The Covenantor Warranties shall be deemed to be repeated as at Completion as if they were made on and as of the Completion Date and all references therein to the date of this Agreement were references to the Completion Date.
- 6.6 Survival. The Covenantor Warranties and Section 7 shall survive the Completion and (a) the Covenantor Warranties shall (other than the Covenantor Warranties set forth in Sections 1, 2, 3, 5(b), 5(e), 5(g), 9(a), 12 and 13(g) of Schedule 4) expire and be of no further force and effect upon the expiry of 24 months after the Completion; (b) the Covenantor Warranties set forth in Sections 1, 2, 3, 5(b), 5(e), 5(g), 9(a) and 13(g) of Schedule 4 and Section 7 shall survive the Completion and continue to be in full force and effect; and (c) the Covenantor Warranties set forth in Section 12 of Schedule 4 shall survive the Completion and shall expire and be of no further force and effect upon the expiration of the applicable statute of limitations (including all periods of extension, whether automatic or permissive). After expiry of a Warranty in accordance with the foregoing, such Warranty shall be extinguished and no claim for the recovery of any Losses may be asserted against the Party that makes the relevant Warranty; provided, however, that claims first asserted in writing with specificity within the applicable period referred to above shall not thereafter be barred.

## **SECTION 7 COVENANTS**

- 7.1 Access. As from the date of this Agreement, each Group Company shall, (and the Covenantors shall cause each Group Company to), upon reasonable prior notice by any Investor and during normal business hours, give full access to such Investor and its Affiliates and the respective accountants, counsel and agents of such Investor and its Affiliates, to its premises, all of its books and records and its authorized representatives and officers, accountants and counsel and other advisors and consultants, and shall instruct its officers and to give promptly all information and explanations to such Investor or any such persons as such Investor may reasonably request.
- 7.2 Compliance with Laws. Each Group Company shall (and the Covenantors shall cause each Group Company and their respective Affiliates to), use its best efforts to procure that the directors, officers, employees, agents and any other Persons acting for or on behalf of each Group Company and their respective Affiliates shall conduct all business in compliance with all applicable Laws at all times.

- 7.3 **Anti-Corruption Laws Compliance.** None of the Group Companies shall, and the Covenantors shall not permit any of the Group Companies or their respective Affiliates to, permit any of its Subsidiaries or Affiliates or any of its or their respective directors, administrators, officers, managers, board of directors (supervisory and management) members, employees, independent contractors, representatives or agents to, promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, any non-U.S. official or any other Person, in each case, in violation of any Anti-Corruption Laws. Each Group Company further covenants that it shall, and the Covenantors shall cause each Group Company and each of their respective Affiliates to, (a) cease all of its or their respective activities, as well as remediate any actions taken by any Group Company, its Subsidiaries or Affiliates, or any of its or their respective directors, administrators, officers, managers, board of directors (supervisory and management) members, employees, independent contractors, representatives or agents in violation of any Anti-Corruption Laws or any other applicable anti-bribery or anti-corruption law, and (b) maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions Laws.
- 7.4 **No Sanctions.**
- (a) None of the Group Companies shall (and the Covenantors shall not permit any of the Group Companies or their respective Affiliates to) directly or indirectly use the Proceeds, or lend, contribute or otherwise make available such Proceeds to any Person which is targeted by or subject to any Sanctions Laws.
- (b) None of the Group Companies shall (and the Covenantors shall not permit any of the Group Companies or their respective Affiliates to) engage, directly or indirectly, in any other activities that would result in a violation of Sanctions Laws by any Person, including any Person participating in the transactions contemplated by this Agreement or in any of the other Transaction Documents.
- 7.5 **Anti-Money Laundering.** Each Group Company shall (and the Covenantors shall cause each Group Company to) conduct its operations at all times in compliance with Anti-Money Laundering Laws.
- 7.6 **Subordination.** Each Covenantor expressly agrees to postpone and subordinate any and all present and future moneys due, owing or incurred by the Company to such Covenantor (in each case, whether alone or jointly, or jointly or severally, with any other Person, whether actually or contingently, and whether as principal, surety or otherwise) to any and all present and future moneys, debts and liabilities due, owing or incurred by the Company to the Investors under or in connection with the Finance Documents as and when due and payable.
- 7.7 **Sharing Among Investors.** Each Investor shall comply (and shall ensure that all of its future assignees or transferees shall comply), as between themselves, with conditions 7.4 and 17 of the Conditions.
- 7.8 **Personal Information and Data Protection.** Opco shall (and the Covenantors shall ensure Opco will) implement and maintain an adequate personal information and data protection system with respect to information received by Opco, which is to the reasonable satisfaction of each Investor.

7.9 Future Agreements.

- (a) Future Development Agreements. Opco shall (and the Covenantors shall ensure Opco will) use reasonable endeavors to use the Template Development Agreement for all of its future development agreements that Opco intends to enter into with existing and new app developers.
- (b) Future Service Agreements. Opco shall (and the Covenantors shall ensure Opco will), to the extent applicable, use reasonable endeavors to include the Service Agreement Riders in its future service agreements with existing and new clients that Opco intends to enter into in respect of all of Opco's Risk Management services.
- (c) In the event any of Opco's businesses or services are assumed by any Subsidiary, Affiliate or successor entity, the covenants of Opco set out in Section 7.8 and paragraphs (a) and (b) above, shall be deemed to apply to such Subsidiary, Affiliate or successor entity as if such Subsidiary, Affiliate or successor entity was Opco.
- (d) In the event of any change in the PRC Laws or market practice that will cause the provisions of the Template Development Agreement or Service Agreement Riders to be invalid, illegal, unenforceable, inappropriate or insufficient, the Covenantors have the right to revise the Template Development Agreement or Service Agreement Riders (as applicable).

**SECTION 8  
EXPENSES**

- 8.1 Expenses. Each Party shall bear the fees and expenses incurred by it in connection with the transaction contemplated, except otherwise provided in this Agreement or any other Transaction Document.

**SECTION 9  
INDEMNIFICATION**

- 9.1 General Indemnification. The Covenantors (the "Indemnifying Parties" and each an "Indemnifying Party") shall, and hereby agree to, jointly and severally indemnify, defend and hold harmless each Investor, such Investor's Affiliates and the respective officers, directors, agents and employees of such Investor and its Affiliates (each acting in its capacity as an officer, director, agent or employee of such Investor or any of its Affiliates) (each an "Indemnified Party") from and against any and all losses, damages, liabilities, claims, proceedings, costs and expenses (including the fees, disbursements and other charges of counsel reasonably incurred by an Indemnified Party in any action between any Indemnifying Party and such Indemnified Party or between such Indemnified Party and any third party, in connection with any investigation or evaluation of a claim or otherwise) (collectively, "Losses") resulting from or arising out of (a) any inaccuracy in or breach or non-performance of any of the representations, warranties, covenants or agreements made by any Covenantor in or pursuant to this Agreement or any other Transaction Documents, (b) any Group Company's failure to pay any tax or Social Insurance in accordance with the applicable laws for all tax periods ending on or before the Completion Date and the portion through the end of the Completion Date for any tax period that includes (but does not end on) the Completion Date, (c) any Group Company's failure to comply with any applicable laws during any time prior to Completion, (d) any liability attributable to the infringement, violation or misappropriation of any Intellectual Property rights of any third party by any Group Company, (e) any Group Company's failure to timely obtain any consent or permit from any competent Governmental Authority in accordance with applicable laws and (f) any litigation, arbitration, investigations that are brought against any Group Company for matters that incurred before or are attributable to any event or situation incurred or existing before the Completion Date. In connection with the obligation of any Indemnifying Party to indemnify for expenses as set forth above, such Indemnifying Party shall, upon presentation of appropriate invoices containing reasonable detail, reimburse each Indemnified Party for all such expenses as they are incurred by such Indemnified Party.

9.2 Limitations on Liability. Any indemnity as referred to in Section 9.1 for breach of a Covenantor Warranty shall be such as to place the relevant Investor in the same position as it would have been in had there not been any breach of the Covenantor Warranty under which such Investor is to be indemnified. Further, the Parties expressly agree that (i) the maximum aggregate liability of the Indemnifying Parties under this Agreement (a) with respect to all Losses incurred by GS, its Affiliates and the respective officers, directors, agents and employees of GS and its Affiliates (each acting in its capacity as an officer, director, agent or employee of GS or any of its Affiliates) for breach of any Covenantor Warranty shall not exceed the GS Consideration and (b) with respect to all Losses for breach of any Covenantor Warranty incurred by Mandra, its Affiliates and the respective officers, directors, agents and employees of Mandra and its Affiliates (each acting in its capacity as an officer, director, agent or employee of Mandra or any of its Affiliates) shall not exceed the Mandra Consideration; (ii) the Indemnifying Party shall not be liable for breach of any Covenantor Warranty in respect of any individual claim (or a series of claims arising from substantially identical facts or circumstances) where the liability agreed or determined (disregarding the provisions of this Section 9.2(ii)) in respect of any such claim or series of claims does not exceed US\$100,000, and where the liability agreed or determined in respect of any such claim or series of claims exceeds US\$100,000, the Indemnifying Party shall be liable for the amount of the claim or series of claims as agreed or determined; and (iii) the Indemnifying Party shall not be liable for breach of any Covenantor Warranty in respect of any claim where the aggregate amount of all claims for which the Indemnifying Party would otherwise be liable for breach of any Covenantor Warranty (disregarding the provisions of this Section 9.2(iii)) does not exceed US\$1,000,000, and where the amount agreed or determined in respect of all claims referred to in this Section 9.2(iii) exceeds US\$1,000,000, the Indemnifying Party shall be liable for the aggregate amount of all claims as agreed or determined.

**SECTION 10**  
**CONFIDENTIALITY**

10.1 Confidentiality. Upon the execution of this Agreement, each Party shall, and shall cause any Person who is Controlled by such Party and who is in receipt of such information to, (1) keep confidential the terms, conditions, and existence of this Agreement, the other Transaction Documents and any related documentation, the identities of any of the Parties, and other information of a non-public nature received from any other Party or prepared by such Party exclusively in connection herewith or therewith (collectively, the “Confidential Information”) except as the Company and the Investors shall mutually agree otherwise, and (2) not use any Confidential Information in such manner that is detrimental to the other concerned Party; provided, that any Party hereto may disclose Confidential Information or permit the disclosure of Confidential Information (a) to the extent required by applicable law, regulation, legal process, subpoena, civil investigative demand (or similar process), order, statute, rule, request or other legal or similar requirement made, promulgated or imposed by a Governmental Authority (including in response to oral questions, interrogatories or requests for information or documents) or any other Governmental Order; provided that such Party shall, where practicable and to the extent permitted by applicable laws, provide the other Parties with prompt written notice of that fact subject to any practicable arrangements to protect confidentiality and without compromising any privileges; and in such event, such Party shall furnish only that portion of the information which is legally required to be disclosed and shall exercise reasonable efforts to keep such information confidential to the extent reasonably requested by any such other, (b) to its officers, directors, employees, and professional advisors on a need-to-know basis, (c) in the case of each of the Investors, to its auditors, counsel, directors, officers, employees, fund managers, shareholders, partners (whether current or prospective, and including any business partners) or investors, representatives or advisors so long as such Party advises each Person to whom any Confidential Information is so disclosed as to the confidential nature thereof, and (d) to its current or bona fide prospective investors, investment bankers and any Person otherwise providing substantial debt or equity financing (including any co-investors, financing sources, transferees, bankers and lenders) to such Party on a need-to-know basis for the performance of its obligations in connection thereof so long as such Party advises each Person to whom any Confidential Information is so disclosed as to the confidential nature thereof, and in no case will an Investor be liable for any breaches by any of its advisors or agents. For the avoidance of doubt, Confidential Information does not include information that (i) was already in the possession of the receiving Party before such disclosure by the disclosing Party, (ii) is or becomes available to the public other than as a result of disclosure by the receiving Party in violation of this Section 10.1, or (iii) is or becomes available to the receiving Party from a third party who has no confidentiality obligations to the disclosing Party. Save as to disclosures required under applicable law, regulation, legal process, subpoena, civil investigative demand (or similar process), order, statute, rule, request or other legal or similar requirement made, promulgated or imposed by a Governmental Authority (including in response to oral questions, interrogatories or requests for information or documents) or any other Governmental Order, each Party shall not, and shall cause its Affiliate(s) not to, make any announcement regarding the consummation of the transaction contemplated by this Agreement, the other Transaction Documents and any related documentation in a press release, conference, advertisement, announcement, professional or trade publication, marketing materials or otherwise to the general public without the other Parties’ prior written consents.

- 10.2 Tax Exception. Notwithstanding anything herein to the contrary, the Investor (and any director, officer, employee, agent, consultant, and professional adviser of the Investor) may disclose to any and all such Persons, without limitation of any kind, the Tax treatment and Tax structure of the transactions described herein and all materials of any kind (including Tax opinions or other Tax analyses) that are provided to the Investor relating to such Tax treatment or Tax structure. However, any information relating to the US federal or state income tax treatment or Tax structure shall remain subject to the confidentiality provisions hereof (and the foregoing sentence shall not apply) to the extent reasonably necessary to enable any Person to comply with applicable securities laws. "Tax structure" is limited to any facts relevant to the US federal or state income tax treatment of the transactions described herein but does not include information relating to the identity of the issuer of the relevant securities or the issuer of any assets underlying such securities, or any of their respective Affiliates that are offering such securities.

## **SECTION 11 TERMINATION**

- 11.1 Effective Date; Termination. This Agreement shall become effective upon execution hereof by all of the Parties and shall continue in force until terminated in accordance with Section 11.2.
- 11.2 Events of Termination. This Agreement or a Party's rights and obligations under this Agreement may be terminated prior to Completion as follows:
- (a) if any one or more of the conditions to the obligation of an Investor set forth in Section 3.1 to complete has not been fulfilled to the satisfaction of such Investor or waived by such Investor on or prior to the Longstop Date, such Investor shall have the right to terminate all of its rights and obligations relating to its subscription of the Notes under this Agreement (for the avoidance of doubt, no other Investor's right to subscribe for the relevant Notes of the Company under this Agreement shall be affected by such termination by such Investor); or
  - (b) if any one or more of the conditions to the obligation of the Company set forth in Section 3.2 to complete the issue of Notes to an Investor has not been fulfilled to the satisfaction of the Company or waived by the Company on or prior to the Longstop Date, the Company shall have the right to terminate all of such Investor's rights and obligations relating to its subscription of the Notes under this Agreement (for the avoidance of doubt, no other Investor's right to subscribe for the relevant Notes of the Company under this Agreement shall be affected by such termination);

- (c) if any Covenantor has breached any Covenantor Warranty, or any other material covenant or agreement of any Covenantor contained in this Agreement, which breach cannot be cured or, if it is capable of being cured, is not cured within 30 days after being notified in writing of the same, each Investor shall have the right to terminate all of its rights and obligations relating to its subscription of the Notes under this Agreement (for the avoidance of doubt, no other Investor's right to subscribe for the relevant Notes of the Company under this Agreement shall be affected by such termination by such Investor);
  - (d) if any Investor has breached any Investor Warranty, or any other material covenant or agreement of such Investor contained in this Agreement, which breach cannot be cured or, if it is capable of being cured, is not cured within 30 days after such Investor being notified in writing of the same, the Company shall have the right to terminate all of such Investor's rights and obligations relating to its subscription of the relevant Notes under this Agreement (for the avoidance of doubt, no other Investor's right to subscribe for the relevant Notes of the Company under this Agreement shall be affected by such termination); or
  - (e) at any time on or prior to the Completion Date, by written consent of all Parties.
- 11.3 **Survival.** If this Agreement is terminated in accordance with Section 11.2(e), it shall become void and of no further force and effect; and if the rights and obligations of any Party under this Agreement are terminated pursuant to Section 11.2 (other than Section 11.2(e)), the Agreement shall become void and of no further force and effect in respect of the Covenantors and the relevant Investor, in each case except for the provisions of Section 1.3 (Interpretation), Section 4.4 (Actions if Conditions not Fulfilled), Section 8 (Expenses), Section 9 (Indemnification), Section 10 (Confidentiality), this Section 11.3, Section 12 (Notices), Section 13 (Miscellaneous) and Section 14 (Governing Law and Arbitration); provided, however, that such termination shall, unless otherwise agreed by the relevant Parties, be without prejudice to the rights of any Party in respect of a breach of this Agreement prior to such termination.

## **SECTION 12 NOTICES**

- 12.1 **Notices.** Each notice, demand or other communication given or made under this Agreement shall be in writing in English and delivered or sent to the relevant Party at its address or fax number, with a copy to its e-mail address (if any) set out below (or such other address or fax number as the addressee has by five (5) Business Days' prior written notice specified to the other Parties). Any notice, demand or other communication given or made by letter between countries shall be delivered by international commercial overnight delivery service or courier (such as Federal Express or DHL). Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been delivered, (a) if delivered in person or by messenger, when proof of delivery is obtained by the delivering Party; (b) if sent by post within the same country, on the third (3rd) Business Day following posting, and if sent by post to another country, on the seventh (7th) Business Day following posting; and (c) if given or made by fax, upon dispatch and the receipt of a transmission report confirming dispatch.

12.2 Addresses and Fax Numbers. The initial address and facsimile for each Party for the purposes of this Agreement are:

Any of the Group Companies

Shenzhen Hexun Huagu Information Technology Co., Ltd. (XXXXXXXXXXXXXXXXXX)

Address:

Facsimile No.:

Mobile No.:

Attention:

Investor

Mercer Investments (Singapore) Pte. Ltd.

Address:

Facsimile No.:

Attention:

**With a copy to:**

Goldman Sachs (Asia) L.L.C.

Address:

Facsimile No.:

Attention:

Mandra

MANDRA IBASE LIMITED

Address:

Facsimile No.:

Attention:

**SECTION 13  
MISCELLANEOUS**

13.1 Enforcement Action. For the avoidance of doubt, any obligation on the part of an Investor to make the investment hereunder is made solely to the Company, and no other Party shall have any right to enforce such obligation against such Investor.

13.2 Promotion.

- (a) None of the Parties shall use the name of Goldman, Sachs & Co. LLC, GS or any of its Affiliates without obtaining in each instance the prior written consent of GS.
- (b) Each Group Company agrees that it will not, and the Covenantors shall cause each Group Company not to, without the prior written consent of GS, in each instance, (a) use in advertising, publicity, or otherwise the name of Goldman, Sachs & Co. LLC, GS or any of its Affiliates, or any partner or employee of Goldman, Sachs & Co. LLC, GS or any of its Affiliates, or any trade name, trademark, trade device, service mark, symbol or any abbreviation, contraction or simulation thereof owned by Goldman, Sachs & Co. LLC, GS or any of its Affiliates, nor (b) represent, directly or indirectly, that any product or any service provided by the Company has been approved or endorsed by Goldman, Sachs & Co. LLC, GS or any of its Affiliates. Each Group Company further agrees that it shall, and the Covenantors shall cause each Group Company to, obtain written consent from GS prior to any Group Company's issuance of any public statement detailing GS' subscription for Notes pursuant to this Agreement.

13.3 No Fiduciary Duty.

The Parties acknowledge and agree that nothing in the Transaction Documents shall create a fiduciary duty of Goldman, Sachs & Co. LLC, GS or any of its Affiliates to the Covenantors, Mandra or the Shareholders.

13.4 Investment Banking Services.

Notwithstanding anything to the contrary herein or in the other Transaction Documents or any actions or omissions by representatives of Goldman, Sachs & Co. LLC, GS or any of its Affiliates in whatever capacity, including as an observer to the Board, it is understood that none of Goldman, Sachs & Co. LLC, GS nor any of its Affiliates is acting as a financial advisor, agent or underwriter to any Group Company or any of its Affiliates or otherwise on behalf of any Group Company or any of its Affiliates unless retained to provide such services pursuant to a separate written agreement.

13.5 Exculpation among Investors

Each Investor acknowledges that it is not relying upon any person, firm or corporation other than the Group Companies and their respective officers and directors, in making its investment or decision to invest in the Company. Each Investor agrees that no Investor nor the respective controlling persons, officers, directors, partners, agents, or employees of any Investor shall be liable to the other Investor for any action heretofore or hereafter taken or omitted to be taken by any of them in connection with the subscription of the Notes or the transactions contemplated herein or in any of the other Transaction Documents.

13.6 No Undisclosed Business.

No Group Company is engaged in insurance, banking, and financial services, public utility businesses or any other regulated businesses.

13.7 Transfer; Assignment.

- (a) No Covenantor shall assign or transfer this Agreement or any of its rights or duties hereunder to any Person.
- (b) Each Investor may assign this Agreement or any of its rights or transfer any of its obligations hereunder to any of its Affiliates without the consent of the Company or the other Investor.

13.8 Amendment. This Agreement may not be amended, modified or supplemented except by a written instrument executed by each of the Parties.

13.9 Waiver. No waiver of any provision of this Agreement, and no consent or approval of a Party, shall be effective unless set forth in a written instrument signed by the Party waiving such provision or granting such consent or approval. No failure or delay by a Party in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. Without limiting the foregoing, no waiver by a Party of any breach by any other Party of any provision hereof shall be deemed to be a waiver of any subsequent breach of that or any other provision hereof.

- 13.10 Entire Agreement. This Agreement, together with the other Transaction Documents and any other documents referred to herein or therein, constitutes the whole agreement between the Parties relating to the subject matter hereof and supersedes any prior agreements or understandings relating to such subject matter (including any non-disclosure or confidentiality agreements entered into between or among any of the Parties or their respective Affiliates before the date hereof in respect of the transactions contemplated by the Transaction Documents).
- 13.11 Severability; Provisions Modifiable.
- (a) Each and every obligation under this Agreement shall be treated as a separate obligation and shall be severally enforceable as such and in the event of any obligation or obligations being or becoming unenforceable in whole or in part. To the extent that any provision or provisions of this Agreement are unenforceable they shall be deemed to be deleted from this Agreement, and any such deletion shall not affect the enforceability of this Agreement as remain not so deleted.
  - (b) If any restriction on any Party hereunder shall be adjudged to be void or unenforceable because it exceeds what is reasonable in all the circumstances for the protection of the interests of the Parties or any of them but would be valid if part of the wording thereof were deleted or the periods thereof reduced or the range of activities or area dealt with thereby reduced in scope, such restriction shall apply with such modifications as may be necessary to make it valid and effective.
- 13.12 Counterparts. This Agreement may be executed in one or more counterparts, including counterparts transmitted by telecopier or facsimile or in the form of a "PDF" file. Each such counterpart shall be deemed an original signature, and all of them taken together shall constitute one document.
- 13.13 Several Liabilities. The liabilities of the Investors under or in relation to a breach of any representation, warranty, undertaking or covenant made under this Agreement by any of them shall be several, independent and not joint. No Investor shall have any liability in respect of any breach of any Transaction Document by the other Investor.
- 13.14 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each Investor shall be entitled to specific performance under the Transaction Documents. The Parties agree that monetary damages may not be adequate compensation for any loss incurred by any Investor by reason of any breach of obligations hereunder by any Covenantor, and each Covenantor hereby agrees to waive and not to assert in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

**SECTION 14**  
**GOVERNING LAW AND ARBITRATION**

14.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of Hong Kong, without giving effect to its conflicts of law principles.

14.2 Arbitration.

- (a) Any dispute or claim arising out of or in connection with or relating to this Agreement or any other Transaction Document, or the breach, termination or invalidity hereof or thereof (including the validity, scope and enforceability of this arbitration provision) (a “Dispute”), shall be finally resolved by arbitration in Hong Kong under the auspices of the Arbitration Center and in accordance with the Hong Kong International Arbitration Center Administered Arbitration Rules (the “HKIAC Arbitration Rules”) in force when the Notice of Arbitration (as contemplated under the HKIAC Arbitration Rules) is submitted and as may be amended by the rest of this Section 14.2. For the purpose of such arbitration, there shall be three arbitrators (the “Arbitration Board”). The Investors shall select one arbitrator and the Covenantors shall select one arbitrator. All selections shall be made within 30 days after the selecting Party gives or receives the demand for arbitration. Such arbitrators shall be freely selected, and the Parties shall not be limited in their selection to any prescribed list. The Chairman of the Arbitration Center shall select the third arbitrator. If any arbitrator to be appointed by a Party has not been appointed and consented to participate within 30 days after the selection of the first arbitrator, the relevant appointment shall be made by the Chairman of the Arbitration Center.
- (b) The arbitrators shall decide any such dispute or claim strictly in accordance with the governing law specified in Section 14.1. Judgment upon any arbitral award rendered hereunder may be entered in any court having jurisdiction, or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be.
- (c) In order to preserve its rights and remedies, any Party shall be entitled to seek any order for the preservation of property, including any interim injunctive relief, in accordance with applicable law from any court of competent jurisdiction or from the arbitration tribunal pending the final decision or award of the Arbitration Board.
- (d) Without prejudice to Section 14.4, each Party irrevocably consents to the service of process, notices or other paper in connection with or in any way arising from the arbitration or the enforcement of any arbitral award, by use of any of the methods and to the addresses set forth for the giving of notices in section 12. Nothing contained herein shall affect the right of any Party to serve such processes, notices or other papers in any other manner permitted by applicable law.

- (e) The Parties agree to facilitate the arbitration by (i) cooperating in good faith to expedite (to the maximum extent practicable) the conduct of the arbitration, (ii) making available documents, books, records and personnel under their control in accordance with the HKIAC Arbitration Rules, (iii) conducting arbitration hearings to the greater extent possible on successive Business Days and (iv) using their best efforts to observe the time periods established by the HKIAC Arbitration Rules or by the Arbitration Board for the submission of evidence and briefs.
- (f) The costs and expenses of the arbitration, including the fees of the Arbitration Board, shall be allocated between each Party as the Arbitration Board deems equitable.
- (g) Any award made by the Arbitration Board shall be final and binding on each of the Parties that were parties to the dispute. The Parties expressly agree to waive the applicability of any laws and regulations that would otherwise give the right to appeal the decisions of the Arbitration Board so that there shall be no appeal to any court of law for the award of the Arbitration Board, and a Party shall not challenge or resist the enforcement action taken by any other Party in whose favor an award of the Arbitration Board was given.

14.3 Consolidation of Disputes. Where Disputes arise under this Agreement and under any of the other Transaction Documents which, in the reasonable opinion of the first arbitration panel to be appointed in any of the Disputes, are so closely connected that it is expedient for them to be resolved in the same proceedings, that arbitration panel shall have the power to order that the proceedings to resolve that Dispute shall be consolidated with those to resolve any of the other Disputes (whether or not proceedings to resolve those other Disputes have not yet been instituted), provided that no date for exchange of witness statements has been fixed. If the arbitration panel so orders, the parties to each Dispute which is a subject of such order shall be treated as having consented to that Dispute being finally decided:

- (a) by the arbitration panel that ordered the consolidation unless HKIAC decides that the arbitrator would not be suitable or impartial; and
- (b) in accordance with the procedure, at the seat specified in the arbitration clause in the Transaction Document under which the arbitration panel that ordered the consolidation was appointed, save as otherwise agreed by all parties to the consolidated proceedings or, in the absence of such agreement, ordered by the arbitration panel in the consolidated proceedings.

#### 14.4 Service of Process

Without prejudice to any other mode of service allowed under any relevant law:

- (a) each Covenantor irrevocably appoints KK Mobile Investment Limited, having its registered office at Room D, 10/F., Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong, as its agent for service of process in relation to suit or proceeding before the Hong Kong courts in connection with this Agreement or any other Transaction Document, service upon whom shall be deemed completed whether or not forwarded to or received by such Covenantor;

- (b) GS irrevocably appoints Goldman Sachs (Asia) L.L.C. located at 68/F, Cheung Kong Center, 2 Queen's Road Central, Central, Hong Kong, as its agent for service of process in relation to suit or proceeding before the Hong Kong courts in connection with this Agreement or any other Transaction Document, service upon whom shall be deemed completed whether or not forwarded to or received by GS;
- (c) Mandra irrevocably appoints Mandra Capital Limited, having its registered office at 10/F., Fung House, 19-20 Connaught Road Central, Hong Kong, as its agent for service of process in relation to suit or proceeding before the Hong Kong courts in connection with this Agreement or any other Transaction Document, service upon whom shall be deemed completed whether or not forwarded to or received by Mandra,

(each such appointed agent, a "Process Agent"). Each of the Parties expressly agrees and consents to the provisions of this Section 14.4. Each Party hereby irrevocably authorizes and directs its Process Agent to accept such service on its behalf. Each Party further agrees to take any and all actions, including the execution and filing of any and all such documents and instruments as may be necessary to continue such designation and appointment of its Process Agent in full force and effect so long as it has any outstanding obligations under this Agreement.

[the remainder of this page is intentionally left blank]

IN WITNESS WHEREOF this Agreement has been executed on the day and year first above written.

THE COMPANY

**Aurora Mobile Limited**

By: /s/ LUO Weidong  
Name: LUO Weidong  
Title: Director

[SIGNATURE PAGE TO SUBSCRIPTION AGREEMENT]

IN WITNESS WHEREOF this Agreement has been executed on the day and year first above written.

THE MAJOR SUBSIDIARIES

**UA Mobile Limited**

By: /s/ LUO Weidong

Name: LUO Weidong

Title: Director

**KK Mobile Investment Limited**

By: /s/ LUO Weidong

Name: LUO Weidong

Title: Director

**JPush Information Consultation (Shenzhen) Co. Ltd. (深圳  
捷普信息咨询有限公司)**

By: /s/ WANG Xiaodao

Name: WANG Xiaodao

Title: Legal Representative

**Shenzhen Hexun Huagu Information Technology Co. Ltd.  
(深圳合讯华股信息技术有限公司)**

By: /s/ WANG Xiaodao

Name: WANG Xiaodao

Title: Legal Representative

[SIGNATURE PAGE TO SUBSCRIPTION AGREEMENT]

IN WITNESS WHEREOF this Agreement has been executed on the day and year first above written.

GS

**Mercer Investments (Singapore) Pte. Ltd.**

By: /s/ Lo Swee Oi

Name: Lo Swee Oi

Title: Director

[SIGNATURE PAGE TO SUBSCRIPTION AGREEMENT]

IN WITNESS WHEREOF this Agreement has been executed on the day and year first above written.

Mandra

**MANDRA IBASE LIMITED**

By: /s/ Song Yi ZHANG

Name: Song Yi ZHANG

Title: Director

[SIGNATURE PAGE TO SUBSCRIPTION AGREEMENT]

## SCHEDULE 1

### MAJOR SUBSIDIARIES

1. **UA MOBILE LIMITED**, a company duly incorporated and validly existing under the laws of the British Virgin Islands with company number 1714899, whose registered office is at Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands VG1110 and a wholly owned subsidiary of the Company (“UA Mobile”);
2. **KK MOBILE INVESTMENT LIMITED**, a company duly organized and validly existing under the laws of Hong Kong with company number 1759301, whose registered office is at Room D, 10/F., Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong and a wholly owned subsidiary of UA Mobile (“KK Mobile”);
3. **JPUSH INFORMATION CONSULTATION (SHENZHEN) CO. LTD.** (杰普信息咨询(深圳)有限公司), a company duly organised and validly existing under the laws of the PRC whose registered office is at Room 503, Block 7, Zhiheng, Strategic Hi-tech Industrial Park, Guankou 2<sup>nd</sup> Road, Nanshan District, Shenzhen (“WFOE”); and
4. **SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO. LTD.** (深圳合讯华谷信息技术有限公司), a company duly organized and validly existing under the laws of the PRC whose registered office is at Room 501, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Guankou 2<sup>nd</sup> Road Nanshan District, Shenzhen (“Opco”).

**SCHEDULE 2**

**PARTICULARS OF THE GROUP**

**PART A – COMPANY**

1. Registered office: Harneys Fiduciary (Cayman) Limited,  
P.O. Box 10240, 4th Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman  
KY1-1002, Cayman Islands 2.
2. Date of incorporation: Incorporation Number: April 9, 2014  
286958  
Place of Incorporation: Cayman Islands
3. Directors: LUO Weidong, WANG Xiaodao, ZHU  
Jianhuan, TANG Kwok Hin, PANG Jiawen,  
WANG Feng, LANG Meng, CHEN Guangyan,  
PAN Donghui
4. Secretary: N/A
5. Share Capital:  
Authorized as of date hereof and as of  
Completion Date: US\$50,000 divided into 500,000,000 shares of par value US\$0.0001 each  
  
Issued and paid up as of date hereof:  
42,666,670 Common Shares, 11,111,120 Series A Preferred Shares, 7,936,510 Series B Preferred Shares,  
4,999,540 Series C Preferred Shares and 5,559,487 Series D Preferred Shares  
  
Issued and paid up as of Completion Date (taking into consideration the redemption of 1,738,720 Series C Preferred Shares by the Company pursuant  
to a share redemption agreement entered into by the Company with T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD (T.C.L. 泰盛(香港)有限公司) on  
March 15, 2018):  
42,666,670 Common Shares, 11,111,120 Series A Preferred Shares, 7,936,510 Series B Preferred Shares,  
3,260,820 Series C Preferred Shares and 5,559,487 Series D Preferred Shares

6. Shareholders as of date hereof:

<u>Registered Shareholder</u>	<u>No. of Shares</u>	<u>Type of Shares</u>
<b>KK MOBILE LIMITED</b>	23,429,900	Ordinary Shares
STABLE VIEW LIMITED	1,937,380	Ordinary Shares
<b>FOCUS AXIS LIMITED</b>	1,937,380	Ordinary Shares
Mandra iBase Limited	10,666,670	Ordinary Shares
<b>ELITE BRIGHT INTERNATIONAL LIMITED</b>	2,133,330	Ordinary Shares
HAKIM International Development Co., Limited □□□□□□□□	2,562,010	Ordinary Shares
<b>IDG-Accel China Growth Fund III L.P.</b>	6,824,710	Series A Preferred Shares
IDG-Accel China III Investors L.P.	483,830	Series A Preferred Shares
<b>ELITE BRIGHT INTERNATIONAL LIMITED</b>	1,388,890	Series A Preferred Shares
Mandra iBase Limited	1,388,890	Series A Preferred Shares
<b>Genesis Ventures Limited</b>	1,024,800	Series A Preferred Shares
IDG-Accel China Growth Fund III L.P.	494,070	Series B Preferred Shares
<b>IDG-Accel China III Investors L.P.</b>	35,030	Series B Preferred Shares
<b>ELITE BRIGHT INTERNATIONAL LIMITED</b>	529,100	Series B Preferred Shares
Mandra iBase Limited	529,100	Series B Preferred Shares
Greatest Investments Limited	6,349,210	Series B Preferred Shares

Shenzhen Guohai Chuangxin Investment Management Limited Corporation (□ □□□□□□□□□□)	2,173,400	Series C Preferred Shares
Greatest Investments Limited	235,160	Series C Preferred Shares
T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD (T.C.L. □□□□(□□)□□□□)	1,738,720	Series C Preferred Shares
Mandra iBase Limited	634,920	Series C Preferred Shares
Genesis Ventures Limited	217,340	Series C Preferred Shares
Fidelity Investment Funds	28,062	Series D Preferred Shares
Fidelity China Special Situations PLC	2,441,572	Series D Preferred Shares
Fidelity Funds	3,089,853	Series D Preferred Shares

Note: The Company has entered into a share redemption agreement with T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD (T.C.L. □□□□(□□)□□□□) on March 15, 2018, pursuant to which 1,738,720 Series C Preferred Shares held by T.C.L. INDUSTRIES HOLDINGS (H.K.) LTD (T.C.L. □□□□(□□)□□□□) will be redeemed and cancelled before Completion Date.

7. Auditors : Ernst & Young

8. Financial Year End : December 31

**PART B – CAPITALIZATION TABLE OF THE COMPANY POST-COMPLETION POST-CONVERSION**

<b>Shareholders</b>	<b>Shares (including ESOP)</b>	<b>Shareholding Percentage</b>
KK Mobile Limited	23,429,900 Common Shares	27.5563%
Stable View Limited	1,937,380 Common Shares	2.2786%
Focus Axis Limited	1,937,380 Common Shares	2.2786%
	2,133,330 Common Shares	2.5090%
Elite Bright International Limited	1,388,890 Series A Preferred Shares	1.6335%
	529,100 Series B Preferred Shares	0.6223%
HAKIM International Development Co., Limited	2,562,010 Common Shares	3.0132%
	10,666,670 Common Shares	12.5452%
	1,388,890 Series A Preferred Shares	1.6335%
Mandra iBase Limited	529,100 Series B Preferred Shares	0.6223%
	634,920 Series C Preferred Shares	0.7467%
	425,128 Common Shares	0.5000%
IDG-Accel China Growth Fund III L.P	6,824,710 Series A Preferred Shares	8.0266%
	494,070 Series B Preferred Shares	0.5811%
IDG-Accel China III Investors L.P	483,830 Series A Preferred Shares	0.5690%
	35,030 Series B Preferred Shares	0.0412%
Greatest Investments Limited	6,349,210 Series B Preferred Shares	7.4674%
	235,160 Series C Preferred Shares	0.2766%
Shenzhen GuohaiChuangxin Investment Management Limited	2,173,400 Series C Preferred Shares	2.5562%
Genesis Ventures Limited	1,024,800 Series A Preferred Shares	1.2053%
	217,340 Series C Preferred Shares	0.2556%
Fidelity Investment Funds	28,062 Series D Preferred Shares	0.0330%
Fidelity China Special Situations PLC	2,441,572 Series D Preferred Shares	2.8716%
Fidelity Funds	3,089,853 Series D Preferred Shares	3.6340%
Mercer Investments (Singapore) Pte. Ltd.	2,550,769 Common Shares	3.0000%
ESOP	11,515,137 reserved Common Shares	13.5431%
<b>Total</b>	<b>85,025,641 Shares</b>	<b>100%</b>

PART C – GROUP STRUCTURE CHART

PART D – PARTICULARS OF GROUP COMPANIES (OTHER THAN THE COMPANY).

UA MOBILE:

Company Name	UA MOBILE LIMITED
Registered Address	Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands
Date of Incorporation	May 29, 2012
Place of Incorporation	British Virgin Islands
Director(s)	CHEN GUANGYAN(陳光衍), FANG JIAWEN(方健文), LANG MENG(朗孟), LUO WEIDONG(羅偉東), PAN DONGHUI(潘東輝), TANG KWOK HIN(唐國欣), WANG FENG(王鋒), WANG XIAODAO(王曉道), ZHU JIAN HUAN
Authorized Shares	50,000
Issued Shares	50,000
Shareholder(s) (and share holding percentage)	AURORA MOBILE LIMITED (100%)

KK MOBILE:

Company Name	KK MOBILE INVESTMENT LIMITED
Registered Address	Room D, 10/F., Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong
Date of Incorporation	June 13, 2012
Place of Incorporation	Hong Kong
Director(s)	WANG XIAODAO(王曉道), LUO WEIDONG(羅偉東), ZHU JIAN HUAN, TANG KWOK HIN(唐國欣), FANG JIAWEN(方健文), WANG FENG(王鋒), LANG MENG(朗孟), CHEN GUANGYAN(陳光衍), PAN DONGHUI(潘東輝)
Authorized Shares	10,000
Issued Shares	10,000
Shareholder(s) (and share holding percentage)	UA MOBILE LIMITED (100%)

WFOE:

Company Name	JPUSH INFORMATION CONSULTATION (SHENZHEN) CO., LTD. (聚push信息諮詢(深圳)有限公司)
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Registered Address 深圳市福田区 7 区 503 号  
Date of Incorporation July 10, 2014  
Unified Social Credit Number 914403003105837236  
Place of Incorporation PRC  
Legal Representative WANG XIAODAO (王 Xiao Dao)  
Director(s) WANG XIAODAO (王 Xiao Dao), DENG GUOXUAN (邓 Guo Xuan), WANG FENG (王 Feng), PAN GONGHUI (潘 Gong Hui), LUO WEIDONG (罗 Wei Dong), LANG MENG (郎 Meng), FANG JIAWEN (方 Jia Wen), CHEN GUANGYAN (陈 Guang Yan), ZHU JIAN HUAN (朱 Jian Huan)  
Registered Capital (Paid Up Capital) USD 57,011,111 (fully paid up)  
Shareholder (and shareholding percentage) KK MOBILE INVESTMENT LIMITED (100%)

OpcO:

Company Name SHENZHEN HEXUN HUAGU INFORMATION TECHNOLOGY CO., LTD. (深圳合讯华古信息技术有限公司)  
Registered Address 深圳市福田区 7 区 501 号  
Unified Social Credit Number 914403005977642993  
Date of Incorporation May 31, 2012  
Place of Incorporation PRC  
Legal Representative WANG XIAODAO (王 Xiao Dao)  
Director(s) WANG XIAODAO (王 Xiao Dao)  
Registered Capital (Paid Up Capital) RMB1,000,000 (fully paid up)  
Shareholder (and shareholding percentage) LUO WEIDONG (罗 Wei Dong, 80%), WANG XIAODAO (王 Xiao Dao, 10%), FANG JIAWEN (方 Jia Wen, 10%)

PART E – KEY EMPLOYEES

<u>Name</u>	<u>ID Number</u>	<u>Title</u>
□□□	#####	CEO
□□	#####(#)	President
□□	#####	CTO

**SCHEDULE 3**

**ALLOCATION OF THE NOTES**

<u>Investor</u>	<u>Registered Address</u>	<u>Principal amount of Notes (US\$)</u>	<u>Consideration (US\$)</u>	<u>Percentage of Ownership of the Company (on a fully diluted basis)</u>
<b>Mercer Investments (Singapore) Pte. Ltd.</b>	1 Raffles Link, #07-01, One Raffles Link, Singapore 039393	30,000,000	30,000,000	3%
<b>Mandra</b>	3rd Floor, J & C Building, P.O. Box 933, Road Town, Tortola, BVI, VG1110	5,000,000	5,000,000	0.5%
<b>Total</b>		35,000,000	35,000,000	3.5%

## SCHEDULE 4

### COVENANTOR WARRANTIES

#### **Definitions**

In this Schedule, capitalized terms not otherwise defined have the meanings set forth in this Agreement, and the following terms have the meanings specified:

“**Accounting Principles**” means the generally accepted accounting principles of the jurisdiction of incorporation or establishment of any relevant Group Company or IFRS (or any other standard agreed by the Majority Investors and the Company).

“**Action**” means any charge, claim, action, complaint, petition, investigation, appeal, suit, litigation, grievance, inquiry or other proceeding initiated or conducted by a mediator, arbitrator or Governmental Authority, whether administrative, civil, regulatory or criminal, and whether at law or in equity, or otherwise under any applicable laws.

“**Indebtedness**” means, with respect to any Person, without duplication, each of the following of such Person: (i) all indebtedness for borrowed money, (ii) all obligations issued, undertaken or assumed as the deferred purchase price of property or services (other than trade payables entered into in the ordinary course of business), (iii) all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments, (iv) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced that are incurred in connection with the acquisition of properties, assets or businesses, (v) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to any property or assets acquired with the proceeds of such indebtedness (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property), (vi) all obligations that are capitalized (including capitalized lease obligations), (vii) all obligations under banker’s acceptance, letter of credit or similar facilities, (viii) all obligations to purchase, redeem, retire, defease or otherwise acquire for value any equity securities of such Person, (ix) all obligations in respect of any interest rate swap, hedge or cap agreement, and (x) all guarantees issued in respect of the Indebtedness referred to in clauses (i) through (ix) above of any other Person, but only to the extent of the Indebtedness guaranteed.

“**Intellectual Property**” means all letters patent, trademarks, service marks, designs, business names, utility models, inventions, database rights, copyrights, design rights, domain names, moral rights, inventions, Confidential Information, knowhow and any similar rights situated in any country and the benefit (subject to the burden) of any of the foregoing (in each case whether registered or unregistered and including applications for the grant of any of the foregoing and the right to apply for any of the foregoing in any part of the world).

“**Liabilities**” means all Indebtedness and other obligations and liabilities of any nature whatsoever, actual or contingent, and whether or not of a nature required to be disclosed in the accounts of the Group.

“Real Property” means any and all land, land use rights, buildings, structures, improvements and fixtures located thereon, easement and other rights in real property.

## 1. CORPORATE MATTERS, AUTHORIZATION AND VALIDITY OF TRANSACTIONS

- (a) Organization, Standing and Qualification. Each of the Covenantors (to the extent that such Party is not a natural person) is duly incorporated, organized, validly existing and in good standing (or equivalent status in the relevant jurisdiction) under the laws of the jurisdiction of its incorporation or organization. Each of the Covenantors has all requisite capacity, power and authority to own and operate its properties and to carry on its business as now conducted and as proposed to be conducted, and is duly qualified to transact business in each jurisdiction in which it conducts and proposes to conduct business.
- (b) Due Authorization. All actions on the part of each Covenantor and, as applicable, their respective officers, directors and shareholders necessary for (i) the authorization, execution, delivery of, and the performance of all obligations of such Covenantor under this Agreement and the other Transaction Documents to which it is a party has been taken or will be taken prior to the Completion; and (ii) the authorization, issuance (or reservation for issuance) and delivery of the Notes and the Conversion Shares have been obtained or will have been obtained prior to the Completion. Each Covenantor has all requisite capacity, power and authority to execute, deliver and perform this Agreement and the other Transaction Documents to which it is a party. Each Transaction Document to which a Covenantor is a party is a valid and binding obligation of such Covenantor, enforceable against it in accordance with its terms.

## 2. VALIDITY AND STATUS OF THE NOTES AND CONVERSION SHARES

- (a) Notes. The Notes will:
  - (i) be duly and validly authorized and issued;
  - (ii) constitute direct, senior, unsubordinated, unconditional, non-guaranteed and unsecured obligations of the Company and rank (i) senior to all existing Indebtedness of the Company and (ii) *pari passu* with all other existing and future senior unsecured and unsubordinated obligations of the Company, without any preference or priority among themselves; and
  - (iii) save as otherwise expressly provided for under the Transaction Documents, be freely transferable, free and clear of any Encumbrance.

(b) Conversion Shares.

- (i) As of the Completion Date, the Conversion Shares will have been duly and validly reserved for issuance upon conversion of the Notes and, when issued upon such conversion in accordance with the Conditions, will:
  - (1) be duly and validly authorized and issued, fully paid up and non-assessable;
  - (2) rank *pari passu* with, and carry the same rights in all aspects as, the other Common Shares then outstanding and shall be entitled to all dividends and other distributions declared, paid or made thereon; and
  - (3) save as otherwise expressly provided for under the Transaction Documents, be freely transferable, free and clear of any Encumbrance and will not be subject to calls for further funds.
- (ii) The Company has or, prior to the Completion Date, will have, sufficient authorized but unissued shares for the issue of such number of Conversion Shares upon conversion of the Notes.
- (iii) The issue of the Conversion Shares upon conversion of the Notes will not be subject to any pre-emptive or similar rights and there are no restrictions on transfers of the shares. The laws of the Company's jurisdiction of incorporation contains no restriction on the transfer of the Conversion Shares provided that such transfer is effected in the manner set forth in and subject to the Conditions.

**3. CONSENTS AND COMPLIANCE**

- (a) Approvals. All approval, authorization, consent, clearance, order or registration from or with any Governmental Authority or any other Person which are required to be obtained by each Covenantor in connection with the execution, delivery and performance by each Covenantor of the Transaction Documents to which it is a party and the consummation of the transactions contemplated under this Agreement and the other Transaction Documents to which it is a party will have been obtained or completed (as applicable) prior to and be effective as of the Completion Date.
- (b) Non-Contravention. The execution, delivery and performance by each Covenantor of and compliance with this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not result in:

- (i) any violation, breach or default, or be in conflict with or constitute, with or without the passage of time or the giving of notice or both, a default under:
  - (1) the constitutional documents of any Covenantor (including the Charter Documents);
  - (2) any term or provision of any Material Contract to which any Covenantor is a party or by which any Covenantor or its property or assets is bound; or
  - (3) any applicable law;
- (ii) the creation or imposition of any Encumbrance upon, or with respect to, any of the properties or rights of any Covenantor (except for such Encumbrance created by the Transaction Documents and arising automatically by operation of law); or
- (iii) any termination, modification, cancellation or suspension of any material right of, or augmentation or acceleration of any material obligation of, any Covenantor.

#### 4. CAPITALIZATION

- (a) Company. The Company's capital structure (including its authorized and issued share capital, and the holders thereof) as set forth in Part A of Schedule 2 is true, complete and accurate on the date hereof and will be true, complete and correct as of the Completion Date where expressly indicated therein. The Company's capital structure (including its authorized and issued share capital, and the holders thereof) as set forth in Part B of Schedule 2 is a true, complete and accurate description of the share capital of the Company assuming the Completion has occurred and the Notes have converted into Conversion Shares.
- (b) Other Group Companies. The ownership of the Equity Interests of each Group Company (other than the Company) as set forth on Part D of Schedule 2 are complete, true and accurate as of the time indicated therein.
- (c) Status.
  - (i) Except as set forth in Schedule 2, there are no outstanding Equity Interests of any Group Company. All presently outstanding Equity Interests of each Group Company were (or will be) duly and validly authorized and issued (or subscribed for) in compliance with all applicable laws, preemptive rights (or similar requirements) of any Person, are fully paid up and non-assessable, free and clear of any Encumbrance. The registered capital of each of the PRC Companies has been fully paid by its shareholders in accordance with the payment schedule as stipulated in its constitutional documents

- (ii) Except as contemplated in the Transaction Documents or as set forth on Schedule 2, there are no options, warrants, conversion privileges or other rights, or agreements with respect to the issuance thereof, presently outstanding to purchase any Equity Interests of any Group Company or any securities convertible into or exchangeable or exercisable for any Equity Interests of any Group Company. Except as noted in this Section 4 and the rights provided in the Existing Shareholders' Agreement, no shares of the Company's outstanding share capital, or shares issuable upon exercise or exchange of any outstanding options or other shares issuable by the Company, are subject to any preemptive rights, rights of first refusal or other rights to purchase such shares (whether in favor of the Company or any other Person). Other than those provided in the Transaction Documents and the Existing Preference Share Documents, no existing Shareholder has any rights, privileges or protections more favorable than those granted to the Investors.
- (d) Corporate Structure. The corporate particulars of each of the Group Companies and the corporate structure of the Group as set forth in Schedule 2 are true, correct and complete. The corporate structure of the Group and the ownership and control relationship among the Group Companies and the establishment thereof are in compliance with applicable laws.

## 5. LEGAL COMPLIANCE

- (a) Permits. Each Group Company has all approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval from or with any Governmental Authority (i) which are required and material to be obtained or made by any Covenantor under applicable laws in connection with the due and proper establishment of each Group Company and (ii) which are necessary and material to carry out the business and operations of each Group Company in each relevant jurisdiction as now conducted. Each of such approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval is valid and in full force and effect. No Group Company (i) is in material default or violation of any of such permits, licenses or other governmental approval, or (ii) has received any written notice from any Governmental Authority regarding any actual or possible default or violation of any of such permits, licenses or other governmental approval. In respect of the approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval which are subject to periodic renewal, none of the Covenantors has any reason to believe that such requisite renewals will not be timely granted by the relevant Governmental Authorities.
- (b) Compliance with Laws. Except as disclosed in Section 5 of the Disclosure Schedule, each Group Company has complied in all material aspects with all applicable laws, and to the best knowledge of the Covenantors, none of them is under investigation with respect to any violation of any applicable law. The Control Documents (individually or when taken together) and the establishment of captive structure through the Control Documents do not violate any applicable laws.

- (c) PRC Companies. The constitutional documents and certificates of each PRC Company are valid and have been duly approved or issued (as applicable) by appropriate PRC Governmental Authorities. The capital and organizational structure of each PRC Company and the business conducted by such PRC Company are valid and in compliance in all material aspects with relevant PRC laws. All approvals, permits, licenses authorizations, certifications, registrations, filings and other governmental approval required under PRC laws for the establishment and operation of each PRC Company, have been obtained from the relevant PRC Governmental Authorities or completed in accordance with the relevant laws, and are in full force and effect. In respect of approvals, permits, licenses authorizations, certifications, registrations, filings and other governmental approval requisite for the conduct of any part of the business of such PRC Company which are subject to periodic renewal, none of the Covenantors has any reason to believe that such material requisite renewals will not be timely granted by the relevant PRC Governmental Authorities. Each PRC Company has been conducting its business activities within the permitted scope of business, and has been operating its business in compliance in all material aspects with all relevant legal requirements and with all requisite approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval granted by the competent PRC Governmental Authorities. No PRC Company has received any letter or notice from any governmental authority notifying the revocation of any approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval issued to it for material non-compliance or the need for compliance or remedial actions in respect of the activities carried out directly or indirectly by it.
- (d) SAFE Compliance. All State Administration of Foreign Exchange of the PRC (“SAFE”) rules and regulations have been fully complied with by the Group Companies and their shareholders and beneficial owners and all requisite approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval required under the SAFE rules and regulations in relation thereto have been duly and lawfully obtained and are in full force and effect, and there exist no grounds on which any such approvals, permits, licenses authorizations, certifications, registrations, filings or other governmental approval may be cancelled or revoked or any PRC Company or its legal representative may be subject to liability or penalties for misrepresentations or failure to disclose information to the issuing SAFE. Each Person who beneficially owns any Equity Interests of the Company and is required to comply with the SAFE rules and regulations has registered with SAFE with respect to their direct or indirect holdings of Equity Interests in the Company in accordance with the SAFE rules and regulations. Such Person has not received any written inquiries, notifications, orders or any other forms of correspondence in writing from SAFE with respect to any actual or alleged non-compliance with the SAFE rules and regulations.

- (e) Anti-Corruption Laws Compliance. None of the Group Companies or, to the best knowledge of the Covenantors, any director, officer, agent, employee, or any other Person acting for or on behalf of the foregoing, has materially violated any Anti-Corruption Laws or anti-bribery laws, nor has any of the above Persons offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, to any government official or to any Person under circumstances where there is a high probability that all or a portion of such money or thing of value would be offered, given or promised, directly or indirectly, to any government official, for the purpose of (i) influencing any act or decision of such government official in his official capacity, (ii) inducing such government official to do or omit to do any act in relation to his lawful duty, (iii) securing any improper advantage, or (iv) inducing such government official to influence or affect any act or decision of any governmental authority, or assisting any Group Company in obtaining or retaining business for or with, or directing business to any Group Company.
- (f) Securities Act Compliance. The issuance of Conversion Shares upon conversion of the Notes in accordance with the Conditions, will be exempt from the registration and qualification requirements of all applicable securities laws, including the U.S. Securities Act of 1933, as amended.
- (g) Compliance with Other Instruments. The constitutional documents of each Group Company are valid and have been duly approved or issued (as applicable) by competent Governmental Authorities in the jurisdiction where such Group Company is incorporated.
- (h) Use of Proceeds. Any and all Proceeds shall be used for general corporate and working capital purposes of the Group and up to fifty percent (50%) of the Proceeds for the repurchase of outstanding shares in the Company.

## 6. CLAIMS AND PROCEEDINGS

- (a) Litigation. None of the Group Companies is involved in any Action or arbitration. To the best of the knowledge of any Covenantor, no such Action or arbitration is threatened against any Group Company.
- (b) No investigation. To the best of the knowledge of any Covenantor, there are no police, governmental or regulatory investigation against or affecting the Group Companies or any of their respective directors and no such investigation is threatened or contemplated.

## 7. FINANCIAL MATTERS

- (a) Financial Statements. The Covenantors have delivered to the Investors true, correct and complete copies of (i) the audited consolidated financial statements of the Opco and the WFOE for the one-year period ended December 31, 2016 (the “Financial Statements”, and December 31, 2016, the “Balance Sheet Date”) and (ii) the unaudited consolidated financial statements of the Group taken as a whole for the one-year period ended December 31, 2016 ( the “2016 Unaudited Financial Statements”) and (iii) the unaudited consolidated financial statements of the Group taken as a whole for the eleven-month period ended November 30, 2017 (the “2017 Unaudited Financial Statements”, together with 2016 Unaudited Financial Statements, the “Unaudited Financial Statements”). Such Financial Statements and Unaudited Financial Statements (i) are true, correct and complete and (if audited) present a fair view of, or (if unaudited) fairly represent, the financial position of the Company and of the Group at the date or dates therein indicated and the results of operations for the period or periods therein specified, and (ii) have been prepared in accordance with the Accounting Principles, applied on a consistent basis with the past practices of the Group throughout the periods indicated therein. Specifically, but not by way of limitation, the most recent balance sheets included within the Financial Statements and 2017 Unaudited Financial Statements disclose each Group Company’s complete and accurate Indebtedness and liabilities, as of their respective dates (including, without limitation, absolute liabilities, accrued liabilities, and contingent liabilities) to the extent such Indebtedness and Liabilities are required to be disclosed on a balance sheet in accordance with the Accounting Principles applied on a consistent basis. Since the Balance Sheet Date, no Group Company has incurred any other liabilities other than current liabilities that were incurred after the Balance Sheet Date in the ordinary course of business consistent with its past practices that are not material in the aggregate. Each Group Company maintains and will continue to maintain a standard system of accounting established and administered in accordance with the Accounting Principles applied on a consistent basis.
- (b) Changes since Balance Sheet Date. Other than may be contemplated by the Transaction Documents, since the Balance Sheet Date, each Group Company (i) has operated its business in the ordinary course consistent with its past practice, (ii) used its reasonable best efforts to preserve its business, (iii) collected receivables and paid payables and similar obligations in the ordinary course of business consistent with past practice, and (iv) not engaged in any new line of business or entered into any material agreement, transaction or activity or made any commitment except those in the ordinary course of business consistent with past practice. Since the Balance Sheet Date, there has not been any Material Adverse Effect and no Group Company has entered into any transaction outside of the ordinary course of business consistent with its past practice, and there has not been by or with respect to any Group Company:

- (i) any purchase, acquisition, sale, lease, disposal of or other transfer of any assets that are individually or in the aggregate material to its business, whether tangible or intangible, other than the purchase or sale of inventory in the ordinary course of business consistent with its past practice;
- (ii) any acquisition (by merger, consolidation or other combination, or acquisition of stock or assets, or otherwise) of any business or other Person or division thereof, or any sale or disposition of any business or division thereof;
- (iii) any waiver, termination, cancellation, settlement or compromise by a Group Company of a material right, debt or claim owed to it;
- (iv) any incurrence, creation, assumption, repayment, satisfaction, or discharge of (1) any material Encumbrance or (2) any Indebtedness, or the making of any loan or advance (other than reasonable and normal advances to employees for bona fide expenses that are incurred in the ordinary course of business consistent with its past practice), or the making of any investment or capital contribution;
- (v) any amendment to or early termination of any Material Contract, any entering of any new contract that would have been a Material Contract if in effect on the date hereof, or any amendment to or waiver under any constitutional documents;
- (vi) any material change in any compensation arrangement or contract with any employee of any Group Company except in the ordinary course of business consistent with past practice, or adoption of any new benefit plan, or made any material change in any existing benefit plan;
- (vii) any declaration, setting aside or payment or other distribution in respect of any equity securities of any Group Company, or any issuance, transfer, redemption, purchase or acquisition of any equity securities by any Group Company;
- (viii) any material damage, destruction or loss, whether or not covered by insurance, that would have a Material Adverse Effect to a Group Company;
- (ix) any material change in accounting methods or practices or any revaluation of any of its assets;

- (x) any change in the approved or registered business scope of any PRC Company or any change to any consent or permits held by such PRC Company;
- (xi) except in the ordinary course of business consistent with its past practice, entry into any closing agreement in respect of taxes, settlement of any claim or assessment in respect of any taxes, or consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of any taxes, entry or change of any tax election, change of any method of accounting resulting in an amount of additional tax or filing of any material amended tax return;
- (xii) any commencement or settlement of any dispute;
- (xiii) any authorization, sale, issuance, transfer, pledge or other disposition of any equity securities of any Group Company;
- (xiv) any resignation or termination of any Key Employee of any Group Company or any material group of employees of any Group Company that is deemed essential to the business as now conducted;
- (xv) any Related Party transaction; or
- (xvi) any agreement or commitment to do any of the things described in this Section 6(b).

## 8. MATERIAL CONTRACTS

- (a) The Covenantors have delivered a true copy of each Material Contract (as defined below) to the Investors. Each Material Contract is a valid, binding and enforceable agreement of the parties thereto, the performance of which does not and will not violate any applicable laws, and is in full force and effect, and each party thereto has duly performed all of its material obligations under each Material Contract to the extent that such obligations to perform have accrued, and no breach or default, alleged breach or alleged default has occurred. There are no circumstances likely to give rise to any breach of such terms, no grounds for rescission, avoidance or repudiation of any of the Material Contracts and no written notices of violation, default or termination has been received or given by any Covenantor in respect of any Material Contract, nor is any Covenantor aware, to the best of his knowledge, of any circumstances that may lead to the termination of any Material Contract.
- (b) For purposes hereof, "Material Contract" means such contract that any Group Company is a party to or are bound by, having an aggregate value, cost or amount, or imposing Liability on any Group Company in excess of US\$50,000 or extending for more than one (1) year beyond the date of this Agreement, and that:

- (i) is not readily to be fulfilled or performed by a Group Company on time or without undue or unusual expenditure of money or efforts or a Group Company does not have the technical and other capabilities or the human and material resources to enable it to fulfill, perform and discharge all its outstanding obligations in the ordinary course of business without realizing a loss on closing of performance,
  - (ii) is material to the conduct and operations of a Group Company's business and properties,
  - (iii) involves any Related Party transactions as described in Section 13(a) below,
  - (iv) relates to the sale, issuance, grant, exercise, award, purchase, repurchase or redemption of any Equity Interests of any Group Company,
  - (v) is entered into with a material customer or material supplier of a Group Company or with a Governmental Authority,
  - (vi) involves Indebtedness, an extension of credit, a guaranty or assumption of any obligation, or the creation of any Encumbrance on any Equity Interest, properties or assets of any Group Company,
  - (vii) involves the acquisition or sale of a business, a merger, consolidation, amalgamation, a partnership, joint venture, or similar arrangement,
  - (viii) involves the transfer or license of any Intellectual Property to or from a Group Company (other than licenses from commercially readily available "off the shelf" computer software), or obligates a Group Company to share or develop any Intellectual Property with any third party,
  - (ix) contains change in control, exclusivity, non-competition or similar clauses in each case which would be reasonably expected to impair, restrict or impose conditions on a Group Company's right to offer or sell products or services in specified areas, during specified periods or otherwise,
  - (x) the entering into and termination of which has or would be reasonably likely to have a Material Adverse Effect on any Group Company, or
  - (xi) is otherwise substantially dependent on by a Group Company, or is not in the ordinary course of business of a Group Company.
- (c) Section 8 of the Disclosure Schedule lists all Material Contracts to which any Group Company is a party or by which its properties may be bound or affected.

## 9. PROPERTIES

- (a) Title. The Group Companies have good and valid title to, or a valid leasehold interest in, all of the properties used by them, free from Encumbrances. Except for leased properties, no Person other than a Group Company owns any interest in any such properties. All leases of properties leased by the Group Companies are fully effective and afford the Group Companies the right to use and process such leased property. The Group Companies' leased properties collectively represent in all material respects all properties necessary for the conduct of the Business in the manner currently conducted.
- (b) Real Property. The Group Companies do not own any Real Property. Section 9 of the Disclosure Schedule sets forth a true, accurate and complete list of all Real Properties held under lease (or otherwise used by any Group Company (the "Company Real Properties"). The Group Company named as the lessee of a Company Real Properties in Section 9 of the Disclosure Schedule leases such Company Real Properties under a valid, binding and enforceable lease. All leases of the Company Real Properties is in compliance with applicable laws, including with respect to the ownership, registered land use, operation of property and conduct of business as now conducted by the applicable Group Company which is a party to such lease.

## 10. INTELLECTUAL PROPERTY

- (a) Intellectual Property Ownership. Section 10 of the Disclosure Schedule sets forth a complete list of all Intellectual Property that are owned by, or registered or applied for in the name of, or licensed to each Group Company (the "Company Intellectual Properties"). Each Company Intellectual Properties is owned exclusively by, registered or applied for in the sole name of, or licensed exclusively to the relevant Group Company, and is not subject to any Encumbrance. All Company Intellectual Properties are valid and subsisting and has not been abandoned, and all necessary registration, maintenance and renewal fees with respect thereto and currently due have been satisfied. The Group Companies own or possess all rights and/or license to use all Intellectual Property necessary for the conduct of their respective businesses as currently being conducted. No Group Company has taken any actions or failed to take any actions that would cause any Company Intellectual Property to be invalid, unenforceable or not subsisting. No Company Intellectual Property is the subject to any Encumbrance, license or other contract granting rights therein to any other Person or any limit as to time or any other limitation, right of termination (including any change in the ownership or control of a Group Company) or restriction. No Company Intellectual Property is subject to any proceeding or outstanding governmental order or settlement agreement or stipulation that (i) restricts in any manner the use, transfer or licensing thereof, or the making, using, sale, or offering for sale of any Group Company's products or services, by any Group Company, or (ii) may affect the validity, use or enforceability of such material Company Intellectual Properties.

- (b) Infringement, Misappropriation and Claims. To the best knowledge of the Covenantors, (i) no Group Company has violated, infringed or misappropriated any Intellectual Property of any other Person, nor has any Group Company received any written notice alleging any of the foregoing; (ii) no Person has violated, infringed or misappropriated any Company Intellectual Properties of any Group Company, and no Group Company has given any written notice to any other Person alleging any of the foregoing; (iii) no Person has challenged or is challenging the ownership or use of any Company Intellectual Properties by a Group Company in writing; and (iv) no Group Company has agreed to indemnify any Person for any infringement, violation or misappropriation of any Intellectual Property by such Person.
- (c) Assignment and Prior Intellectual Properties. All inventions and know-how conceived by employees of a Group Company related to the business of such Group Company are currently owned exclusively by a Group Company. None of the Group Companies believes it is or will be necessary to utilize in the course of any Group Company's business operation any inventions of any of the Group Companies' officers or employees (or any Person it currently intends to hire) made prior to or outside the scope of their employment by such Group Company. All employees, and to the best knowledge of the Covenantors, all contractors, agents and consultants of a Group Company who are or were involved in the creation of any Intellectual Property for such Group Company have executed an assignment of inventions agreement that vests in a Group Company exclusive ownership of all right, title and interest in and to such Intellectual Property, to the extent not already provided by law. To the best knowledge of the Covenantors, none of the employees, consultants or independent contractors, currently or previously employed or otherwise engaged by any Group Company, is in violation of any current or prior confidentiality, non-competition or non-solicitation obligations to such Group Company or to any other Persons, including former employers, or is obligated under any contract, or subject to any judgment, decree or order of any Governmental Authority that would interfere with his or her best efforts to promote the interests of the Group Companies or that would conflict with the Business as presently conducted. No Group Company has granted, nor is any Group Company obliged to grant, any license, sub-license or assignment in respect of any Company Intellectual Property or Intellectual Property otherwise required for its business, and no Group Company has disclosed and nor is obliged to disclose any Confidential Information required for its business to any Person other than its employees for the purpose of carrying on its business in the ordinary course. There are no restrictions on the right of any Group Company to license or sub-license any Intellectual Property owned by it.

- (d) Protection of Intellectual Property. Each Group Company has taken reasonable steps to protect, maintain and safeguard Company Intellectual Properties and made all applicable filings, registrations and payments of fees in connection with the foregoing.

## 11. EMPLOYMENT MATTERS

- (a) Except as disclosed in Section 11 of the Disclosure Schedule, each Group Company (i) is and has been in compliance in all aspects with all applicable laws regarding respecting employment, employment practices and terms and conditions of employment, including the applicable PRC laws pertaining to Social Insurances, (ii) has withheld and reported all amounts required by any applicable law or any contract to be withheld and reported with respect to wages, salaries and other payments to employees and (iii) is not liable for any arrear of wages, tax or penalty for failure to comply with any of the foregoing; and (iv) other than as required by applicable laws, is not liable for any payment to any trust or fund governed by or maintained by or on behalf of any Governmental Authority with respect to any Social Insurance or other benefits or obligations for employees.
- (b) Each employee, officer, director and consultants of the Group Companies has duly executed an employment agreement with such Group Company containing confidentiality, non-competition, non-solicitation, invention assignment provisions, which is in full force and effect and binding upon and enforceable against each such Person. To the best knowledge of the Covenantors, none of the employees, officers, directors or consultants is in violation of such employment agreement. None of the Covenantors is aware that any Key Employee ("Key Employee") shall mean each of the key employees set out in Part E of Schedule 2) of a Group Company intends to terminate his employment with any Group Company, nor does any Group Company have a present intention to terminate the employment of any Key Employee. Except as required by applicable laws and the ESOP in effect as of the date of this Agreement, no Group Company has or maintains any employee benefit plan, employee pension plan, provident, medical insurance, life assurance, disability or other similar schemes or arrangements to which any Group Company contributed or is obligated to contribute thereunder for employees of any Group Company.
- (c) The employment relationship with and any service provided to any of the Group Company by any Key Employee is in no violation of any employment agreements, confidentiality, non-competition, non-solicitation and invention assignment agreements and any other employment-related agreements entered into by such Key Employee with any of his/her former or previous employer(s).

## 12. TAX MATTERS

- (a) All tax returns required to be filed in all jurisdictions on or prior to the date hereof with respect to each Group Company have been duly and timely filed by such Group Company within the requisite period and completed on a proper basis in accordance with applicable laws, and are up to date and correct. All Taxes in all jurisdictions owed by each Group Company (whether or not shown on every tax return) have been paid in full or provision for the payment thereof have been made. No deficiencies for any Taxes with respect to any tax returns have been asserted in writing by, and no notice of any pending action with respect to such tax returns has been received from, any Tax authority, and no dispute relating to any tax returns with any such Tax authority is outstanding or contemplated. Each Group Company has timely paid all Taxes owed by it which are due and payable (whether or not shown on any tax return) and withheld and remitted to the appropriate Governmental Authority all Taxes which it is obligated to withhold and remit from amounts owing to any employee, creditor, customer or third party.
- (b) No audit of any tax return of each Group Company and no formal investigation with respect to any such tax return by any Tax authority is currently in progress. No Group Company has been or is currently the subject of any examination or investigation by any Tax authority relating to the conduct of its business or the payment or withholding of Taxes.
- (c) No written claim has been received by any Group Company in a jurisdiction where the Group does not file tax returns that any Group Company is or may be subject to taxation by that jurisdiction. No Group Company is responsible for the Taxes of any other Person by reason of contract, successor liability or otherwise. No Group Company has waived any statute of limitations with respect to any taxes, or agreed to any extension of time with respect to an assessment or deficiency for such Taxes.
- (d) The assessment of any additional taxes with respect to the applicable Group Company for periods for which tax returns have been filed is not expected to exceed the recorded liability therefor in the most recent balance sheet in the Financial Statements, and there are no unresolved questions or claims concerning any Tax liability of any Group Company. Since the Balance Sheet Date, no Group Company has incurred any liability for Taxes outside the ordinary course of business or otherwise inconsistent with past custom and practice. There is no pending dispute with, or notice from, any Tax authority relating to any of the tax returns filed by any Group Company, and there is no proposed liability for a deficiency in any Tax to be imposed upon the properties or assets of any Group Company.

- (e) All tax credits and tax holidays enjoyed by any Group Company established under applicable law since its establishment have been in compliance in all applicable laws and is not subject to reduction, revocation, cancellation or any other changes (including retroactive changes) in the future, except through change in applicable law published by relevant Governmental Authority.
- (f) No Group Company has been nor anticipates that it will be a “controlled foreign corporation” or “passive foreign investment company” as defined under the U.S. tax laws. No Group Company is or has ever been a U.S. real property holding corporation. No Group Company has any plan or intention to conduct its business in a manner that would be reasonably expected to result in such Group Company becoming a “controlled foreign corporation” or “passive foreign investment company” as defined under the U.S. tax laws or a U.S. real property holding corporation in the future.

### 13. MISCELLANEOUS

- (a) Related Party Transactions. Except as disclosed in Section 13(a) of the Disclosure Schedule, no Related Party (i) has any direct or indirect ownership interest in any Person (other than a Group Company) with which a Group Company is affiliated or Group Company has a business relationship, or competes (except for passive investment of less than 1% of the stock of any publicly traded company that engages in the foregoing), (ii) is, directly or indirectly, indebted to any Group Company, or (iii) has any direct or indirect interest in any contract or transaction with any Group Company. All contracts and transaction documents for any Related Party transaction were entered into by the parties thereto on an arm’s-length basis and no Material Adverse Effect on the Group Companies.
- (b) Registration Rights. Except as provided in the Existing Shareholders’ Agreement, no Group Company has granted or agreed to grant any Person or entity any registration rights (including piggyback registration rights) with respect to, nor is any Group Company obliged to list, any Group Company’s Equity Interests on any securities exchange. Except as contemplated under this Agreement or the Existing Shareholders’ Agreement, there are no voting or similar agreements which relate to any Group Company’s Equity Interests.
- (c) Insolvency. Prior to the Completion Date, (i) the aggregate assets of each Group Company, at a fair valuation, exceeds the aggregate Indebtedness of each such entity, as the Indebtedness becomes absolute and mature, and (ii) each Group Company has not incurred Indebtedness beyond its ability to pay such Indebtedness as such Indebtedness becomes absolute and matures. There has not been commenced against any Group Company an involuntary or voluntary case under any applicable national, provincial, city, local or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, or any action for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of such Person or for any substantial part of its property or for the winding up or liquidation of its affairs.

- (d) No Other Business. Each of the Company and UA Mobile was formed solely to acquire and hold the Equity Interests in its Subsidiaries and since its formation it has not engaged in any other business and has not incurred any liability in the course of its business of acquiring and holding its Equity Interests in its Subsidiaries. Each of the PRC Companies is conducting its business activities within the scope of business as disclosed to the Investors in writing. KK Mobile has engaged in the Business in Hong Kong.
- (e) Internal Controls. Each Group Company maintains a system of internal accounting controls. Any and all of the bank account of each Group Company is listed on Section 13(e) of the Disclosure Schedule.
- (f) Control Documents. Each of the Covenantors which is party to the Control Documents has full power, authority and legal right to execute, deliver and perform their respective obligations under each of the Control Documents to which it is a party, and upon the execution of the Control Documents, has authorized, executed and delivered each of the Control Documents to which it is a party and such obligations constitute valid, legal and binding obligations enforceable against it in accordance with the terms of each of such Control Documents. The execution, delivery and performance of each Control Document by the parties thereto does not and will not (i) result in any violation of the charter documents (if any) of any Covenantor; (ii) result in any violation of or penalty under any applicable laws; or (iii) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any other contract, agreement, arrangement, license, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument in effect as of the date hereof and at the Completion Date to which any of them is a party or by which any of them is bound or to which any of their property or assets is subject. Each of the Covenantors which is party to the Control Documents has duly performed all of its material obligations under each Control Document to the extent that such obligations to perform have accrued, and no breach or default, alleged breach or alleged default has occurred. No written notices of violation, default or termination have been received in respect of any Control Document, and to the best knowledge of the Covenantors, no party to any Control Document intends to terminate any Control Document.
- (g) Corporate Records. Each of the Group Companies has properly and accurately maintained its corporate records in accordance with all applicable laws, including (i) minutes of each meeting of its board of directors, any committees of its board of directors and its shareholders, (ii) each written resolution in lieu of a meeting by its board of directors, any committees of its board of directors and its shareholders and (iii) all statutory registers and books and records.

- (h) Personal Information and Data Protection. Opco has implemented and maintains an adequate personal information and data protection system with respect to information received by Opco.

#### **14. DISCLOSURE**

- (a) Each of the Covenantors has fully provided the Investors and its professional advisors with all information requested by the Investors to decide whether to subscribe for and purchase the Notes.
- (b) No representation or warranty or written information provided by the Covenantors in this Agreement, any other Transaction Document or in the Disclosure Schedule, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements made herein or therein, in light of the circumstances under which they are made, true, accurate and not misleading.
- (c) There is no fact or circumstance relating to the affairs of any Group Company which has not been disclosed to the Investors and which if disclosed might (i) reasonably have been expected to influence the decision of an Investor to subscribe for the Notes or (ii) render any of the Financial Statements false or misleading in any material respect.

## SCHEDULE 5

### INVESTOR WARRANTIES

1. As of the date hereof, such Investor is and as of the Completion Date, such Investor will be a company organized and existing under the laws of the jurisdiction of its incorporation.
2. Such Investor has the full power and authority to enter into, execute and deliver this Agreement and to perform the transactions contemplated hereby. The execution and delivery by such Investor of this Agreement and the performance by such Investor of the transactions contemplated hereby have been duly authorized by all necessary corporate or other action of such Investor. Assuming the due authorization, execution and delivery hereof by the other Party, this Agreement constitutes the legal, valid and binding obligation of such Investor, enforceable against such Investor in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally.
3. The execution, delivery and performance of this Agreement by such Investor will not:
  - (a) violate any provision of the organizational documents of such Investor;
  - (b) conflict with or result in any material breach or violation of any of the terms and conditions of, or constitute (or with notice or lapse of time or both constitute) a default under, any agreement to which such Investor is a party or by which such Investor is bound;
  - (c) violate any court order, judgment, injunction, award, decree or writ against, or binding upon, such Investor or upon its securities, properties or business; or
  - (d) violate any law or regulation of the jurisdiction where such Investor is incorporated or any other jurisdiction in which such Investor maintains a business presence.

**INVESTORS' RIGHTS AGREEMENT**

**among**

**Aurora Mobile Limited,**

**Mercer Investments (Singapore) Pte. Ltd.,**

**MANDRA IBASE LIMITED,**

**Luo Wei Dong (羅偉東)**

**and**

**KK Mobile Limited**

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**Dated April 17, 2018**

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**Paul, Weiss, Rifkind, Wharton & Garrison  
Solicitors and International Lawyers  
12th Floor, Hong Kong Club Building  
3A Chater Road  
Central  
Hong Kong**

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**AMONG:**

- (1) **AURORA MOBILE LIMITED**, an exempted company limited by shares incorporated and existing under the laws of the Cayman Islands with company number 286958 with its registered office at Harneys Fiduciary (Cayman) Limited, P.O. Box 10240, 4th Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1003, Cayman Islands (the "Company");
- (2) **MERCER INVESTMENTS (SINGAPORE) PTE. LTD.**, a company incorporated and existing under the laws of Singapore with its registered office at 1 Raffles Link, #07-01, One Raffles Link, Singapore 039393 ("GS");
- (3) **MANDRA IBASE LIMITED**, a limited liability company duly established and validly existing under the laws of British Virgin Islands with its registered office at 3rd Floor, J & C Building, P.O. Box 933, Road Town, Tortola, BVI, VG1110 ("Mandra");
- (4) **LUO WEI DONG** (卢伟东), a PRC national who resides at No. 10, Fu Qian Heng Jie, Ye Tang She Qu Ju Wei Hui, Ye Tang Town, Xing Ning, Guangdong, China and holds PRC resident identification number ##### ("Luo Weidong" or "Pledgor 1"); and
- (5) **KK MOBILE LIMITED**, a company duly incorporated and validly existing under the laws of the British Virgin Islands with company number 1712948, whose registered office is at Unit 8,3/F.,Qwomar Trading Complex, Blackburne Road, Port Purcell, Road Town, Tortola, British Virgin Islands VG1110 ("KK Mobile BVI").

**RECITALS:**

- (A) GS and Mandra have entered into the Subscription Agreement with the Company, pursuant to which each of GS and Mandra has agreed to subscribe for the Notes subject to the terms and conditions set forth in the Subscription Agreement.
- (B) The Parties have agreed to confer additional rights on the Investors in accordance with the terms set forth in this Agreement.

**AGREEMENT:**

**SECTION 1  
INTERPRETATION**

- 1.1 Definitions. In this Agreement, unless the context otherwise requires, the following words and expressions have the following meanings:

“Affiliate” of a Person (the “Subject Person”) means (a) in the case of a Person other than a natural person, any other Person that directly or indirectly Controls, is Controlled by or is under direct or indirect common Control with the Subject Person and (b) in the case of a natural person, any other Person that is a Relative of the Subject Person or that is directly or indirectly is Controlled by the Subject Person or by a Relative of the Subject Person. In the case of GS, the term “Affiliate” also includes any fund or limited partnership whose general partner, manager or advisor is The Goldman Sachs Group, Inc. or any of its Subsidiaries.

“Accounting Principles” means the generally accepted accounting principles of the jurisdiction of incorporation or establishment of any relevant Group Company or IFRS (or any other standard agreed by the Investors and the Company).

“Anti-Corruption Laws” means any applicable anti-bribery or anti-corruption law of any jurisdiction in which a Group Company conducts business, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act of 2010, as amended, the Criminal Law of China, the PRC Anti-Unfair Competition Law, and the Provisional Regulations on Anti-Commercial Bribery.

“Anti-Money Laundering Laws” means all applicable anti-money laundering laws of all jurisdictions in which a Group Company conducts its business, the rules and regulations thereunder, including all anti-money laundering laws of the PRC, the U.S. and the United Kingdom.

“Arbitration Center” means the Hong Kong International Arbitration Centre.

“Auditor” means the auditor of the Company as approved by the Requisite Percentage Holders.

“Board” means the board of Directors of the Company.

“Business Day” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business in (a) the city in which the specified office of the registrar of the Company is located, (b) the city in which the specified office of the Company is located, (c) Hong Kong, (d) Singapore, (e) Beijing and (f) (in relation to any date for payment or purchase of a currency) the principal financial center of the country of that currency.

“Change of Control” means Pledgor 1, Pledgor 2, Pledgor 3 and Mr Chen collectively ceasing to Control each Group Company.

“Charter Documents” means, collectively, the Memorandum and Articles of Association of the Company, as amended from time to time.

“China” or the “PRC” means the People’s Republic of China and for the purpose of this Agreement shall exclude Hong Kong, Taiwan and the Macau Special Administrative Region.

“Code” means the United States Internal Revenue Code of 1986, as amended.

“Completion Date” has the meaning given to it in the Subscription Agreement.

“Commission” means the Securities and Exchange Commission or any similar agency then having jurisdiction to enforce the Securities Act.

“Common Shares” means the common shares with a par value of US\$0.0001 per share in the share capital of the Company.

“Conditions” means the terms and conditions in respect of the Notes, the form of which is attached as Exhibit C to the Subscription Agreement.

“Control” means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of share capital, possession of Voting Rights, by contract or otherwise, and in each case “Controller”, “Controlled”, “Controlling” and “Controls” shall be construed accordingly.

“Control Documents” means (a) the exclusive business cooperation agreement dated August 5, 2014 entered into between Opco and the WFOE, (b) the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 1, Opco and the WFOE, (c) the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 2, Opco and the WFOE, (d) the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 3, Opco and the WFOE, (e) the exclusive option agreement dated August 5, 2014 entered into between Pledgor 1, Opco and the WFOE, (f) the exclusive option agreement dated August 5, 2014 entered into between Pledgor 2, Opco and the WFOE, (g) the exclusive option agreement dated August 5, 2014 entered into between Pledgor 3, Opco and the WFOE, (h) the power of attorney dated August 5, 2014 entered into by Pledgor 1 in favor of the WFOE, and acknowledged by the WFOE and Opco, (i) the power of attorney dated August 5, 2014 entered into by Pledgor 2 in favor of the WFOE, and acknowledged by the WFOE and Opco, (j) the power of attorney dated August 5, 2014 entered into by Pledgor 3 in favor of the WFOE, and acknowledged by the WFOE and Opco and (k) any other document designated as a “Control Document” by the Majority Investors and the Company.

“Conversion Shares” means Common Shares issuable upon conversion of any Notes.

“Deed of Adherence” means a deed of adherence substantially in the form set out in Exhibit A to be entered by any transferee of the Equity Interests.

“Default” has the meaning given to it in the Conditions.

“Director” means a director of the Company (including any duly appointed alternate director).

“Equity Interests” means, in relation to any Person, (a) any shares of any class or capital stock of or equity interests (including any membership interest, partnership interest, registered capital, joint venture or other ownership interest) in such Person or any depositary receipt in respect of any such shares, capital stock or equity interests; (b) any securities that are directly or indirectly convertible into, or exercisable or exchangeable for (whether at the option of the holder thereof or otherwise and whether such conversion is conditional or otherwise) any such shares, capital stock or equity interests (including any membership interest, partnership interest registered capital, joint venture or other ownership interest) (whether or not such derivative securities are issued by such Person)) or any depositary receipt in respect of any such securities; or (c) any option, warrant or other right to acquire any such shares, capital stock or equity interest securities (including any membership interest, partnership interest registered capital, joint venture or other ownership interest) (whether or not such derivative securities are issued by such Person) or depositary receipts referred to in paragraphs (a) and/or (b) above . Unless the context otherwise requires, any reference to “Equity Interests” refers to the Equity Interests of the Company.

“Existing Preference Share” means any Series A Share, any Series B Share, any Series C Share or any Series D Share.

“Existing Preferred Shareholders” means the holders of the Existing Preference Shares.

“Existing Shareholders Agreement” means the fourth amended and restated shareholders’ agreement dated May 10, 2017 entered into between Aurora Mobile Limited, the Investors, the Founder Parties, the Major Subsidiaries, the Angel Investor and HAKIM (each as defined therein), as may be amended and/or restated from time to time.

“Finance Documents” means (a) the Notes, (b) the Conditions and (c) any other document designated as a “Finance Document” by the Majority Investors and the Company.

“Governmental Authority” means any government or any governmental agency, semi-governmental or judicial entity or authority (including, without limitation, any stock exchange or any self-regulatory organisation established under statute) of any jurisdiction, or any political subdivision thereof, whether provincial, state or local, and any department, ministry, agency, instrumentality, authority, body, court, central bank or other entity lawfully exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Governmental Order” means any applicable order, ruling, decision, verdict, decree, writ, subpoena, mandate, precept, command, directive, consent, approval, award, judgment, injunction or other similar determination or finding by, before or under the supervision of any Governmental Authority.

“Group” means collectively the Company, UA Mobile, KK Mobile, WFOE, Opco and their respective Subsidiaries from time to time, and “Group Company” means any of them.

“Hong Kong” means the Hong Kong Special Administrative Region of the PRC.

“IFRS” means the international financial reporting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

“Intellectual Property” means all letters patent, trademarks, service marks, designs, business names, utility models, inventions, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and any other intellectual property rights and interests situated in any country (which may now or in the future subsist) and the benefit (subject to the burden) of any of the foregoing (in each case whether registered or unregistered) and the benefit of all applications and rights to use such assets of each Group Company (which may now or in the future subsist).

“Investors” means (a) GS, (b) Mandra and (c) any other Person who becomes a holder of Equity Interests of the Company in accordance with the terms of this Agreement and the Conditions and executes a Deed of Adherence, in each case for so long as such Person remains a holder of Equity Interests of the Company.

“IPO” means an underwritten registered public offering by the Company of Common Shares on any stock exchange.

“IPO Effectiveness Date” means the date upon which the Company closes its IPO.

“KK Mobile” means KK Mobile Investment Limited, a company duly organized and validly existing under the laws of Hong Kong with company number 1759301, whose registered office is at Room D, 10/F., Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

“Liquidation Event” has the meaning given to such term in the Charter Documents (but excluding any Drag Event).

“Majority Investors” means, at any time, any one or more Investors holding, in the aggregate, more than 50 per cent. of the then outstanding Equity Interests held by all Investors (calculated on an as converted basis).

“Mr Chen” means Chen Fei (陈飞), a Hong Kong resident who holds Hong Kong identification number #####(##) with the mailing address at Room 501, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Guankou 2nd Road Nanshan District, Shenzhen 518057 7 501.

“Notes” means the US\$35,000,000 zero coupon non-guaranteed and unsecured convertible notes due 2021 convertible into Conversion Shares.

“OFAC” means the Office of Foreign Assets Control of the U.S. Department of Treasury.

“OpcO” means Shenzhen Hexun Huagu Information Technology Limited (深圳合讯华股信息技术有限公司), a company duly organized and validly existing under the laws of the PRC whose registered office is at Room 501, Block 7, Zhiheng, Strategic Hi-tech Industrial Park, Guankou 2<sup>nd</sup> Road, Nanshan District, Shenzhen.

“Party” or “Parties” means any signatory or the signatories to this Agreement and any Person that subsequently becomes a party to this Agreement as provided herein.

“Person” means any natural person, firm, company, Governmental Authority, joint venture, partnership, association or other entity (whether or not having separate legal personality).

“Pledgor” means any of Pledgor 1, Pledgor 2 or Pledgor 3.

“Pledgor 2” means Wang Xiaodao (王 Xiao Dao), a PRC national who resides at Room 30C, Ming Yue Garden, Yi Tian Road, Fu Tian District, Shenzhen, Guangdong, China and holds PRC resident identification number #####.

“Pledgor 3” means Fang Jiawen (方 家 文), a PRC national who resides at No. 1, Ke Fa Road, Ke Ji Yuan, Nanshan District, Shenzhen, Guangdong, China and holds PRC resident identification number #####.

“Protective Term” means any of the following provisions (a) sections 2.1, 2.6, 5, 6.1, 6.2, 6.3 and 8.6 of, and Exhibits C and E to, the Existing Shareholders Agreement, (b) articles 18, 69, 90 and 118 of, and Schedule A to, the Charter Documents, and (c) the corresponding definitions of any of the foregoing.

“QIPO” means an IPO on a Relevant Stock Exchange with a minimum pre-offering valuation of the Company of at least US\$1,000,000,000.

“Redemption Notice” has the meaning given to such term in the Charter Documents.

“Regulatory Approval” means any approval, permission, authorization or consent of, or notification to or filing with, any Governmental Authority.

“Relative” of a natural person means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, step-sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, cousin-in-law, uncle, aunt, nephew, niece of that natural person or their spouse, including adoptive relationships.

“Relevant Stock Exchange” means, at any time, in respect of the share capital of the Company, NASDAQ, New York Stock Exchange or any other internationally recognized stock exchange as agreed in writing by the Majority Investors.

“Requisite Percentage Holders” means the holders of 60% of the voting power of the outstanding Existing Preference Shares and Notes and/or Conversion Shares converted therefrom (voting together as a single class and on an as converted basis).

“Sanctions Laws” means all economic or financial sanctions laws, measures or embargoes administered or enforced by the United States (including all sanctions administered by OFAC, and its “Specially Designated Nationals and Blocked Persons” lists), the PRC, Hong Kong, the European Union (including under Council Regulation (EC) No. 194/2008), the United Nations, the United Kingdom or any other relevant sanctions Governmental Authority.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

“Series A Share” means any series A preferred share of par value US\$0.0001 each of the Company, with the rights and privileges as set forth in the Charter Documents;

“Series B Share” means any series B preferred share of par value US\$0.0001 each of the Company, with the rights and privileges as set forth in the Charter Documents;

“Series C Share” means any series C preferred share of par value US\$0.0001 each of the Company, with the rights and privileges as set forth in the Charter Documents;

“Series D Share” means any series D preferred share of par value US\$0.0001 each of the Company, with the rights and privileges as set forth in the Charter Documents;

“Social Insurance” means any form of social insurance as required by applicable laws (including without limitation pension fund, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing fund).

“Shareholders” has the meaning given to it in the Subscription Agreement.

“Shares” means Common Shares (including Conversion Shares).

“Statute” means the Companies Law (2016 Revision) of the Cayman Islands.

“Subsidiary” means, with respect to any specified Person, any other Person Controlled by the specified Person, directly or indirectly, whether through contractual arrangements or through ownership of Equity Interests or voting power or is deemed a subsidiary of the specified Person under applicable law or IFRS.

“Subscription Agreement” means the subscription agreement entered into between, among others, the Investors and the Company on April 11, 2018.

“Tax” means any and all applicable tax or taxes (including any value added tax, sales tax, land use tax, deed tax, real estate tax, capital tax, individual income tax, enterprise income tax, or business tax, stamp or other duty (including any registration and transfer duties), levy, impost, charge, fee, deduction, penalty or withholding imposed, levied, collected or assessed) and includes any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same.

“Transaction Documents” means (a) this Agreement, (b) the Subscription Agreement, (c) the Charter Documents, (d) the Finance Documents, (e) the Control Documents, (f) any document designated as a “Transaction Document” by the Majority Investors and the Company and (g) any other document entered into pursuant to or in connection with the Subscription Agreement.

“UA Mobile” means UA Mobile Limited, a company duly incorporated and validly existing under the laws of the British Virgin Islands with company number 1714899, whose registered office is at Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands VG1110.

“US” or “U.S.” means the United States of America.

“US\$” means United States Dollars, the lawful currency of the US.

“Voting Rights” means the right generally to vote at a general meeting of shareholders of a Person (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

“WFOE” means JPush Information Consultation (Shenzhen) Co. Ltd. (深圳市捷push信息咨询有限公司), a company duly organised and validly existing under the laws of the PRC whose registered office is at Room 503, Block 7, Zhiheng, Strategic Hi-tech Industrial Park, Guankou 2nd Road, Nanshan District, Shenzhen.

1.2 Terms Defined Elsewhere in this Agreement. The following terms are defined in this Agreement as follows:

<u>Term</u>	<u>Section</u>
“ <u>Agreement</u> ”	Preamble
“ <u>Approved Underwriter</u> ”	Paragraph 2(f), Schedule 2
“ <u>Arbitration Board</u> ”	Section 13.2(a)
“ <u>Business</u> ”	Section 2.1
“ <u>Company</u> ”	Preamble
“ <u>Company Party</u> ”	Section 5.1
“ <u>Company Underwriter</u> ”	Paragraph 3(a), Schedule 2
“ <u>Confidential Information</u> ”	Section 9.1
“ <u>Demand Registration</u> ”	Paragraph 2(a), Schedule 2
“ <u>GS</u> ”	Preamble
“ <u>HKIAC Arbitration Rules</u> ”	Section 13.2(a)

<u>Term</u>	<u>Section</u>
" <u>Holders' Counsel</u> "	Paragraph 6(a)(i), Schedule 2
" <u>Incidental Registration</u> "	Paragraph 3(a), Schedule 2
" <u>Indemnified Party</u> "	Paragraph 7(c), Schedule 2
" <u>Indemnifying Party</u> "	Paragraph 7(c), Schedule 2
" <u>Initiating Holders</u> "	Paragraph 2(a), Schedule 2
" <u>Inspector(s)</u> "	Paragraph 6(a)(vii), Schedule 2
" <u>Mandra</u> "	Preamble
" <u>Meetings</u> "	Section 4.1(a)
" <u>Observer</u> "	Section 4.1(a)
" <u>Process Agent</u> "	Section 13.4
" <u>QIPO Target Date</u> "	Section 7.1
" <u>Registration Expenses</u> "	Paragraph 6(d), Schedule 2
" <u>Securities Filing</u> "	Section 5.9
" <u>S-3 Initiating Holders</u> "	Paragraph 4(a), Schedule 2
" <u>S-3 Registration</u> "	Paragraph 4(a), Schedule 2
" <u>Transfer</u> "	Section 3.1
" <u>Valid Business Reason</u> "	Paragraph 2(a), Schedule 2

### 1.3 Interpretation.

- (a) Directly or Indirectly. The phrase "directly or indirectly" means directly, or indirectly through one or more intermediate Persons or through contractual or other arrangements, and "direct or indirect" has the correlative meaning.
- (b) Gender and Number. Unless the context otherwise requires, all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders, and words importing the singular include the plural and vice versa.
- (c) Headings. Headings are included for convenience only and shall not affect the construction of any provision of this Agreement.
- (d) Include not Limiting. "Include", "including", "are inclusive of" and similar expressions are not expressions of limitation and shall be construed as if followed by the words "without limitation".
- (e) Law. References to "law" shall include all applicable laws, regulations, rules and orders of any Governmental Authority, any common or customary law, constitution, code, ordinance, statute or other legislative measure and any regulation, rule, treaty, order, decree or judgment, and "lawful" shall be construed accordingly.
- (f) References to Documents. References to this Agreement include the Schedules and Exhibits, which form an integral part hereof. A reference to any Section, Schedule or Exhibit is, unless otherwise specified, to such Section of, or Schedule or Exhibit to, this Agreement. The words "hereof", "hereunder" and "hereto", and words of like import, unless the context requires otherwise, refer to this Agreement as a whole and not to any particular Section hereof or Schedule or Exhibit hereto. A reference to any document (including this Agreement) is, unless otherwise specified, to that document as amended, restated, consolidated, supplemented, novated or replaced from time to time.

- (g) Share Calculations. In calculations of share numbers, (i) references to a “fully-diluted basis” mean that the calculation is to be made assuming that all outstanding options, warrants and other Equity Interests convertible into or exercisable or exchangeable for Common Shares (whether or not by their terms then currently convertible, exercisable or exchangeable) have been so converted, exercised or exchanged, (ii) references to a “non-diluted basis” mean that the calculation is to be made taking into account only Common Shares then in issue and (iii) references to an “as converted basis” mean that the calculation is to be made assuming that all Notes in issue have been converted into Common Shares. Any share number referred to in this Agreement shall be appropriately adjusted to take into account any bonus share issue, share subdivision, share combination, share split, recapitalization, reclassification or similar event affecting the Common Shares after the date of this Agreement. Any reference to or calculation of shares in issue shall exclude treasury shares.
- (h) Officers. References to an “officer” or the “officers” of a Person shall include the legal representative of such Person.
- (i) Writing. References to writing and written include any mode of reproducing words in a legible and non-transitory form including emails and faxes.
- (j) Language. This Agreement is made in the English language.

**SECTION 2**  
**BUSINESS OF THE COMPANY AND OBLIGATIONS OF THE SHAREHOLDERS**

- 2.1 Principal Business. The principal business of the Group shall be internet and big data related business (the “Business”).
- 2.2 Investor Rights. Without prejudice to the other Transaction Documents, the Parties agree that the rights of an Investor in the Company shall be regulated by this Agreement and, to the extent applicable, the Charter Documents. Each Investor agrees to be bound by and comply with the provisions of this Agreement which relate to it. In so far as an Investor remains a holder of the Notes, such Investor shall, in addition to its rights under this Agreement (and to the extent applicable) the Charter Documents, be entitled to all rights conferred on it under the Conditions.
- 2.3 Compliance by Group Companies. The Company shall ensure that each Group Company acts in a manner consistent with the terms of this Agreement and the other Transaction Documents.

- 2.4 Use of Proceeds. The proceeds of GS' subscription and Mandra's subscription for the Notes shall be used for general corporate purposes and up to fifty percent (50%) of such proceeds for the repurchase of outstanding shares in the Company.

### SECTION 3 TRANSFER OF SHARES

- 3.1 Transfers to Affiliates. Any Investor shall be entitled to sell, give, assign, hypothecate, pledge, encumber, grant a security interest in or otherwise dispose of, or suffer to exist (whether by operation of law or otherwise) any Encumbrance on, any Equity Interests or any right, title or interest therein or thereto (including pursuant to any derivative contract or other contractual or legal arrangement having the effect of transferring any or all of the economic benefits or other rights or benefits of ownership) (each, a "Transfer") any Equity Interests held by it to any of its Affiliates at any time and from time to time without the prior written consent of the Company, provided that if such Affiliate ceases to be an Affiliate of such Investor, the Equity Interests shall be immediately transferred back to such Investor or another person who qualifies as an Affiliate of such Investor.
- 3.2 Transfers in Compliance with Law; Deed of Adherence. No Transfer of Equity Interests may be made by any Investor unless (a) the Company has approved in writing prior to such Transfer, (b) the transferee has agreed in writing to be bound by the terms and conditions of this Agreement pursuant to a Deed of Adherence substantially in the form of Exhibit A and (c) the Transfer complies in all respects with applicable securities laws.
- 3.3 Company and Directors to Effect Transfers. If at any time any Investor seeks to Transfer any or all of its Equity Interests in the Company to another Person in a manner that does not violate any restriction in this Section 3, the Company shall use its reasonable efforts to cooperate with such transferring Investor in connection with any such proposed Transfer and shall take all necessary actions to effect such Transfer as the transferring Investor may reasonably request, including by causing any Directors on the Board to vote in favor of any required resolution or other actions necessary to effect such Transfer and to obtain all required Regulatory Approvals for any such Transfer.
- 3.4 Lock-up. At any time prior to an IPO, neither Luo Weidong nor KK Mobile BVI shall Transfer any Common Shares directly or indirectly owned by them without the prior written consent of the Majority Investors, except for Transfers to Luo Weidong's spouse, parents or children, or to a trust or trusts for the exclusive benefit of Luo Weidong or the spouse, parents or children of Luo Weidong for bona fide tax planning, estate planning or similar purposes (collectively, the "Exempted Transfers"); provided that any transferee shall, as a condition to the completion of such Transfer, deliver to the Investors a duly executed adherence agreement pursuant to which such transferee shall agree to be bound by the terms of this Agreement as the relevant transferor ("Luo Weidong" or "KK Mobile BVI" (as applicable)); provided further that the relevant transferor (Luo Weidong or KK Mobile BVI (as applicable)) shall at all times remain liable for any breach of this Agreement by such transferee.

**SECTION 4**  
**CORPORATE GOVERNANCE**

4.1 Observer.

- (a) Observer Right. For so long as GS holds 100% of the Equity Interests issued to it on the Completion Date, GS shall be entitled to appoint a representative as an observer to the Board (the "Observer") and shall, upon written notice to the Company, have the right to remove the Observer and appoint a successor Observer in their discretion.

Any vacancy in the Observer, whether due to death, resignation, removal or some other cause, shall be filled by an appointment by GS upon written notice to the Company.

The Observer shall be entitled:

- (i) to attend all meetings (whether in person, conference telephone or other communications equipment) of the Board of the Company and, as applicable, any direct or indirect subsidiary or Affiliate of the Company, including all committees thereof ("Meetings");
  - (ii) to participate in discussions of all Meetings, in a non-voting observer capacity; and
  - (iii) to receive all Meetings notice, minutes, agendas, board materials, information, resolutions, proposed actions by written consent, and other communications so distributed, concurrently with and in the same manner as distributed to the Directors or other voting members of the respective board.
- (b) Disclosure by the Observer. The Observer may pass any information received from any Group Company, or which relates to any Group Company and which otherwise comes into his or her possession (including Confidential Information and information received pursuant to Section 4.1(a)), to GS and its Affiliates.
- (c) Reimbursement; Indemnity. The Observer shall be entitled to reimbursement from the Company for all expenses related to his or her activities taken in accordance with this Agreement. The Company shall indemnify the Observer to the maximum extent permitted by applicable laws, other than those claims against the Observer to the extent that they are caused by his fraud, gross negligence or willful misconduct. The Company shall, as soon as practicable after the Completion Date, use commercially reasonable efforts to obtain, and thereafter maintain, a directors' and officers' liability insurance policy from a financially sound and reputable insurer with coverage limits customary for companies similarly situated to the Company for the Observer.

- 4.2 **No Voting Rights.** Each Investor shall have no voting rights with respect to the Notes. For the avoidance of doubt, the Conversion Shares will rank *pari passu* with, and carry the same rights in all respects (including voting rights) as, the other Common Shares and shall be entitled to all dividends and other distributions declared, paid or made thereon.

## SECTION 5 COVENANTS

- 5.1 **Amendment.** Each of the Company, Luo Weidong and KK Mobile BVI (each, a “Company Party”) shall not amend, vary, supplement, supersede or terminate, or seek waiver in connection with, any Protective Term or agree to do any of the foregoing (“Amendment to Protective Terms”), provided that an Amendment to the Protective Terms shall only be permitted if (a) the prior written consent of the Requisite Percentage Holders in respect of such amendment has been obtained, (b) such amendment is not or could not reasonably be expected to be materially prejudicial to the interests of any Investor and (c) none of (i) the Existing Preferred Shareholders, (ii) the directors, officers and employees of such Existing Preferred Shareholders and (iii) the Affiliates of such persons specified in sub-paragraphs (c)(i) and (c)(ii), have received or derived (or will in the future receive or derive) any direct or indirect consideration in cash or any other type of benefit (economic or otherwise) in connection with any consent given by such Existing Preferred Shareholder to any request made by a Company Party for an Amendment to the Protective Terms.
- 5.2 **Dissolution; liquidation; winding-up.** Without the prior written consent of the Requisite Percentage Holders, the Company shall not, and the Company shall ensure that each Group Company will not, dissolve, liquidate, or conduct any reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) or restructuring procedure in connection with any Liquidation Event or approve the liquidation, winding-up or dissolution of any Group Company or commence any liquidation, winding-up, administration or dissolution proceedings or other action related thereto.
- 5.3 **Maintenance of Group Structure.** To the maximum extent permitted by applicable laws, the Company shall, and shall ensure each Group Company will, maintain the corporate structure of the Group (including the Company’s control over Opco) and, the Company shall, and shall ensure each Group Company will, cause that (i) the shareholding structure of Opco will not be changed and (ii) the Control Documents between the WFOE and Opco (and its shareholders and the spouses of its shareholders) will not be amended, waived or terminated, in each case without the prior consent of the Requisite Percentage Holders.
- 5.4 **Books and Records; Internal Controls.** The Company shall, and shall ensure that each Group Company will, maintain its books and records in accordance with sound business practices and implement and maintain an adequate system of procedures and controls with respect to finance, management, and accounting that meets national standards of good practice and is reasonably satisfactory to each Investor, to provide reasonable assurance that (i) transactions by it are executed in accordance with management’s general or specific authorization, (ii) transactions by it are recorded as necessary to permit preparation of financial statements in conformity with the Accounting Principles, consistently applied, and to maintain asset accountability, (iii) access to assets of it is permitted only in accordance with management’s general or specific authorization, (iv) segregating duties for cash deposits, cash reconciliation, cash payment, proper approval is established, and (v) no personal assets or bank accounts of the employees, directors, officers are mingled with the corporate assets or corporate bank account, and no Group Company uses any personal bank accounts of any employees, directors, officers thereof during the operation of the business.

Information Rights.

- (a) The Company shall (and shall ensure that each Group Company will) deliver to each Investor who holds any outstanding Equity Interests the following information as soon as practicable but in any event no later than the dates or times set out below:
- (i) within twenty (20) days after the end of each month, the monthly operating report for such month;
  - (ii) within thirty (30) days after the end of each quarter of , the unaudited consolidated quarterly financial statements for such quarter;
  - (iii) within one hundred and twenty (120) days after the end of each fiscal year, the audited consolidated annual financial statements for such fiscal year, audited by the Auditors;
  - (iv) within at least forty-five (45) days prior to the end of each fiscal year, an annual budget approved by each respective board of directors of each Group Company for the next fiscal year;
  - (v) the details of any Change of Control, Liquidation Event, Redemption Notice or redemption of any Existing Preference Share, immediately upon becoming aware of any of them;
  - (vi) any notice, statement or circular issued to the members or creditors (or any class of them) of the Company or any other Group Company generally in their capacity as such, at the same time as they are dispatched;
  - (vii) the details of any litigation, arbitration or administrative proceedings which are current or pending (including any investigation or proposed investigation by any pensions or social insurance regulator (or other equivalent Governmental Authority administering or regulating pensions or social insurance)) against any Group Company which has or could reasonably be expected to have a Material Adverse Effect, promptly upon becoming aware of them; and

(viii) the details of any breach or proposed amendment, waiver or termination of any of the Control Documents or any restructuring of any Group Company or any of its businesses (including (1) any proposed substitute mechanism to achieve the purpose of the consolidation of the financial statements of the Opco into those of the Company under the generally accepted accounting principles of the United States of America in the event that the Control Documents have become or will become invalid, illegal or unenforceable and (2) the acquisition or establishment by any Group Company or any of its shareholders and their respective Affiliates of an entity (or any interest therein) that owns, directly or indirectly, the business conducted by the Opco), promptly upon becoming aware of any of the foregoing.

(b) The documents to be delivered pursuant to this Section 5.5 shall be prepared in English and in form reasonably satisfactory to the Investors. The Company shall (and the Company shall ensure that each Group Company will) ensure that each set of financial statements includes a balance sheet, income statement and cashflow statement in accordance with the Accounting Principles and each set of management reports includes a comparison of financial results with the corresponding quarterly and annual budgets.

5.6 Access to Information and Facilities. The Company shall, and shall ensure that each Group Company will, permit any Investor or any of its duly designated representatives at its own cost, during normal business hours on reasonable prior notice to visit and inspect the relevant Group Company, and to examine the facilities, books of account and records of the Group Company, and to discuss the businesses, operations and conditions of the Group Company with the employees, directors, officers, agents, consultants, accountants, legal counsel and investment bankers of such entities.

5.7 Intellectual Property Protection. The Company shall, and shall ensure that each Group Company will:

- (a) preserve and maintain the subsistence and validity of the Intellectual Property necessary for the business of the relevant Group Company;
- (b) use reasonable endeavors to prevent any infringement in any material respect of the Intellectual Property;
- (c) make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property in full force and effect and record its interest in that Intellectual Property;

- (d) not use or permit the Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of the Intellectual Property or imperil the right of any Group Company to use such property; and
  - (e) not discontinue the use of the Intellectual Property.
- 5.8 Cooperation in respect of Investigations. The Company shall keep each Investor informed, on a current basis, of any events, discussions, notices or changes with respect to any Tax (other than ordinary course communications which could not reasonably be expected to be material to the Company), criminal or regulatory investigation or action involving the Company or any of its Subsidiaries, so that such Investor will have the opportunity to take appropriate steps to avoid or mitigate any regulatory consequences to them that might arise from such criminal or regulatory investigation or action and the Company shall reasonably cooperate with each Investor, its members and its respective Affiliates in an effort to avoid or mitigate any cost or regulatory consequences that might arise from such investigation or action (including by reviewing written submissions in advance, attending meetings with authorities, coordinating and providing assistance in meeting with regulators and, if requested by GS, making a public announcement of such matters).
- 5.9 Securities Filings. The Company shall (i) provide to each Investor, promptly after the filing thereof, copies of any registration statement, preliminary prospectus, final prospectus, application for listing or other document filed with any securities regulatory authority or securities exchange in any jurisdiction (each a “Securities Filing”) and (ii) prior to the completion of an IPO, provide each Investor with a draft of any proposed Securities Filing reasonably in advance of the due date of such Securities Filing, subject to compliance with applicable law.
- 5.10 Tax Covenant. The Company shall, and shall procure that each Group Company will, comply with applicable tax laws and comply with all record-keeping, reporting, and other requirements necessary for an Investor’s compliance with any applicable tax laws. The Company shall, and shall procure that each Group Company will, use its commercially reasonable effort to avoid adverse tax status (such as “PRC resident enterprise” for any Group Company organized outside the PRC under the PRC tax laws, or “controlled foreign corporation” or “passive foreign investment company” under the U.S. tax laws). The Company shall not change its classification as a corporation for US federal income tax purposes. The Company shall also provide each Investor with any information reasonably requested by such Investor to enable such Investor to comply with any applicable U.S. tax laws and to make the appropriate tax determination or election (including the determination of whether the Company is a “controlled foreign corporation” or “passive foreign investment company” under the U.S. tax laws).
- 5.11 Anti-Corruption and Anti-Bribery Policies and Procedures.

- (a) The Company shall not, and shall ensure that each Group Company and their respective Affiliates will not, permit any of its Subsidiaries or Affiliates or any of its or their respective directors, administrators, officers, managers, board of directors (supervisory and management) members, employees, independent contractors, representatives or agents to, promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, any non-U.S. official or any other Person, in each case, in violation of any Anti-Corruption Laws. The Company further covenants that it shall, and shall ensure that each Group Company and each of their respective Affiliates will, (a) cease all of its or their respective activities, as well as remediate any actions taken by the Company, its Subsidiaries or Affiliates, or any of its or their respective directors, administrators, officers, managers, board of directors (supervisory and management) members, employees, independent contractors, representatives or agents in violation of any Anti-Corruption Laws or any other applicable anti-bribery or anti-corruption law, and (b) maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions Laws.
- (b) The Company shall (and the Company shall ensure that each Group Company will) implement and maintain an adequate anti-corruption compliance policy and training program which is to the reasonable satisfaction of each Investor.

5.12 Anti-Money Laundering. The Company shall (and the Company shall ensure each Group Company will) conduct its operations at all times in compliance with Anti-Money Laundering Laws.

5.13 No Sanctions.

- (a) The Company shall not (and the Company shall ensure each Group Company and their respective Affiliates will not) directly or indirectly use the proceeds of the Notes, or lend, contribute or otherwise make available such proceeds to any Person which is targeted by or subject to any Sanctions Laws.
- (b) The Company shall not (and the Company shall ensure each Group Company and their respective Affiliates will not) engage, directly or indirectly, in any other activities that would result in a violation of Sanctions Laws by any Person, including any Person participating in the transactions contemplated by this Agreement or in any of the other Transaction Documents.

5.14 Auditors and Accounting Policies. The Company shall not (and the Company shall ensure that each Group Company will not) (a) change its auditors other than to any of the approved Auditors or (b) materially change the accounting and financial policies employed by any Group Company, in each case, without the prior written consent of the Requisite Percentage Holders.

- 5.15 Change of Business. The Company shall not (and the Company shall ensure that each Group Company will not) make any substantial change to the general nature of the business of such person from that carried on by such person at the Completion Date, other than the ordinary course expansion and development of such business.
- 5.16 Compliance with Laws. The Company shall (and the Company shall ensure that each Group Company will) conduct its respective business as currently conducted or proposed to be conducted in compliance with all applicable Laws of each relevant jurisdiction on a continuing basis in all material respects. Without limiting the generality of the foregoing, (a) the Company shall (and the Company shall ensure that each Group Company will), (i) refrain from conducting any operations or other activities that is in conflict with or in violation of the applicable laws of the PRC without the requisite approvals, permits, licenses, authorizations, certifications, registrations, filings or other governmental approval necessary for its respective business and operations as now conducted issued by the competent Governmental Authority of the PRC; (ii) at all times comply with all applicable employment laws in material aspects in each applicable jurisdiction, including the applicable PRC laws pertaining to Social Insurances; (iii) comply with all applicable tax laws and all record-keeping, reporting, and other legal requirements necessary for such Group Company to comply with any applicable tax law or to allow the Investors to avail themselves of any applicable provision of tax laws, and, without prejudice to the other provisions in the Transaction Documents, the Company will also provide the Investors with any documentation or information reasonably requested in writing by the Investors to allow the Investors to comply with applicable tax laws; (iv) at all times comply with all applicable Intellectual Property laws in material aspects, and obtain and maintain any and all licenses and authorizations required under the applicable laws for all Intellectual Property that are used in the businesses of the Group Companies; and (v) at all times comply with all applicable PRC Laws pertaining to personal information and data protection in material aspects.
- 5.17 Non-Competition. Luo Weidong hereby undertakes to the Investors that commencing from the date of this Agreement until the expiry of twelve (12) months after the date he ceases to own directly or indirectly any Shares or work as an employee of any Group Company (the "Non-competition Period"), he will not, without the prior written consent of the Majority Investors, either on his own account or through any of his Affiliates, or in conjunction with or on behalf of any other Person:
- (a) during the Non-competition Period, participate, assist, invest in, be concerned with, engaged or interested in, any business or entity in any manner, directly or indirectly, which is in competition with the business carried on by any Group Company;
  - (b) during the Non-competition Period, solicit in any manner any Person who is or has been during the Non-competition Period a customer or client of any Group Company for the purpose of offering to such Person any goods or services similar to or competing with any of the businesses conducted by any Group Company;

- (c) during the Non-competition Period, solicit or entice away, or endeavor to solicit or entice away, any employee or officer of any Group Company;
- (d) at any time disclose to any Person, or use for any purpose, any information concerning the business, accounts, finance, transactions or intellectual property rights of any Group Company or any trade secrets or confidential information of or relating to any of the Group Companies; or
- (e) solicit or entice away or attempt to solicit or entice away from any Group Company, any employee, consultant, supplier, customer, client, representative, or agent of such Group Company.

**SECTION 6  
RIGHTS AND OBLIGATIONS OF THE COMPANY IN RELATION  
TO EACH OTHER GROUP COMPANY**

- 6.1 Corporate Governance. For so long as GS holds 100% of the Equity Interests issued to it on the Completion Date, the Company shall take all steps required to ensure that GS shall be entitled to appoint an observer to attend all meetings of the board of directors of each Group Company; provided, that GS shall not be obligated to appoint any such observer. The right of appointment by GS shall also carry the right to remove or replace the observer so appointed. The Company shall cause the other matters with respect to observers of each of the other Group Companies, to the extent permitted by applicable laws, to be the same as those set forth in Section 4.1 with respect to the Company.

**SECTION 7  
LIQUIDITY PROTECTION**

- 7.1 IPO. The Company shall use its commercially reasonable efforts to implement a QIPO as soon as possible, and in any event no later than the second anniversary of the Completion Date (the "QIPO Target Date").
- 7.2 Sole Listing Vehicle. The Company shall be the sole listing vehicle of the Group and the Business.
- 7.3 Registration Rights. If the Company conducts an IPO on any securities exchange in the US, each Investor shall be entitled to the rights set out in Schedule 2 and, if so requested by any Investor, the Company shall, prior to the completion of such IPO, enter into a registration rights agreement with such Investor which shall include its rights set out in Schedule 2.
- 7.4 No Short Selling. For so long as any Note is outstanding, GS and/or its Affiliates, acting through the Asian Special Situations Group of the Securities Division of Goldman Sachs (Asia) LLC, shall not engage in short selling of the Company's Common Shares upon the completion of an IPO. For so long as any Note is outstanding, Mandra and/or its Affiliates shall not engage in short selling of the Company's Common Shares upon the completion of an IPO.

**SECTION 8**  
**REPRESENTATIONS AND WARRANTIES**

- 8.1 General Representations and Warranties. The Company represents and warrants to each Investor, and each Investor severally represents and warrants to the Company that:
- (a) such Party has the full power and authority to enter into, execute and deliver this Agreement and to perform the transactions contemplated hereby, and, if such Party is not a natural person, such Party is duly incorporated or organized and existing under the laws of the jurisdiction of its incorporation or organization;
  - (b) the execution and delivery by such Party of this Agreement and the performance by such Party of the transactions contemplated hereby have been duly authorized by all necessary corporate or other action of such Party;
  - (c) assuming the due authorization, execution and delivery hereof by the other Parties, this Agreement constitutes the legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally; and
  - (d) the execution, delivery and performance of this Agreement by such Party and the consummation of the transactions contemplated hereby will not (i) violate any provision of any organizational or governance document of such Party, (ii) require such Party to obtain any consent, approval or action of, or make any filing with or give any notice to, any Governmental Authority in such Party's country of organization or any other Person pursuant to any instrument, contract or other agreement to which such Party is a party or by which such Party is bound, other than any such consent, approval, action or filing that has already been duly obtained or made or otherwise explicitly required hereunder, (iii) conflict with or result in any breach or violation of any of the terms and conditions of, or constitute (or with notice or lapse of time or both constitute) a default under, any agreement or instrument to which such Party is a party or by which such Party is bound or (iv) violate any applicable law.
- 8.2 Corporation Representation. The Company represents and warrants to each Investor at all times that the Company is treated as a corporation for US federal income tax purposes.

**SECTION 9**  
**CONFIDENTIALITY AND RESTRICTIONS ON PUBLICITY**

9.1 Confidentiality. Upon the execution of this Agreement, each Party shall, and shall cause any Person who is Controlled by such Party and who is in receipt of such information to, (1) keep confidential the terms, conditions, and existence of this Agreement, the other Transaction Documents and any related documentation, the identities of any of the Parties, and other information of a non-public nature received from any other Party or prepared by such Party exclusively in connection herewith or therewith (collectively, the “**Confidential Information**”) except as the Company and the Investors shall mutually agree otherwise, and (2) not use any Confidential Information in such manner that is detrimental to the other concerned Party; provided, that any Party hereto may disclose Confidential Information or permit the disclosure of Confidential Information (a) to the extent required by applicable law, regulation, legal process, subpoena, civil investigative demand (or similar process), order, statute, rule, request or other legal or similar requirement made, promulgated or imposed by a Governmental Authority (including in response to oral questions, interrogatories or requests for information or documents) or any other Governmental Order; provided that such Party shall, where practicable and to the extent permitted by applicable laws, provide the other Parties with prompt written notice of that fact subject to any practicable arrangements to protect confidentiality and without compromising any privileges; and in such event, such Party shall furnish only that portion of the information which is legally required to be disclosed and shall exercise reasonable efforts to keep such information confidential to the extent reasonably requested by any such other, (b) to its officers, directors, employees, and professional advisors on a need-to-know basis, (c) in the case of each of the Investors, to its auditors, counsel, directors, officers, employees, fund managers, shareholders, partners (whether current or prospective, and including any business partners) or investors, representatives or advisors so long as such Party advises each Person to whom any Confidential Information is so disclosed as to the confidential nature thereof, and (d) to its current or bona fide prospective investors, investment bankers and any Person otherwise providing substantial debt or equity financing (including any co-investors, financing sources, transferees, bankers and lenders) to such Party on a need-to-know basis for the performance of its obligations in connection thereof so long as such Party advises each Person to whom any Confidential Information is so disclosed as to the confidential nature thereof, and in no case will an Investor be liable for any breaches by any of its advisors or agents. For the avoidance of doubt, Confidential Information does not include information that (i) was already in the possession of the receiving Party before such disclosure by the disclosing Party, (ii) is or becomes available to the public other than as a result of disclosure by the receiving Party in violation of this Section 9.1, or (iii) is or becomes available to the receiving Party from a third party who has no confidentiality obligations to the disclosing Party. Save as to disclosures required under applicable law, regulation, legal process, subpoena, civil investigative demand (or similar process), order, statute, rule, request or other legal or similar requirement made, promulgated or imposed by a Governmental Authority (including in response to oral questions, interrogatories or requests for information or documents) or any other Governmental Order, each Party shall not, and shall cause its Affiliate(s) not to, make any announcement regarding the consummation of the transaction contemplated by this Agreement, the other Transaction Documents and any related documentation in a press release, conference, advertisement, announcement, professional or trade publication, marketing materials or otherwise to the general public without the other Parties’ prior written consents.

9.2 Tax Exception. Notwithstanding anything herein to the contrary, each Investor (and any director, officer, employee, agent, consultant, and professional adviser of such Investor) may disclose to any and all such Persons, without limitation of any kind, the Tax treatment and Tax structure of the transactions described herein and all materials of any kind (including Tax opinions or other Tax analyses) that are provided to such Investor relating to such Tax treatment or Tax structure. However, any information relating to the US federal or state income tax treatment or Tax structure shall remain subject to the confidentiality provisions hereof (and the foregoing sentence shall not apply) to the extent reasonably necessary to enable any Person to comply with applicable securities laws. "Tax structure" is limited to any facts relevant to the US federal or state income tax treatment of the transactions described herein but does not include information relating to the identity of the issuer of the relevant securities or the issuer of any assets underlying such securities, or any of their respective Affiliates that are offering such securities.

9.3 Promotion.

- (a) None of the Parties shall use the name of Goldman, Sachs & Co. LLC, GS or any of its Affiliates without obtaining in each instance the prior written consent of GS.
- (b) The Company agrees that it will not, and shall procure each other Group Company not to, without the prior written consent of GS, in each instance, (a) use in advertising, publicity, or otherwise the name of Goldman, Sachs & Co. LLC, GS or any of its Affiliates, or any partner or employee of Goldman, Sachs & Co. LLC, GS or any of its Affiliates, or any trade name, trademark, trade device, service mark, symbol or any abbreviation, contraction or simulation thereof owned by Goldman, Sachs & Co. LLC, GS or any of its Affiliates, nor (b) represent, directly or indirectly, that any product or any service provided by the Company has been approved or endorsed by Goldman, Sachs & Co. LLC, GS or any of its Affiliates. The Company further agrees that it shall obtain written consent from the GS prior to the Company's issuance of any public statement detailing GS' subscription for Notes pursuant to this Agreement.

## **SECTION 10 TERM AND TERMINATION**

10.1 Effective Date; Termination. This Agreement shall become effective upon execution by all of the Parties and shall continue in force until the earlier to occur of (a) in respect of any Investor, the date upon which such Investor or any of its Affiliates ceases to hold any Equity Interests and in respect of the Company, the date upon which none of the Investors nor any of their respective Affiliates continues to hold any Equity Interests and (b) any date agreed upon in writing by all of the Parties.

- 10.2 Lapse of Investor Rights. The provisions of Sections 2 to 8 (other than Sections 2.4, 4.2, 5.10, 5.17, 7.3, 7.4 and 8.2 and Schedule 2) shall lapse immediately prior to the completion of an IPO.
- 10.3 Consequences of Termination. If this Agreement is terminated in accordance with Section 10.1 (*Effective Date; Termination*), it shall become void and of no further force and effect, except that:
- (a) the provisions of this Section 10, Section 1 (*Interpretation*), Section 9 (*Confidentiality and Restrictions on Publicity*), Section 11 (*Notices*), Section 12.4 (*No Partnership*) and Section 13 (*Governing Law and Dispute Resolution*); shall, unless otherwise agreed by the Parties, be without prejudice to the rights of any Party in respect of a breach of this Agreement prior to such termination shall remain in force following such termination; and
  - (b) any termination shall, unless otherwise agreed by the Parties, be without prejudice to the rights of any Party in respect of a breach of any provision of this Agreement prior to such date.

## SECTION 11 NOTICES

- 11.1 Notices. Each notice, demand or other communication given or made under this Agreement shall be in writing in English and delivered or sent to the relevant Party at its address or fax number, with a copy to its e-mail address (if any) set out below (or such other address or fax number as the addressee has by five (5) Business Days' prior written notice specified to the other Parties). Any notice, demand or other communication given or made by letter between countries shall be delivered by international commercial overnight delivery service or courier (such as Federal Express or DHL). Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been delivered (a) if delivered in person or by messenger, when proof of delivery is obtained by the delivering Party; (b) if sent by post within the same country, on the third (3rd) Business Day following posting, and if sent by post to another country, on the seventh (7th) Business Day following posting; and (c) if given or made by fax, upon dispatch and the receipt of a transmission report confirming dispatch.
- 11.2 Addresses and Fax Numbers. The initial address and facsimile for each Party for the purposes of this Agreement are:

Company

Aurora Mobile Limited

Address: Room 501, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Guankou 2nd Road Nanshan District, Shenzhen 518057  
518057

Facsimile No.: NA

Attention: CHEN Guangyan (陈光彦)

Luo Weidong and KK Mobile BVI

Address:

Facsimile No.:

Attention:

GS

Mercer Investments (Singapore) Pte. Ltd.

Address:

Facsimile No.:

Attention:

**With a copy to:**

Goldman Sachs (Asia) L.L.C.

Address:

Facsimile No.:

Attention:

Mandra

MANDRA IBASE LIMITED

Address:

Facsimile No.:

Attention:

**SECTION 12**  
**MISCELLANEOUS**

- 12.1 Discrepancies. If there is any discrepancy between any provision of this Agreement and any provision of the Charter Documents or the charter documents of any other Group Company, the provisions of this Agreement shall prevail, and accordingly the Company shall ensure that the Charter Documents or the charter documents of any other Group Company, as the case may be, are promptly amended, to the extent permitted by applicable law, in order to conform with this Agreement.
- 12.2 Assignment. This Agreement shall enure to the benefit of, and be binding upon, the successors and permitted assigns of the Parties. This Agreement, and the rights and obligations hereunder, shall not be assigned without the mutual written consents of each of the Investors and the Company; provided that any rights of an Investor hereunder may be assigned to any Person to whom such Investor Transfers Equity Interests in compliance with the terms of this Agreement or any of the Affiliates of such Investor, and provided that such Person signs a Deed of Adherence substantially in the form attached hereto as Exhibit A. Any change of Control of any of the foregoing will be deemed to be an assignment of this Agreement.
- 12.3 Right Not to Take Action that Might Cause a Violation of Law. Notwithstanding any other provision of this Agreement, no Investor shall be obligated to take any action or omit to take any action under this Agreement that it believes, in good faith, would cause it to be in violation of any applicable law.
- 12.4 No Partnership. The Investors expressly do not intend hereby to form a partnership between themselves, either general or limited, under the partnership law of any jurisdiction. The Investors do not intend to be partners one to another, or partners as to any third party, or create any fiduciary relationship among themselves, by virtue of their status as noteholders or (upon the conversion of the Notes) as shareholders.
- 12.5 Amendment. This Agreement may not be amended, modified or supplemented except by a written instrument executed by each of the Parties.
- 12.6 No Fiduciary Duty. The Parties acknowledge and agree that nothing in the Transaction Documents shall create a fiduciary duty of Goldman, Sachs & Co. LLC, GS or any of its Affiliate to the Company, Luo Weidong or the Shareholders.
- 12.7 Investment Banking Services. Notwithstanding anything to the contrary herein or in the other Transaction Documents or any actions or omissions by representatives of Goldman, Sachs & Co. LLC, GS or any of its Affiliates in whatever capacity, including as an Observer, it is understood that none of Goldman, Sachs & Co. LLC, GS nor any of its Affiliates is acting as a financial advisor, agent or underwriter to the Company or any of its Affiliates or otherwise on behalf of the Company or any of its Affiliates unless retained to provide such services pursuant to a separate written agreement.
- 12.8 Exculpation among Investors. Each Investor acknowledges that it is not relying upon any person, firm or corporation other than the Company and its officers and directors, in making its investment or decision to invest in the Company. Each Investor agrees that no Investor nor the respective controlling persons, officers, directors, partners, agents, or employees of any Investor shall be liable to the other Investor for any action heretofore or hereafter taken or omitted to be taken by any of them in connection with the subscription of the Notes or the transactions contemplated herein or in any of the other Transaction Documents.

- 12.9 Waiver. No waiver of any provision of this Agreement, and no consent or approval of a Party, shall be effective unless set forth in a written instrument signed by the Party waiving such provision or granting such consent or approval. No failure or delay by a Party in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. Without limiting the foregoing, no waiver by a Party of any breach by any other Party of any provision hereof shall be deemed to be a waiver of any subsequent breach of that or any other provision hereof.
- 12.10 Entire Agreement. This Agreement, together with the other Transaction Documents and any other documents referred to herein or therein, constitutes the whole agreement between the Parties relating to the subject matter hereof and supersedes any prior agreements or understandings relating to such subject matter.
- 12.11 Severability; Provisions Modifiable.
- (a) Each and every obligation under this Agreement shall be treated as a separate obligation and shall be severally enforceable as such and in the event of any obligation or obligations being or becoming unenforceable in whole or in part. To the extent that any provision or provisions of this Agreement are unenforceable they shall be deemed to be deleted from this Agreement, and any such deletion shall not affect the enforceability of this Agreement as remain not so deleted.
- (b) If any restriction on any Party hereunder shall be adjudged to be void or unenforceable because it exceeds what is reasonable in all the circumstances for the protection of the interests of the Parties or any of them but would be valid if part of the wording thereof were deleted or the periods thereof reduced or the range of activities or area dealt with thereby reduced in scope, such restriction shall apply with such modifications as may be necessary to make it valid and effective.
- 12.12 Consent to Specific Performance. The Parties declare that it is impossible to measure in money the damages that would be suffered by a Party by reason of the failure by any other Party to perform any of the obligations hereunder. Therefore, if any Party shall institute any action or proceeding to enforce the provisions hereof, any Party against whom such action or proceeding is brought hereby waives, to the extent permitted by law, any claim or defense therein that the other Party has an adequate remedy at law.

12.13 Counterparts. This Agreement may be executed in one or more counterparts, including counterparts transmitted by telecopier or facsimile or in the form of a "PDF" file. Each such counterpart shall be deemed an original signature, and all of them taken together shall constitute one document.

**SECTION 13  
GOVERNING LAW AND DISPUTE RESOLUTION**

13.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of Hong Kong, without giving effect to its conflicts of law principles.

13.2 Arbitration.

- (a) Any dispute or claim arising out of or in connection with or relating to this Agreement or any other Transaction Document, or the breach, termination or invalidity hereof or thereof (including the validity, scope and enforceability of this arbitration provision) (a "Dispute"), shall be finally resolved by arbitration in Hong Kong under the auspices of the Arbitration Center and in accordance with the Hong Kong International Arbitration Center Administered Arbitration Rules (the "HKIAC Arbitration Rules") in force when the Notice of Arbitration (as contemplated under the HKIAC Arbitration Rules) is submitted and as may be amended by the rest of this Section 13.2. For the purpose of such arbitration, there shall be three arbitrators (the "Arbitration Board"). The Investors shall select one arbitrator and the Company shall select one arbitrator. All selections shall be made within 30 days after the selecting Party gives or receives the demand for arbitration. Such arbitrators shall be freely selected, and the Parties shall not be limited in their selection to any prescribed list. The Chairman of the Arbitration Center shall select the third arbitrator. If any arbitrator to be appointed by a Party has not been appointed and consented to participate within 30 days after the selection of the first arbitrator, the relevant appointment shall be made by the Chairman of the Arbitration Center.
- (b) The arbitrators shall decide any such dispute or claim strictly in accordance with the governing law specified in Section 13.1. Judgment upon any arbitral award rendered hereunder may be entered in any court having jurisdiction, or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be.
- (c) In order to preserve its rights and remedies, any Party shall be entitled to seek any order for the preservation of property, including any interim injunctive relief, in accordance with applicable law from any court of competent jurisdiction or from the arbitration tribunal pending the final decision or award of the Arbitration Board.

- (d) Without prejudice to Section 13.3, each Party irrevocably consents to the service of process, notices or other paper in connection with or in any way arising from the arbitration or the enforcement of any arbitral award, by use of any of the methods and to the addresses set forth for the giving of notices in Section 11. Nothing contained herein shall affect the right of any Party to serve such processes, notices or other papers in any other manner permitted by applicable law.
- (e) The Parties agree to facilitate the arbitration by (i) cooperating in good faith to expedite (to the maximum extent practicable) the conduct of the arbitration, (ii) making available documents, books, records and personnel under their control in accordance with the HKIAC Arbitration Rules, (iii) conducting arbitration hearings to the greater extent possible on successive Business Days and (iv) using their best efforts to observe the time periods established by the HKIAC Arbitration Rules or by the Arbitration Board for the submission of evidence and briefs.
- (f) The costs and expenses of the arbitration, including the fees of the Arbitration Board, shall be allocated between each Party as the Arbitration Board deems equitable.
- (g) Any award made by the Arbitration Board shall be final and binding on each of the Parties that were parties to the dispute. The Parties expressly agree to waive the applicability of any laws and regulations that would otherwise give the right to appeal the decisions of the Arbitration Board so that there shall be no appeal to any court of law for the award of the Arbitration Board, and a Party shall not challenge or resist the enforcement action taken by any other Party in whose favor an award of the Arbitration Board was given.

13.3 Consolidation of Disputes. Where Disputes arise under this Agreement and under any of the other Transaction Documents which, in the reasonable opinion of the first arbitration panel to be appointed in any of the Disputes, are so closely connected that it is expedient for them to be resolved in the same proceedings, that arbitration panel shall have the power to order that the proceedings to resolve that Dispute shall be consolidated with those to resolve any of the other Disputes (whether or not proceedings to resolve those other Disputes have not yet been instituted), provided that no date for exchange of witness statements has been fixed. If the arbitration panel so orders, the parties to each Dispute which is a subject of such order shall be treated as having consented to that Dispute being finally decided:

- (a) by the arbitration panel that ordered the consolidation unless HKIAC decides that the arbitrator would not be suitable or impartial; and
- (b) in accordance with the procedure, at the seat specified in the arbitration clause in the Transaction Document under which the arbitration panel that ordered the consolidation was appointed, save as otherwise agreed by all parties to the consolidated proceedings or, in the absence of such agreement, ordered by the arbitration panel in the consolidated proceedings.

13.4 Service of Process. Without prejudice to any other mode of service allowed under any relevant law:

- (a) each of the Company, Luo Weidong and KK Mobile Limited irrevocably appoints KK Mobile Investment Limited, having its registered office at Room D, 10/F., Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong, as its agent for service of process in relation to suit or proceeding before the Hong Kong courts in connection with this Agreement or any other Transaction Document, service upon whom shall be deemed completed whether or not forwarded to or received by the Company, Luo Weidong or KK Mobile Limited (as applicable);
- (b) GS irrevocably appoints Goldman Sachs (Asia) L.L.C. located at 68/F, Cheung Kong Center, 2 Queen's Road Central, Central, Hong Kong, as its agent for service of process in relation to suit or proceeding before the Hong Kong courts in connection with this Agreement or any other Transaction Document, service upon whom shall be deemed completed whether or not forwarded to or received by GS;
- (c) Mandra irrevocably appoints Mandra Capital Limited, having its registered office at 10/F., Fung House, 19-20 Connaught Road Central, Hong Kong, as its agent for service of process in relation to suit or proceeding before the Hong Kong courts in connection with this Agreement or any other Transaction Document, service upon whom shall be deemed completed whether or not forwarded to or received by Mandra, (each such appointed agent, a "Process Agent"). Each of the Parties expressly agrees and consents to the provisions of this Section 14.4. Each Party hereby irrevocably authorizes and directs its Process Agent to accept such service on its behalf. Each Party further agrees to take any and all actions, including the execution and filing of any and all such documents and instruments as may be necessary to continue such designation and appointment of its Process Agent in full force and effect so long as it has any outstanding obligations under this Agreement.

[the remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

**AURORA MOBILE LIMITED**

By: /s/ LUO Weidong  
Name: LUO Weidong  
Title: Authorized Signatory

**LUO WEI DONG ( )**

By: /s/ LUO Weidong

**KK MOBILE LIMITED**

By: /s/ LUO Weidong  
Name: LUO Weidong  
Title: Authorized Signatory

[SIGNATURE PAGE TO INVESTORS' RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

**MERCER INVESTMENTS (SINGAPORE)  
PTE. LTD.**

By: /s/ Lo Swee Oi

\_\_\_\_\_  
Name: Lo Swee Oi

Title: Director

[SIGNATURE PAGE TO INVESTORS' RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

**MANDRA IBASE LIMITED**

By: /s/ Song Yi ZHANG

Name: Song Yi ZHANG  
Title: Director

[SIGNATURE PAGE TO INVESTORS' RIGHTS AGREEMENT]

**SCHEDULE 1**

**PARTICULARS OF COMPANY**

Particulars of Company

1. Aurora Mobile Limited

- a. Registered Office: Harneys Fiduciary (Cayman) Limited,  
P.O. Box 10240, 4th Floor, Harbour Place,  
103 South Church Street, George Town,  
Grand Cayman KY1-1002,  
Cayman Islands
  
- b. Address for Notices: Room 501, Block 7,  
Zhiheng Strategic Hi-tech Industrial Park,  
Guankou 2nd Road Nanshan District,  
Shenzhen 518057 7 501

**SCHEDULE 2**  
**REGISTRATION RIGHTS**

1. General.

(a) Definitions. The following terms used herein shall have the meanings ascribed to the below:

- (i) “Commission” means (i) with respect to any offering of securities in the United States, the Securities and Exchange Commission of the United States or any other federal agency at the time administering the Securities Act and (ii) with respect to any offering of securities in a jurisdiction other than the United States, the regulatory body of the jurisdiction with authority to supervise and regulate the offering and sale of securities in that jurisdiction.
- (ii) “Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission thereunder.
- (iii) “Form F-3” means Form F-3 promulgated by the Commission under the Securities Act or any successor form or substantially similar form then in effect.
- (iv) “Form S-3” means Form S-3 promulgated by the Commission under the Securities Act or any successor form or substantially similar form then in effect.
- (v) “Holdings” means the holders of Registrable Securities who are parties to this Agreement from time to time, and their transferees that become parties to this Agreement from time to time.
- (vi) “Initiating Holders” means, with respect to a request duly made under Paragraph 2(a) or Paragraph 2(b) of this Schedule 2 to Register any Registrable Securities, the Holders initiating such request.
- (vii) “Registrable Securities” means (A) the Common Shares issued or issuable upon conversion of the Notes, (B) any Common Shares owned or hereafter acquired by any Investor and (C) any Common Shares issued as a dividend or other distribution with respect to, in exchange for, or in replacement of, the shares referenced in (A) and (B) herein.
- (viii) “Registration” means a registration effected by preparing and filing a Registration Statement and the declaration or ordering of the effectiveness of that Registration Statement; and the terms “Register” and “Registered” have meanings concomitant with the foregoing.

- (ix) “Registration Statement” means a registration statement prepared on Form F-3 or S-3 under the Securities Act (including, without limitation, Rule 415 under the Securities Act) , or on any comparable form in connection with registration in a jurisdiction other than the United States.
- (x) “Securities Act” means the United States Securities Act of 1933, as amended.
- (xi) “Violation” has the meaning set forth in Paragraph 5(a)(i) hereof.

Except where the context requires otherwise, capitalized terms used herein without definition shall have the meanings set forth in Section 1.1 of this Agreement.

- (b) Grant of Rights. The Company hereby grants registration rights to the Holders upon the terms and conditions set forth in this Schedule 2.

## 2. Demand Registration.

- (a) Registration Other Than on Form F-3 or Form S-3. Subject to the terms of this Agreement, at any time or from time to time after the date that is twelve (12) months after the IPO Effectiveness Date, Holder(s) holding at least 50% or more of the issued and outstanding Notes (or Conversion Shares issued upon the conversion of the Notes) may request in writing that the Company effect a Registration for at least 20% of their Registrable Securities (or any lesser percentage if the anticipated gross receipts from the offering exceed US\$5,000,000) on any internationally recognized exchange that is reasonably acceptable to such requesting Holder(s). Upon receipt of such a request, the Company shall (x) within two (2) days of the receipt of such written request give written notice of the proposed Registration to all other Holders and (y) as soon as practicable, use its best efforts to cause the Registrable Securities specified in the request, together with any Registrable Securities of any Holder who requests in writing to join such Registration within fifteen (15) days after the receipt of such written notice, to be Registered and/or qualified for sale and distribution in such jurisdiction as the Initiating Holders may request. The Company shall not be obligated to effect more than two (2) Registrations pursuant to this Paragraph 2(a) that have been declared and ordered effective; provided that if the sale of all of the Registrable Securities sought to be included pursuant to this Paragraph 2(a) is not consummated for any reason other than due to the action or inaction of the Holders including Registrable Securities in such Registration, such Registration shall not be deemed to constitute one of the Registration rights granted pursuant to this Paragraph 2(a).
- (b) Registration on Form F-3 or Form S-3. Subject to the terms of this Agreement, if the Company qualifies for registration on Form F-3 or Form S-3 (or any comparable form for Registration in a jurisdiction other than the United States), any Holder may request the Company to file, in any jurisdiction in which the Company has had a registered underwritten public offering, a Registration Statement on Form F-3 or Form S-3 (or any comparable form for Registration in a jurisdiction other than the United States), including without limitation any registration statement filed under the Securities Act providing for the registration of, and the sale on a continuous or a delayed basis by the Holders of, all of the Registrable Securities pursuant to Rule 415 under the Securities Act and/or any similar rule that may be adopted by the Commission. Upon receipt of such a request, the Company shall (i) promptly give written notice of the proposed Registration to all other Holders and (ii) as soon as practicable, use its best efforts to cause the Registrable Securities specified in the request, together with any Registrable Securities of any Holder who requests in writing to join such Registration within fifteen (15) days after the Company’s delivery of written notice, to be Registered and qualified for sale and distribution in such jurisdiction within sixty (60) days of the receipt of such request. The Holders shall be entitled to an unlimited number of registrations on Form F-3 or Form S-3 so long as such registration offerings are in excess of US\$500,000; provided that, the Company shall be obligated to effect no more than two (2) Registrations that have been declared and ordered effective within any twelve (12)-month period pursuant to this Paragraph 2(b); provided further that, if the sale of all of the Registrable Securities sought to be included pursuant to this Paragraph 2(b) is not consummated for any reason other than due to the action or inaction of the Holders including Registrable Securities in such Registration, such Registration shall not be deemed to constitute one of the Registration rights granted pursuant to this Paragraph 2(b).

(c) Right of Deferral.

- (i) The Company shall not be obligated to Register or qualify Registrable Securities pursuant to this Paragraph 2 of this Schedule 2:
- (1) if, within ten (10) days of the receipt of any request of the Holders to Register any Registrable Securities under Paragraph 2(a) or Paragraph 2(b) of this Schedule 2, the Company gives notice to the Initiating Holders of its bona fide intention to effect the filing for its own account of a Registration Statement of Common Shares within sixty (60) days of receipt of that request; provided, that the Company is actively employing in good faith its best efforts to cause that Registration Statement to become effective within sixty (60) days of receipt of that request; provided, further, that the Holders are entitled to join such Registration subject to Paragraph 3 of Schedule 2 (other than a registration of securities in a transaction under Rule 145 of the Securities Act or with respect to an employee benefit plan);

(2) during the period starting with the date of filing by the Company of, and ending six (6) months following the effective date of any Registration Statement pertaining to Common Shares of the Company; provided, that the Holders are entitled to join such Registration subject to Paragraph 3 of Schedule 2 (other than a registration of securities in a transaction under Rule 145 of the Securities Act or with respect to an employee benefit plan); or

(3) in any jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such Registration or qualification, unless the Company is already subject to service of process in such jurisdiction.

(ii) If, after receiving a request from Holders pursuant to Paragraph 2(a) or Paragraph 2(b) of this Schedule 2, the Company furnishes to the Holders a certificate signed by the chief executive officer of the Company stating that, in the good faith judgment of the Board, it would be materially detrimental to the Company or its members for a Registration Statement to be filed in the near future, then the Company shall have the right to defer such filing for a period during which such filing would be materially detrimental, provided, that the Company may not utilize this right and/or the deferral right contained in this clause (ii) for more than ninety (90) days on any one occasion (except for Registration on Form F-3 or Form S-3, which shall be sixty (60) days) or for more than once during any twelve (12) month period; provided, further, that the Company may not Register any other of its securities during such period (except for Registrations contemplated by Paragraph 3(d) of this Schedule 2).

(d) Underwritten Offerings. If, in connection with a request to Register Registrable Securities under Paragraph 2(a) or Paragraph 2(b) of this Schedule 2, the Initiating Holders seek to distribute such Registrable Securities in an underwritten offering, they shall so advise the Company as part of the request, and the Company shall include such information in the written notice to the other Holders described in Paragraph 2(a) or Paragraph 2(b) of this Schedule 2. In such event, the right of any Holder to include its Registrable Securities in such Registration shall be conditioned upon such Holder's participation in such underwritten offering and the inclusion of such Holder's Registrable Securities in the underwritten offering (unless otherwise mutually agreed by a majority-in-interest of the Initiating Holders and such Holder, taken together) to the extent provided herein. All Holders proposing to distribute their securities through such underwritten offering shall enter into an underwriting agreement in customary form with the underwriter or underwriters of internationally recognized standing selected for such underwritten offering by the Company and reasonably acceptable to the holders of a majority of the voting power of all Registrable Securities proposed to be included in such Registration. Notwithstanding any other provision of this Agreement, if the managing underwriter advises the Company that marketing factors (including without limitation the aggregate number of securities requested to be Registered, the general condition of the market, and the status of the Persons proposing to sell securities pursuant to the Registration) require a limitation of the number of Registrable Securities to be underwritten in a Registration pursuant to Paragraph 2(a) or Paragraph 2(b) of this Schedule 2, the underwriters may (i) in the event the offering is the first IPO, exclude from the underwritten offering all of the Registrable Securities (so long as the only securities included in such offering are those sold for the account of the Company), or (ii) otherwise exclude up to 75% of the Registrable Securities requested to be Registered but only after first excluding all other Equity Interests from the Registration and underwritten offering and so long as the number of Registrable Securities to be included in the Registration is allocated among all Holders in proportion, as nearly as practicable, to the respective amounts of Registrable Securities requested by such Holders to be included. Any Registrable Securities excluded or withdrawn from such underwritten offering shall be withdrawn from the Registration. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to a Holder to the nearest one hundred (100) shares.

3. "Piggy-Back" Registration.

- (a) Registration of the Company's Securities. Subject to the terms of this Agreement, if the Company proposes to Register for its own account any of its Equity Interests, or for the account of any holder (other than a Holder) of Equity Interests any of such holder's Equity Interests, in connection with the public offering of such securities (except as set forth in Paragraph 3(d) of this Schedule 2), the Company shall promptly give each Holder written notice of such Registration and, upon the written request of any Holder given within fifteen (15) days after delivery of such notice, the Company shall use its best efforts to include in such Registration any Registrable Securities thereby requested to be Registered by such Holder. If a Holder decides not to include all or any of its Registrable Securities in such Registration by the Company, such Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent Registration Statement or Registration Statements as may be filed by the Company, all upon the terms and conditions set forth herein. The Holders shall be entitled to an unlimited number of Registrations pursuant to this Paragraph 3(a). For avoidance of any doubt, without prior consent of the Holder(s) holding at least 50% or more of the issued and outstanding Notes (or Conversion Shares issued upon the conversion of the Notes), any holder of Equity Interests shall not be entitled to any "Piggy-Back" Registration right more favorable to the Holders.

- (b) Right to Terminate Registration. The Company shall have the right to terminate or withdraw any Registration initiated by it under Paragraph 3(a) of this Schedule 2 prior to the effectiveness of such Registration, whether or not any Holder has elected to participate therein. The expenses of such withdrawn Registration shall be borne by the Company in accordance with Paragraph 4(c) of this Schedule 2.
- (c) Underwriting Requirements.
- (i) In connection with any offering involving an underwriting of the Equity Interests, the Company shall not be required to Register the Registrable Securities of a Holder under this Paragraph 3 of this Schedule 2 unless such Holder's Registrable Securities are included in the underwritten offering and such Holder enters into an underwriting agreement in customary form with the underwriter or underwriters of internationally recognized standing selected by the Company and setting forth such terms for the underwritten offering as have been agreed upon between the Company and the underwriters. In the event the underwriters advise Holders seeking Registration of Registrable Securities pursuant to this Paragraph 3 of this Schedule 2 in writing that market factors (including the aggregate number of Registrable Securities requested to be Registered, the general condition of the market, and the status of the Persons proposing to sell securities pursuant to the Registration) require a limitation of the number of Registrable Securities to be underwritten, the underwriters may (i) in the event the offering is the first IPO, exclude all of the Registrable Securities (so long as the only securities included in such offering are those sold for the account of the Company and no securities of other selling shareholders are included), or (ii) otherwise exclude up to seventy five percent (75%) of the Registrable Securities requested to be Registered but only after first excluding all other Equity Interests (except for securities sold for the account of the Company) from the Registration and underwriting and so long as the number of Registrable Securities to be included in such Registration is allocated among all Holders in proportion, as nearly as practicable, to the respective amounts of Registrable Securities requested by such Holders to be included. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to a Holder to the nearest one hundred (100) shares.
- (ii) If any Holder disapproves the terms of any underwriting, the Holder may elect to withdraw therefrom by written notice to the Company and the underwriters delivered at least ten (10) days prior to the effective date of the Registration Statement. Any Registrable Securities excluded or withdrawn from the underwritten offering shall be withdrawn from the Registration. Notwithstanding the foregoing, the Company shall not be required to pay for any expenses of any Registration proceeding begun pursuant to Paragraph 2(a) or Paragraph 2(b) of this Schedule 2 if the Registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all participating Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless such withdrawal is due to an action or inaction of the Company or an event outside of the reasonable control of such Holders.

- (d) Exempt Transactions. The Company shall have no obligation to Register any Registrable Securities under this Paragraph 3 of this Schedule 2 in connection with a Registration by the Company (i) relating solely to the sale of securities to participants in a company share plan, or (ii) relating to a corporate reorganization or other transaction under Rule 145 of the Securities Act (or comparable provision under the laws of another jurisdiction, as applicable).

4. Registration Procedures.

- (a) Registration Procedures and Obligations. Whenever required under this Agreement to effect the Registration of any Registrable Securities held by the Holders, the Company shall, as expeditiously as reasonably possible:
- (i) Prepare and file with the Commission a Registration Statement with respect to those Registrable Securities and use its best efforts to cause that Registration Statement to become effective, and, upon the request of the Holders holding a majority of the Registrable Securities Registered thereunder, keep the Registration Statement effective for up to one hundred twenty (120) days or, if earlier, until the distribution thereunder has been completed; provided, however, that (a) such one hundred twenty (120) day period shall be extended for a period of time equal to the period any Holder refrains from selling any Registrable Securities included in such Registration at the written request of the underwriter(s) for such Registration, and (b) in the case of any Registration of Registrable Securities on Form F-3 or Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable rules promulgated by the Securities and Exchange Commission, such one hundred twenty (120) day period shall be extended, if necessary, to keep the Registration Statement or such comparable form, as the case may be, effective until all such Registrable Securities are sold;
  - (ii) Prepare and file with the Commission amendments and supplements to that Registration Statement and the prospectus used in connection with the Registration Statement as may be necessary to comply with the provisions of applicable securities laws with respect to the disposition of all securities covered by the Registration Statement;

- (iii) Furnish to the Holders the number of copies of a prospectus, including a preliminary prospectus, required by applicable securities laws, and any other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them;
- (iv) Use its best efforts to Register and qualify the securities covered by the Registration Statement under the securities laws of any jurisdiction, as reasonably requested by the Holders, provided, that the Company shall not be required to qualify to do business or file a general consent to service of process in any such jurisdictions;
- (v) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in customary form, with the managing underwriter(s) of the offering;
- (vi) Promptly notify each Holder of Registrable Securities covered by the Registration Statement at any time when a prospectus relating thereto is required to be delivered under applicable securities laws of (a) the issuance of any stop order by the Commission, or (b) the happening of any event or the existence of any condition as a result of which any prospectus included in the Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made, or if in the opinion of counsel for the Company it is necessary to supplement or amend such prospectus to comply with law, and at the request of any such Holder promptly prepare and furnish to such Holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made or such prospectus, as supplemented or amended, shall comply with law;
- (vii) Furnish, at the request of any Holder requesting Registration of Registrable Securities pursuant to this Agreement, on the date that such Registrable Securities are delivered for sale in connection with a Registration pursuant to this Agreement, (i) an opinion, dated the date of the sale, of the counsel representing the Company for the purposes of the Registration, in form and substance as is customarily given to underwriters in an underwritten public offering; and (ii) a comfort letter dated the date of the sale, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters;

- (viii) Otherwise comply with all applicable rules and regulations of the Commission to the extent applicable to the applicable registration statement and use its best efforts to make generally available to its security holders (or otherwise provide in accordance with Section 11(a) of the Securities Act) an earnings statement satisfying the provisions of Section 11(a) of the Securities Act, no later than forty-five (45) days after the end of a twelve (12) month period (or ninety (90) days, if such period is a fiscal year) beginning with the first month of the Company's first fiscal quarter commencing after the effective date of such registration statement, which statement shall cover such twelve (12) month period, subject to any proper and necessary extensions;
  - (ix) Not, without the prior consent of the holders of at least a majority of voting power of the then outstanding Registrable Securities, make any offer relating to the Securities that would constitute a "free writing prospectus," as defined in Rule 405 promulgated under the Securities Act;
  - (x) Provide a transfer agent and registrar for all Registrable Securities Registered pursuant to the Registration Statement and, where applicable, a number assigned by the Committee on Uniform Securities Identification Procedures for all those Registrable Securities, in each case not later than the effective date of the Registration; and
  - (xi) Take all reasonable action necessary to list the Registrable Securities on the primary exchange on which the Company's securities are then traded or, in connection with an IPO, the primary exchange on which the Company's securities will be traded.
- (b) Information from Holder. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Agreement with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be required to effect the Registration of such Holder's Registrable Securities.

- (c) Expenses of Registration. All expenses, other than the underwriting discounts, selling commissions or separate legal fee applicable to the sale of Registrable Securities pursuant to this Agreement (which shall be borne by the Holders requesting Registration on a pro rata basis in proportion to their respective numbers of Registrable Securities sold in such Registration), incurred in connection with Registrations, filings or qualifications pursuant to this Agreement, including (without limitation) all Registration, filing and qualification fees, printers' and accounting fees, fees and disbursements of counsel for the Company and reasonable fees and disbursement of one counsel for all selling Holders, shall be borne by the Company. The Company shall not, however, be required to pay for any expenses of any Registration proceeding begun pursuant to this Agreement if the Registration request is subsequently withdrawn at the request of a majority-in-interest of the Holders requesting such Registration (in which case all participating Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be thereby Registered in the withdrawn Registration). In addition, the Company shall not be required to pay for expense for any special audit conducted for the purpose of such Registration in excess of US\$25,000 (in which case, all participating Holders shall bear such excess special audit expense pro rata based upon the number of Registrable Securities to be Registered in such Registration).

5. Registration-Related Indemnification.

(a) Company Indemnity.

- (i) To the maximum extent permitted by law, the Company will indemnify and hold harmless each Holder, such Holder's partners, officers, directors, shareholders and legal counsel, any underwriter (as defined in the Securities Act) and each Person, if any, who controls (as defined in the Securities Act) such Holder or underwriter, against any losses, claims, damages or liabilities (joint or several) to which they may become subject under laws which are applicable to the Company and relate to action or inaction required of the Company in connection with any Registration, qualification, or compliance, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (each a "Violation"): (a) any untrue statement or alleged untrue statement of a material fact contained in such Registration Statement, on the effective date thereof (including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto), (b) the omission or alleged omission to state in the Registration Statement, on the effective date thereof (including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto), a material fact required to be stated therein or necessary to make the statements therein not misleading, or (c) any violation or alleged violation by the Company of applicable securities laws, or any rule or regulation promulgated under applicable securities laws. The Company will reimburse each such Holder, underwriter or controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action.

(ii) The indemnity agreement contained in this Paragraph 5(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld or delayed), nor shall the Company be liable in any such case for any such loss, claim, damage, liability or action to the extent that it arises solely out of or is solely based upon a Violation that occurs in reliance upon and in conformity with written information furnished in a certificate expressly for use in connection with such Registration by any such Holder, such Holder's partners, officers, directors, and legal counsel, any underwriter (as defined in the Securities Act) and each Person, if any, who controls (as defined in the Securities Act) such Holder or underwriter. Further, the foregoing indemnity agreement with respect to any preliminary prospectus shall not inure to the benefit of any Holder or other aforementioned person, or any person controlling such Holder, from whom the person asserting any such losses, claims, damages or liabilities purchased shares in the offering, if a copy of the most current prospectus was not sent or given by or on behalf of such Holder or other aforementioned person to such person, if required by law to have been so delivered, at or prior to the written confirmation of the sale of the shares to such person, and if the prospectus (as so amended or supplemented) would have cured the defect giving rise to such loss, claim, damage or liability

(b) Holder Indemnity.

(i) To the maximum extent permitted by law, each selling Holder that has included Registrable Securities in a Registration will, severally and not jointly, indemnify and hold harmless the Company, its directors, officers, legal counsel and accountants, any underwriter, any other Holder selling securities in connection with such Registration and each Person, if any, who controls (within the meaning of the Securities Act) the Company, such underwriter or other Holder, against any losses, claims, damages or liabilities (joint or several) to which any of the foregoing persons may become subject, under applicable securities laws, or any rule or regulation promulgated under applicable securities laws, insofar as such losses, claims, damages or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder in a certificate expressly for use in connection with such Registration; and each such Holder will reimburse any Person intended to be indemnified pursuant to this Paragraph 5(b), for any legal or other expenses reasonably incurred by such Person in connection with investigating or defending any such loss, claim, damage, liability or action. No Holder's liability under this Paragraph 5(b) shall exceed the net proceeds (less underwriting discounts and selling commissions) received by such Holder from the offering of securities made in connection with that Registration.

- (ii) The indemnity contained in this Paragraph 5(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder (which consent shall not be unreasonably withheld or delayed).
- (c) Notice of Indemnification Claim. Promptly after receipt by an indemnified party under Paragraph 5(a) or Paragraph 5(b) of this Schedule 2 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under Paragraph 5(a) or Paragraph 5(b) of this Schedule 2, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the indemnifying parties. An indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the reasonably incurred fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party, to the extent so prejudiced, of any liability to the indemnified party under this Paragraph 5, but the omission to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Paragraph 5.
- (d) Contribution. If any indemnification provided for in Paragraph 5(a) or Paragraph 5(b) of this Schedule 2 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage or expense referred to herein, the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and of the indemnified party, on the other, in connection with the statements or omissions that resulted in such loss, liability, claim, damage or expense, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission. No Holder's liability under this Paragraph 5(d), when combined with such Holder's liability under Paragraph 5(b) of this Schedule 2, shall exceed the net proceeds (less underwriting discounts and selling commissions) received by such Holder from the offering of securities made in connection with that Registration.

- (e) Underwriting Agreement. To the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.
- (f) Survival. The obligations of the Company and Holders under this Paragraph 5 shall survive the completion of any offering of Registrable Securities in a Registration Statement under this Agreement.

6. Additional Registration-Related Undertakings.

- (a) Reports under the Exchange Act. With a view to making available to the Holders the benefits of Rule 144 promulgated under the Securities Act and any comparable provision of any applicable securities laws that may at any time permit a Holder to sell securities of the Company to the public without Registration or pursuant to a Registration on Form F-3 or Form S-3 (or any comparable form in a jurisdiction other than the United States), the Company agrees to:
  - (i) make and keep public information available, as those terms are understood and defined in Rule 144 (or comparable provision, if any, under applicable securities laws in any jurisdiction where the Company's securities are listed), at all times following ninety (90) days after the effective date of the first Registration under the Securities Act filed by the Company for an offering of its securities to the general public;

- (ii) file with the Commission in a timely manner all reports and other documents required of the Company under all applicable securities laws; and
  - (iii) at any time following ninety (90) days after the effective date of the first Registration under the Securities Act filed by the Company for an offering of its securities to the general public by the Company, promptly furnish to any Holder holding Registrable Securities, upon request (a) a written statement by the Company that it has complied with the reporting requirements of all applicable securities laws at any time after it has become subject to such reporting requirements or, at any time after so qualified, that it qualifies as a registrant whose securities may be resold pursuant to Form F-3 or Form S-3 (or any form comparable thereto under applicable securities laws of any jurisdiction where the Company's securities are listed), (b) a copy of the most recent annual or quarterly report of the Company and such other reports and documents as filed by the Company with the Commission, and (c) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the Commission, that permits the selling of any such securities without Registration or pursuant to Form F-3 or Form S-3 (or any form comparable thereto under applicable securities laws of any jurisdiction where the Company's Securities are listed).
- (b) Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of holders of the Requisite Percentage of the then outstanding Registrable Securities held by all Holders, enter into any agreement with any holder or prospective holder of any Equity Interests that would allow such holder or prospective holder (i) to include such Equity Interests in any Registration filed under Paragraph 2 or Paragraph 3 of this Schedule 2, unless under the terms of such agreement such holder or prospective holder may include such Equity Interests in any such Registration only to the extent that the inclusion of such Equity Interests will not reduce the amount of the Registrable Securities of the Holders that are included, (ii) to demand Registration of their Equity Interests, or (iii) cause the Company to include such Equity Interests in any Registration filed under Paragraph 2 or Paragraph 3 of this Schedule 2 on a basis pari passu with or more favorable to such holder or prospective holder than is provided to the Holders of Registrable Securities.
- (c) "Market Stand-Off" Agreement. Each Holder agrees, if so required by the managing underwriter(s), that it will not during the period commencing on the date of the final prospectus relating to the first IPO and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days from the date of such final prospectus) (i) lend, offer, pledge, hypothecate, hedge, sell, make any short sale of, loan, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any Equity Interests (other than those included in such offering) or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Equity Interests, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Equity Interests or such other securities, in cash or otherwise; provided, that (x) all directors, officers and all other holders of at least 1% of the outstanding share capital of the Company must be bound by restrictions at least as restrictive as those applicable to any such Holder pursuant to this Paragraph 6(c), (y) this Paragraph 6(c) shall not apply to the extent that any other members subject to substantially similar restrictions are released, and (z) the lockup agreements shall permit such holders to transfer their Registrable Securities to their respective Affiliates so long as the transferees enters into the same lockup agreement. The underwriters in connection with the first IPO are intended third party beneficiaries of this Paragraph 6(c) and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. In order to enforce the foregoing covenant, the Company may place restrictive legends on the certificates and impose stop-transfer instructions with respect to the Registrable Securities of each Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period.

(d) Termination of Registration Rights. The registration rights set forth in Paragraph 2 and Paragraph 3 of this Schedule 2 shall terminate on the earlier of (i) the date that is five (5) years after the date of closing of an IPO and (ii) with respect to any Holder, the date on which such Holder may sell all of such Holder's Registrable Securities under Rule 144 of the Securities Act in any ninety (90)-day period.

(e) Exercise of Notes. Notwithstanding anything to the contrary provided in this Agreement, the Company shall have no obligation to register Registrable Securities which, have not been exercised, converted or exchanged, as applicable, for Common Shares.

7.

Jurisdiction. The terms of this Schedule 2 are drafted primarily in contemplation of an offering of securities in the United States of America. The Parties recognize, however, the possibility that securities may be qualified or registered for offering to the public in a jurisdiction other than the United States of America where registration rights have significance or that the Company might effect an offering in the United States of America in the form of American depositary receipts or American depositary shares. Accordingly:

(a) It is their intention that, whenever this Schedule 2 or any other provision of this Agreement refers to a law, form, process or institution of the United States of America but the Parties wish to effectuate qualification or registration in a different jurisdiction where registration rights have significance, such references to the laws or institutions of the United States shall be read as referring, mutatis mutandis, to the comparable laws or institutions of the jurisdiction in question; and.

- (b) It is agreed that the Company will not undertake any listing of American depositary receipts, American depositary shares or any other security derivative of the Company's Common Shares unless arrangements have been made reasonably satisfactory to a majority-in-interest of the Holders to ensure that the spirit and intent of this Agreement will be realized and that the Company is committed to take such actions as are necessary such that the Holders will enjoy rights corresponding to the rights hereunder to sell their Registrable Securities in a public offering in the United States of America as if the Company had listed Common Shares in lieu of such derivative securities.

8. Assignment of Registration Rights. The rights to cause the Company to register Registrable Securities pursuant to this Schedule 2 may be assigned (but only with all related obligations) by (i) a Holder that is a partnership, to any partner, retired partner or affiliated fund of such Holder, (ii) a Holder that is a limited liability company, to any member or former member of such Holder, (iii) a Holder who is an individual, to such Holder's family member or trust for the benefit of such Holder or such Holder's family member, (iv) a Holder that is a corporation to its shareholders in accordance with their interests in the corporation, (v) a Holder that is to transfer all the Equity Interests it holds in the Company, or (vi) to any other Person acquiring at least 100,000 shares ( as appropriately adjusted for any share split, dividend, combination or other recapitalization or like transactions) of Registrable Securities; provided (in all cases) (a) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being assigned; (b) such transferee or assignee agrees in writing to be bound by and subject to the terms and conditions of this Agreement; and (c) such assignments shall be effective only if immediately following such transfer the further disposition of such securities by the transferee or assignee is restricted under the Securities Act.

**EXHIBIT A**  
**FORM OF DEED OF ADHERENCE**

**DEED OF ADHERENCE** made on the [●] day of, [●]

**BETWEEN:**

- (1) **AURORA MOBILE LIMITED**, an exempted company incorporated and existing under the laws of the Cayman Islands with its registered office at [●] (the "Company");
- (2) **[NAME OF NEW INVESTOR]**, a company incorporated and existing under the laws of [jurisdiction of incorporation] with its registered office at [●] (the "New Investor").

**RECITALS:**

- (A) On 17th day of April, 2018, the Company, GS and Mandra entered into a Investors' Rights Agreement (the "Investors' Rights Agreement") to which a form of this Deed is attached as Exhibit A.
- (B) The New Investor wishes to [have transferred to him/her/it] [●] [[Equity Interests] of the Company (the "Equity Interests")]] from [●] (the "Transferor") and in accordance with Section 3.3 of the Investors' Rights Agreement has agreed to enter into this Deed.

**NOW THIS DEED WITNESSES** as follows:

1. Interpretation. In this Deed, except as the context may otherwise require, all words and expressions defined in the Investors' Rights Agreement shall have the same meanings when used herein.
2. Covenant. The New Investor hereby covenants to the Company as trustee for all other persons who are at present or who may hereafter become bound by the Investors' Rights Agreement, and to the Company itself to adhere to and be bound by all the duties, burdens and obligations of [an Investor holding the same class of Equity Interests]/[the Transferor] imposed pursuant to the provisions of the Investors' Rights Agreement and all documents expressed in writing to be supplemental or ancillary thereto as if the New Investor had been an original party to the Investors' Rights Agreement since the date thereof.
3. Enforceability. Each existing Investor and the Company shall be entitled to enforce the Investors' Rights Agreement against the New Investor, and the New Investor shall be entitled to all rights and benefits of the Transferor (other than those that are non-assignable) under the Investors' Rights Agreement in each case as if the New Investor had been an original party to the Investors' Rights Agreement since the date thereof.
4. Governing Law. THIS DEED OF ADHERENCE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF HONG KONG.

**IN WITNESS WHEREOF**, this Deed of Adherence has been executed as a deed on the date first above written.

[NAME OF COMPANY]

SIGNED SEALED AND DELIVERED )  
as a DEED in the name of [Company] )  
by its duly authorized representative [●] )  
in the presence of: )

[NAME OF NEW INVESTOR]

SIGNED SEALED AND DELIVERED )  
as a DEED in the name of )  
[New Investor] )  
by its duly authorized representative [●] )  
in the presence of: )

THE NOTES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED FROM TIME TO TIME, AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER, AS IN EFFECT FROM TIME TO TIME (THE “**SECURITIES ACT**”), ANY STATE SECURITIES LAWS OF THE UNITED STATES, OR THE SECURITIES LAW OF ANY OTHER JURISDICTION, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY STATE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS AND THE RESPECTIVE RULES AND REGULATIONS THEREUNDER.

**DEFINITIVE CERTIFICATE  
FOR THE CONVERTIBLE NOTES**

**AMOUNT: US\$30,000,000**

**CERTIFICATE NUMBER: 001**

**AURORA MOBILE LIMITED**  
(incorporated in the Cayman Islands with limited liability)  
(the “**Issuer**”)

**US\$35,000,000 ZERO COUPON NON-GUARANTEED AND UNSECURED CONVERTIBLE NOTES DUE 2021 CONVERTIBLE INTO  
COMMON SHARES OF THE ISSUER**

This is to certify that MERCER INVESTMENTS (SINGAPORE) PTE. LTD. is the registered holder of US\$30,000,000 in principal amount of the US\$35,000,000 zero coupon non-guaranteed and unsecured convertible notes due 2021 (the “**Notes**”) issued pursuant to the Subscription Agreement. The Note or Notes in respect of which this Certificate is issued are issued in registered form, without coupons attached and form part of a series designated as specified in the title of the Issuer. Words and expressions defined in the Conditions shall, unless the context otherwise requires, have the same meaning in this Certificate.

For value received, the Issuer promises to pay the person who appears at the relevant time on the Register as the holder of the Notes in respect of which this Certificate is issued such amount or amounts as shall become due in respect of such Notes and otherwise to comply with the terms and conditions (the “**Conditions**”) attached hereto. The Notes in respect of which this Certificate is issued are subject to, and have the benefit of, the Conditions, all of which shall be binding on the Issuer and the Noteholders and all persons claiming through them respectively.

The Notes constitute direct, senior, unsubordinated, unconditional, non-guaranteed and unsecured obligations of the Issuer. The Notes in respect of which this Certificate is issued are convertible into fully-paid common shares with a current par value of US\$0.0001 each of the Issuer subject to and in accordance with the Conditions.

The Issuer covenants with the Noteholders to duly perform and observe the obligations on its part contained in the Notes with the intent that the Notes shall enure for the benefit of the Noteholders, each of whom may sue on its own behalf for the performance or observance of the provisions of the Notes.

The statements set forth in the legend above are an integral part of the Note or Notes in respect of which this Certificate is issued and by acceptance thereof each holder agrees to be subject to and bound by the terms and provisions set forth in such legend.

This Certificate is evidence of entitlement only. Title to the Notes passes only on due registration on the Register and only the duly registered Noteholder is entitled to payments on the Notes in respect of which this Certificate is issued.

This Certificate shall not be valid for any purpose until executed by the Issuer and authenticated by the Registrar.

This Certificate is governed by, and shall be construed in accordance with, the laws of the Hong Kong Special Administrative Region.

*[The remainder of this page has been intentionally left blank]*

IN WITNESS WHEREOF this Certificate has been executed as a deed poll by the Issuer and is intended to be and is hereby delivered by it as a deed on April 17, 2018.

EXECUTED AS A DEED by )

AURORA MOBILE LIMITED )

in the presence of: ) /s/ LUO Weidong  
Director

/s/ CHEN Guangyan

Witness signature

Name: CHEN Guangyan

Address: Floor 3, Block 7, Zhiheng Industrial Park, Hubinzhong Road, Nanshan District, Shenzhen 518057

**CERTIFICATE OF AUTHENTICATION**

This Certificate is authenticated by or on behalf of Harneys Fiduciary (Cayman) Limited as Registrar (without warranty, recourse or liability)

By:

Authorized Signatory

For the purposes of authentication only

[Signature page to Convertible Note Certificate]

## TERMS AND CONDITIONS

The issue of aggregate principal amount of US\$35,000,000 zero coupon non-guaranteed and unsecured convertible notes due 2021 (the “**Notes**”) of the Issuer on April 17, 2018 (the “**Issue Date**”) and the right of conversion into Shares was authorized by resolutions of the board of directors of the Issuer on April 12, 2018.

### 1. STATUS

The Notes constitute direct, senior, unsubordinated, unconditional, non-guaranteed and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves, and equally with all other existing and future unsecured and unsubordinated obligations of the Issuer but, in the event of a winding up, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.

### 2. FORM, DENOMINATION AND TITLE

#### 2.1. Form

The Notes are issued in registered form, without coupons attached, in the denomination of US\$1,000,000 and higher integral multiples of US\$1 (an “**Authorized Denomination**”). A note certificate (each a “**Certificate**”) will be issued to each Noteholder in respect of its entire holding of Notes. Each Certificate will be numbered serially with a certificate number which will be recorded on the relevant Certificate and in the register of Noteholders (the “**Register**”) which the Issuer will procure to be kept by the Registrar.

#### 2.2. Title

Title to the Notes will pass only by transfer and registration in the Register as described in Condition 3 (*Transfer of Notes; Issue of Certificates*). The holder of any Note will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these terms and conditions (these “**Conditions**”), “**Noteholder**” and (in relation to a Note) “**holder**” means the person in whose name a Note is registered.

### 3. TRANSFERS OF NOTES; ISSUE OF CERTIFICATES

#### 3.1. Register

- (a) The Issuer will cause the Register to be kept by Harneys Fiduciary (Cayman) Limited (the “**Registrar**”) at its specified office outside of Hong Kong and Singapore (currently at, P.O. Box 10240, 4<sup>th</sup> Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman, KY1-1002, Cayman Islands and, upon any change to such specified office, subject to paragraph (b) below, the Issuer shall promptly give notice in writing to the Noteholders in accordance with Condition 15 (*Notices*) and the term “**specified office**” in respect of the Registrar shall be construed accordingly) on which shall be entered in respect of each holder (a) its name and address; (b) the details of its Registered Account; (c) the electronic mail address, telephone and facsimile numbers of the relevant contact persons for such holder; (d) the names of its authorized signatories, and (e) the particulars of the Notes held by it and the details of all transfers of the Notes. A Noteholder may change such details by notice to the Issuer.

- (b) The Issuer reserves the right at any time to vary or terminate the appointment of any Registrar and appoint a replacement Registrar provided that it will maintain a Registrar with a specified office outside Hong Kong and Singapore. Notice of any changes in the Registrar or its specified offices will promptly be given by the Issuer to the Noteholders.
- (c) Each Noteholder shall be entitled to receive only one Certificate in respect of its entire holding of Notes.
- (d) Any Noteholder may request for a copy of the names and addresses of the Noteholders and the aggregate principal amount of Notes outstanding for each Noteholder as set forth in the Register and within two Business Days of receipt by the Issuer of such request, a copy of the Register shall be made available for collection at the specified office of the Issuer (currently at Harneys Fiduciary (Cayman) Limited, P.O. Box 10240, 4<sup>th</sup> Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman, KY1-1002, Cayman Islands and, upon any change to such specified office, the Issuer shall promptly give notice in writing to the Noteholders in accordance with Condition 15 (*Notices*) and the term “**specified office**” in respect of the Issuer shall be construed accordingly) or, if so requested by the Noteholder, be sent by courier at the risk of the Noteholder entitled (but free of charge to the holder and at the Issuer’s expense).

### 3.2. **Transfer**

- (a) Subject to this Condition 3.2, a Noteholder may transfer any and all Notes to any person at any time and from time to time.
- (b) The Notes may not, without the written consent of the Issuer, be transferred by any Noteholder to any person, except for transfers to an Affiliate of such Noteholder in compliance with Condition 3.6 (*Regulations*), provided however, that any Notes which have not been redeemed and repaid in full (including outstanding principal, interest, if any, and any other amounts payable under the Finance Documents) on or prior to the date falling 30 days following (i) the date of issue of a Put Notice by a Noteholder, (ii) the date of issue of a Default Redemption Notice by the Majority Noteholders or a Noteholder, as applicable, to the Issuer in accordance with Condition 11 (*Events of Default*) or (iii) the Maturity Date, shall be freely transferrable by the relevant Noteholder(s).
- (c) Subject to the preceding paragraph and Conditions 3.5 (*Closed Periods*) and 3.6 (*Regulations*), any transfer or exchange of a Note may be effected in an Authorized Denomination by delivery of the Certificate issued in respect of that Note and the form of transfer as set out in Exhibit A (*Form of Transfer*) duly completed and signed by the transferor or its attorney duly authorized in writing, to the specified office of the Issuer. Subject to these Conditions, the Registrar shall promptly, and in any event within five Business Days of receipt of the foregoing documents, register such transfer outside of Hong Kong and Singapore upon compliance with the foregoing provision. No transfer of a Note will be valid unless and until entered on the Register.

### 3.3. **Delivery of New Certificates**

- (a) Each new Certificate to be issued upon a transfer or exchange of Notes will, within five Business Days of receipt by the Issuer of the original Certificate and the form of transfer duly completed and signed, be issued by the Registrar (outside of Hong Kong and Singapore) and made available for collection at the specified office of the Issuer or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Notes (but free of charge to the holder and at the Issuer's expense) to the address specified in the form of transfer.
- (b) Where only some of the Notes in respect of which a Certificate is issued is to be transferred, exchanged, converted, redeemed or repurchased, a new Certificate in respect of the Notes not so transferred, exchanged, converted, redeemed or repurchased will, within five Business Days of delivery of the original Certificate to the Issuer, be issued by the Registrar (outside of Hong Kong and Singapore) and made available for collection at the specified office of the Issuer or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Notes not so transferred, exchanged, converted, redeemed or repurchased (but free of charge to the holder and at the Issuer's expense) to the address of such holder appearing on the Register.

### 3.4. **Formalities Free of Charge**

Registration of a transfer of Notes and issuance of new Certificates will be effected without charge by the Issuer, but subject to payment (or the giving of such indemnity as the Issuer or Registrar may reasonably require) in respect of any Tax, duties or other governmental charges which may be imposed in relation to such transfer, and the Issuer and Registrar being reasonably satisfied that the regulations concerning transfers of Notes have been complied with.

### 3.5. **Closed Periods**

No Noteholder may require the transfer of a Note to be registered (a) during the period of seven days ending on (and including) the dates for payment of any outstanding principal pursuant to the Conditions; or (b) after a Conversion Notice has been delivered with respect to a Note, each such period is a "**Closed Period**".

### 3.6. **Regulations**

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfer of Notes scheduled to this Certificate as Exhibit B (*Regulations Concerning the Transfer and Registration of Notes*). A copy of the current regulations will be mailed (free of charge and at the expense of the Issuer) by the Issuer to any Noteholder upon request.

## 4. **SECURITY AND GUARANTEE**

The obligations of the Issuer under the Transaction Documents, including, without limitation, the obligations of the Issuer under the Notes, are not guaranteed and are unsecured.

## 5. **INTEREST**

### 5.1. **Zero coupon**

Subject to Condition 5.2 (*Interest*), the Notes are non-interest bearing Notes.

## 5.2. Interest

The Notes shall not bear or accrue any interest, except if (a) the Issuer fails to pay any amount payable by it under a Finance Document on its due date or (b) any other Event of Default (excluding the occurrence of an Event of Default pursuant to paragraph (a)(xx) of Condition 11 (*Events of Default*)) occurs and the Majority Noteholders have exercised their rights under paragraph (a) of Condition 11 (*Events of Default*), excluding in each case (i) any non-payment arising from the No QIPO Event or the Put Date in respect of which returns shall be calculated in accordance with Condition 8.2 (*Redemption for No QIPO at the Option of Noteholders*) and (ii) any non-payment arising from a No Share Delivery Event in respect of which returns shall be calculated in accordance with Condition 8.3 (*Redemption Amount for No Share Delivery Event*), then interest shall be payable by the Issuer on the aggregate outstanding principal amount of the Notes and interest shall accrue and be calculated on the aggregate outstanding principal amount of the Notes from (and including) the Issue Date to (and including) the date of actual receipt (both before and after court judgment) at a simple interest rate of 15 per cent. per annum, and any payment to the Noteholders of all or any part of the outstanding principal amount of the Notes shall be made together with accrued but unpaid interest on the amount prepaid (and such accrued but unpaid interest shall be paid by the Issuer to the Noteholders at such time). For avoidance of doubt, if the Majority Noteholders have exercised their rights under paragraph (a) of Condition 11 (*Events of Default*) as a result of the occurrence of an Event of Default pursuant to paragraph (a)(xx) of Condition 11 (*Events of Default*), then the Issuer shall redeem each Note at its then outstanding principal amount without paying any interest.

## 5.3. Calculation of interest

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days.

## 6. CONVERSION

### 6.1. Conversion Right

#### (a) Conversion Period

- (i) Subject as provided in the Conditions, each Note shall entitle the holder to convert the principal amount of such Note in whole or in part and from time to time into Shares credited as fully-paid, non-assessable and free from encumbrances at any time during the Conversion Period (the “**Conversion Right**”).
- (ii) Subject to and upon compliance with the Conditions, the Conversion Right in respect of a Note may be exercised, at the option of the holder thereof, at any time and from time to time after the Issue Date up to the close of business (at the place where the Certificate evidencing such Note is deposited for conversion) on the date falling seven days prior to the Maturity Date (but in no event thereafter) (the “**Conversion Period**”).
- (iii) A Conversion Right may not be exercised in respect of a Note (A) where the holder shall have exercised its right to require the Issuer to redeem or repurchase such Note pursuant to Condition 8.2 (*Redemption for No QIPO at the Option of Noteholders*) or (B) following the giving of notice by the Majority Noteholders pursuant to Condition 11 (*Events of Default*).

(iv) The number of Shares to be issued on exercise of a Conversion Right will be determined by dividing the US dollar principal amount of the Notes specified to be converted by the Conversion Price in effect on the relevant Conversion Date. A Conversion Right may be exercised in respect of one or more Notes. If more than one Note held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate US dollar principal amount of the Notes specified to be converted.

(b) Fractions of Shares

Fractions of Shares will not be issued on exercise of a Conversion Right. However, if the Conversion Right in respect of more than one Note is exercised at any one time such that Shares to be issued on conversion are to be registered in the same name, the number of such Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Notes specified to be so converted and rounded down to the nearest whole number of Shares. Notwithstanding the foregoing, the Issuer will upon conversion of any Note pay in cash in US dollars a sum equal to such portion of the principal amount of the Note or Notes evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in paragraph (a) of Condition 6.1 (*Conversion Right*), as corresponds to any fraction of a Share not issued if such sum exceeds US\$1.00. Any such sum shall be paid not later than five Business Days after the relevant Conversion Date by transfer to a US dollar account maintained by the payee in accordance with instructions given by the relevant Noteholder in the Conversion Notice.

(c) Conversion Price

- (i) The price at which Shares will be issued upon conversion, as adjusted from time to time (the “**Conversion Price**”) will initially be US\$11.7612 per Share, but will be subject to adjustment in the manner provided in Condition 6.3 (*Adjustments to Conversion Price*).
- (ii) Upon any adjustment in the Conversion Price pursuant to Condition 6.3 (*Adjustments to Conversion Price*), the Issuer shall within a reasonable period (not to exceed 10 Business Days) following such adjustment deliver to each holder of the Notes a certificate, duly signed by the chief financial officer of the Issuer, setting forth in reasonable detail the event requiring the adjustment and the method by which such adjustment was calculated and specifying the Conversion Price in effect immediately following such adjustment.

(d) Meaning of “Shares”

As used in these Conditions, the expression “**Shares**” means common shares of a par value of US\$0.0001 each of the Issuer or shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares, or such other shares of the Issuer into which those shares are converted in connection with an IPO or a QIPO, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer.

(e) Voting

Noteholders shall have no voting rights as a shareholder of the Issuer until the Notes are converted into the Shares of the Issuer in accordance with these Conditions.

6.2. **Conversion Procedure**

(a) Conversion Notice

- (i) To exercise the Conversion Right attaching to any Note, the holder thereof must complete, execute and deliver at his own expense during normal business hours at the specified office of the Issuer a duly completed and signed notice of conversion (a “**Conversion Notice**”) in the form scheduled to this Certificate as Exhibit C (*Form of Conversion Notice*), together with the relevant Certificate. Conversion Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Issuer is located.
- (ii) If such delivery is made after the end of normal business hours or on a day which is not a business day in the place of the specified office of the Issuer, such delivery shall be deemed for all purposes of these Conditions to have been made on the next immediately following business day.
- (iii) Conversion Rights may be exercised in respect of the principal amount represented by a Note in whole or in part but may only be exercised in one or more Authorized Denomination(s).
- (iv) The conversion date in respect of a Note as specified in the Conversion Notice (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Note is expressed in these Conditions to be exercisable and will be deemed to be the Business Day immediately following the date of the surrender of the Certificate in respect of such Note and delivery of such Conversion Notice to the Issuer and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right.
- (v) A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents in writing to such withdrawal, in which case, the Conversion Right attaching to such Note shall revive and the Note will remain outstanding.

(b) Taxes etc.

A Noteholder exercising Conversion Rights must pay directly to the relevant authorities any Taxes arising on such exercise (other than any Taxes payable in the Cayman Islands, if any, and in the place of the Relevant Stock Exchange at the relevant time by the Issuer in respect of the deposit of Certificates for the conversion of Notes, the allotment and issue and delivery of Shares following such deposit and the listing and admission to trading of such Shares on the Relevant Stock Exchange on conversion, which, in each case, shall be payable by the Issuer) and such Noteholder must pay all, if any, Taxes arising by reference to any disposal or deemed disposal of a Note in connection with such conversion. The Issuer will pay all other expenses arising on the issue of Shares on conversion of Notes (including all expenses in respect of the listing and admission to trading of such Shares on the Relevant Stock Exchange) and all charges of the share transfer agent for the Shares. The Noteholder (and, if applicable, the person other than the Noteholder to whom the Shares are to be issued) must provide the Issuer with confirmation of payment to the relevant tax authorities in settlement of Taxes payable by it pursuant to this paragraph (b).

(c) Registration

- (i) Upon exercise by a Noteholder of its Conversion Right and compliance with paragraphs (a) and (b) of Condition 6.2 (*Conversion Procedure*), the Issuer will, as soon as practicable and in any event not later than five Business Days after the Conversion Date, register the person or persons designated for the purpose in the Conversion Notice as holder(s) of the relevant number of Shares in the Issuer's register of members and will, if the relevant Noteholder has also requested in the Conversion Notice and to the extent that the Shares are cleared and settled through a clearing system, take all necessary action to procure that the Shares are delivered in dematerialized format through the relevant clearing system or make such certificate or certificates available for collection at the office of the Issuer's share registrar notified to Noteholders in accordance with Condition 15 (*Notices*) or, if so requested in the relevant Conversion Notice, will cause the Issuer's share registrar to mail (at the risk, and, if sent at the request of the relevant Noteholder otherwise than by ordinary mail, at the expense, of the relevant Noteholder and any person to whom such certificate or certificates are sent) such certificate or certificates to the person and at the place specified in the Conversion Notice, together (in any case) with any other securities, property or cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof. A single share certificate will be issued in respect of all Shares issued on conversion of Notes subject to the same Conversion Notice and which are to be registered in the same name.
- (ii) If the Conversion Date in relation to the conversion of any Note shall be after the record date for any issue, distribution, grant, offer or other event as gives rise to the adjustment of the Conversion Price pursuant to Condition 6.3 (*Adjustments to Conversion Price*) but before the relevant adjustment becomes effective under the relevant Condition (a "**Retroactive Adjustment**"), then upon the relevant adjustment becoming effective, the Issuer shall issue to the converting Noteholder or a Qualifying Affiliate (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)) such additional number of Shares ("**Additional Shares**") as is, together with Shares to be issued on conversion of the Note(s), equal to the number of Shares which would have been required to be issued on conversion of such Note if the relevant adjustment to the Conversion Price had been made and become effective on or immediately after the relevant record date and in such event and in respect of such Additional Shares references in this paragraph (c) of Condition 6.2 (*Conversion Procedure*) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).

- (iii) The person or persons specified for that purpose in the Conversion Notice will become the holder of record of the number of Shares issuable upon conversion with effect from the date he is or they are registered as such in the Issuer's register of members (the "**Registration Date**"). The Shares issued upon exercise of Conversion Rights will be fully-paid, non-assessable and free from encumbrances and in all respects rank *pari passu* with the fully-paid Shares in issue on the relevant Registration Date and except that such Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record or other due date for the establishment of entitlement for which falls prior to the relevant Registration Date.
- (iv) If the record date for the payment of any dividend or other distribution in respect of the Shares is on or after the Conversion Date in respect of any Note, but before the Registration Date (disregarding any Retroactive Adjustment of the Conversion Price referred to in paragraph (iii) above prior to the time such Retroactive Adjustment shall have become effective), the Issuer will calculate and pay to the converting Noteholder or his designee an amount in US dollars (or, if such amount is not in US dollars, translated into US dollars at the Spot Rate of Exchange) equal to the fair market value of such dividend or other distribution to which he would have been entitled had he on that record date been such a shareholder of record, as determined by the board of directors of the Issuer acting reasonably and in good faith, and will make the payment at the same time as it makes payment of the dividend or other distribution, or as soon as practicable thereafter, but, in any event, not later than five Business Days thereafter. Any such amount shall be paid by transfer to a US dollar account maintained by the payee, in accordance with the instructions given by the relevant Noteholder in the relevant Conversion Notice.

### 6.3. Adjustments to Conversion Price

The Conversion Price, and the number and type of securities to be received upon conversion of the Note or Notes is subject to adjustment from time to time as follows:

(a) Dividend, Subdivision, Combination or Share Split of Shares or Equity Interests

In the event that the Issuer shall at any time or from time to time, prior to conversion of all outstanding Notes:

- (i) pay a dividend, or make a distribution on the outstanding Shares or any Equity Interests, payable in Shares or Equity Interests;
- (ii) subdivide or split the outstanding Equity Interests into a larger number of Equity Interests;
- (iii) combine or consolidate the outstanding Equity Interests into a smaller number of Equity Interests; or

- (iv) any reclassification of the Shares (other than as a result of a share dividend, subdivision or consolidation) occurs, then:
- (A) in the case of an event under paragraphs (i) or (ii) above, the Conversion Price then in effect shall, concurrently with the payment of such dividend or distribution or with the effectiveness of such subdivision or split, be proportionately decreased;
  - (B) in the case of an event under paragraph (iii) above, the Conversion Price then in effect shall, concurrently with the effectiveness of such combination or consolidation, be proportionately increased; and
  - (C) in the case of an event under paragraph (iv) above, provision shall be made so that upon conversion of the Notes, the holder thereof shall receive the kind and amount of shares and other securities and property which such holder would have received in connection with such event had the Notes been converted into the Shares immediately prior to such event.

(b) Issuance of Shares or Equity Interests below Conversion Price

- (i) If the Issuer shall, at any time prior to the completion of an IPO or conversion of all outstanding Notes, whichever is earlier, issue any Shares or Equity Interests (other than any Shares or Equity Interests issued as part of the IPO itself) at an Issue Price that is less than the Conversion Price in effect immediately prior to such issuance, then the Conversion Price then in effect shall be adjusted as follows:

$$ACP = CP * (OS + (NP/CP)) \div (OS + NS)$$

Where:

“**ACP**” = the adjusted Conversion Price;

“**CP**” = the Conversion Price in effect immediately prior to the issuance of the new Shares or Equity Interests;

“**OS**” = the total number of Shares outstanding immediately prior to the issuance of the new Shares or Equity Interests, calculated on a fully diluted basis;

“**NP**” = the total consideration received for the issuance of the new Shares or Equity Interests;

“**NS**” = the total number of new Shares or Equity Interests issued, calculated on a fully diluted basis; and

“**Issue Price**” = For the purposes of this section, the “Issue Price” of an Equity Interest shall be equal to the quotient of (x) divided by (y), where:

(x) = the aggregate amount of cash and non-cash consideration (the value of which shall be determined pursuant to paragraph (b)(iv) below) paid for such Equity Interest plus, if applicable, any additional consideration payable (without regard to any anti-dilution adjustments) upon the conversion, exchange or exercise of such Equity Interest; and

(y) = the number of Shares as represents such Equity Interest or into or for which such Equity Interest will convert, exchange or exercise,

provided that if there was an adjustment to the Conversion Price pursuant to paragraph (d) of this Condition 6.3 prior to an adjustment pursuant to this paragraph (b) of this Condition 6.3, when calculating the adjusted Conversion Price pursuant to this paragraph (b) of this Condition 6.3, "CP" shall be deemed to be the CP After ESOP.

- (ii) If the terms of any Equity Interest of the Issuer other than the Notes are amended, modified or adjusted in any manner that results in a reduction of the Issue Price of such Equity Interest, the Conversion Price shall be adjusted or further adjusted (as the case may be) in accordance with paragraph (b)(i) of Condition 6.3 (*Adjustments to Conversion Price*), as if the Issue Price of such Equity Interest after such reduction had been the original Issue Price of such Equity Interest.
- (iii) In case of any merger, amalgamation, arrangement or consolidation of the Issuer or any capital reorganization, reclassification or other change of outstanding Shares (each, a "**Transaction**"), the rights of the holders of the Notes shall continue to be recognized and not be prejudiced by such Transaction and appropriate provision shall be made therefor in the agreement, if any, relating to such Transaction, and adjustments shall be made in a manner that is as nearly equivalent as may be practicable to the adjustments provided for in Condition 6.3 (*Adjustments to Conversion Price*). The provisions of this paragraph (iii) shall apply to successive transactions.
- (iv) If at any time any Shares or Equity Interests shall be issued (each, a "**Future Subscription**") for cash, the consideration received therefor shall be the aggregate amount of cash received by the Issuer therefor, without any deduction for any expenses incurred or any underwriting commissions or concessions or discounts paid or allowed by the Issuer in connection therewith. In case of a Future Subscription for consideration other than cash, the amount of the consideration other than cash received by the Issuer shall be deemed to be the fair market value of such consideration as determined by the board of directors of the Issuer acting reasonably and in good faith.

(c) Other Events

In case the Issuer at any time or from time to time, prior to the conversion of all outstanding Notes, shall take any action affecting its Shares similar to or having an effect similar to any of the actions described in any of paragraph (c)(ii) of Condition 6.2 (*Conversion Procedure*) or paragraphs (a) and (b) of Condition 6.3 (*Adjustments to Conversion Price*), then the Conversion Price shall be adjusted in such manner as would be equitable in the circumstances.

(d) **Adjustment of Conversion Price upon adoption of ESOP**

Upon the Issuer adopting any ESOP after the issuance of the Notes, the Conversion Price in effect immediately prior to such adoption shall be automatically adjusted downwards to a new conversion price ("**CP After ESOP**") which results in (i) the percentage of Shares held by each Noteholder on a fully diluted and fully converted basis immediately prior to such adoption of any ESOP *being equal to* (ii) the percentage of Shares held by each Noteholder on a fully diluted and fully converted basis immediately after such adoption of any ESOP.

7. **PAYMENTS**

7.1. **Principal and any other amounts**

- (a) Payment of principal, interest and any other amount due in respect of the Notes will be made by transfer to the Registered Account of the Noteholder. Such payment will be made after the relevant Certificate has been surrendered by the relevant Noteholder at the specified office of the Issuer.
- (b) If an amount which is due on the Notes is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) in fact paid.

7.2. **Fiscal Laws**

All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation, Set-Off and Counterclaim*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

7.3. **Payment Initiation**

Any payment under the Finance Documents which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

7.4. **Partial Payments**

- (a) If, at any time, the Issuer has insufficient money, funds or resources to discharge all amounts then due and payable to all Noteholders under the Notes, then the Issuer shall pay to each Noteholder at that time an amount equal to the product of (i) the funds available to be applied in payment to the Noteholders and (ii) the aggregate principal amount due and payable to that Noteholder at that time relative to the aggregate principal amount due and payable to all Noteholders at that time.

- (b) If any Noteholder receives a payment for application against amounts due in respect of any Finance Document that is insufficient to discharge all the amounts then due and payable by the Issuer under those Finance Documents, that Noteholder shall apply that payment towards the obligations of the Issuer under the Finance Documents in the following order:
  - (i) firstly, in or towards payment *pro rata* of any accrued interest, fee or commission due but unpaid under those Finance Documents;
  - (ii) secondly, in or towards payment *pro rata* of any principal due but unpaid under those Finance Documents; and
  - (iii) thirdly, in or towards payment *pro rata* of any other sum due but unpaid under the Finance Documents.
- (c) The Majority Noteholders may vary the order set out in paragraphs (b)(i) to (b)(iii) above.
- (d) Paragraphs (a) and (b) above will override any appropriation made by any Group Company.

## 8. REDEMPTION, PURCHASE AND CANCELLATION

### 8.1. Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer shall redeem each Note at its outstanding principal amount on the Maturity Date. The Issuer may not redeem the Notes at its option prior to that date.

### 8.2. Redemption for No QIPO at the Option of Noteholders

- (a) Following the occurrence of the No QIPO Event, the holder of each Note will have the right at such holder's option, to require the Issuer to redeem all or some only of such holder's Notes then outstanding on the Put Date at their principal amount together with an amount that would represent for the relevant Noteholder, as at the date of receipt of all sums due in respect of the Notes by or on behalf of such Noteholder, a total internal rate of return of eight per cent. per annum calculated from (and including) the Issue Date to (and including) the date of receipt of all sums due in respect of the Notes by or on behalf of such Noteholder.
- (b) To exercise such right, the holder of the relevant Note must deliver the Certificate representing such Note to the specified office of the Issuer together with a duly completed and signed notice of exercise in the form scheduled to this Certificate as Exhibit D (*Form of Put Notice*) (the "**Put Notice**").
- (c) A Put Notice, once delivered pursuant to this Condition 8.2, shall be irrevocable and the Issuer shall redeem all Notes the subject of such Put Notice as aforesaid on the Put Date.

### 8.3. Redemption Amount for No Share Delivery Event

Following the occurrence of any No Share Delivery Event, the holder of each Note will have the right at such holder's option, to require the Issuer to redeem the Notes held by it at an amount equal to the higher of (a) the No Share Delivery FMV and (b) an amount equal to the aggregate of (i) the outstanding principal amount of the Notes held by it and (ii) an amount which would give that Noteholder a total internal rate of return of 15 per cent. per annum calculated from (and including) the Issue Date to (and including) the date of receipt of all sums due in respect of the Notes by or on behalf of the Noteholders.

#### 8.4. Cancellation

All Notes which are redeemed, converted or purchased by the Issuer or any of its Group Companies or Affiliates will forthwith be cancelled. Certificates in respect of all Notes cancelled shall be forwarded to or to the order of the Registrar for destruction and such Notes may not be reissued or resold.

#### 9. TAXATION, SET-OFF AND COUNTERCLAIM

- (a) All payments made by or on behalf of the Issuer under or in respect of the Notes shall be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future Taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any tax or other authority, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law. In such event, the Issuer will pay such additional amounts (the “**Additional Tax Amounts**”) as will result in the receipt by the Noteholders of such amounts as would have been received by them had no such deduction or withholding been required. References in these Conditions to principal, outstanding principal and interest (if any) shall be deemed also to refer to any additional amounts which may be payable under this Condition.
- (b) All payments to be made by the Issuer under the Notes shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

#### 10. UNDERTAKINGS

- (a) The undertakings in Exhibit E (*Undertakings*) (other than those specified in paragraph (b) below) shall remain in full force and effect at all times from (and including) the Issue Date for so long as any amount is outstanding under the Finance Documents.
- (b) Without prejudice to the other Conditions which shall remain in full force and effect at all times while any amount is outstanding under the Finance Documents and any other term or condition under the other Transaction Documents, if (i) at the option of the Issuer, it elects to deliver the Deed of Account Charge to the Noteholders and the Deed of Account Charge has been duly executed between the parties thereto, and (ii) the Issuer has delivered evidence to the Noteholders that a bank account located outside of the PRC has an amount of Cash equal to the Cash Security Amount deposited in such account over which the Account Security has been created, then, in relation to Exhibit E (*Undertakings*), only paragraphs 1 (*Authorizations*), 2 (*Compliance with Laws*), 3 (*Taxation*), 5 (*Pari passu ranking*), 6 (*Compliance with Transaction Documents*), 12 (*Amendments*), 13 (*Corporate Records and Filings*), 14 (*Information Rights*), 15 (*Reservation of Shares and the Notes*), 16 (*Closing of Register of Members*) and 17 (*New Business Model*) of Exhibit E (*Undertakings*) shall apply for so long as any amount is outstanding under the Finance Documents. For the avoidance of doubt, if, after the operation of this paragraph (b), (A) the Deed of Account Charge ceases to be legal, valid, binding and enforceable in accordance with its terms or (B) the Issuer fails to maintain at all times a bank account located outside of the PRC with an amount of Cash equal to the Cash Security Amount deposited in such account over which the Account Security has been created, then paragraph (a) above will apply until the circumstances identified in sub-paragraphs (A) or (B) above have been remedied.

## 11. EVENTS OF DEFAULT

- (a) If any of the following events (each an “**Event of Default**”) occurs, the Majority Noteholders, in their sole and absolute discretion, may or, with respect to an Event of Default relating to sub-paragraph (a)(ii) below, any Noteholder, in its sole and absolute discretion, may, give notice (any such notice being a “**Default Redemption Notice**”) to the Issuer that all or any part of the Notes then outstanding (including all or any part of the principal and any other amounts due and payable under the Finance Documents) are, and they shall immediately become, due and repayable:
- (i) *Non-Payment*: a default is made in the payment on the due date of any amount payable pursuant to the Notes or any other Transaction Document to any Noteholder at the place at and in the currency in which it is expressed to be payable;
  - (ii) *Failure to deliver Shares*: the occurrence of a No Share Delivery Event;
  - (iii) *Breach of Other Obligations*: the Issuer or any other Group Company or any Third Party Obligor does not perform or comply with (x) any of its obligations in these Conditions (other than paragraph (a)(i) (*Non-payment*) above) or any other Transaction Document (other than the Issuer Articles and the Control Documents) or (y) any of its obligations under the Key Protective Terms in any material respect, provided that no Event of Default will occur under this paragraph (a)(iii) if the failure to perform or comply is capable of remedy and is remedied within 15 days after the earlier of (A) the date on which the Majority Noteholders give notice to the Issuer or relevant Group Company and (B) if the Issuer or any Group Company (or any of their respective directors, officers or employees) intentionally conceals, or otherwise withholds notice of, the occurrence of any Default from any Noteholder, the date on which the Issuer or any other Group Company becomes aware of such failure to perform or comply;
  - (iv) *Misrepresentation*: any representation, warranty, certification or statement made or deemed to be made (and for the purposes of this paragraph, it shall only be deemed to be made if it is so specified under any Transaction Document) by or on behalf of the Issuer or any other Group Company or any Third Party Obligor in these Conditions, any other Transaction Document or any other document delivered by or on behalf of any such person under or in connection with any Transaction Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made (any such representation, warranty, certification or statement being incorrect or misleading in any material respect when made or deemed to be made being a “**Misrepresentation**”), provided that no Event of Default will occur under this paragraph (a)(iv) if such Misrepresentation is capable of remedy and is remedied within 15 days after the earlier of (A) the date on which the Majority Noteholders give notice to the Issuer or relevant Group Company and (B) if the Issuer or any Group Company (or any of their respective directors, officers or employees) intentionally conceals, or otherwise withholds notice of, any Misrepresentation from any Noteholder, the date on which the Issuer or any other Group Company becomes aware of such Misrepresentation;

- (v) *Cross-Default*: (A) any Borrowings of the Issuer or any other Group Company is not paid when due nor within any originally applicable grace period, (B) any Borrowings of the Issuer or any other Group Company is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); (C) any commitment for any Borrowings of the Issuer or any other Group Company is cancelled or suspended by a creditor of the Issuer or any other Group Company as a result of an event of default (however described); (D) any creditor of the Issuer or any other Group Company becomes entitled to declare any Borrowings of the Issuer or any other Group Company due and payable prior to its specified maturity as a result of an event of default (however described); (E) the occurrence of any Liquidation Event; or (F) any delivery of any Redemption Notice under the Issuer Articles or any redemption of any Existing Preference Share (except for a redemption made in relation to paragraphs (a) or (e) of the definition of Permitted Distribution), provided that no Event of Default will occur under sub-paragraphs (A) to (D) of this paragraph (a) (v) if the aggregate amount of Borrowings or commitment for Borrowings falling within sub-paragraphs (A) to (D) above is less than US\$1,000,000 (or its equivalent in any other currency or currencies);
- (vi) *Winding-up*: an order is made or an effective resolution passed for the winding-up or judicial management or dissolution or administration of the Issuer or any other Group Company;
- (vii) *Insolvency*: (A) The Issuer or any other Group Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness. (B) The value of the assets of the Issuer or any other Group Company is less than its liabilities (taking into account contingent and prospective liabilities). (C) A moratorium is declared in respect of any indebtedness of the Issuer or any other Group Company;
- (viii) *Insolvency proceedings*: any corporate action, legal proceedings or other procedure or step is taken in relation to: (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise, in each case being a step in an insolvency proceeding however described) or bankruptcy order of the Issuer or any other Group Company; (B) a composition, compromise, assignment or arrangement with any creditor of the Issuer or any other Group Company; (C) the appointment of a liquidator, receiver, administrative receiver, administrator, judicial manager, compulsory manager, bankruptcy trustee or other similar officer in respect of the Issuer or any other Group Company or any of their respective assets; or (D) enforcement of any Security over any assets of the Issuer or any other Group Company, or any analogous procedure or step is taken in any jurisdiction;
- (ix) *Enforcement Proceedings*: any distress, sequestration, expropriation, attachment, execution, seizure before judgment is levied, enforced or sued out on or against or any analogous process in any jurisdiction affects any part of the property, assets or revenues of the Issuer or any other Group Company;

- (x) *Control Documents*: (A) Any material breach of any Control Document, or any material adverse change in the regulatory environment, under which circumstance any Control Document is or becomes invalid, illegal or unenforceable and, within 90 days after the Majority Noteholders have served a notice informing the Issuer of such change, no appropriate substitute mechanism reasonably acceptable to the Majority Noteholders has been agreed to achieve the purpose of the consolidation of the financial statements of Opco into those of the Issuer under the generally accepted accounting principles of the United States of America, or (B) any Control Document is amended, varied, novated, supplemented, superseded, waived or terminated in a manner which will have or could reasonably be expected to have a Material Adverse Effect or result in the financial statements of the Opco not being capable of being consolidated into those of the Issuer under the Accounting Principles;
- (xi) *Unlawfulness and invalidity*: (A) it is or becomes unlawful for the Issuer or any other Group Company or any Third Party Obligor to perform any of its obligations under any Transaction Document (including any payment or conversion obligations) or the Protective Terms or any subordination created under any subordination agreement is or becomes unlawful. (B) Any obligation or obligations of the Issuer or any other Group Company or any Third Party Obligor under any Transaction Document (including any payment or conversion obligations) or the Protective Terms is not or ceases to be legal, valid, binding or enforceable. (C) Any Transaction Document or the Protective Terms ceases to be in full force and effect or any subordination created under any subordination agreement ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than the Noteholders and the holders of the Existing Preference Shares) to be ineffective;
- (xii) *Cessation of business*: the Issuer or any other Group Company suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business;
- (xiii) *Audit qualification*: the auditors of the Group qualify (A) the audited annual consolidated financial statements of the Issuer or any other Group Company or (B) the audited annual stand-alone financial statements of the Issuer or any other Group Company;
- (xiv) *Change of Control*: the occurrence of a Change of Control;
- (xv) *Nationalization or Compulsory Acquisition*: the authority or ability of the Issuer or any other Group Company to conduct its business is limited or wholly or substantially curtailed by any seizure, compulsory acquisition, expropriation, nationalization, intervention, restriction or other action by or on behalf of any governmental, regulatory or other authority or other person in relation to the Issuer or any other Group Company or any of their respective assets;
- (xvi) *Repudiation*: the Issuer or any other Group Company or any Third Party Obligor rescinds or repudiates (or purports to rescind or repudiate) a Transaction Document or an Existing Preference Share Document or evidences an intention to rescind or repudiate a Transaction Document or an Existing Preference Share Document;

- (xvii) *Litigation*: any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced or threatened in relation to any Transaction Document or the transactions contemplated in any Transaction Document or against the Issuer or any other Group Company or any Third Party Obligor or any of their respective assets (or against the directors of the Issuer or any other Group Company or any Third Party Obligor) which has or could reasonably be expected to have a Material Adverse Effect;
  - (xviii) *Final judgment*: a final judgment or judgments for the payment of money rendered against the Issuer and/or the other Group Companies which individually or collectively has or could reasonably be expected to have a Material Adverse Effect;
  - (xix) *Loss of Licenses*: any license required by the Issuer or any other Group Company to carry on its core business is amended, modified, reviewed, revised or terminated (and not renewed within 30 Business Days of the date of such termination) in a manner or to an extent which has or could reasonably be expected to have a Material Adverse Effect; or
  - (xx) *Material adverse change*: any other event or circumstance occurs which has or could reasonably be expected to have a Material Adverse Effect.
- (b) If a Default occurs, the Issuer shall immediately notify the Noteholders in accordance with Condition 15 (*Notices*).

## 12. ENFORCEMENT

At any time after the Notes have become due and repayable, Majority Noteholders may, at their sole and absolute discretion and without further notice, take such actions or proceedings as it may think fit to enforce repayment of the Notes and to enforce the provisions of these Conditions and the Transactions Documents. The Majority Noteholders shall not be required to have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders.

## 13. NOTEHOLDERS' RESOLUTIONS, AMENDMENTS AND WAIVERS

### 13.1. Noteholder Actions

- (a) The Issuer may at any time and shall at the request in writing of persons holding not less than 50 per cent. of the outstanding principal amount of the Notes outstanding at any time convene a meeting of the Noteholders by giving not less than 14 days' notice (exclusive of the day on which the notice is given and the day on which the meeting is held) thereof to Noteholders which notice shall specify the date, time and place of the meeting and shall specify the nature of the resolutions to be proposed. Such meeting shall have power by a resolution passed by the Majority Noteholders to, among other things, sanction any amendment or waiver or compromise or agreement or any arrangement in respect of the rights of the Noteholders against the Issuer, the exchange of the Notes for or the conversion of the Notes into obligations or securities of any other company, to do anything required to be done by resolution and to assent to any amendment or abrogation of the provisions of these Conditions (including all matters in relation to or in connection with the Transaction Documents).

- (b) A resolution signed by the Majority Noteholders shall be as valid and effectual as if it had been passed at a meeting of the Noteholders duly convened and held.
- (c) All resolutions passed at any meeting or resolutions by way of written resolutions or any actions taken by the Majority Noteholders shall be binding on all Noteholders, whether or not they are present or represented at the meeting.
- (d) The provisions governing the conduct of meetings are as set out in Exhibit F (*Provisions governing Noteholder Meetings*) hereto.

**13.2. Amendment**

Any amendment, supplement, variation or modification to the Conditions or any waiver or authorization of any breach by the Issuer or any Group Company of these Conditions may only be effected after being sanctioned by a resolution of the Majority Noteholders (by way of meeting or in writing) and agreed to by the Issuer in writing.

**14. REPLACEMENT OF CERTIFICATES**

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar and made available for collection at the specified office of the Issuer upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and the Registrar may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

**15. NOTICES**

- (a) Each notice, demand or other communication given or made under these Conditions shall be in writing in English and delivered or sent to the relevant Party at its address or to its e-mail address set out below (or such other address or e-mail address as the addressee has by five Business Days' prior written notice specified to the other Party) or, in the case of the Noteholders, in accordance with the details set out in the Register:

Address:

Email:

Attention:

- (b) Any notice, demand or other communication given or made by letter between countries shall be delivered by international commercial overnight delivery service or courier (such as Federal Express or DHL).

- (c) Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been delivered (i) if delivered in person or by messenger, when proof of delivery is obtained by the delivering Party; (ii) if sent by post within the same country, on the third Business Day following posting, and if sent by post to another country, on the seventh Business Day following posting; and (iii) if given or made by fax, upon dispatch and the receipt of a transmission report confirming dispatch.

## 16. CURRENCY

US dollars is the sole currency of account and payment for all sums payable by the Issuer under or in connection with the Notes, including damages, and the Issuer shall not be discharged from its obligations under the Notes unless and until the Noteholders have received in full the amounts outstanding under the Notes in US dollars.

## 17. SHARING AMONG THE FINANCE PARTIES

### 17.1. Payments to Finance Parties

If a Noteholder (a “**Recovering Noteholder**”) receives or recovers any amount from the Issuer other than in accordance with Condition 7.4 (*Partial Payments*) (a “**Recovered Amount**”) and applies that amount to a payment due under the Finance Documents then:

- (a) the Recovering Noteholder shall, within three Business Days, notify details of the receipt or recovery, to the other Noteholders;
- (b) the other Noteholders shall determine whether the receipt or recovery is in excess of the amount the Recovering Noteholder would have been paid had the receipt or recovery been received or made by the Issuer in accordance with Condition 7.4 (*Partial Payments*), without taking account of any Tax which would be imposed on the Recovering Noteholder in relation to the receipt, recovery or distribution; and
- (c) the Recovering Noteholder shall, within three Business Days of demand by the other Noteholders, pay to the other Noteholders an amount (the “**Sharing Payment**”) equal to such receipt or recovery less any amount which the other Noteholders determine may be retained by the Recovering Noteholder as its share of any payment to be made, in accordance with Condition 7.4 (*Partial Payments*).

### 17.2. Redistribution of payments

The other Noteholders (each a “**Sharing Noteholder**”) shall treat the Sharing Payment as if it had been paid by the Issuer in accordance with Condition 7.4 (*Partial Payments*) towards the obligations of the Issuer to the Sharing Noteholders.

### 17.3. Recovering Noteholder’s rights

On a distribution by a Recovering Noteholder from the Issuer, as between the Issuer and the Recovering Noteholder, an amount of the Recovered Amount equal to the Sharing Payment will be treated as not having been paid by the Issuer.

#### 17.4. Reversal of redistribution

If any part of the Sharing Payment received or recovered by a Recovering Noteholder becomes repayable and is repaid by that Recovering Noteholder, then:

- (a) each Sharing Noteholder shall, upon request of the Recovering Noteholder, pay to the account of that Recovering Noteholder an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Noteholder for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay) (the “**Redistributed Amount**”); and
- (b) as between the Issuer and each relevant Sharing Noteholder, an amount equal to the relevant Redistributed Amount will be treated as not having been paid by the Issuer.

#### 17.5. Exceptions

- (a) This Condition 17 shall not apply to the extent that the Recovering Noteholder would not, after making any payment pursuant to this Condition, have a valid and enforceable claim against the Issuer.
- (b) A Recovering Noteholder is not obliged to share with any other Noteholder any amount which the Recovering Noteholder has received or recovered as a result of taking legal or arbitration proceedings, if:
  - (i) it notified the other Noteholders of the legal or arbitration proceedings; and
  - (ii) the other Noteholders had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

#### 18. DEFINITIONS AND INTERPRETATION

- (a) The definitions set out in Exhibit G (*Definitions*) shall apply to this Certificate and these Conditions.
- (b) A reference in these Conditions to:
  - (i) the Issuer, UA Mobile, KK Mobile, the WFOE, Opco, any Group Company, any Noteholder, or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
  - (ii) a document in “**agreed form**” is a document which is previously agreed in writing by or on behalf of the Issuer and the Majority Noteholders;
  - (iii) “**assets**” includes present and future properties, revenues and rights of every description;
  - (iv) a “**person**” includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
  - (v) a “**Finance Document**”, a “**Transaction Document**” or any other agreement or instrument is a reference to that Finance Document, Transaction Document or other agreement or instrument as amended, novated, supplemented, extended, replaced or restated (however fundamentally), in accordance with the terms of these Conditions;

- (vi) **“guarantee”** means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
- (vii) **“control”** in relation to a company, corporation or entity means (A) the ability, power or authority, whether exercised or not, to direct the affairs, business, management and policies of such company, corporation or entity, whether through the ownership of voting securities, by contract or otherwise, (B) the beneficial ownership of more than 50 per cent. of, or the power to direct the vote of more than 50 per cent. of, the votes entitled to be cast at a meeting of the members or shareholders of such company corporation or entity, and/or (C) the power to control the composition of the board of directors or equivalent body of such company, corporation or entity, which percentage of such board of directors or equivalent body is able to control more than 50 per cent. of the voting powers capable of being exercised at such board of directors or equivalent body, and the terms **“controlled”** and **“controlling”** have meanings correlative to the foregoing;
- (viii) **“indebtedness”** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (ix) a **“regulation”** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to whom it applies is accustomed to comply) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organization;
- (x) **“costs”**, **“charges”** or **“expenses”** include any withholding, value added, turnover or similar tax charged in respect thereof;
- (xi) **“outstanding”** means, in relation to the Notes, all the Notes issued except (A) those which have been redeemed or converted in accordance with these Conditions, (B) those in respect of which the date for redemption or conversion has occurred and the redemption moneys (including any premium and any interest payable under these Conditions after the relevant redemption date) are held by the Issuer and which remain available for payment or Shares in respect of which the Notes have been converted into have not been delivered following surrender of Certificates in respect of the Notes, and (C) those which have been purchased and cancelled (or which are required to be cancelled) as provided in the Conditions;
- (xii) **“procure”** or **“ensure”** in relation to those obligations of the Issuer with respect to the Group Companies shall include that of Opco notwithstanding that Opco is not a Subsidiary of the Issuer, and the Issuer shall seek to control Opco through contract or otherwise, and any failure of Opco to comply with the obligations set out under the Notes shall constitute a Default under the Notes and these Conditions;

- (xiii) a Default (other than an Event of Default) is “**continuing**” if it has not been remedied or waived and an Event of Default is “**continuing**” if it has not been waived;
  - (xiv) any statute or statutory provision or stock exchange listing rules include: (A) that statute or provision or listing rules as from time to time amended, re-enacted or consolidated whether before or after the Issue Date; and (B) any subordinate legislation made from time to time under that statute or statutory provision; and
  - (xv) a time of day is a reference to Hong Kong time.
- (c) No failure to exercise, nor any delay in exercising, on the part of any Noteholder, any right or remedy under the Transaction Documents shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Transaction Documents. No election to affirm any of the Transaction Documents on the part of any Noteholder shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Transaction Documents are cumulative and not exclusive of any rights or remedies provided by law.
  - (d) If, at any time, any provision of the Notes is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.
  - (e) Headings in these Conditions are included for convenience of reference only and shall not constitute a part of the Notes for any other purpose. The Exhibits to this Certificate form part of this Certificate and shall be construed accordingly.
  - (f) Time shall be of the essence of these Notes both as regards any dates, times and periods mentioned and as regards any dates, times and periods which may be substituted for them in accordance with these Conditions or by agreement in writing between the Parties.
  - (g) An action, remedy or method of judicial proceedings for the enforcement of rights of creditors include references to the action, remedy or method of judicial proceedings in jurisdictions other than Hong Kong as shall most nearly approximate thereto.
  - (h) “**US\$**”, “**USD**” or “**US dollars**” means United States dollars, the lawful currency of the time being of the United States of America. “**RMB**” means the lawful currency of the time being of the PRC.

## 19. GOVERNING LAW AND JURISDICTION

### 19.1. Governing Law

The Notes and these Conditions are governed by and shall be construed in accordance with the laws of Hong Kong.

### 19.2. Arbitration

- (a) Any dispute or claim arising out of or in connection with or relating to the Notes or these Conditions or any other Transaction Document, or the breach, termination or invalidity hereof or thereof (including the validity, scope and enforceability of this arbitration provision) (a “**Dispute**”), shall be finally resolved by the Issuer and the Noteholders (together, the “**Parties**” and each a “**Party**”) by arbitration in Hong Kong, which arbitration shall have its seat in Hong Kong, under the auspices of the HKIAC and in accordance with the Hong Kong International Arbitration Center Administered Arbitration Rules (the “**HKIAC Arbitration Rules**”) in force when the Notice of Arbitration (as contemplated under the HKIAC Arbitration Rules) is submitted and as may be amended by the rest of this Condition 19.2. For the purpose of such arbitration, there shall be three arbitrators (the “**Arbitration Board**”). The Majority Noteholders shall select one arbitrator and the Issuer shall select one arbitrator. All selections shall be made within 30 days after the selecting Party gives or receives the demand for arbitration. Such arbitrators shall be freely selected, and the Parties shall not be limited in their selection to any prescribed list. The Chairman of the HKIAC shall select the third arbitrator. If any arbitrator to be appointed by a Party has not been appointed and consented to participate within 30 days after the selection of the first arbitrator, the relevant appointment shall be made by the Chairman of the HKIAC.
- (b) The arbitrators shall decide any such dispute or claim strictly in accordance with the governing law specified in Condition 19.1 (*Governing Law*). Judgment upon any arbitral award rendered hereunder may be entered in any court having jurisdiction, or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be.
- (c) In order to preserve its rights and remedies, any Party shall be entitled to seek any order for the preservation of property, including any interim injunctive relief, in accordance with applicable law from any court of competent jurisdiction or from the arbitration tribunal pending the final decision or award of the Arbitration Board.
- (d) Without prejudice to Condition 19.4 (*Process*), each Party irrevocably consents to the service of process, notices or other paper in connection with or in any way arising from the arbitration or the enforcement of any arbitral award, by use of any of the methods and to the addresses set forth for the giving of notices in Condition 15 (*Notices*). Nothing contained herein shall affect the right of any Party to serve such processes, notices or other papers in any other manner permitted by applicable law.
- (e) The Parties agree to facilitate the arbitration by (i) cooperating in good faith to expedite (to the maximum extent practicable) the conduct of the arbitration, (ii) making available documents, books, records and personnel under their control in accordance with the HKIAC Arbitration Rules, (iii) conducting arbitration hearings to the greatest extent possible on successive Business Days and (iv) using their best efforts to observe the time periods established by the HKIAC Arbitration Rules or by the Arbitration Board for the submission of evidence and briefs.

- (f) The costs and expenses of the arbitration, including the fees of the Arbitration Board, shall be allocated between each Party as the Arbitration Board deems equitable.
- (g) Any award made by the Arbitration Board shall be final and binding on each of the Parties that were parties to the dispute. The Parties expressly agree to waive the applicability of any laws and regulations that would otherwise give the right to appeal the decisions of the Arbitration Board so that there shall be no appeal to any court of law for the award of the Arbitration Board, and a Party shall not challenge or resist the enforcement action taken by any other Party in whose favor an award of the Arbitration Board was given.

### 19.3. Consolidation of Disputes

Where Disputes arise under the Notes or these Conditions or any other Transaction Document which, in the reasonable opinion of the first arbitration panel to be appointed in any of the Disputes, are so closely connected that it is expedient for them to be resolved in the same proceedings, that arbitration panel shall have the power to order that the proceedings to resolve that Dispute shall be consolidated with those to resolve any of the other Disputes (whether or not proceedings to resolve those other Disputes have been instituted), provided that no date for exchange of witness statements has been fixed. If the arbitration panel so orders, the parties to each Dispute which is a subject of such order shall be treated as having consented to that Dispute being finally decided:

- (a) by the arbitration panel that ordered the consolidation unless HKIAC decides that the arbitrator would not be suitable or impartial; and
- (b) in accordance with the procedure, at the seat specified in the arbitration clause in the relevant Transaction Document under which the arbitration panel that ordered the consolidation was appointed, save as otherwise agreed by all parties to the consolidated proceedings or, in the absence of such agreement, ordered by the arbitration panel in the consolidated proceedings.

### 19.4. Process

The Issuer agrees that the process by which any legal proceedings in Hong Kong are begun may be served on it by being delivered to KK Mobile. If the Issuer ceases to have an agent to accept service of process in Hong Kong, it shall forthwith appoint a further agent in Hong Kong to accept service of process on its behalf in Hong Kong and notify the Noteholders of such appointment, and, failing such appointment within 15 days, the Majority Noteholders shall be entitled to appoint such a person by notice to the Issuer and the other Noteholders (at the Issuer's expense). Nothing in this Condition 19.4 shall affect the right to serve process in any other manner permitted by law.

**EXHIBIT A  
FORM OF TRANSFER**

**FOR VALUE RECEIVED** the undersigned hereby transfers to

\_\_\_\_\_  
\_\_\_\_\_

**(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE AND THE OTHER DETAILS REQUIRED UNDER CONDITION 3.1 (REGISTER))**

US\$[●] principal amount of the Notes in respect of which this Certificate (Certificate No.: [●]) is issued, and all rights in respect thereof.

All payments in respect of the Notes hereby transferred are to be made (unless otherwise instructed by the transferee) to the following account:

Name of bank :

US\$ account number :

For the account of :

[The transferor hereby requests that a Certificate evidencing the Notes not so transferred be issued in its name and be made available for collection at the specified office of the Issuer / dispatched (at its risk) to the person whose name and address is given below and in the manner specified below in accordance with Condition 3.3 (*Delivery of New Certificates*).

Name:

Address :]

Dated :

Certifying Signature

Name :

Title :

**Notes:**

- (a) A representative of the holder of the Notes should state the capacity in which he signs, e.g. executor.
- (b) The signature of the persons effecting a transfer shall conform to any list of duly authorized specimen signatures supplied by the registered holder or be certified by a notary public or in such other manner as the Issuer may require.
- (c) This form of transfer should be dated as of the date it is deposited with the Issuer.
- (d) Transfers of the Notes are subject to the restrictions set out in Condition 3 (*Transfers of Notes; Issue of Certificates*) and Exhibit B (*Regulations Concerning the Transfer and Registration of Notes*).

**EXHIBIT B**  
**REGULATIONS CONCERNING THE TRANSFER AND REGISTRATION OF NOTES**

1. Each Note shall be in the denomination of US\$1,000,000 or higher integral multiples of US\$1. Certificates, each evidencing entitlement to one or more Notes, shall be issued in accordance with the Conditions.
2. The Notes may be transferred subject to Condition 3.2 (*Transfer*), provided that the transferee shall have agreed in writing to be bound by the terms of the Investors' Rights Agreement by executing the Deed of Adherence in the form of Schedule 2 attached thereto. The Notes are transferable by execution of the form of transfer on each Certificate endorsed under the hand of the transferor or, where the transferor is a corporation, under its common seal or under the hand of a director or a duly authorized officer in writing. In this Exhibit "**transferor**" shall where the context permits or requires include joint transferors and be construed accordingly.
3. The Certificate issued in respect of the Note to be transferred must be delivered for registration to the specified office of the Issuer accompanied by such other evidence (including certificates and/or legal opinions) as the Issuer or the Registrar may reasonably require to prove the title of the transferor or his right to transfer the Note and his identity and, if the form of transfer is executed by some other person on his behalf or in the case of the execution of a form of transfer on behalf of a corporation by its officers, the authority of that person or those persons to do so. The signature of the person effecting a transfer of a Note shall conform to any list of duly authorized specimen signatures supplied by the registered holder or be certified by a recognized bank, notary public or in such other manner as the Issuer or the Registrar may reasonably require.
4. The executors or administrators of a deceased holder of Notes (not being one of several joint holders) and, in the case of the death of one or more of the joint holders, the survivor or survivors of such joint holders, shall be the only persons recognized by the Issuer and the Registrar as having any title to such Notes.
5. Any person becoming entitled to Notes in consequence of the death or bankruptcy of the holder of such Notes may, upon producing such evidence that he holds the position in respect of which he proposes to act under this paragraph or of his title as the Issuer or the Registrar shall reasonably require (including certificates and/or legal opinions), be registered himself as the holder of such Notes or, subject to the preceding paragraphs as to transfer, may transfer such Notes. The Issuer or the Registrar may retain any amount payable upon the Notes to which any person is so entitled until such person shall be so registered or shall duly transfer the Notes.
6. Unless otherwise requested by him and agreed by the Issuer, a holder of Notes shall be entitled to receive only one Certificate in respect of his holding.
7. The joint holders of a Note shall be entitled to one Certificate only in respect of their joint holding which shall, except where they otherwise direct, be delivered to the joint holder whose name appears first in the Register in respect of the joint holding.
8. The Issuer and the Registrar shall make no charge to the holders for the registration of any holding of Notes or any transfer of Notes or for the issue of any Certificates or for the delivery of Certificates at the specified office of the Issuer or by uninsured post to the address specified by the holder. If any holder entitled to receive a Certificate wishes to have it delivered to him otherwise than at the specified office of the Issuer, such delivery shall be made upon his written request to the Issuer, at his risk and (except where sent by uninsured post to the address specified by the holder) at his expense.

9. The Registrar shall within three Business Days of a request to effect a transfer of a Note deliver at the specified office of the Issuer to the transferee or dispatch by mail (at the risk of the transferee) to such address as the transferee may request, a new Certificate in respect of the Note or Notes transferred. In the case of a transfer, exchange, conversion, redemption or purchase of fewer than all the Notes in respect of which a Certificate is issued, a new Certificate in respect of the Notes not transferred, exchanged, converted, redeemed or purchased will be made available for collection at the specified office of the Issuer or, if so requested, be mailed by uninsured mail at the risk of the holder of the Notes not so transferred, exchanged, converted, redeemed or purchased (but free of charge to the holder and at the Issuer's expense) to the address of such holder appearing on the Register.
10. Notwithstanding any other provisions of this Certificate, the Issuer shall register the transfer of any Note only upon presentation of an executed and duly completed form of transfer substantially in the form set forth in Exhibit A (*Form of Transfer*) together with any other documents thereby required pursuant to Condition 3 (*Transfer of Notes; Issue of Certificates*).

**EXHIBIT C  
FORM OF CONVERSION NOTICE**

**AURORA MOBILE LIMITED  
US\$35,000,000 ZERO COUPON NON-GUARANTEED AND UNSECURED  
CONVERTIBLE NOTES DUE 2021**

[Date]

To: **Aurora Mobile Limited** (the “Issuer”)

Re: **Conversion Notice in relation to the US\$35,000,000 Zero Coupon Non-Guaranteed and Unsecured Convertible Notes due 2021 (the “Notes”), constituted by the Certificate issued in respect of the Notes**

Dear Sirs,

We, being the holder of Notes in the aggregate principal amount of US\$[●] of the Notes, hereby deliver this Conversion Notice pursuant to Condition 6.2 (*Conversion Procedure*) of the Notes and notify the Issuer of the exercise of the conversion rights set forth in paragraph (a) of Condition 6.1 (*Conversion Right*) of the Notes to convert [all of the outstanding principal amount of the Notes] [such principal amount of the Notes set out below] at the prevailing Conversion Price set out below. Capitalized terms used herein shall, unless otherwise defined, have the same meanings as given to them in the Certificate and the Conditions.

1. Total principal amount and certificate numbers of Notes to be converted:

Total principal amount:

Total number of Notes:

Certificate numbers of Notes:

N.B. The certificate numbers of Notes attached need not be in consecutive serial numbers.

2. Conversion Price on Conversion Date:

3. Total number of Shares to be issued:

4. Name(s), address(es) and signature(s) of person(s) in whose name(s) the Shares required to be delivered on conversion are to be registered:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Telephone Number: \_\_\_\_\_

\_\_\_\_\_  
Fax Number: \_\_\_\_\_

5. I/We hereby request that the Shares be in dematerialized/physical certificate form\* and that any certificates together with any other securities, property or cash required to be delivered upon conversion be dispatched (at my/our risk) to the person whose name and address is given below and in the manner specified below:

a. Name of Addressee:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Manner of dispatch (if other than by ordinary mail): \_\_\_\_\_

b. Relevant Clearing System Account Number (if Shares in dematerialized form)

Account Details: \_\_\_\_\_

\_\_\_\_\_

c. Bank Details (if payment of cash by wire transfer):

Bank: \_\_\_\_\_

Address: \_\_\_\_\_

Bank Code (SWIFT/ABAN/etc.): \_\_\_\_\_

Account no: \_\_\_\_\_

Accountholder: \_\_\_\_\_

6. I/We hereby request that a Certificate evidencing the Notes not so converted be issued in our name and be made available for collection at the specified office of the Issuer/ dispatched (at my/our risk) to the person whose name and address is given below and in the manner specified below in accordance with paragraph (b) of Condition 3.3 (*Delivery of New Certificates*) and paragraph (c) of Condition 6.2 (*Conversion Procedure*).

Name of Addressee: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Manner of dispatch (if other than by ordinary mail): \_\_\_\_\_

7. The Certificates representing the Notes converted hereby accompany this Conversion Notice.

\* (Delete as appropriate)

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_

Notes:

- (i) This Conversion Notice will be void unless the introductory details, Sections 1, 2, 3, 4, 5 and (if applicable) 6 are completed.
- (ii) Dispatch of share certificates or other securities or property will be made at the risk of the converting Noteholder.
- (iii) If an adjustment contemplated by the terms and conditions of the Notes is required in respect of a conversion of Notes where additional Shares are to be issued, certificates for the additional Shares deliverable pursuant to such adjustment (together with any other securities, property or cash) will be delivered or dispatched in the same manner as for the Shares, other securities, property and cash delivered pursuant to this Conversion Notice.

**EXHIBIT D  
FORM OF PUT NOTICE**

**PUT NOTICE**

**AURORA MOBILE LIMITED  
US\$35,000,000 ZERO COUPON NON-GUARANTEED AND UNSECURED  
CONVERTIBLE NOTES DUE 2021**

[Date]

To: **Aurora Mobile Limited** (the “**Issuer**”)

Re: **Put Notice in relation to the US\$35,000,000 Zero Coupon Non-Guaranteed and Unsecured Convertible Notes due 2021 (the “Notes”)**

By depositing this duly completed Put Notice at the specified office of Aurora Mobile Limited (the “**Issuer**”) for the Notes, the undersigned holder of such of the Notes as are represented by the Certificate that is surrendered with this Put Notice and referred to below, irrevocably exercises its option to have such Notes, or the principal amount of Notes specified below redeemed on [Specify Put Date] under Condition 8.2 (*Redemption for No QIPO at the Option of Noteholders*) of the Notes.

This Put Notice relates to Notes in the aggregate principal amount of US\$[●], bearing the following certificate numbers: [ ]. [In addition, [insert any other amounts payable].]

**Payment Instructions**

Please make payment in respect of the above Notes as follows:

\*(a) by transfer to the registered account of the holder appearing in the Register.

\*(b) by transfer to the following US dollar account:

Bank: \_\_\_\_\_  
Address: \_\_\_\_\_  
Bank Code (SWIFT/ABAN/etc.): \_\_\_\_\_  
Account no: \_\_\_\_\_  
Accountholder: \_\_\_\_\_

\* Delete as appropriate

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_

**EXHIBIT E**  
**UNDERTAKINGS**

**1. Authorizations**

The Issuer shall (and the Issuer shall ensure that each Group Company will) promptly obtain, comply with and do all that is necessary to maintain in full force and effect any Authorization required under any law or regulation of a Relevant Jurisdiction to (a) enable it to perform its obligations under the Transaction Documents to which it is a party; (b) ensure the legality, validity, enforceability or admissibility in evidence of any Transaction Document to which it is a party; and (c) carry on its business.

**2. Compliance with Laws**

- (a) The Issuer shall (and the Issuer shall ensure that each Group Company and each of its Affiliates will) comply in all respects with all applicable laws and regulations to which it may be subject, including applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions Laws).
- (b) The Issuer shall not (and the Issuer shall ensure that each Group Company and their respective Affiliates will not) permit any of its Subsidiaries or Affiliates or any of its or their respective directors, administrators, officers, managers, board of directors (supervisory and management) members, employees, independent contractors, representatives or agents to, promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, any non-U.S. official or any other person, in each case, in violation of any Anti-Corruption Laws. In addition, the Issuer shall (and the Issuer shall ensure that each Group Company and each of their Affiliates will) (i) cease all of its or their respective activities, as well as remediate any actions taken by the Issuer, its Subsidiaries or Affiliates, or any of its or their respective directors, administrators, officers, managers, board of directors (supervisory and management) members, employees, independent contractors, representatives or agents in violation of any Anti-Corruption Laws, and (ii) maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with all Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions Laws.
- (c) The Issuer shall not (and the Issuer shall ensure that each Group Company and their respective Affiliates will not), directly or indirectly use the proceeds of the Notes, or lend, contribute or otherwise make available such proceeds to any person targeted by or subject to any Sanctions Laws.
- (d) The Issuer shall not (and the Issuer shall ensure that each Group Company and their respective Affiliates will not) engage, directly or indirectly, in any other activities that would result in a violation of Sanctions Laws by any person, including any person participating in the transactions contemplated by these Conditions or in any of the other Transaction Documents.
- (e) The Issuer shall (and the Issuer shall ensure that each Group Company will) conduct its operations at all times in compliance with Anti-Money Laundering Laws.

(f) The Issuer shall (and the Issuer shall ensure that each Group Company will) implement and maintain an adequate anti-corruption compliance policy and training program which is to the satisfaction of the Majority Noteholders.

3. **Taxation**

The Issuer shall (and the Issuer shall ensure that each Group Company will) comply with all applicable tax laws, including paying and discharging all Taxes imposed upon it or its assets within the time period allowed without incurring material penalties.

4. **Merger**

The Issuer shall not (and the Issuer shall ensure that each Group Company will not) enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction which has or could reasonably be expected to have a Material Adverse Effect on any Noteholder.

5. **Pari passu ranking**

The Issuer shall (and the Issuer shall ensure that each Group Company will) ensure that at all times any unsecured and unsubordinated claims of the Noteholders against it under the Finance Documents rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

6. **Compliance with Transaction Documents**

The Issuer shall (and the Issuer shall ensure that each Group Company will) comply with and perform its obligations (or the obligations of the Issuer) under the Notes and the other Transaction Documents.

7. **Negative pledge**

(a) The Issuer shall not (and the Issuer shall ensure that each Group Company will not) create or permit to subsist any Security over any of its assets.

(b) The Issuer shall not (and the Issuer shall ensure that each Group Company will not):

(i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by any Group Company;

(ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

(iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

(c) Paragraphs (a) and (b) above do not apply to any Security or (as the case may be) Quasi-Security, which is Permitted Security.

**8. Loans or credit**

The Issuer shall not (and the Issuer shall ensure that each Group Company will not) be a creditor in respect of any Financial Indebtedness, except for a Permitted Loan.

**9. No Guarantees or indemnities**

The Issuer shall not (and the Issuer shall ensure that each Group Company will not) incur or allow to remain outstanding any guarantee in respect of any obligation of any person, except for a Permitted Guarantee.

**10. Dividends and share redemption**

The Issuer shall not (and the Issuer shall ensure that each Group Company will not):

- (a) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital) and/or any other Equity Interests;
- (b) pay, repay or prepay any principal, interest or other amount on or in respect of, or redeem, purchase or defease any Financial Indebtedness owing to any direct or indirect shareholder of the Issuer or any Affiliate of any such person;
- (c) repay or distribute any dividend or share premium reserve;
- (d) pay any management, advisory or other fee to or to the order of any of the shareholders of the Issuer or any Affiliate of any such person; or
- (e) redeem, purchase, repurchase, defease, retire, reduce or repay any of its share capital (including any preference shares or other Equity Interests) or resolve to do so,

except for a Permitted Distribution.

**11. Financial Indebtedness**

The Issuer shall not (and the Issuer shall ensure that each Group Company will not) incur or allow to remain outstanding any Financial Indebtedness, except for Permitted Financial Indebtedness.

**12. Amendments**

- (a) The Issuer shall not (and the Issuer shall ensure that each Group Company will not) amend, vary, supplement, supersede, waive or terminate any term of a Transaction Document (other than the Issuer Articles and the Control Documents) or any other document delivered to the Noteholders pursuant to the Subscription Agreement except with the prior written consent of the Majority Noteholders.

- (b) The Issuer shall not amend, vary, supplement, supersede or terminate, or seek waiver in connection with, any Protective Term or agree to do any of the foregoing (“**Amendment to Protective Terms**”), provided that an Amendment to the Protective Terms shall only be permitted if (a) the prior written consent of the Requisite Percentage Holders in respect of such amendment has been obtained, (b) such amendment is not or could not reasonably be expected to be materially prejudicial to the interests of any Noteholder and (c) none of (i) the Existing Preferred Shareholders, (ii) the directors, officers and employees of such Existing Preferred Shareholders and (iii) the Affiliates of such persons specified in sub-paragraphs (c)(i) and (c)(ii), have received or derived (or will in the future receive or derive) any direct or indirect consideration in cash or any other type of benefit (economic or otherwise) in connection with any consent given by such Existing Preferred Shareholder to any request made by Pledgor 1 and/or any Group Company for an Amendment to the Protective Terms.

### 13. **Corporate Records and Filings**

- (a) The Issuer shall (and the Issuer shall ensure that each Group Company will) maintain their books and records in accordance with sound business practices and implement and maintain an adequate system of procedures and controls with respect to finance, management, and accounting that meets national standards of good practice and is reasonably satisfactory to the Majority Noteholders, to provide reasonable assurance that (i) transactions by it are executed in accordance with management’s general or specific authorization, (ii) transactions by it are recorded as necessary to permit preparation of financial statements in conformity with the Accounting Principles, consistently applied, and to maintain asset accountability, (iii) access to assets of it is permitted only in accordance with management’s general or specific authorization, (iv) segregating duties for cash deposits, cash reconciliation, cash payment and proper approval is established, and (v) no personal assets or bank accounts of the employees, directors, officers are mingled with the corporate assets or corporate bank account, and no Group Company uses any personal bank accounts of any employees, directors, officers thereof during the operation of the business.
- (b) The Issuer shall (and the Issuer shall ensure that each Group Company and their Affiliates will) maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions Laws.

### 14. **Information Rights**

- (a) The Issuer shall (and the Issuer shall ensure that each Group Company will) prepare and submit to the Noteholders the following information as soon as possible and in any event no later than the dates or times set out below:
  - (i) a certificate signed by two directors of the Issuer confirming that no Default has occurred since the date of the last such certificate (or, if none, the Issue Date) within 14 days after any such request made by the Majority Noteholders;
  - (ii) the details of any Change of Control, Liquidation Event, Redemption Notice, or redemption of any Existing Preference Share, immediately upon becoming aware of any of them;
  - (iii) any notice, statement or circular issued to the members or creditors (or any class of them) of the Issuer or any other Group Company generally in their capacity as such, at the same time as they are dispatched;

- (iv) the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending (including any investigation or proposed investigation by any pensions or social insurance regulator (or other equivalent Governmental Authority administering or regulating pensions or social insurance)) against any Group Company which has or could reasonably be expected to have a Material Adverse Effect, promptly upon becoming aware of them; and
  - (v) the details of any breach or proposed amendment, waiver or termination of any of the Control Documents or any restructuring of any Group Company or any of its businesses (including (a) any proposed substitute mechanism to achieve the purpose of the consolidation of the financial statements of the Opco into those of the Issuer under the generally accepted accounting principles of the United States of America in the event that the Control Documents have become or will become invalid, illegal or unenforceable and (b) the acquisition or establishment by any Group Company or any of its shareholders and their respective Affiliates of an entity (or any interest therein) that owns, directly or indirectly, the business conducted by the Opco), promptly upon becoming aware of any of the foregoing.
- (b) If, while any Conversion Right is or is capable of being or becoming exercisable, there shall be any adjustment to the Conversion Price, the Issuer shall promptly after the adjustment takes effect, give notice to the Noteholders stating that the Conversion Price has been adjusted and setting out the event giving rise to the adjustment, the Conversion Price in effect before the adjustment, the adjusted Conversion Price and the effective date of the adjustment.

**15. Reservation of Shares and the Notes**

- (a) The Issuer will use its best endeavors to (a) at the time of an IPO, to obtain and maintain a listing and admission to trading for all the Shares issued on the exercise of the Conversion Rights (whether prior to or on or after such IPO) on the Relevant Stock Exchange.
- (b) The Issuer shall at all times reserve and keep available for issuance upon the conversion of the Notes, free from any other pre-emptive or other similar rights or Security, such number of its authorized but unissued Shares as will from time to time be sufficient to permit the conversion of all outstanding Notes, and shall take all action to increase the authorized number of Shares if at any time there shall be insufficient authorized but unissued Shares to permit such reservation or to permit the conversion of all outstanding Notes.
- (c) The Issuer shall ensure that all Shares delivered on conversion of the Notes will be duly and validly issued as fully-paid, non-assessable and free from encumbrances.
- (d) The Issuer will not make any offer, issue, grant, or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Issuer.
- (e) The Issuer will pay any and all Taxes, including interest and penalties, payable in the Cayman Islands in respect of the creation, issue and offering of the Notes and the execution or delivery of this Certificate.

## 16. Closing of Register of Members

Unless so required by Applicable Laws or the articles of association of the Issuer or in order to establish a dividend or other rights attaching to the Shares, the Issuer shall not (a) close its register of members or take any other action which prevents the transfer of its Shares generally and ensure that the Notes may be converted legally and the Shares issued on conversion may (subject to any limitation imposed by law) be transferred (as between transferor and transferee although not as against the Issuer) at all times while the register is closed or such other action is effective, and (b) take any action which prevents the conversion of the Notes or the issue of Shares in respect of them otherwise than in accordance with the Conditions.

## 17. New Business Model

- (a) Unless and until an IPO has occurred, the Issuer shall not (and the Issuer shall ensure that each Group Company will not):
- (i) carry out any business relating to or in connection with the New Business Model; and
  - (ii) (A) incur or allow to remain outstanding any Financial Indebtedness, (B) be a creditor in respect of any Financial Indebtedness, (C) incur or allow to remain outstanding any guarantee in respect of any obligation of any person and/or (D) create or permit to subsist any Security or Quasi-Security over any of its assets, in each case, for the purpose of carrying out any business relating to or in connection with the New Business Model.
- (b) After the occurrence of an IPO, the Issuer shall not (and the Issuer shall ensure that each Group Company will not) (i) incur or allow to remain outstanding any Financial Indebtedness, (ii) be a creditor in respect of any Financial Indebtedness, (iii) incur or allow to remain outstanding any guarantee in respect of any obligation of any person and/or (iv) create or permit to subsist any Security or Quasi-Security over any of its assets, in each case, for the purpose of carrying out any business relating to or in connection with the New Business Model, except that the Issuer and any other Group Company shall be permitted to carry out any and all such actions after the occurrence of an IPO, in each case, for the purpose of carrying out any business relating to or in connection with the New Business Model if any of the following circumstances apply at all times:
- (A) (1) the Deed of Account Charge has been duly executed between the parties thereto, (2) the Issuer has delivered evidence to the Noteholders that a bank account located outside of the PRC has an amount of Cash equal to the Cash Security Amount deposited in such account over which the Account Security has been created and (3) no Default has occurred and is continuing; or
  - (B) (1) the Issuer has delivered evidence to the Noteholders that the Issuer has, and the Issuer shall maintain at all times, a bank account located outside of the PRC that has an amount of Cash no less than the aggregate principal amount then outstanding under the Notes, and (2) no Default has occurred and is continuing.

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18. **Principal business**

The Issuer shall (and the Issuer shall ensure that each Group Company will) maintain the principal business of the Group to be (a) internet and big data related business and (b) to the extent expressly permitted under these Conditions, relating to or in connection with the New Business Model.

**EXHIBIT F**  
**PROVISIONS GOVERNING NOTEHOLDER MEETINGS**

**1. Poll**

On a poll, each Noteholder, proxy or representative will have a vote in respect of each US\$1 in principal amount of Notes held or for which it is a proxy or representative. All votes will be conducted by poll.

**2. Conduct and Quorum**

Any meeting of the Noteholders shall (subject to the provisions of this Exhibit F and Condition 13 (*Noteholders' Resolutions, Amendments and Waivers*)) be convened, conducted and held in all respects as near as possible in the same way as shall be provided by the memorandum and articles of association for the time being of the Issuer with regard to general meetings of the Issuer, provided that no member of the Issuer not being a director or officer of the Issuer shall be entitled to notice thereof or to attend thereat unless he is also a Noteholder and that the quorum at any such meeting shall be persons holding or representing by proxy or representative more than 50 per cent. of the principal amount of the Notes for the time being outstanding. In the event of any conflict between the memorandum and articles of association of the Issuer for the time being and Condition 13 (*Noteholders' Resolutions, Amendments and Waivers*) and this Exhibit F, the Conditions and this Exhibit F shall prevail.

**3. Proxies**

- (a) Any Noteholder shall be permitted to appoint a proxy to represent him at any Noteholders' meeting held in accordance with the Conditions. A proxy need not be a Noteholder and need not be a member of the Issuer. Any Noteholder wishing to appoint a proxy must deliver to the specified office of the Issuer a notice in writing signed by the Noteholder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorized officer of the corporation stating that the Noteholder desires to appoint a proxy to represent the Noteholder at the meeting. The notice shall state the name of the proxy and the notice will only be valid if delivered to the specified office of the Issuer at least 48 hours prior to the time appointed for the commencement of the meeting. A validly appointed proxy shall have the right to vote on a resolution or act on his or its behalf in connection with any meeting or proposed meeting. A holder of a Note which is a corporation may, by delivering to the specified office of the Issuer not later than 48 hours before the time fixed for any meeting a resolution of its directors or other governing body in English, authorize any person to act as its representative (a "**representative**") in connection with any meeting or proposed meeting of Noteholders.
- (b) A proxy or representative so appointed shall so long as such appointment remains in force be deemed, for all purposes in connection with any meeting or proposed meeting of Noteholders specified in such appointment, to be the holder of the Notes to which such appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder.

#### 4. **Adjournments**

- (a) If within a quarter of an hour after the time appointed for any meeting of Noteholders a quorum as set out in paragraph 2 above is not present, the meeting shall stand adjourned to such day (not being less than 14 or more than 28 days after the date of the meeting from which such adjournment takes place) and time and place as the chairman of the meeting may determine and at the adjourned meeting the Noteholders present (whatever the amount held or represented by them) shall form a quorum. Notice of an adjourned meeting shall be given in like manner as for the original meeting and such notice shall state that the Noteholders present at such meeting whatever their number or the Notes held or represented by them will constitute a quorum for all purposes.
- (b) The chairman of the meeting may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at an adjourned meeting which may not lawfully have been transacted at the meeting from which the adjournment took place.
- (c) The chairman shall be selected by the Issuer, failing which the Majority Noteholders (on behalf of all Noteholders) shall be entitled to elect a chairman (who need not be a Noteholder).
- (d) Noteholders, proxies and representatives shall be entitled to attend and vote at any meeting of Noteholders
- (e) The following persons shall be entitled to attend any meeting of the Noteholders
  - (i) representatives of the Issuer; and
  - (ii) the Issuer's legal and financial advisers.

#### 5. **Written Resolutions**

A resolution in writing signed by or on behalf of the Majority Noteholders who for the time being are entitled to receive notice of a meeting in accordance with these provisions shall for all purposes be as valid as a resolution passed at a meeting of Noteholders convened and held in accordance with these provisions. Such resolution in writing may be in one document or several documents in like form each signed by or on behalf of one or more of the Noteholders.

**EXHIBIT G**  
**DEFINITIONS**

For the purposes of these Conditions:

“**30-Day VWAP**” means, as of any date, the volume-weighted average price of the common shares of the Issuer from 9:30 a.m. (New York time) on the trading day that is 30 trading days preceding such date to 4:00 p.m. (New York time) on the last trading day immediately preceding such date, as calculated pursuant to the heading “Bloomberg VWAP” on Bloomberg Page HCHC <Equity> VWAP (or any replacement Bloomberg page which displays that rate) or, if such page or service ceases to be available, any other page or service displaying the relevant information as specified by such Noteholder and notified to the Issuer;

“**Account Security**” means the Security to be granted by the Issuer or any other Group Company incorporated outside of the PRC to the Noteholders (or any other person acting as their agent and/or trustee) with respect to a bank account located outside of the PRC which shall have an amount of Cash deposited in such account equal to the Cash Security Amount;

“**Accounting Principles**” means the generally accepted accounting principles of the jurisdiction of incorporation or establishment of any relevant Group Company or IFRS (or any other standard agreed by the Majority Noteholders and the Issuer);

“**Additional Shares**” has the meaning given to such term in paragraph (b)(ii) of Condition 6.2 (*Conversion Procedure*);

“**Additional Tax Amounts**” has the meaning given to such term in Condition 9 (*Taxation, Set-Off and Counterclaim*);

“**Affiliate**” means:

- (a) with respect to any person other than a natural person, any other person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such person, including without limitation any investment funds managed by such person, provided that the Affiliates of a Noteholder shall not include the Issuer and its Affiliates. For the avoidance of doubt, in the case of the Investor, the term “Affiliate” also includes any fund or limited partnership whose general partner, manager or advisor is The Goldman Sachs Group, Inc. or any of its Subsidiaries; and
- (b) with respect to any natural person:
  - (i) any other person that directly or indirectly through one or more intermediaries is controlled by such natural person;
  - (ii) any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, step-sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, cousin-in-law, uncle, aunt, nephew, niece of that natural person or their spouse, including adoptive relationships; or

- (iii) the trustees, acting in their capacity as such trustees, of any trust of which that natural person or any natural person within paragraph (b)(ii) of this definition is a beneficiary or, in the case of a discretionary trust, is a discretionary object;

“**Amendment to Protective Terms**” has the meaning given to such term in sub-paragraph (b) of paragraph 12 (*Amendments*) of Exhibit E (*Undertakings*);

“**Anti-Corruption Laws**” means any applicable anti-bribery or anti-corruption law of any jurisdiction in which the Issuer or any other Group Company conducts business, including but not limited to the United States Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act, 2010, as amended, the Criminal Law of China, the PRC Anti-Unfair Competition Law, and the Provisional Regulations on Anti-Commercial Bribery;

“**Anti-Money Laundering Laws**” means all applicable anti-money laundering laws of all jurisdictions in which the Issuer or any other Group Company conducts its business, the rules and regulations thereunder, including all anti-money laundering laws of the PRC, the United States and the United Kingdom;

“**Applicable Law**” or “**Applicable Laws**” means, with respect to any person, any Laws that are applicable to and binding on such person or the person in control of such person;

“**Arbitration Board**” has the meaning given to such term in Condition 19.2 (*Arbitration*);

“**Authorization**” means an authorization, permit, consent, approval, resolution, license, exemption, filing, notarization, variance, lodgment or registration;

“**Authorized Denomination**” has the meaning given to such term in Condition 2.1 (*Form*);

“**Borrowings**” means any Financial Indebtedness incurred by the Issuer or any other Group Company but excluding any Financial Indebtedness constituting Trade Instruments and ordinary course of trade working capital payments to be made by the Issuer or any other Group Company;

“**Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business in (a) the city in which the specified office of the Registrar is located, (b) the city in which the specified office of the Issuer is located, (c) Hong Kong, (d) Singapore, (e) Beijing and (f) (in relation to any date for payment or purchase of a currency) the principal financial centre of the country of that currency;

“**Cash**” means, at any time (without double counting), cash at bank or in hand or any credit balance on an account to which a Group Company is beneficially entitled and for so long as (a) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any Group Company or of any other person whatsoever; (b) there is no Security over that cash other than any Security granted in favor of the Noteholders, and (c) the cash is capable of being applied in repayment or prepayment of the Notes without any condition;

“**Cash Security Amount**” means:

- (a) if the Deed of Account Charge is entered into by the parties thereto after the occurrence of an IPO, an amount equal to the aggregate principal amount then outstanding under the Notes; and
- (b) in any other case, an amount equal to the aggregate of (i) the aggregate principal amount then outstanding under the Notes and (ii) an amount that would represent a total internal rate of return of eight per cent. per annum calculated from (and including) the Issue Date to (and including) the QIPO Date;

“**Certificate**” has the meaning given to such term in Condition 2.1 (*Form*);

“**Change of Control**” means Pledgor 1, Pledgor 2, Pledgor 3 and Mr Chen collectively ceasing to control each Group Company;

“**Closed Period**” has the meaning given to such term in Condition 3.5 (*Closed Periods*);

“**Closing Price**” for the Shares on any Trading Day shall be the last reported sale price of the Shares as published on the Relevant Stock Exchange for such Trading Day;

“**Conditions**” has the meaning given to such term in Condition 2.2 (*Title*);

“**Control Document**” means (a) the Service Agreement, (b) any Equity Pledge Agreement, (c) any Option Agreement, (d) any Power of Attorney or (e) any other document designated as a “Control Document” by the Majority Noteholders and the Issuer;

“**Conversion Date**” has the meaning given to such term in (a)(iv) of Condition 6.2 (*Conversion Procedure*);

“**Conversion Notice**” has the meaning given to such term in paragraph (a)(i) of Condition 6.2 (*Conversion Procedure*);

“**Conversion Period**” has the meaning given to such term in paragraph (a)(ii) of Condition 6.1 (*Conversion Right*);

“**Conversion Price**” has the meaning given to such term in paragraph (c) of Condition 6.1 (*Conversion Right*);

“**Conversion Right**” has the meaning given to such term in paragraph (a)(i) of Condition 6.1(*Conversion Right*);

“**CP After ESOP**” has the meaning given to such term in paragraph (d) of Condition 6.3 (*Adjustments to Conversion Price*);

“**Deed of Account Charge**” means the deed of account charge constituting the Account Security entered into by the Issuer or any other Group Company incorporated outside of the PRC in favor of the Noteholders (or any other person acting as their agent and/or trustee), and which shall be in form and substance satisfactory to the Majority Noteholders (acting reasonably);

“**Default**” means an Event of Default or an event or circumstance specified in Condition 11 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Transaction Documents, issue of a certificate or any combination of the foregoing) be an Event of Default;

“**Default Redemption Notice**” has the meaning given to such term in paragraph (a) of Condition 11 (*Events of Default*);

“**Dispute**” has the meaning given to such term in Condition 19.2 (*Arbitration*).

**“Equity Interest”** means, in relation to any person:

- (a) any shares of any class or capital stock of or equity interest (including any membership interest, partnership interest, registered capital, joint venture or other ownership interest) in such person or any depositary receipt in respect of any such shares, capital stock or equity interest;
- (b) any securities that are directly or indirectly convertible into, or exercisable or exchangeable for (whether at the option of the holder thereof or otherwise and whether such conversion is conditional or otherwise) into any such shares, capital stock or equity interest (including any membership interest, partnership interest, registered capital, joint venture or other ownership interest) (whether or not such derivative securities are issued by such person) or any depositary receipt in respect of any such securities; or
- (c) any option, warrant or other right to acquire any such shares, capital stock, equity interest securities (including any membership interest, partnership interest, registered capital, joint venture or other ownership interest) (whether or not such derivative securities are issued by such person) or depositary receipts referred to in paragraphs (a) and/or (b) above;

**“Equity Pledge Agreement”** means the Equity Pledge Agreement 1, the Equity Pledge Agreement 2 or the Equity Pledge Agreement 3;

**“Equity Pledge Agreement 1”** means the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 1, Opco and the WFOE;

**“Equity Pledge Agreement 2”** means the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 2, Opco and the WFOE;

**“Equity Pledge Agreement 3”** means the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 3, Opco and the WFOE;

**“ESOP”** means any share option plan or other equity based incentive plan;

**“Event of Default”** has the meaning given to such term in paragraph (a) of Condition 11 (*Events of Default*);

**“Existing Preference Share”** means any Series A Share, any Series B Share, any Series C Share or any Series D Share;

**“Existing Preference Share Document”** means (a) the Existing Shareholders Agreement, (b) the Issuer Articles, (c) the Series A Share Purchase Agreement, (d) the Series B Share Purchase Agreement, (e) the Series C Purchase Agreement, (f) the Series D Purchase Agreement or (g) any document or instrument entered into pursuant to or in connection with the subscription of the Existing Preference Shares;

**“Existing Preferred Shareholder”** means any holder of any Existing Preference Share;

**“Existing Shareholders Agreement”** means the fourth amended and restated shareholders’ agreement dated May 10, 2017 entered into between Aurora Mobile Limited, the Investors, the Founder Parties, the Major Subsidiaries, the Angel Investor and HAKIM (each as defined therein), as may be amended and/or restated from time to time;

**“Finance Document”** means (a) any Note, (b) the Conditions, (c) the Deed of Account Charge or (d) any other document designated as a “Finance Document” by the Majority Noteholders and the Issuer;

**“Finance Leases”** means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability or finance or capital lease;

**“Financial Indebtedness”** means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialized equivalent);
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of Finance Leases;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (h) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) or are otherwise classified as borrowings under the Accounting Principles (including for the avoidance of doubt, any issuance of preference shares);
- (i) any amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question;
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles; and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above;

**“Future Subscription”** has the meaning given to such term in paragraph (b)(iv) of Condition 6.3 (*Adjustments to Conversion Price*);

**“Governmental Authority”** means any government or any governmental agency, semi-governmental or judicial entity or authority (including, without limitation, any stock exchange or any self-regulatory organisation established under statute) of any jurisdiction, or any political subdivision thereof, whether provincial, state or local, and any department, ministry, agency, instrumentality, authority, body, court, central bank or other entity lawfully exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government;

“**Group**” means the Issuer, UA Mobile, KK Mobile, the WFOE, Opco and their respective Subsidiaries from time to time (each a “**Group Company**”);

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**HKIAC**” means the Hong Kong International Arbitration Centre;

“**HKIAC Arbitration Rules**” has the meaning given to such term in Condition 19.2 (*Arbitration*);

“**IFRS**” means the international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements;

“**Investor**” means (a) Mercer Investments (Singapore) Pte. Ltd., a company incorporated and existing under the laws of Singapore with its registered office at 1 Raffles Link, #07-01, One Raffles Link, Singapore 039393 or (b) MANDRA IBASE LIMITED, a limited liability company incorporated and existing under the laws of British Virgin Islands with its registered office at 3rd Floor, J & C Building, P.O. Box 933, Road Town, Tortola, BVI, VG1110;

“**Investors’ Rights Agreement**” means the investors’ rights agreement dated April 17, 2018 entered into between the Issuer and the Investors, as may be amended or restated from time to time;

“**IPO**” means an underwritten registered public offering by the Issuer of common shares in the Issuer on any stock exchange;

“**Issue Date**” has the meaning given to such term in the preamble to the Conditions;

“**Issue Price**” has the meaning given to such term in paragraph (b)(i) of Condition 6.3 (*Adjustments to Conversion Price*);

“**Issuer**” means Aurora Mobile Limited, a company duly incorporated and validly existing under the laws of the Cayman Islands with company number 286958, whose registered office is at Harneys Fiduciary (Cayman) Limited, P. O. Box 10240, 4th Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1002, Cayman Islands;

“**Issuer Articles**” means the fifth amended and restated memorandum and articles of association of the Issuer adopted by a special resolution on May 10, 2017, as amended from time to time to the extent permitted by the Conditions;

“**Key Protective Term**” means any of the following provisions (a) sections 2.6 (insofar as this relates to paragraph 16 of Exhibit C of the Existing Shareholders Agreement), 6.2, 6.3 and 8.6 of, and paragraphs 16 and 19 (insofar as this relates to paragraph 16 of Exhibit C of the Existing Shareholders Agreement) of Exhibit C to, the Existing Shareholders Agreement, (b) the preamble to paragraph 5.3 (*Protective Provisions*) and sub-paragraphs (p) and (s) (insofar as this relates to sub-paragraph (p) of paragraph 5.3 (*Protective Provisions*) of Schedule A to the Issuer Articles) of paragraph 5.3 (*Protective Provisions*) of Schedule A to the Issuer Articles, and (c) the corresponding definitions of any of the foregoing;

“**KK Mobile**” means KK Mobile Investment Limited, a company duly organized and validly existing under the laws of Hong Kong with company number 1759301, whose registered office is at Room D, 10/F., Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong;

“**Law**” or “**Laws**” means any constitutional provision, statute or other law, rule, regulation, directive, treaty, decree, order, official policy or interpretation of any Governmental Authority and any injunction, judgment, order, ruling, assessment or writ issued by any Governmental Authority;

“**Liquidation Event**” has the meaning given to such term in the Issuer Articles;

“**Majority Noteholders**” means, at any time, any one or more holders holding Notes or being proxies or representatives in respect of Notes and representing, in the aggregate, more than 50 per cent. of the aggregate principal amount of all Notes then outstanding;

“**Material Adverse Effect**” means any condition, circumstance, change or effect that has or could reasonably be expected to have a material adverse effect or change on (a) the business, operations, assets, property, condition (financial or otherwise) or prospects of any Group Company; (b) the ability of any Group Company or Third Party Obligor to perform its obligations under the Transaction Documents; or (c) the legality, validity or enforceability of, or the effectiveness of, any Transaction Document or the rights or remedies of any Noteholder or an Investor under any of the Transaction Documents;

“**Maturity Date**” means the date falling three years after the Issue Date;

“**Misrepresentation**” has the meaning given to such term in paragraph (iv) of Condition 11 (*Events of Default*);

“**Mr Chen**” means Chen Fei (陈飞), a Hong Kong resident who holds Hong Kong identification number #####(##) with the mailing address at Room 501, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Guankou 2nd Road Nanshan District, Shenzhen 7501;

“**New Business Model**” means the implementation of a lending and/or guarantee business by Opco (as lender or guarantor as the case may be);

“**No QIPO Event**” means the occurrence of the earlier of any of the following events: (a) a Non-QIPO and (b) the QIPO has not been completed by (and including) the QIPO Date;

“**No Share Delivery Event**” means the failure by the Issuer to deliver and register title to any Shares as and when such Shares are required to be delivered and registered following conversion of any Note;

“**No Share Delivery FMV**” means:

- (a) prior to an IPO, the value of such Shares which were required to be delivered and registered following conversion of any Note as set out in a fair value opinion issued by a global investment bank jointly appointed by the Issuer and such Noteholder or, failing such joint appointment within five Business Days upon request by such Noteholder, a “Big 4” accounting firm appointed by such Noteholder; and
- (b) in any other case, an amount equal to the product of (i) the number of Shares which were required to be delivered and registered following conversion of any Note and (ii) the 30-Day VWAP of the shares of the Issuer which have been listed on the Relevant Stock Exchange;

“**Non-QIPO**” means the occurrence of an IPO that does not constitute a QIPO;

“**Noteholder**” or “**holder**” has the meaning given to such term in Condition 2.2 (*Title*);

“**Notes**” has the meaning given to such term in the preamble to the Conditions;

“**Opco**” means Shenzhen Hexun Huagu Information Technology Co. Ltd. (深圳合讯华股信息技术有限公司), a company duly organized and validly existing under the laws of the PRC whose registered office is at Room 501, Block 7, Zhiheng, Strategic Hi-tech Industrial Park, Guankou 2<sup>nd</sup> Road, Nanshan District, Shenzhen;

“**Option Agreement**” means the Option Agreement 1, the Option Agreement 2 or the Option Agreement 3;

“**Option Agreement 1**” means the exclusive option agreement dated August 5, 2014 entered into between Pledgor 1, Opco and the WFOE;

“**Option Agreement 2**” means the exclusive option agreement dated August 5, 2014 entered into between Pledgor 2, Opco and the WFOE;

“**Option Agreement 3**” means the exclusive option agreement dated August 5, 2014 entered into between Pledgor 3, Opco and the WFOE;

“**Party**” has the meaning given to such term in Condition 19.2 (*Arbitration*);

“**Permitted Distribution**” means:

- (a) the redemption, repurchase, defease, retire, reduction or repayment of any share capital of the Issuer to the extent that it is permitted under clause 2.4 of the Subscription Agreement;
- (b) the repurchase of any share capital of the Issuer after an IPO, provided that (i) no Default has occurred and is continuing, and (ii) the Issuer certifies to the Noteholders in writing prior to any such action (together with evidence reasonably satisfactory to the Majority Noteholders) that the Group would have Cash equal to at least US\$100,000,000 (or its equivalent in any other currency) immediately after any such repurchase;
- (c) the payment of a dividend by the Issuer to any of its shareholders provided that the Noteholders are paid in cash, based on their respective pro rata ownership interest in the Issuer (on an as converted basis and as if such Noteholder were a shareholder of record on the record date) immediately prior to such dividend payment, at the same time as the Issuer makes payment of such dividend, and further provided that any such amount shall be paid by transfer to a US dollar account maintained and nominated by the relevant Noteholder;
- (d) the payment of a dividend to the Issuer or any of its wholly-owned Subsidiaries; and
- (e) any distribution to which the Majority Noteholders have given their prior written consent,

provided that any such action (i) is not otherwise prohibited or limited by the Existing Preference Share Documents or the Issuer Articles and (ii) if such action is so prohibited or limited under the Existing Preference Share Documents or the Issuer Articles, is otherwise permitted and approved by the relevant persons in the Existing Preference Share Documents or the Issuer Articles, as applicable;

**“Permitted Financial Indebtedness”** means Financial Indebtedness:

- (a) arising under any of the Transaction Documents;
- (b) arising under a Permitted Loan or a Permitted Guarantee;
- (c) incurred by the Issuer or any other Group Company from any person by way of a Finance Lease in one or a series of transactions for the purpose of purchasing machine equipment which is to be used solely for the business of the Group, the aggregate finance lease liability (determined in accordance with the Accounting Principles) of all such Finance Leases shall not exceed US\$10,000,000 (or its equivalent in any other currency) at any time, provided that with respect to any such Financial Indebtedness (i) no Security or Quasi-Security shall be given or granted by any Group Company other than to the lessor of such Finance Lease, (ii) no indemnity exceeding an amount equal to the sum of (A) the aggregate finance lease liability (determined in accordance with the Accounting Principles) permitted under this paragraph and (B) the interest incurred in relation to such indebtedness permitted under this paragraph, guarantee or other assurance against loss shall be granted by any Group Company for such Financial Indebtedness other than to the lessor of such Finance Lease, and (iii) no Default has occurred and is continuing;
- (d) incurred by the Issuer or any other Group Company from any person in one or a series of transactions, the aggregate outstanding principal amount of all such Financial Indebtedness shall not exceed RMB50,000,000 (or its equivalent in any other currency) at any time, provided that with respect to any such Financial Indebtedness (i) no Security or Quasi-Security shall be given or granted by any Group Company, (ii) no indemnity exceeding an amount equal to the sum of (A) the aggregate principal liability permitted under this paragraph and (B) the interest incurred in relation to such indebtedness permitted under this paragraph, guarantee or other assurance against loss shall be granted by any Group Company for such Financial Indebtedness, and (iii) no Default has occurred and is continuing;
- (e) to the extent that the Issuer or any other Group Company is permitted to implement the New Business Model pursuant to sub-paragraph (b) of paragraph 17 (*New Business Model*) of Exhibit E (*Undertakings*), arising in connection with the New Business Model; and
- (f) to which the Majority Noteholders have given their prior written consent,

provided that any such action (i) is not otherwise prohibited or limited by the Existing Preference Share Documents or the Issuer Articles and (ii) if such action is so prohibited or limited under the Existing Preference Share Documents or the Issuer Articles, is otherwise permitted and approved by the relevant persons in the Existing Preference Share Documents or the Issuer Articles, as applicable;

**“Permitted Guarantee”** means:

- (a) any guarantee arising under the Transaction Documents;
- (b) any guarantee expressly permitted under paragraph (c) of the definition of “Permitted Financial Indebtedness”;
- (c) to the extent that the Issuer or any other Group Company is permitted to implement the New Business Model pursuant to sub-paragraph (b) of paragraph 17 (*New Business Model*) of Exhibit E (*Undertakings*), any guarantee arising in connection with the New Business Model; and

(d) any guarantee to which the Majority Noteholders have given their prior written consent,

provided that any such action (i) is not otherwise prohibited or limited by the Existing Preference Share Documents or the Issuer Articles and (ii) if such action is so prohibited or limited under the Existing Preference Share Documents or the Issuer Articles, is otherwise permitted and approved by the relevant persons in the Existing Preference Share Documents or the Issuer Articles, as applicable;

**“Permitted Loan”** means:

- (a) any loan made by the Issuer or any other Group Company to another Group Company, provided that any loan from a Group Company to the Issuer has to be subordinated to the Noteholders;
- (b) any loan made to implement a Permitted Distribution;
- (c) any loan made to an employee of the Issuer or any other Group Company, provided that the aggregate principal amount of all such loans shall not exceed US\$1,000,000 (or its equivalent in any other currency);
- (d) to the extent that the Issuer or any other Group Company is permitted to implement the New Business Model pursuant to sub-paragraph (b) of paragraph 17 (*New Business Model*) of Exhibit E (*Undertakings*), any loan arising in connection with the New Business Model; and
- (e) a loan to which the Majority Noteholders have given their prior written consent,

provided that any such action (i) is not otherwise prohibited or limited by the Existing Preference Share Documents or the Issuer Articles and (ii) if such action is so prohibited or limited under the Existing Preference Share Documents or the Issuer Articles, is otherwise permitted and approved by the relevant persons in the Existing Preference Share Documents or the Issuer Articles, as applicable;

**“Permitted Security”** means:

- (a) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any Group Company;
- (b) any netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of another Group Company but only so long as (i) no credit balances of a Group Company incorporated outside the PRC shall be netted or set off against debit balances of another Group Company incorporated in the PRC, (ii) such arrangement does not give rise to other Security over the assets of a Group Company incorporated outside the PRC being given or granted in support of liabilities of another Group Company incorporated in the PRC and (iii) no netting or set-off arrangement shall be entered between Opco and the other Group Companies;
- (c) any Security or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Group Company in the ordinary course of trading and on the supplier’s standard or usual terms and not arising as a result of any default or omission by any Group Company;
- (d) any Security or Quasi-Security constituted pursuant to or arising under or in connection with any Transaction Document;

- (e) any Security or Quasi-Security expressly permitted under paragraph (c) of the definition of “Permitted Financial Indebtedness”;
- (f) to the extent that the Issuer or any other Group Company is permitted to implement the New Business Model pursuant to sub-paragraph (b) of paragraph 17 (*New Business Model*) of Exhibit E (*Undertakings*), any Security or Quasi-Security arising in connection with the New Business Model; and
- (g) any Security to which the Majority Noteholders have given their prior written consent,

provided that any such action (i) is not otherwise prohibited or limited by the Existing Preference Share Documents or the Issuer Articles and (ii) if such action is so prohibited or limited under the Existing Preference Share Documents or the Issuer Articles, is otherwise permitted and approved by the relevant persons in the Existing Preference Share Documents or the Issuer Articles, as applicable;

“**Pledgor**” means Pledgor 1, Pledgor 2 or Pledgor 3;

“**Pledgor 1**” means Luo Weidong (罗伟东), a PRC national who resides at No. 10, Fu Qian Heng Jie, Ye Tang She Qu Ju Wei Hui, Ye Tang Town, Xing Ning, Guangdong, China and holds PRC resident identification number #####;

“**Pledgor 2**” means Wang Xiaodao (王 Xiaodao), a PRC national who resides at Room 30C, Ming Yue Garden, Yi Tian Road, Fu Tian District, Shenzhen, Guangdong, China and holds PRC resident identification number #####;

“**Pledgor 3**” means Fang Jiawen (方佳文), a PRC national who resides at No. 1, Ke Fa Road, Ke Ji Yuan, Nanshan District, Shenzhen, Guangdong, China and holds PRC resident identification number #####;

“**Power of Attorney**” means the Power of Attorney 1, the Power of Attorney 2 or the Power of Attorney 3;

“**Power of Attorney 1**” means the power of attorney dated August 5, 2014 entered into by Pledgor 1 in favor of the WFOE, and acknowledged by the WFOE and Opco;

“**Power of Attorney 2**” means the power of attorney dated August 5, 2014 entered into by Pledgor 2 in favor of the WFOE, and acknowledged by the WFOE and Opco;

“**Power of Attorney 3**” means the power of attorney dated August 5, 2014 entered into by Pledgor 3 in favor of the WFOE, and acknowledged by the WFOE and Opco;

“**Protective Term**” means any of the following provisions (a) sections 2.1, 2.6, 5, 6.1, 6.2, 6.3 and 8.6 of, and Exhibits C and E to, the Existing Shareholders Agreement, (b) articles 18, 69, 90 and 118 of, and Schedule A to, the Issuer Articles, and (c) the corresponding definitions of any of the foregoing;

“**Put Date**” means the date specified in the Put Notice as the date fixed for redemption of the relevant Notes upon the occurrence of the No QIPO Event, but which shall fall no earlier than the date falling seven days after the date of the Put Notice;

“**Put Notice**” has the meaning given to such term in paragraph (b) of Condition 8.2 (*Redemption for No QIPO at the Option of Noteholders*);

“**PRC**” means the People’s Republic of China (but excluding Hong Kong, Macau and Taiwan);

“**QIPO**” means an IPO on a Relevant Stock Exchange with a minimum pre-offering valuation of the Issuer of at least US\$1,000,000,000;

“**QIPO Date**” means the date falling on (and including) two years after the Issue Date;

“**Qualifying Affiliate**” means an Affiliate of the converting Noteholder, provided that (a) such Affiliate shall have agreed in writing to be bound by the terms of the Investors’ Rights Agreement by executing the Deed of Adherence in the form of Schedule 2 attached thereto, and (b) such issue of Shares is in compliance with all applicable laws, provided further if such Affiliate ceases to be an Affiliate of such Noteholder, the Shares shall be immediately transferred back to such Noteholder or another person who qualifies as an Affiliate of such Noteholder;

“**Quasi-Security**” means an arrangement or transaction described in sub-paragraph (b) of paragraph 7 (*Negative pledge*) of Exhibit E (*Undertakings*);

“**Recovered Amount**” has the meaning given to that term in Condition 17.1 (*Payments to Finance Parties*);

“**Recovering Noteholder**” has the meaning given to that term in Condition 17.1 (*Payments to Finance Parties*);

“**Redemption Notice**” has the meaning given to such term in the Issuer Articles;

“**Redistributed Amount**” has the meaning given to that term in Condition 17.4 (*Reversal of redistribution*);

“**Register**” has the meaning given to such term in Condition 2.1 (*Form*);

“**Registered Account**” means, with respect to a Noteholder, the bank account of that Noteholder, details of which appear on the Register at the close of business on the second Business Day before the due date for payment, as may be updated and changed from time to time;

“**Registrar**” has the meaning given to such term in Condition 3.1 (*Register*);

“**Registration Date**” has the meaning given to such term in paragraph (b)(iii) of Condition 6.2 (*Conversion Procedure*);

“**Relevant Jurisdiction**” means, in relation to any person:

- (a) its jurisdiction of incorporation;
- (b) any jurisdiction where any asset subject to or intended to be subject to any Security to be created by it is situated;
- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the security documents entered into by it;

**“Relevant Stock Exchange”** means, at any time, in respect of the share capital of the Issuer, NASDAQ, New York Stock Exchange or any other internationally recognized stock exchange as agreed in writing by the Majority Noteholders;

**“Retroactive Adjustment”** has the meaning given to such term in paragraph (b)(ii) of Condition 6.2 (*Conversion Procedure*);

**“Sanctions Laws”** means all economic or financial sanctions Laws, measures or embargoes administered or enforced by the United States (including all sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, and its “Specially Designated Nationals and Blocked Persons” lists), China, Hong Kong, the European Union (including under Council Regulation (EC) No. 194/2008), the United Nations, the United Kingdom or any other relevant sanctions Governmental Authority;

**“Security”** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

**“Series A Share”** means any series A preferred share of par value US\$0.0001 each of the Issuer, with the rights and privileges as set forth in the Issuer Articles;

**“Series A Share Purchase Agreement”** has the meaning given to such term in the Issuer Articles;

**“Series B Share”** means any series B preferred share of par value US\$0.0001 each of the Issuer, with the rights and privileges as set forth in the Issuer Articles;

**“Series B Share Purchase Agreement”** has the meaning given to such term in the Issuer Articles;

**“Series C Share”** means any series C preferred share of par value US\$0.0001 each of the Issuer, with the rights and privileges as set forth in the Issuer Articles;

**“Series C Share Purchase Agreement”** has the meaning given to such term in the Issuer Articles;

**“Series D Share”** means any series D preferred share of par value US\$0.0001 each of the Issuer, with the rights and privileges as set forth in the Issuer Articles;

**“Series D Share Purchase Agreement”** has the meaning given to such term in the Issuer Articles;

**“Service Agreement”** means the exclusive business cooperation agreement dated August 5, 2014 entered into between Opco and the WFOE;

**“Shares”** has the meaning given to such term in paragraph (d) of Condition 6.1 (*Conversion Right*);

**“Shareholder”** means a person whose name is entered as a holder of one or more Shares in the register of members of the Issuer;

**“Sharing Noteholder”** has the meaning given to that term in Condition 17.2 (*Redistribution of payments*);

**“Sharing Payment”** has the meaning given to that term in Condition 17.1 (*Payments to Finance Parties*);

**“Spot Rate of Exchange”** means the spot rate of exchange as quoted by any leading bank, as reasonably obtained by the Issuer (and failing which the Majority Noteholders), for the purchase of the relevant currency with US dollars in the Hong Kong foreign exchange market at or around 11:00 a.m. (Hong Kong time) on the Business Day immediately prior to the relevant time for determination;

“**Subscription Agreement**” means the subscription agreement dated April 11, 2018 entered into between the Issuer and the Noteholders, as may be amended and/or restated from time to time;

“**Subsidiary**” means in relation to any company, corporation or entity, a company, corporation or entity:

- (a) which is controlled, directly or indirectly, by the first mentioned company, corporation or entity;
- (b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company, corporation or entity; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company, corporation or entity;

“**Tax**” means any and all applicable tax or taxes (including, but not limited to, any value added tax, sales tax, land use tax, deed tax, real estate tax, capital tax, individual income tax, enterprise income tax, or business tax, stamp or other duty (including any registration and transfer duties), levy, impost, charge, fee, deduction, penalty or withholding imposed, levied, collected or assessed) and includes any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same;

“**Third Party Obligor**” means any person that is a party to a Transaction Document (other than the Issuer, any other Group Company and the Noteholders), including for the avoidance of doubt the Pledgors;

“**Trade Instruments**” means any performance bonds, advance payment bonds or documentary letters of credit issued in respect of the obligations of the Issuer or any other Group Company arising in the ordinary course of trading of the Issuer or any other Group Company;

“**Transaction**” has the meaning given to such term in paragraph (b)(iii) of Condition 6.3 (*Adjustments to Conversion Price*);

“**Transaction Document**” means (a) the Subscription Agreement, (b) any document or instrument entered into pursuant to or in connection with the Subscription Agreement, (c) any Finance Document, (d) the Investors’ Rights Agreement, (e) the Issuer Articles, (f) any Control Document or (g) any other document designated as a “Transaction Document” by the Majority Noteholders and the Issuer;

“**Treasury Transaction**” means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price;

“**UA Mobile**” means UA Mobile Limited, a company duly incorporated and validly existing under the laws of the British Virgin Islands with company number 1714899, whose registered office is at Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands; and

“**WFOE**” means JPush Information Consultation (Shenzhen) Co. Ltd. (深圳市捷普信息咨询有限公司), a company duly organized and validly existing under the laws of the PRC whose registered office is at Room 503, Block 7, Zhiheng, Strategic Hi-tech Industrial Park, Guankou 2<sup>nd</sup> Road, Nanshan District, Shenzhen.

THE NOTES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED FROM TIME TO TIME, AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER, AS IN EFFECT FROM TIME TO TIME (THE “**SECURITIES ACT**”), ANY STATE SECURITIES LAWS OF THE UNITED STATES, OR THE SECURITIES LAW OF ANY OTHER JURISDICTION, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY STATE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS AND THE RESPECTIVE RULES AND REGULATIONS THEREUNDER.

**DEFINITIVE CERTIFICATE  
FOR THE CONVERTIBLE NOTES**

**AMOUNT: US\$5,000,000**

**CERTIFICATE NUMBER: 002**

**AURORA MOBILE LIMITED**  
(incorporated in the Cayman Islands with limited liability)  
(the “**Issuer**”)

**US\$35,000,000 ZERO COUPON NON-GUARANTEED AND UNSECURED CONVERTIBLE  
NOTES DUE 2021 CONVERTIBLE INTO COMMON SHARES OF THE ISSUER**

This is to certify that MANDRA IBASE LIMITED is the registered holder of US\$5,000,000 in principal amount of the US\$35,000,000 zero coupon non-guaranteed and unsecured convertible notes due 2021 (the “**Notes**”) issued pursuant to the Subscription Agreement. The Note or Notes in respect of which this Certificate is issued are issued in registered form, without coupons attached and form part of a series designated as specified in the title of the Issuer. Words and expressions defined in the Conditions shall, unless the context otherwise requires, have the same meaning in this Certificate.

For value received, the Issuer promises to pay the person who appears at the relevant time on the Register as the holder of the Notes in respect of which this Certificate is issued such amount or amounts as shall become due in respect of such Notes and otherwise to comply with the terms and conditions (the “**Conditions**”) attached hereto. The Notes in respect of which this Certificate is issued are subject to, and have the benefit of, the Conditions, all of which shall be binding on the Issuer and the Noteholders and all persons claiming through them respectively.

The Notes constitute direct, senior, unsubordinated, unconditional, non-guaranteed and unsecured obligations of the Issuer. The Notes in respect of which this Certificate is issued are convertible into fully-paid common shares with a current par value of US\$0.0001 each of the Issuer subject to and in accordance with the Conditions.

The Issuer covenants with the Noteholders to duly perform and observe the obligations on its part contained in the Notes with the intent that the Notes shall enure for the benefit of the Noteholders, each of whom may sue on its own behalf for the performance or observance of the provisions of the Notes.

The statements set forth in the legend above are an integral part of the Note or Notes in respect of which this Certificate is issued and by acceptance thereof each holder agrees to be subject to and bound by the terms and provisions set forth in such legend.

This Certificate is evidence of entitlement only. Title to the Notes passes only on due registration on the Register and only the duly registered Noteholder is entitled to payments on the Notes in respect of which this Certificate is issued.

This Certificate shall not be valid for any purpose until executed by the Issuer and authenticated by the Registrar.

This Certificate is governed by, and shall be construed in accordance with, the laws of the Hong Kong Special Administrative Region.

*[The remainder of this page has been intentionally left blank]*

IN WITNESS WHEREOF this Certificate has been executed as a deed poll by the Issuer and is intended to be and is hereby delivered by it as a deed on April 17, 2018.

EXECUTED AS A DEED by )

AURORA MOBILE LIMITED )

in the presence of: ) /s/ LUO Weidong \_\_\_\_\_

Director

/s/ CHEN Guangyan \_\_\_\_\_

Witness signature

Name: CHEN Guangyan

Address: Floor 3, Block 7, Zhiheng Industrial Park, Hubinzhong Road, Nanshan District, Shenzhen 518057

**CERTIFICATE OF AUTHENTICATION**

This Certificate is authenticated by or on behalf of Harneys Fiduciary (Cayman) Limited as Registrar (without warranty, recourse or liability)

By:

Authorized Signatory  
For the purposes of authentication only

[Signature page to Convertible Note Certificate]

## TERMS AND CONDITIONS

The issue of aggregate principal amount of US\$35,000,000 zero coupon non-guaranteed and unsecured convertible notes due 2021 (the “**Notes**”) of the Issuer on April 17, 2018 (the “**Issue Date**”) and the right of conversion into Shares was authorized by resolutions of the board of directors of the Issuer on April 12, 2018.

### 1. STATUS

The Notes constitute direct, senior, unsubordinated, unconditional, non-guaranteed and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves, and equally with all other existing and future unsecured and unsubordinated obligations of the Issuer but, in the event of a winding up, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.

### 2. FORM, DENOMINATION AND TITLE

#### 2.1. Form

The Notes are issued in registered form, without coupons attached, in the denomination of US\$1,000,000 and higher integral multiples of US\$1 (an “**Authorized Denomination**”). A note certificate (each a “**Certificate**”) will be issued to each Noteholder in respect of its entire holding of Notes. Each Certificate will be numbered serially with a certificate number which will be recorded on the relevant Certificate and in the register of Noteholders (the “**Register**”) which the Issuer will procure to be kept by the Registrar.

#### 2.2. Title

Title to the Notes will pass only by transfer and registration in the Register as described in Condition 3 (*Transfer of Notes; Issue of Certificates*). The holder of any Note will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these terms and conditions (these “**Conditions**”), “**Noteholder**” and (in relation to a Note) “**holder**” means the person in whose name a Note is registered.

### 3. TRANSFERS OF NOTES; ISSUE OF CERTIFICATES

#### 3.1. Register

- (a) The Issuer will cause the Register to be kept by Harneys Fiduciary (Cayman) Limited (the “**Registrar**”) at its specified office outside of Hong Kong and Singapore (currently at, P.O. Box 10240, 4<sup>th</sup> Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman, KY1-1002, Cayman Islands and, upon any change to such specified office, subject to paragraph (b) below, the Issuer shall promptly give notice in writing to the Noteholders in accordance with Condition 15 (*Notices*) and the term “**specified office**” in respect of the Registrar shall be construed accordingly) on which shall be entered in respect of each holder (a) its name and address; (b) the details of its Registered Account; (c) the electronic mail address, telephone and facsimile numbers of the relevant contact persons for such holder; (d) the names of its authorized signatories, and (e) the particulars of the Notes held by it and the details of all transfers of the Notes. A Noteholder may change such details by notice to the Issuer.

- (b) The Issuer reserves the right at any time to vary or terminate the appointment of any Registrar and appoint a replacement Registrar provided that it will maintain a Registrar with a specified office outside Hong Kong and Singapore. Notice of any changes in the Registrar or its specified offices will promptly be given by the Issuer to the Noteholders.
- (c) Each Noteholder shall be entitled to receive only one Certificate in respect of its entire holding of Notes.
- (d) Any Noteholder may request for a copy of the names and addresses of the Noteholders and the aggregate principal amount of Notes outstanding for each Noteholder as set forth in the Register and within two Business Days of receipt by the Issuer of such request, a copy of the Register shall be made available for collection at the specified office of the Issuer (currently at Harneys Fiduciary (Cayman) Limited, P.O. Box 10240, 4<sup>th</sup> Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman, KY1-1002, Cayman Islands and, upon any change to such specified office, the Issuer shall promptly give notice in writing to the Noteholders in accordance with Condition 15 (*Notices*) and the term “**specified office**” in respect of the Issuer shall be construed accordingly) or, if so requested by the Noteholder, be sent by courier at the risk of the Noteholder entitled (but free of charge to the holder and at the Issuer’s expense).

### 3.2. **Transfer**

- (a) Subject to this Condition 3.2, a Noteholder may transfer any and all Notes to any person at any time and from time to time.
- (b) The Notes may not, without the written consent of the Issuer, be transferred by any Noteholder to any person, except for transfers to an Affiliate of such Noteholder in compliance with Condition 3.6 (*Regulations*), provided however, that any Notes which have not been redeemed and repaid in full (including outstanding principal, interest, if any, and any other amounts payable under the Finance Documents) on or prior to the date falling 30 days following (i) the date of issue of a Put Notice by a Noteholder, (ii) the date of issue of a Default Redemption Notice by the Majority Noteholders or a Noteholder, as applicable, to the Issuer in accordance with Condition 11 (*Events of Default*) or (iii) the Maturity Date, shall be freely transferrable by the relevant Noteholder(s).
- (c) Subject to the preceding paragraph and Conditions 3.5 (*Closed Periods*) and 3.6 (*Regulations*), any transfer or exchange of a Note may be effected in an Authorized Denomination by delivery of the Certificate issued in respect of that Note and the form of transfer as set out in Exhibit A (*Form of Transfer*) duly completed and signed by the transferor or its attorney duly authorized in writing, to the specified office of the Issuer. Subject to these Conditions, the Registrar shall promptly, and in any event within five Business Days of receipt of the foregoing documents, register such transfer outside of Hong Kong and Singapore upon compliance with the foregoing provision. No transfer of a Note will be valid unless and until entered on the Register.

### 3.3. **Delivery of New Certificates**

- (a) Each new Certificate to be issued upon a transfer or exchange of Notes will, within five Business Days of receipt by the Issuer of the original Certificate and the form of transfer duly completed and signed, be issued by the Registrar (outside of Hong Kong and Singapore) and made available for collection at the specified office of the Issuer or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Notes (but free of charge to the holder and at the Issuer's expense) to the address specified in the form of transfer.
- (b) Where only some of the Notes in respect of which a Certificate is issued is to be transferred, exchanged, converted, redeemed or repurchased, a new Certificate in respect of the Notes not so transferred, exchanged, converted, redeemed or repurchased will, within five Business Days of delivery of the original Certificate to the Issuer, be issued by the Registrar (outside of Hong Kong and Singapore) and made available for collection at the specified office of the Issuer or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Notes not so transferred, exchanged, converted, redeemed or repurchased (but free of charge to the holder and at the Issuer's expense) to the address of such holder appearing on the Register.

### 3.4. **Formalities Free of Charge**

Registration of a transfer of Notes and issuance of new Certificates will be effected without charge by the Issuer, but subject to payment (or the giving of such indemnity as the Issuer or Registrar may reasonably require) in respect of any Tax, duties or other governmental charges which may be imposed in relation to such transfer, and the Issuer and Registrar being reasonably satisfied that the regulations concerning transfers of Notes have been complied with.

### 3.5. **Closed Periods**

No Noteholder may require the transfer of a Note to be registered (a) during the period of seven days ending on (and including) the dates for payment of any outstanding principal pursuant to the Conditions; or (b) after a Conversion Notice has been delivered with respect to a Note, each such period is a "Closed Period".

### 3.6. **Regulations**

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfer of Notes scheduled to this Certificate as Exhibit B (*Regulations Concerning the Transfer and Registration of Notes*). A copy of the current regulations will be mailed (free of charge and at the expense of the Issuer) by the Issuer to any Noteholder upon request.

## 4. **SECURITY AND GUARANTEE**

The obligations of the Issuer under the Transaction Documents, including, without limitation, the obligations of the Issuer under the Notes, are not guaranteed and are unsecured.

## 5. **INTEREST**

### 5.1. **Zero coupon**

Subject to Condition 5.2 (*Interest*), the Notes are non-interest bearing Notes.

## 5.2. Interest

The Notes shall not bear or accrue any interest, except if (a) the Issuer fails to pay any amount payable by it under a Finance Document on its due date or (b) any other Event of Default (excluding the occurrence of an Event of Default pursuant to paragraph (a)(xx) of Condition 11 (*Events of Default*)) occurs and the Majority Noteholders have exercised their rights under paragraph (a) of Condition 11 (*Events of Default*), excluding in each case (i) any non-payment arising from the No QIPO Event or the Put Date in respect of which returns shall be calculated in accordance with Condition 8.2 (*Redemption for No QIPO at the Option of Noteholders*) and (ii) any non-payment arising from a No Share Delivery Event in respect of which returns shall be calculated in accordance with Condition 8.3 (*Redemption Amount for No Share Delivery Event*), then interest shall be payable by the Issuer on the aggregate outstanding principal amount of the Notes and interest shall accrue and be calculated on the aggregate outstanding principal amount of the Notes from (and including) the Issue Date to (and including) the date of actual receipt (both before and after court judgment) at a simple interest rate of 15 per cent. per annum, and any payment to the Noteholders of all or any part of the outstanding principal amount of the Notes shall be made together with accrued but unpaid interest on the amount prepaid (and such accrued but unpaid interest shall be paid by the Issuer to the Noteholders at such time). For avoidance of doubt, if the Majority Noteholders have exercised their rights under paragraph (a) of Condition 11 (*Events of Default*) as a result of the occurrence of an Event of Default pursuant to paragraph (a)(xx) of Condition 11 (*Events of Default*), then the Issuer shall redeem each Note at its then outstanding principal amount without paying any interest.

## 5.3. Calculation of interest

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days.

## 6. CONVERSION

### 6.1. Conversion Right

#### (a) Conversion Period

- (i) Subject as provided in the Conditions, each Note shall entitle the holder to convert the principal amount of such Note in whole or in part and from time to time into Shares credited as fully-paid, non-assessable and free from encumbrances at any time during the Conversion Period (the “**Conversion Right**”).
- (ii) Subject to and upon compliance with the Conditions, the Conversion Right in respect of a Note may be exercised, at the option of the holder thereof, at any time and from time to time after the Issue Date up to the close of business (at the place where the Certificate evidencing such Note is deposited for conversion) on the date falling seven days prior to the Maturity Date (but in no event thereafter) (the “**Conversion Period**”).
- (iii) A Conversion Right may not be exercised in respect of a Note (A) where the holder shall have exercised its right to require the Issuer to redeem or repurchase such Note pursuant to Condition 8.2 (*Redemption for No QIPO at the Option of Noteholders*) or (B) following the giving of notice by the Majority Noteholders pursuant to Condition 11 (*Events of Default*).

- (iv) The number of Shares to be issued on exercise of a Conversion Right will be determined by dividing the US dollar principal amount of the Notes specified to be converted by the Conversion Price in effect on the relevant Conversion Date. A Conversion Right may be exercised in respect of one or more Notes. If more than one Note held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate US dollar principal amount of the Notes specified to be converted.
- (b) Fractions of Shares
- Fractions of Shares will not be issued on exercise of a Conversion Right. However, if the Conversion Right in respect of more than one Note is exercised at any one time such that Shares to be issued on conversion are to be registered in the same name, the number of such Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Notes specified to be so converted and rounded down to the nearest whole number of Shares. Notwithstanding the foregoing, the Issuer will upon conversion of any Note pay in cash in US dollars a sum equal to such portion of the principal amount of the Note or Notes evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in paragraph (a) of Condition 6.1 (*Conversion Right*), as corresponds to any fraction of a Share not issued if such sum exceeds US\$1.00. Any such sum shall be paid not later than five Business Days after the relevant Conversion Date by transfer to a US dollar account maintained by the payee in accordance with instructions given by the relevant Noteholder in the Conversion Notice.
- (c) Conversion Price
- (i) The price at which Shares will be issued upon conversion, as adjusted from time to time (the “**Conversion Price**”) will initially be US\$11.7612 per Share, but will be subject to adjustment in the manner provided in Condition 6.3 (*Adjustments to Conversion Price*).
- (ii) Upon any adjustment in the Conversion Price pursuant to Condition 6.3 (*Adjustments to Conversion Price*), the Issuer shall within a reasonable period (not to exceed 10 Business Days) following such adjustment deliver to each holder of the Notes a certificate, duly signed by the chief financial officer of the Issuer, setting forth in reasonable detail the event requiring the adjustment and the method by which such adjustment was calculated and specifying the Conversion Price in effect immediately following such adjustment.
- (d) Meaning of “Shares”
- As used in these Conditions, the expression “**Shares**” means common shares of a par value of US\$0.0001 each of the Issuer or shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares, or such other shares of the Issuer into which those shares are converted in connection with an IPO or a QIPO, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer.

(e) Voting

Noteholders shall have no voting rights as a shareholder of the Issuer until the Notes are converted into the Shares of the Issuer in accordance with these Conditions.

6.2. **Conversion Procedure**

(a) Conversion Notice

- (i) To exercise the Conversion Right attaching to any Note, the holder thereof must complete, execute and deliver at his own expense during normal business hours at the specified office of the Issuer a duly completed and signed notice of conversion (a “**Conversion Notice**”) in the form scheduled to this Certificate as Exhibit C (*Form of Conversion Notice*), together with the relevant Certificate. Conversion Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Issuer is located.
- (ii) If such delivery is made after the end of normal business hours or on a day which is not a business day in the place of the specified office of the Issuer, such delivery shall be deemed for all purposes of these Conditions to have been made on the next immediately following business day.
- (iii) Conversion Rights may be exercised in respect of the principal amount represented by a Note in whole or in part but may only be exercised in one or more Authorized Denomination(s).
- (iv) The conversion date in respect of a Note as specified in the Conversion Notice (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Note is expressed in these Conditions to be exercisable and will be deemed to be the Business Day immediately following the date of the surrender of the Certificate in respect of such Note and delivery of such Conversion Notice to the Issuer and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right.
- (v) A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents in writing to such withdrawal, in which case, the Conversion Right attaching to such Note shall revive and the Note will remain outstanding.

(b) Taxes etc.

A Noteholder exercising Conversion Rights must pay directly to the relevant authorities any Taxes arising on such exercise (other than any Taxes payable in the Cayman Islands, if any, and in the place of the Relevant Stock Exchange at the relevant time by the Issuer in respect of the deposit of Certificates for the conversion of Notes, the allotment and issue and delivery of Shares following such deposit and the listing and admission to trading of such Shares on the Relevant Stock Exchange on conversion, which, in each case, shall be payable by the Issuer) and such Noteholder must pay all, if any, Taxes arising by reference to any disposal or deemed disposal of a Note in connection with such conversion. The Issuer will pay all other expenses arising on the issue of Shares on conversion of Notes (including all expenses in respect of the listing and admission to trading of such Shares on the Relevant Stock Exchange) and all charges of the share transfer agent for the Shares. The Noteholder (and, if applicable, the person other than the Noteholder to whom the Shares are to be issued) must provide the Issuer with confirmation of payment to the relevant tax authorities in settlement of Taxes payable by it pursuant to this paragraph (b).

(c) Registration

- (i) Upon exercise by a Noteholder of its Conversion Right and compliance with paragraphs (a) and (b) of Condition 6.2 (*Conversion Procedure*), the Issuer will, as soon as practicable and in any event not later than five Business Days after the Conversion Date, register the person or persons designated for the purpose in the Conversion Notice as holder(s) of the relevant number of Shares in the Issuer's register of members and will, if the relevant Noteholder has also requested in the Conversion Notice and to the extent that the Shares are cleared and settled through a clearing system, take all necessary action to procure that the Shares are delivered in dematerialized format through the relevant clearing system or make such certificate or certificates available for collection at the office of the Issuer's share registrar notified to Noteholders in accordance with Condition 15 (*Notices*) or, if so requested in the relevant Conversion Notice, will cause the Issuer's share registrar to mail (at the risk, and, if sent at the request of the relevant Noteholder otherwise than by ordinary mail, at the expense, of the relevant Noteholder and any person to whom such certificate or certificates are sent) such certificate or certificates to the person and at the place specified in the Conversion Notice, together (in any case) with any other securities, property or cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof. A single share certificate will be issued in respect of all Shares issued on conversion of Notes subject to the same Conversion Notice and which are to be registered in the same name.
- (ii) If the Conversion Date in relation to the conversion of any Note shall be after the record date for any issue, distribution, grant, offer or other event as gives rise to the adjustment of the Conversion Price pursuant to Condition 6.3 (*Adjustments to Conversion Price*) but before the relevant adjustment becomes effective under the relevant Condition (a "**Retroactive Adjustment**"), then upon the relevant adjustment becoming effective, the Issuer shall issue to the converting Noteholder or a Qualifying Affiliate (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)) such additional number of Shares ("**Additional Shares**") as is, together with Shares to be issued on conversion of the Note(s), equal to the number of Shares which would have been required to be issued on conversion of such Note if the relevant adjustment to the Conversion Price had been made and become effective on or immediately after the relevant record date and in such event and in respect of such Additional Shares references in this paragraph (c) of Condition 6.2 (*Conversion Procedure*) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).

- (iii) The person or persons specified for that purpose in the Conversion Notice will become the holder of record of the number of Shares issuable upon conversion with effect from the date he is or they are registered as such in the Issuer's register of members (the "**Registration Date**"). The Shares issued upon exercise of Conversion Rights will be fully-paid, non-assessable and free from encumbrances and in all respects rank *pari passu* with the fully-paid Shares in issue on the relevant Registration Date and except that such Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record or other due date for the establishment of entitlement for which falls prior to the relevant Registration Date.
- (iv) If the record date for the payment of any dividend or other distribution in respect of the Shares is on or after the Conversion Date in respect of any Note, but before the Registration Date (disregarding any Retroactive Adjustment of the Conversion Price referred to in paragraph (iii) above prior to the time such Retroactive Adjustment shall have become effective), the Issuer will calculate and pay to the converting Noteholder or his designee an amount in US dollars (or, if such amount is not in US dollars, translated into US dollars at the Spot Rate of Exchange) equal to the fair market value of such dividend or other distribution to which he would have been entitled had he on that record date been such a shareholder of record, as determined by the board of directors of the Issuer acting reasonably and in good faith, and will make the payment at the same time as it makes payment of the dividend or other distribution, or as soon as practicable thereafter, but, in any event, not later than five Business Days thereafter. Any such amount shall be paid by transfer to a US dollar account maintained by the payee, in accordance with the instructions given by the relevant Noteholder in the relevant Conversion Notice.

### 6.3. Adjustments to Conversion Price

The Conversion Price, and the number and type of securities to be received upon conversion of the Note or Notes is subject to adjustment from time to time as follows:

(a) Dividend, Subdivision, Combination or Share Split of Shares or Equity Interests

In the event that the Issuer shall at any time or from time to time, prior to conversion of all outstanding Notes:

- (i) pay a dividend, or make a distribution on the outstanding Shares or any Equity Interests, payable in Shares or Equity Interests;
- (ii) subdivide or split the outstanding Equity Interests into a larger number of Equity Interests;
- (iii) combine or consolidate the outstanding Equity Interests into a smaller number of Equity Interests; or

- (iv) any reclassification of the Shares (other than as a result of a share dividend, subdivision or consolidation) occurs, then:
- (A) in the case of an event under paragraphs (i) or (ii) above, the Conversion Price then in effect shall, concurrently with the payment of such dividend or distribution or with the effectiveness of such subdivision or split, be proportionately decreased;
  - (B) in the case of an event under paragraph (iii) above, the Conversion Price then in effect shall, concurrently with the effectiveness of such combination or consolidation, be proportionately increased; and
  - (C) in the case of an event under paragraph (iv) above, provision shall be made so that upon conversion of the Notes, the holder thereof shall receive the kind and amount of shares and other securities and property which such holder would have received in connection with such event had the Notes been converted into the Shares immediately prior to such event.

(b) Issuance of Shares or Equity Interests below Conversion Price

- (i) If the Issuer shall, at any time prior to the completion of an IPO or conversion of all outstanding Notes, whichever is earlier, issue any Shares or Equity Interests (other than any Shares or Equity Interests issued as part of the IPO itself) at an Issue Price that is less than the Conversion Price in effect immediately prior to such issuance, then the Conversion Price then in effect shall be adjusted as follows:

$$ACP = CP * (OS + (NP/CP)) \div (OS + NS)$$

Where:

- “**ACP**” = the adjusted Conversion Price;
- “**CP**” = the Conversion Price in effect immediately prior to the issuance of the new Shares or Equity Interests;
- “**OS**” = the total number of Shares outstanding immediately prior to the issuance of the new Shares or Equity Interests, calculated on a fully diluted basis;
- “**NP**” = the total consideration received for the issuance of the new Shares or Equity Interests;
- “**NS**” = the total number of new Shares or Equity Interests issued, calculated on a fully diluted basis; and
- “**Issue Price**” = For the purposes of this section, the “Issue Price” of an Equity Interest shall be equal to the quotient of (x) divided by (y), where:

(x) = the aggregate amount of cash and non-cash consideration (the value of which shall be determined pursuant to paragraph (b)(iv) below) paid for such Equity Interest plus, if applicable, any additional consideration payable (without regard to any anti-dilution adjustments) upon the conversion, exchange or exercise of such Equity Interest; and

(y) = the number of Shares as represents such Equity Interest or into or for which such Equity Interest will convert, exchange or exercise,

provided that if there was an adjustment to the Conversion Price pursuant to paragraph (d) of this Condition 6.3 prior to an adjustment pursuant to this paragraph (b) of this Condition 6.3, when calculating the adjusted Conversion Price pursuant to this paragraph (b) of this Condition 6.3, "CP" shall be deemed to be the CP After ESOP.

- (ii) If the terms of any Equity Interest of the Issuer other than the Notes are amended, modified or adjusted in any manner that results in a reduction of the Issue Price of such Equity Interest, the Conversion Price shall be adjusted or further adjusted (as the case may be) in accordance with paragraph (b)(i) of Condition 6.3 (*Adjustments to Conversion Price*), as if the Issue Price of such Equity Interest after such reduction had been the original Issue Price of such Equity Interest.
- (iii) In case of any merger, amalgamation, arrangement or consolidation of the Issuer or any capital reorganization, reclassification or other change of outstanding Shares (each, a "**Transaction**"), the rights of the holders of the Notes shall continue to be recognized and not be prejudiced by such Transaction and appropriate provision shall be made therefor in the agreement, if any, relating to such Transaction, and adjustments shall be made in a manner that is as nearly equivalent as may be practicable to the adjustments provided for in Condition 6.3 (*Adjustments to Conversion Price*). The provisions of this paragraph (iii) shall apply to successive transactions.
- (iv) If at any time any Shares or Equity Interests shall be issued (each, a "**Future Subscription**") for cash, the consideration received therefor shall be the aggregate amount of cash received by the Issuer therefor, without any deduction for any expenses incurred or any underwriting commissions or concessions or discounts paid or allowed by the Issuer in connection therewith. In case of a Future Subscription for consideration other than cash, the amount of the consideration other than cash received by the Issuer shall be deemed to be the fair market value of such consideration as determined by the board of directors of the Issuer acting reasonably and in good faith.

(c) Other Events

In case the Issuer at any time or from time to time, prior to the conversion of all outstanding Notes, shall take any action affecting its Shares similar to or having an effect similar to any of the actions described in any of paragraph (c)(ii) of Condition 6.2 (*Conversion Procedure*) or paragraphs (a) and (b) of Condition 6.3 (*Adjustments to Conversion Price*), then the Conversion Price shall be adjusted in such manner as would be equitable in the circumstances.

(d) **Adjustment of Conversion Price upon adoption of ESOP**

Upon the Issuer adopting any ESOP after the issuance of the Notes, the Conversion Price in effect immediately prior to such adoption shall be automatically adjusted downwards to a new conversion price ("**CP After ESOP**") which results in (i) the percentage of Shares held by each Noteholder on a fully diluted and fully converted basis immediately prior to such adoption of any ESOP *being equal to* (ii) the percentage of Shares held by each Noteholder on a fully diluted and fully converted basis immediately after such adoption of any ESOP.

**7. PAYMENTS**

**7.1. Principal and any other amounts**

- (a) Payment of principal, interest and any other amount due in respect of the Notes will be made by transfer to the Registered Account of the Noteholder. Such payment will be made after the relevant Certificate has been surrendered by the relevant Noteholder at the specified office of the Issuer.
- (b) If an amount which is due on the Notes is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) in fact paid.

**7.2. Fiscal Laws**

All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation, Set-Off and Counterclaim*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

**7.3. Payment Initiation**

Any payment under the Finance Documents which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

**7.4. Partial Payments**

- (a) If, at any time, the Issuer has insufficient money, funds or resources to discharge all amounts then due and payable to all Noteholders under the Notes, then the Issuer shall pay to each Noteholder at that time an amount equal to the product of (i) the funds available to be applied in payment to the Noteholders and (ii) the aggregate principal amount due and payable to that Noteholder at that time relative to the aggregate principal amount due and payable to all Noteholders at that time.

- (b) If any Noteholder receives a payment for application against amounts due in respect of any Finance Document that is insufficient to discharge all the amounts then due and payable by the Issuer under those Finance Documents, that Noteholder shall apply that payment towards the obligations of the Issuer under the Finance Documents in the following order:
  - (i) firstly, in or towards payment *pro rata* of any accrued interest, fee or commission due but unpaid under those Finance Documents;
  - (ii) secondly, in or towards payment *pro rata* of any principal due but unpaid under those Finance Documents; and
  - (iii) thirdly, in or towards payment *pro rata* of any other sum due but unpaid under the Finance Documents.
- (c) The Majority Noteholders may vary the order set out in paragraphs (b)(i) to (b)(iii) above.
- (d) Paragraphs (a) and (b) above will override any appropriation made by any Group Company.

## 8. REDEMPTION, PURCHASE AND CANCELLATION

### 8.1. Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer shall redeem each Note at its outstanding principal amount on the Maturity Date. The Issuer may not redeem the Notes at its option prior to that date.

### 8.2. Redemption for No QIPO at the Option of Noteholders

- (a) Following the occurrence of the No QIPO Event, the holder of each Note will have the right at such holder's option, to require the Issuer to redeem all or some only of such holder's Notes then outstanding on the Put Date at their principal amount together with an amount that would represent for the relevant Noteholder, as at the date of receipt of all sums due in respect of the Notes by or on behalf of such Noteholder, a total internal rate of return of eight per cent. per annum calculated from (and including) the Issue Date to (and including) the date of receipt of all sums due in respect of the Notes by or on behalf of such Noteholder.
- (b) To exercise such right, the holder of the relevant Note must deliver the Certificate representing such Note to the specified office of the Issuer together with a duly completed and signed notice of exercise in the form scheduled to this Certificate as Exhibit D (*Form of Put Notice*) (the "**Put Notice**").
- (c) A Put Notice, once delivered pursuant to this Condition 8.2, shall be irrevocable and the Issuer shall redeem all Notes the subject of such Put Notice as aforesaid on the Put Date.

### 8.3. Redemption Amount for No Share Delivery Event

Following the occurrence of any No Share Delivery Event, the holder of each Note will have the right at such holder's option, to require the Issuer to redeem the Notes held by it at an amount equal to the higher of (a) the No Share Delivery FMV and (b) an amount equal to the aggregate of (i) the outstanding principal amount of the Notes held by it and (ii) an amount which would give that Noteholder a total internal rate of return of 15 per cent. per annum calculated from (and including) the Issue Date to (and including) the date of receipt of all sums due in respect of the Notes by or on behalf of the Noteholders.

#### 8.4. Cancellation

All Notes which are redeemed, converted or purchased by the Issuer or any of its Group Companies or Affiliates will forthwith be cancelled. Certificates in respect of all Notes cancelled shall be forwarded to or to the order of the Registrar for destruction and such Notes may not be reissued or resold.

#### 9. TAXATION, SET-OFF AND COUNTERCLAIM

- (a) All payments made by or on behalf of the Issuer under or in respect of the Notes shall be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future Taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any tax or other authority, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law. In such event, the Issuer will pay such additional amounts (the “**Additional Tax Amounts**”) as will result in the receipt by the Noteholders of such amounts as would have been received by them had no such deduction or withholding been required. References in these Conditions to principal, outstanding principal and interest (if any) shall be deemed also to refer to any additional amounts which may be payable under this Condition.
- (b) All payments to be made by the Issuer under the Notes shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

#### 10. UNDERTAKINGS

- (a) The undertakings in Exhibit E (*Undertakings*) (other than those specified in paragraph (b) below) shall remain in full force and effect at all times from (and including) the Issue Date for so long as any amount is outstanding under the Finance Documents.
- (b) Without prejudice to the other Conditions which shall remain in full force and effect at all times while any amount is outstanding under the Finance Documents and any other term or condition under the other Transaction Documents, if (i) at the option of the Issuer, it elects to deliver the Deed of Account Charge to the Noteholders and the Deed of Account Charge has been duly executed between the parties thereto, and (ii) the Issuer has delivered evidence to the Noteholders that a bank account located outside of the PRC has an amount of Cash equal to the Cash Security Amount deposited in such account over which the Account Security has been created, then, in relation to Exhibit E (*Undertakings*), only paragraphs 1 (*Authorizations*), 2 (*Compliance with Laws*), 3 (*Taxation*), 5 (*Pari passu ranking*), 6 (*Compliance with Transaction Documents*), 12 (*Amendments*), 13 (*Corporate Records and Filings*), 14 (*Information Rights*), 15 (*Reservation of Shares and the Notes*), 16 (*Closing of Register of Members*) and 17 (*New Business Model*) of Exhibit E (*Undertakings*) shall apply for so long as any amount is outstanding under the Finance Documents. For the avoidance of doubt, if, after the operation of this paragraph (b), (A) the Deed of Account Charge ceases to be legal, valid, binding and enforceable in accordance with its terms or (B) the Issuer fails to maintain at all times a bank account located outside of the PRC with an amount of Cash equal to the Cash Security Amount deposited in such account over which the Account Security has been created, then paragraph (a) above will apply until the circumstances identified in sub-paragraphs (A) or (B) above have been remedied.

## 11. EVENTS OF DEFAULT

- (a) If any of the following events (each an “**Event of Default**”) occurs, the Majority Noteholders, in their sole and absolute discretion, may or, with respect to an Event of Default relating to sub-paragraph (a)(ii) below, any Noteholder, in its sole and absolute discretion, may, give notice (any such notice being a “**Default Redemption Notice**”) to the Issuer that all or any part of the Notes then outstanding (including all or any part of the principal and any other amounts due and payable under the Finance Documents) are, and they shall immediately become, due and repayable:
- (i) *Non-Payment*: a default is made in the payment on the due date of any amount payable pursuant to the Notes or any other Transaction Document to any Noteholder at the place at and in the currency in which it is expressed to be payable;
  - (ii) *Failure to deliver Shares*: the occurrence of a No Share Delivery Event;
  - (iii) *Breach of Other Obligations*: the Issuer or any other Group Company or any Third Party Obligor does not perform or comply with (x) any of its obligations in these Conditions (other than paragraph (a)(i) (*Non-payment*) above) or any other Transaction Document (other than the Issuer Articles and the Control Documents) or (y) any of its obligations under the Key Protective Terms in any material respect, provided that no Event of Default will occur under this paragraph (a)(iii) if the failure to perform or comply is capable of remedy and is remedied within 15 days after the earlier of (A) the date on which the Majority Noteholders give notice to the Issuer or relevant Group Company and (B) if the Issuer or any Group Company (or any of their respective directors, officers or employees) intentionally conceals, or otherwise withholds notice of, the occurrence of any Default from any Noteholder, the date on which the Issuer or any other Group Company becomes aware of such failure to perform or comply;
  - (iv) *Misrepresentation*: any representation, warranty, certification or statement made or deemed to be made (and for the purposes of this paragraph, it shall only be deemed to be made if it is so specified under any Transaction Document) by or on behalf of the Issuer or any other Group Company or any Third Party Obligor in these Conditions, any other Transaction Document or any other document delivered by or on behalf of any such person under or in connection with any Transaction Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made (any such representation, warranty, certification or statement being incorrect or misleading in any material respect when made or deemed to be made being a “**Misrepresentation**”), provided that no Event of Default will occur under this paragraph (a)(iv) if such Misrepresentation is capable of remedy and is remedied within 15 days after the earlier of (A) the date on which the Majority Noteholders give notice to the Issuer or relevant Group Company and (B) if the Issuer or any Group Company (or any of their respective directors, officers or employees) intentionally conceals, or otherwise withholds notice of, any Misrepresentation from any Noteholder, the date on which the Issuer or any other Group Company becomes aware of such Misrepresentation;

- (v) *Cross-Default*: (A) any Borrowings of the Issuer or any other Group Company is not paid when due nor within any originally applicable grace period, (B) any Borrowings of the Issuer or any other Group Company is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); (C) any commitment for any Borrowings of the Issuer or any other Group Company is cancelled or suspended by a creditor of the Issuer or any other Group Company as a result of an event of default (however described); (D) any creditor of the Issuer or any other Group Company becomes entitled to declare any Borrowings of the Issuer or any other Group Company due and payable prior to its specified maturity as a result of an event of default (however described); (E) the occurrence of any Liquidation Event; or (F) any delivery of any Redemption Notice under the Issuer Articles or any redemption of any Existing Preference Share (except for a redemption made in relation to paragraphs (a) or (e) of the definition of Permitted Distribution), provided that no Event of Default will occur under sub-paragraphs (A) to (D) of this paragraph (a) (v) if the aggregate amount of Borrowings or commitment for Borrowings falling within sub-paragraphs (A) to (D) above is less than US\$1,000,000 (or its equivalent in any other currency or currencies);
- (vi) *Winding-up*: an order is made or an effective resolution passed for the winding-up or judicial management or dissolution or administration of the Issuer or any other Group Company;
- (vii) *Insolvency*: (A) The Issuer or any other Group Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness. (B) The value of the assets of the Issuer or any other Group Company is less than its liabilities (taking into account contingent and prospective liabilities). (C) A moratorium is declared in respect of any indebtedness of the Issuer or any other Group Company;
- (viii) *Insolvency proceedings*: any corporate action, legal proceedings or other procedure or step is taken in relation to: (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise, in each case being a step in an insolvency proceeding however described) or bankruptcy order of the Issuer or any other Group Company; (B) a composition, compromise, assignment or arrangement with any creditor of the Issuer or any other Group Company; (C) the appointment of a liquidator, receiver, administrative receiver, administrator, judicial manager, compulsory manager, bankruptcy trustee or other similar officer in respect of the Issuer or any other Group Company or any of their respective assets; or (D) enforcement of any Security over any assets of the Issuer or any other Group Company, or any analogous procedure or step is taken in any jurisdiction;
- (ix) *Enforcement Proceedings*: any distress, sequestration, expropriation, attachment, execution, seizure before judgment is levied, enforced or sued out on or against or any analogous process in any jurisdiction affects any part of the property, assets or revenues of the Issuer or any other Group Company;

- (x) *Control Documents*: (A) Any material breach of any Control Document, or any material adverse change in the regulatory environment, under which circumstance any Control Document is or becomes invalid, illegal or unenforceable and, within 90 days after the Majority Noteholders have served a notice informing the Issuer of such change, no appropriate substitute mechanism reasonably acceptable to the Majority Noteholders has been agreed to achieve the purpose of the consolidation of the financial statements of Opco into those of the Issuer under the generally accepted accounting principles of the United States of America, or (B) any Control Document is amended, varied, novated, supplemented, superseded, waived or terminated in a manner which will have or could reasonably be expected to have a Material Adverse Effect or result in the financial statements of the Opco not being capable of being consolidated into those of the Issuer under the Accounting Principles;
- (xi) *Unlawfulness and invalidity*: (A) it is or becomes unlawful for the Issuer or any other Group Company or any Third Party Obligor to perform any of its obligations under any Transaction Document (including any payment or conversion obligations) or the Protective Terms or any subordination created under any subordination agreement is or becomes unlawful. (B) Any obligation or obligations of the Issuer or any other Group Company or any Third Party Obligor under any Transaction Document (including any payment or conversion obligations) or the Protective Terms is not or ceases to be legal, valid, binding or enforceable. (C) Any Transaction Document or the Protective Terms ceases to be in full force and effect or any subordination created under any subordination agreement ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than the Noteholders and the holders of the Existing Preference Shares) to be ineffective;
- (xii) *Cessation of business*: the Issuer or any other Group Company suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business;
- (xiii) *Audit qualification*: the auditors of the Group qualify (A) the audited annual consolidated financial statements of the Issuer or any other Group Company or (B) the audited annual stand-alone financial statements of the Issuer or any other Group Company;
- (xiv) *Change of Control*: the occurrence of a Change of Control;
- (xv) *Nationalization or Compulsory Acquisition*: the authority or ability of the Issuer or any other Group Company to conduct its business is limited or wholly or substantially curtailed by any seizure, compulsory acquisition, expropriation, nationalization, intervention, restriction or other action by or on behalf of any governmental, regulatory or other authority or other person in relation to the Issuer or any other Group Company or any of their respective assets;
- (xvi) *Repudiation*: the Issuer or any other Group Company or any Third Party Obligor rescinds or repudiates (or purports to rescind or repudiate) a Transaction Document or an Existing Preference Share Document or evidences an intention to rescind or repudiate a Transaction Document or an Existing Preference Share Document;

- (xvii) *Litigation*: any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced or threatened in relation to any Transaction Document or the transactions contemplated in any Transaction Document or against the Issuer or any other Group Company or any Third Party Obligor or any of their respective assets (or against the directors of the Issuer or any other Group Company or any Third Party Obligor) which has or could reasonably be expected to have a Material Adverse Effect;
  - (xviii) *Final judgment*: a final judgment or judgments for the payment of money rendered against the Issuer and/or the other Group Companies which individually or collectively has or could reasonably be expected to have a Material Adverse Effect;
  - (xix) *Loss of Licenses*: any license required by the Issuer or any other Group Company to carry on its core business is amended, modified, reviewed, revised or terminated (and not renewed within 30 Business Days of the date of such termination) in a manner or to an extent which has or could reasonably be expected to have a Material Adverse Effect; or
  - (xx) *Material adverse change*: any other event or circumstance occurs which has or could reasonably be expected to have a Material Adverse Effect.
- (b) If a Default occurs, the Issuer shall immediately notify the Noteholders in accordance with Condition 15 (*Notices*).

## 12. ENFORCEMENT

At any time after the Notes have become due and repayable, Majority Noteholders may, at their sole and absolute discretion and without further notice, take such actions or proceedings as it may think fit to enforce repayment of the Notes and to enforce the provisions of these Conditions and the Transactions Documents. The Majority Noteholders shall not be required to have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders.

## 13. NOTEHOLDERS' RESOLUTIONS, AMENDMENTS AND WAIVERS

### 13.1. Noteholder Actions

- (a) The Issuer may at any time and shall at the request in writing of persons holding not less than 50 per cent. of the outstanding principal amount of the Notes outstanding at any time convene a meeting of the Noteholders by giving not less than 14 days' notice (exclusive of the day on which the notice is given and the day on which the meeting is held) thereof to Noteholders which notice shall specify the date, time and place of the meeting and shall specify the nature of the resolutions to be proposed. Such meeting shall have power by a resolution passed by the Majority Noteholders to, among other things, sanction any amendment or waiver or compromise or agreement or any arrangement in respect of the rights of the Noteholders against the Issuer, the exchange of the Notes for or the conversion of the Notes into obligations or securities of any other company, to do anything required to be done by resolution and to assent to any amendment or abrogation of the provisions of these Conditions (including all matters in relation to or in connection with the Transaction Documents).

- (b) A resolution signed by the Majority Noteholders shall be as valid and effectual as if it had been passed at a meeting of the Noteholders duly convened and held.
- (c) All resolutions passed at any meeting or resolutions by way of written resolutions or any actions taken by the Majority Noteholders shall be binding on all Noteholders, whether or not they are present or represented at the meeting.
- (d) The provisions governing the conduct of meetings are as set out in Exhibit F (*Provisions governing Noteholder Meetings*) hereto.

#### 13.2. **Amendment**

Any amendment, supplement, variation or modification to the Conditions or any waiver or authorization of any breach by the Issuer or any Group Company of these Conditions may only be effected after being sanctioned by a resolution of the Majority Noteholders (by way of meeting or in writing) and agreed to by the Issuer in writing.

#### 14. **REPLACEMENT OF CERTIFICATES**

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar and made available for collection at the specified office of the Issuer upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer and the Registrar may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

#### 15. **NOTICES**

- (a) Each notice, demand or other communication given or made under these Conditions shall be in writing in English and delivered or sent to the relevant Party at its address or to its e-mail address set out below (or such other address or e-mail address as the addressee has by five Business Days' prior written notice specified to the other Party) or, in the case of the Noteholders, in accordance with the details set out in the Register:
  - Address:
  - Email:
  - Attention:
- (b) Any notice, demand or other communication given or made by letter between countries shall be delivered by international commercial overnight delivery service or courier (such as Federal Express or DHL).

- (c) Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been delivered (i) if delivered in person or by messenger, when proof of delivery is obtained by the delivering Party; (ii) if sent by post within the same country, on the third Business Day following posting, and if sent by post to another country, on the seventh Business Day following posting; and (iii) if given or made by fax, upon dispatch and the receipt of a transmission report confirming dispatch.

## 16. CURRENCY

US dollars is the sole currency of account and payment for all sums payable by the Issuer under or in connection with the Notes, including damages, and the Issuer shall not be discharged from its obligations under the Notes unless and until the Noteholders have received in full the amounts outstanding under the Notes in US dollars.

## 17. SHARING AMONG THE FINANCE PARTIES

### 17.1. Payments to Finance Parties

If a Noteholder (a “**Recovering Noteholder**”) receives or recovers any amount from the Issuer other than in accordance with Condition 7.4 (*Partial Payments*) (a “**Recovered Amount**”) and applies that amount to a payment due under the Finance Documents then:

- (a) the Recovering Noteholder shall, within three Business Days, notify details of the receipt or recovery, to the other Noteholders;
- (b) the other Noteholders shall determine whether the receipt or recovery is in excess of the amount the Recovering Noteholder would have been paid had the receipt or recovery been received or made by the Issuer in accordance with Condition 7.4 (*Partial Payments*), without taking account of any Tax which would be imposed on the Recovering Noteholder in relation to the receipt, recovery or distribution; and
- (c) the Recovering Noteholder shall, within three Business Days of demand by the other Noteholders, pay to the other Noteholders an amount (the “**Sharing Payment**”) equal to such receipt or recovery less any amount which the other Noteholders determine may be retained by the Recovering Noteholder as its share of any payment to be made, in accordance with Condition 7.4 (*Partial Payments*).

### 17.2. Redistribution of payments

The other Noteholders (each a “**Sharing Noteholder**”) shall treat the Sharing Payment as if it had been paid by the Issuer in accordance with Condition 7.4 (*Partial Payments*) towards the obligations of the Issuer to the Sharing Noteholders.

### 17.3. Recovering Noteholder’s rights

On a distribution by a Recovering Noteholder from the Issuer, as between the Issuer and the Recovering Noteholder, an amount of the Recovered Amount equal to the Sharing Payment will be treated as not having been paid by the Issuer.

#### 17.4. Reversal of redistribution

If any part of the Sharing Payment received or recovered by a Recovering Noteholder becomes repayable and is repaid by that Recovering Noteholder, then:

- (a) each Sharing Noteholder shall, upon request of the Recovering Noteholder, pay to the account of that Recovering Noteholder an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Noteholder for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay) (the “**Redistributed Amount**”); and
- (b) as between the Issuer and each relevant Sharing Noteholder, an amount equal to the relevant Redistributed Amount will be treated as not having been paid by the Issuer.

#### 17.5. Exceptions

- (a) This Condition 17 shall not apply to the extent that the Recovering Noteholder would not, after making any payment pursuant to this Condition, have a valid and enforceable claim against the Issuer.
- (b) A Recovering Noteholder is not obliged to share with any other Noteholder any amount which the Recovering Noteholder has received or recovered as a result of taking legal or arbitration proceedings, if:
  - (i) it notified the other Noteholders of the legal or arbitration proceedings; and
  - (ii) the other Noteholders had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

#### 18. DEFINITIONS AND INTERPRETATION

- (a) The definitions set out in Exhibit G (*Definitions*) shall apply to this Certificate and these Conditions.
- (b) A reference in these Conditions to:
  - (i) the Issuer, UA Mobile, KK Mobile, the WFOE, Opco, any Group Company, any Noteholder, or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
  - (ii) a document in “**agreed form**” is a document which is previously agreed in writing by or on behalf of the Issuer and the Majority Noteholders;
  - (iii) “**assets**” includes present and future properties, revenues and rights of every description;
  - (iv) a “**person**” includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
  - (v) a “**Finance Document**”, a “**Transaction Document**” or any other agreement or instrument is a reference to that Finance Document, Transaction Document or other agreement or instrument as amended, novated, supplemented, extended, replaced or restated (however fundamentally), in accordance with the terms of these Conditions;

- (vi) **“guarantee”** means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
- (vii) **“control”** in relation to a company, corporation or entity means (A) the ability, power or authority, whether exercised or not, to direct the affairs, business, management and policies of such company, corporation or entity, whether through the ownership of voting securities, by contract or otherwise, (B) the beneficial ownership of more than 50 per cent. of, or the power to direct the vote of more than 50 per cent. of, the votes entitled to be cast at a meeting of the members or shareholders of such company corporation or entity, and/or (C) the power to control the composition of the board of directors or equivalent body of such company, corporation or entity, which percentage of such board of directors or equivalent body is able to control more than 50 per cent. of the voting powers capable of being exercised at such board of directors or equivalent body, and the terms **“controlled”** and **“controlling”** have meanings correlative to the foregoing;
- (viii) **“indebtedness”** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (ix) a **“regulation”** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to whom it applies is accustomed to comply) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organization;
- (x) **“costs”**, **“charges”** or **“expenses”** include any withholding, value added, turnover or similar tax charged in respect thereof;
- (xi) **“outstanding”** means, in relation to the Notes, all the Notes issued except (A) those which have been redeemed or converted in accordance with these Conditions, (B) those in respect of which the date for redemption or conversion has occurred and the redemption moneys (including any premium and any interest payable under these Conditions after the relevant redemption date) are held by the Issuer and which remain available for payment or Shares in respect of which the Notes have been converted into have not been delivered following surrender of Certificates in respect of the Notes, and (C) those which have been purchased and cancelled (or which are required to be cancelled) as provided in the Conditions;
- (xii) **“procure”** or **“ensure”** in relation to those obligations of the Issuer with respect to the Group Companies shall include that of Opco notwithstanding that Opco is not a Subsidiary of the Issuer, and the Issuer shall seek to control Opco through contract or otherwise, and any failure of Opco to comply with the obligations set out under the Notes shall constitute a Default under the Notes and these Conditions;

- (xiii) a Default (other than an Event of Default) is “**continuing**” if it has not been remedied or waived and an Event of Default is “**continuing**” if it has not been waived;
  - (xiv) any statute or statutory provision or stock exchange listing rules include: (A) that statute or provision or listing rules as from time to time amended, re-enacted or consolidated whether before or after the Issue Date; and (B) any subordinate legislation made from time to time under that statute or statutory provision; and
  - (xv) a time of day is a reference to Hong Kong time.
- (c) No failure to exercise, nor any delay in exercising, on the part of any Noteholder, any right or remedy under the Transaction Documents shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Transaction Documents. No election to affirm any of the Transaction Documents on the part of any Noteholder shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Transaction Documents are cumulative and not exclusive of any rights or remedies provided by law.
  - (d) If, at any time, any provision of the Notes is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.
  - (e) Headings in these Conditions are included for convenience of reference only and shall not constitute a part of the Notes for any other purpose. The Exhibits to this Certificate form part of this Certificate and shall be construed accordingly.
  - (f) Time shall be of the essence of these Notes both as regards any dates, times and periods mentioned and as regards any dates, times and periods which may be substituted for them in accordance with these Conditions or by agreement in writing between the Parties.
  - (g) An action, remedy or method of judicial proceedings for the enforcement of rights of creditors include references to the action, remedy or method of judicial proceedings in jurisdictions other than Hong Kong as shall most nearly approximate thereto.
  - (h) “**US\$**”, “**USD**” or “**US dollars**” means United States dollars, the lawful currency of the time being of the United States of America. “**RMB**” means the lawful currency of the time being of the PRC.

## 19. GOVERNING LAW AND JURISDICTION

### 19.1. Governing Law

The Notes and these Conditions are governed by and shall be construed in accordance with the laws of Hong Kong.

## 19.2. Arbitration

- (a) Any dispute or claim arising out of or in connection with or relating to the Notes or these Conditions or any other Transaction Document, or the breach, termination or invalidity hereof or thereof (including the validity, scope and enforceability of this arbitration provision) (a “**Dispute**”), shall be finally resolved by the Issuer and the Noteholders (together, the “**Parties**” and each a “**Party**”) by arbitration in Hong Kong, which arbitration shall have its seat in Hong Kong, under the auspices of the HKIAC and in accordance with the Hong Kong International Arbitration Center Administered Arbitration Rules (the “**HKIAC Arbitration Rules**”) in force when the Notice of Arbitration (as contemplated under the HKIAC Arbitration Rules) is submitted and as may be amended by the rest of this Condition 19.2. For the purpose of such arbitration, there shall be three arbitrators (the “**Arbitration Board**”). The Majority Noteholders shall select one arbitrator and the Issuer shall select one arbitrator. All selections shall be made within 30 days after the selecting Party gives or receives the demand for arbitration. Such arbitrators shall be freely selected, and the Parties shall not be limited in their selection to any prescribed list. The Chairman of the HKIAC shall select the third arbitrator. If any arbitrator to be appointed by a Party has not been appointed and consented to participate within 30 days after the selection of the first arbitrator, the relevant appointment shall be made by the Chairman of the HKIAC.
- (b) The arbitrators shall decide any such dispute or claim strictly in accordance with the governing law specified in Condition 19.1 (*Governing Law*). Judgment upon any arbitral award rendered hereunder may be entered in any court having jurisdiction, or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be.
- (c) In order to preserve its rights and remedies, any Party shall be entitled to seek any order for the preservation of property, including any interim injunctive relief, in accordance with applicable law from any court of competent jurisdiction or from the arbitration tribunal pending the final decision or award of the Arbitration Board.
- (d) Without prejudice to Condition 19.4 (*Process*), each Party irrevocably consents to the service of process, notices or other paper in connection with or in any way arising from the arbitration or the enforcement of any arbitral award, by use of any of the methods and to the addresses set forth for the giving of notices in Condition 15 (*Notices*). Nothing contained herein shall affect the right of any Party to serve such processes, notices or other papers in any other manner permitted by applicable law.
- (e) The Parties agree to facilitate the arbitration by (i) cooperating in good faith to expedite (to the maximum extent practicable) the conduct of the arbitration, (ii) making available documents, books, records and personnel under their control in accordance with the HKIAC Arbitration Rules, (iii) conducting arbitration hearings to the greatest extent possible on successive Business Days and (iv) using their best efforts to observe the time periods established by the HKIAC Arbitration Rules or by the Arbitration Board for the submission of evidence and briefs.

- (f) The costs and expenses of the arbitration, including the fees of the Arbitration Board, shall be allocated between each Party as the Arbitration Board deems equitable.
- (g) Any award made by the Arbitration Board shall be final and binding on each of the Parties that were parties to the dispute. The Parties expressly agree to waive the applicability of any laws and regulations that would otherwise give the right to appeal the decisions of the Arbitration Board so that there shall be no appeal to any court of law for the award of the Arbitration Board, and a Party shall not challenge or resist the enforcement action taken by any other Party in whose favor an award of the Arbitration Board was given.

### 19.3. Consolidation of Disputes

Where Disputes arise under the Notes or these Conditions or any other Transaction Document which, in the reasonable opinion of the first arbitration panel to be appointed in any of the Disputes, are so closely connected that it is expedient for them to be resolved in the same proceedings, that arbitration panel shall have the power to order that the proceedings to resolve that Dispute shall be consolidated with those to resolve any of the other Disputes (whether or not proceedings to resolve those other Disputes have been instituted), provided that no date for exchange of witness statements has been fixed. If the arbitration panel so orders, the parties to each Dispute which is a subject of such order shall be treated as having consented to that Dispute being finally decided:

- (a) by the arbitration panel that ordered the consolidation unless HKIAC decides that the arbitrator would not be suitable or impartial; and
- (b) in accordance with the procedure, at the seat specified in the arbitration clause in the relevant Transaction Document under which the arbitration panel that ordered the consolidation was appointed, save as otherwise agreed by all parties to the consolidated proceedings or, in the absence of such agreement, ordered by the arbitration panel in the consolidated proceedings.

### 19.4. Process

The Issuer agrees that the process by which any legal proceedings in Hong Kong are begun may be served on it by being delivered to KK Mobile. If the Issuer ceases to have an agent to accept service of process in Hong Kong, it shall forthwith appoint a further agent in Hong Kong to accept service of process on its behalf in Hong Kong and notify the Noteholders of such appointment, and, failing such appointment within 15 days, the Majority Noteholders shall be entitled to appoint such a person by notice to the Issuer and the other Noteholders (at the Issuer's expense). Nothing in this Condition 19.4 shall affect the right to serve process in any other manner permitted by law.

**EXHIBIT A  
FORM OF TRANSFER**

**FOR VALUE RECEIVED** the undersigned hereby transfers to

\_\_\_\_\_  
\_\_\_\_\_

**(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE AND THE OTHER DETAILS REQUIRED UNDER CONDITION 3.1 (REGISTER))**

US\$[●] principal amount of the Notes in respect of which this Certificate (Certificate No.: [●]) is issued, and all rights in respect thereof.

All payments in respect of the Notes hereby transferred are to be made (unless otherwise instructed by the transferee) to the following account:

Name of bank :

US\$ account number :

For the account of :

[The transferor hereby requests that a Certificate evidencing the Notes not so transferred be issued in its name and be made available for collection at the specified office of the Issuer / dispatched (at its risk) to the person whose name and address is given below and in the manner specified below in accordance with Condition 3.3 (*Delivery of New Certificates*).

Name:

Address :]

Dated :

Certifying Signature

Name :

Title :

**Notes:**

- (a) A representative of the holder of the Notes should state the capacity in which he signs, e.g. executor.
- (b) The signature of the persons effecting a transfer shall conform to any list of duly authorized specimen signatures supplied by the registered holder or be certified by a notary public or in such other manner as the Issuer may require.
- (c) This form of transfer should be dated as of the date it is deposited with the Issuer.
- (d) Transfers of the Notes are subject to the restrictions set out in Condition 3 (*Transfers of Notes; Issue of Certificates*) and Exhibit B (*Regulations Concerning the Transfer and Registration of Notes*).

**EXHIBIT B**  
**REGULATIONS CONCERNING THE TRANSFER AND REGISTRATION OF NOTES**

1. Each Note shall be in the denomination of US\$1,000,000 or higher integral multiples of US\$1. Certificates, each evidencing entitlement to one or more Notes, shall be issued in accordance with the Conditions.
2. The Notes may be transferred subject to Condition 3.2 (*Transfer*), provided that the transferee shall have agreed in writing to be bound by the terms of the Investors' Rights Agreement by executing the Deed of Adherence in the form of Schedule 2 attached thereto. The Notes are transferable by execution of the form of transfer on each Certificate endorsed under the hand of the transferor or, where the transferor is a corporation, under its common seal or under the hand of a director or a duly authorized officer in writing. In this Exhibit "**transferor**" shall where the context permits or requires include joint transferors and be construed accordingly.
3. The Certificate issued in respect of the Note to be transferred must be delivered for registration to the specified office of the Issuer accompanied by such other evidence (including certificates and/or legal opinions) as the Issuer or the Registrar may reasonably require to prove the title of the transferor or his right to transfer the Note and his identity and, if the form of transfer is executed by some other person on his behalf or in the case of the execution of a form of transfer on behalf of a corporation by its officers, the authority of that person or those persons to do so. The signature of the person effecting a transfer of a Note shall conform to any list of duly authorized specimen signatures supplied by the registered holder or be certified by a recognized bank, notary public or in such other manner as the Issuer or the Registrar may reasonably require.
4. The executors or administrators of a deceased holder of Notes (not being one of several joint holders) and, in the case of the death of one or more of the joint holders, the survivor or survivors of such joint holders, shall be the only persons recognized by the Issuer and the Registrar as having any title to such Notes.
5. Any person becoming entitled to Notes in consequence of the death or bankruptcy of the holder of such Notes may, upon producing such evidence that he holds the position in respect of which he proposes to act under this paragraph or of his title as the Issuer or the Registrar shall reasonably require (including certificates and/or legal opinions), be registered himself as the holder of such Notes or, subject to the preceding paragraphs as to transfer, may transfer such Notes. The Issuer or the Registrar may retain any amount payable upon the Notes to which any person is so entitled until such person shall be so registered or shall duly transfer the Notes.
6. Unless otherwise requested by him and agreed by the Issuer, a holder of Notes shall be entitled to receive only one Certificate in respect of his holding.
7. The joint holders of a Note shall be entitled to one Certificate only in respect of their joint holding which shall, except where they otherwise direct, be delivered to the joint holder whose name appears first in the Register in respect of the joint holding.
8. The Issuer and the Registrar shall make no charge to the holders for the registration of any holding of Notes or any transfer of Notes or for the issue of any Certificates or for the delivery of Certificates at the specified office of the Issuer or by uninsured post to the address specified by the holder. If any holder entitled to receive a Certificate wishes to have it delivered to him otherwise than at the specified office of the Issuer, such delivery shall be made upon his written request to the Issuer, at his risk and (except where sent by uninsured post to the address specified by the holder) at his expense.

9. The Registrar shall within three Business Days of a request to effect a transfer of a Note deliver at the specified office of the Issuer to the transferee or dispatch by mail (at the risk of the transferee) to such address as the transferee may request, a new Certificate in respect of the Note or Notes transferred. In the case of a transfer, exchange, conversion, redemption or purchase of fewer than all the Notes in respect of which a Certificate is issued, a new Certificate in respect of the Notes not transferred, exchanged, converted, redeemed or purchased will be made available for collection at the specified office of the Issuer or, if so requested, be mailed by uninsured mail at the risk of the holder of the Notes not so transferred, exchanged, converted, redeemed or purchased (but free of charge to the holder and at the Issuer's expense) to the address of such holder appearing on the Register.
10. Notwithstanding any other provisions of this Certificate, the Issuer shall register the transfer of any Note only upon presentation of an executed and duly completed form of transfer substantially in the form set forth in Exhibit A (*Form of Transfer*) together with any other documents thereby required pursuant to Condition 3 (*Transfer of Notes; Issue of Certificates*).

**EXHIBIT C  
FORM OF CONVERSION NOTICE**

**AURORA MOBILE LIMITED  
US\$35,000,000 ZERO COUPON NON-GUARANTEED AND UNSECURED  
CONVERTIBLE NOTES DUE 2021**

[Date]

To: **Aurora Mobile Limited** (the "Issuer")

Re: **Conversion Notice in relation to the US\$35,000,000 Zero Coupon Non-Guaranteed and Unsecured Convertible Notes due 2021 (the "Notes"), constituted by the Certificate issued in respect of the Notes**

Dear Sirs,

We, being the holder of Notes in the aggregate principal amount of US\$[•] of the Notes, hereby deliver this Conversion Notice pursuant to Condition 6.2 (*Conversion Procedure*) of the Notes and notify the Issuer of the exercise of the conversion rights set forth in paragraph (a) of Condition 6.1 (*Conversion Right*) of the Notes to convert [all of the outstanding principal amount of the Notes] [such principal amount of the Notes set out below] at the prevailing Conversion Price set out below. Capitalized terms used herein shall, unless otherwise defined, have the same meanings as given to them in the Certificate and the Conditions.

1. Total principal amount and certificate numbers of Notes to be converted:

Total principal amount:

Total number of Notes:

Certificate numbers of Notes:

N.B. The certificate numbers of Notes attached need not be in consecutive serial numbers.

2. Conversion Price on Conversion Date:

3. Total number of Shares to be issued:

4. Name(s), address(es) and signature(s) of person(s) in whose name(s) the Shares required to be delivered on conversion are to be registered:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

5. I/We hereby request that the Shares be in dematerialized/physical certificate form\* and that any certificates together with any other securities, property or cash required to be delivered upon conversion be dispatched (at my/our risk) to the person whose name and address is given below and in the manner specified below:

a. Name of Addressee:

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Manner of dispatch (if other than by ordinary mail): \_\_\_\_\_

b. Relevant Clearing System Account Number (if Shares in dematerialized form)

Account Details: \_\_\_\_\_  
\_\_\_\_\_

c. Bank Details (if payment of cash by wire transfer):

Bank: \_\_\_\_\_

Address: \_\_\_\_\_

Bank Code (SWIFT/ABAN/etc.): \_\_\_\_\_

Account no: \_\_\_\_\_

Account holder: \_\_\_\_\_

6. I/We hereby request that a Certificate evidencing the Notes not so converted be issued in our name and be made available for collection at the specified office of the Issuer/ dispatched (at my/our risk) to the person whose name and address is given below and in the manner specified below in accordance with paragraph (b) of Condition 3.3 (*Delivery of New Certificates*) and paragraph (c) of Condition 6.2 (*Conversion Procedure*).

Name of Addressee: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Manner of dispatch (if other than by ordinary mail): \_\_\_\_\_

7. The Certificates representing the Notes converted hereby accompany this Conversion Notice.

\* (Delete as appropriate)

Name: \_\_\_\_\_ Date: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_

Notes:

- (i) This Conversion Notice will be void unless the introductory details, Sections 1, 2, 3, 4, 5 and (if applicable) 6 are completed.
- (ii) Dispatch of share certificates or other securities or property will be made at the risk of the converting Noteholder.
- (iii) If an adjustment contemplated by the terms and conditions of the Notes is required in respect of a conversion of Notes where additional Shares are to be issued, certificates for the additional Shares deliverable pursuant to such adjustment (together with any other securities, property or cash) will be delivered or dispatched in the same manner as for the Shares, other securities, property and cash delivered pursuant to this Conversion Notice.

**EXHIBIT D  
FORM OF PUT NOTICE**

**PUT NOTICE**

**AURORA MOBILE LIMITED  
US\$35,000,000 ZERO COUPON NON-GUARANTEED AND UNSECURED  
CONVERTIBLE NOTES DUE 2021**

[Date]

To: **Aurora Mobile Limited** (the “**Issuer**”)

Re: **Put Notice in relation to the US\$35,000,000 Zero Coupon Non-Guaranteed and Unsecured Convertible Notes due 2021 (the “Notes”)**

By depositing this duly completed Put Notice at the specified office of Aurora Mobile Limited (the “**Issuer**”) for the Notes, the undersigned holder of such of the Notes as are represented by the Certificate that is surrendered with this Put Notice and referred to below, irrevocably exercises its option to have such Notes, or the principal amount of Notes specified below redeemed on [Specify Put Date] under Condition 8.2 (*Redemption for No QIPO at the Option of Noteholders*) of the Notes.

This Put Notice relates to Notes in the aggregate principal amount of US\$[•], bearing the following certificate numbers: [ ]. [In addition, [insert any other amounts payable].]

**Payment Instructions**

Please make payment in respect of the above Notes as follows:

\*(a) by transfer to the registered account of the holder appearing in the Register.

\*(b) by transfer to the following US dollar account:

Bank: \_\_\_\_\_

Address: \_\_\_\_\_

Bank Code (SWIFT/ABAN/etc.): \_\_\_\_\_

Account no: \_\_\_\_\_

Accountholder: \_\_\_\_\_

\*Delete as appropriate

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_

**EXHIBIT E**  
**UNDERTAKINGS**

**1. Authorizations**

The Issuer shall (and the Issuer shall ensure that each Group Company will) promptly obtain, comply with and do all that is necessary to maintain in full force and effect any Authorization required under any law or regulation of a Relevant Jurisdiction to (a) enable it to perform its obligations under the Transaction Documents to which it is a party; (b) ensure the legality, validity, enforceability or admissibility in evidence of any Transaction Document to which it is a party; and (c) carry on its business.

**2. Compliance with Laws**

- (a) The Issuer shall (and the Issuer shall ensure that each Group Company and each of its Affiliates will) comply in all respects with all applicable laws and regulations to which it may be subject, including applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions Laws).
- (b) The Issuer shall not (and the Issuer shall ensure that each Group Company and their respective Affiliates will not) permit any of its Subsidiaries or Affiliates or any of its or their respective directors, administrators, officers, managers, board of directors (supervisory and management) members, employees, independent contractors, representatives or agents to, promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, any non-U.S. official or any other person, in each case, in violation of any Anti-Corruption Laws. In addition, the Issuer shall (and the Issuer shall ensure that each Group Company and each of their Affiliates will) (i) cease all of its or their respective activities, as well as remediate any actions taken by the Issuer, its Subsidiaries or Affiliates, or any of its or their respective directors, administrators, officers, managers, board of directors (supervisory and management) members, employees, independent contractors, representatives or agents in violation of any Anti-Corruption Laws, and (ii) maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with all Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions Laws.
- (c) The Issuer shall not (and the Issuer shall ensure that each Group Company and their respective Affiliates will not), directly or indirectly use the proceeds of the Notes, or lend, contribute or otherwise make available such proceeds to any person targeted by or subject to any Sanctions Laws.
- (d) The Issuer shall not (and the Issuer shall ensure that each Group Company and their respective Affiliates will not) engage, directly or indirectly, in any other activities that would result in a violation of Sanctions Laws by any person, including any person participating in the transactions contemplated by these Conditions or in any of the other Transaction Documents.
- (e) The Issuer shall (and the Issuer shall ensure that each Group Company will) conduct its operations at all times in compliance with Anti-Money Laundering Laws.

(f) The Issuer shall (and the Issuer shall ensure that each Group Company will) implement and maintain an adequate anti-corruption compliance policy and training program which is to the satisfaction of the Majority Noteholders.

3. **Taxation**

The Issuer shall (and the Issuer shall ensure that each Group Company will) comply with all applicable tax laws, including paying and discharging all Taxes imposed upon it or its assets within the time period allowed without incurring material penalties.

4. **Merger**

The Issuer shall not (and the Issuer shall ensure that each Group Company will not) enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction which has or could reasonably be expected to have a Material Adverse Effect on any Noteholder.

5. **Pari passu ranking**

The Issuer shall (and the Issuer shall ensure that each Group Company will) ensure that at all times any unsecured and unsubordinated claims of the Noteholders against it under the Finance Documents rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

6. **Compliance with Transaction Documents**

The Issuer shall (and the Issuer shall ensure that each Group Company will) comply with and perform its obligations (or the obligations of the Issuer) under the Notes and the other Transaction Documents.

7. **Negative pledge**

(a) The Issuer shall not (and the Issuer shall ensure that each Group Company will not) create or permit to subsist any Security over any of its assets.

(b) The Issuer shall not (and the Issuer shall ensure that each Group Company will not):

(i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by any Group Company;

(ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

(iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

(c) Paragraphs (a) and (b) above do not apply to any Security or (as the case may be) Quasi-Security, which is Permitted Security.

**8. Loans or credit**

The Issuer shall not (and the Issuer shall ensure that each Group Company will not) be a creditor in respect of any Financial Indebtedness, except for a Permitted Loan.

**9. No Guarantees or indemnities**

The Issuer shall not (and the Issuer shall ensure that each Group Company will not) incur or allow to remain outstanding any guarantee in respect of any obligation of any person, except for a Permitted Guarantee.

**10. Dividends and share redemption**

The Issuer shall not (and the Issuer shall ensure that each Group Company will not):

- (a) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital) and/or any other Equity Interests;
- (b) pay, repay or prepay any principal, interest or other amount on or in respect of, or redeem, purchase or defease any Financial Indebtedness owing to any direct or indirect shareholder of the Issuer or any Affiliate of any such person;
- (c) repay or distribute any dividend or share premium reserve;
- (d) pay any management, advisory or other fee to or to the order of any of the shareholders of the Issuer or any Affiliate of any such person; or
- (e) redeem, purchase, repurchase, defease, retire, reduce or repay any of its share capital (including any preference shares or other Equity Interests) or resolve to do so,

except for a Permitted Distribution.

**11. Financial Indebtedness**

The Issuer shall not (and the Issuer shall ensure that each Group Company will not) incur or allow to remain outstanding any Financial Indebtedness, except for Permitted Financial Indebtedness.

**12. Amendments**

- (a) The Issuer shall not (and the Issuer shall ensure that each Group Company will not) amend, vary, supplement, supersede, waive or terminate any term of a Transaction Document (other than the Issuer Articles and the Control Documents) or any other document delivered to the Noteholders pursuant to the Subscription Agreement except with the prior written consent of the Majority Noteholders.

- (b) The Issuer shall not amend, vary, supplement, supersede or terminate, or seek waiver in connection with, any Protective Term or agree to do any of the foregoing (“**Amendment to Protective Terms**”), provided that an Amendment to the Protective Terms shall only be permitted if (a) the prior written consent of the Requisite Percentage Holders in respect of such amendment has been obtained, (b) such amendment is not or could not reasonably be expected to be materially prejudicial to the interests of any Noteholder and (c) none of (i) the Existing Preferred Shareholders, (ii) the directors, officers and employees of such Existing Preferred Shareholders and (iii) the Affiliates of such persons specified in sub-paragraphs (c)(i) and (c)(ii), have received or derived (or will in the future receive or derive) any direct or indirect consideration in cash or any other type of benefit (economic or otherwise) in connection with any consent given by such Existing Preferred Shareholder to any request made by Pledgor 1 and/or any Group Company for an Amendment to the Protective Terms.

### 13. Corporate Records and Filings

- (a) The Issuer shall (and the Issuer shall ensure that each Group Company will) maintain their books and records in accordance with sound business practices and implement and maintain an adequate system of procedures and controls with respect to finance, management, and accounting that meets national standards of good practice and is reasonably satisfactory to the Majority Noteholders, to provide reasonable assurance that (i) transactions by it are executed in accordance with management’s general or specific authorization, (ii) transactions by it are recorded as necessary to permit preparation of financial statements in conformity with the Accounting Principles, consistently applied, and to maintain asset accountability, (iii) access to assets of it is permitted only in accordance with management’s general or specific authorization, (iv) segregating duties for cash deposits, cash reconciliation, cash payment and proper approval is established, and (v) no personal assets or bank accounts of the employees, directors, officers are mingled with the corporate assets or corporate bank account, and no Group Company uses any personal bank accounts of any employees, directors, officers thereof during the operation of the business.
- (b) The Issuer shall (and the Issuer shall ensure that each Group Company and their Affiliates will) maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions Laws.

### 14. Information Rights

- (a) The Issuer shall (and the Issuer shall ensure that each Group Company will) prepare and submit to the Noteholders the following information as soon as possible and in any event no later than the dates or times set out below:
  - (i) a certificate signed by two directors of the Issuer confirming that no Default has occurred since the date of the last such certificate (or, if none, the Issue Date) within 14 days after any such request made by the Majority Noteholders;
  - (ii) the details of any Change of Control, Liquidation Event, Redemption Notice, or redemption of any Existing Preference Share, immediately upon becoming aware of any of them;
  - (iii) any notice, statement or circular issued to the members or creditors (or any class of them) of the Issuer or any other Group Company generally in their capacity as such, at the same time as they are dispatched;

- (iv) the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending (including any investigation or proposed investigation by any pensions or social insurance regulator (or other equivalent Governmental Authority administering or regulating pensions or social insurance)) against any Group Company which has or could reasonably be expected to have a Material Adverse Effect, promptly upon becoming aware of them; and
  - (v) the details of any breach or proposed amendment, waiver or termination of any of the Control Documents or any restructuring of any Group Company or any of its businesses (including (a) any proposed substitute mechanism to achieve the purpose of the consolidation of the financial statements of the Opco into those of the Issuer under the generally accepted accounting principles of the United States of America in the event that the Control Documents have become or will become invalid, illegal or unenforceable and (b) the acquisition or establishment by any Group Company or any of its shareholders and their respective Affiliates of an entity (or any interest therein) that owns, directly or indirectly, the business conducted by the Opco), promptly upon becoming aware of any of the foregoing.
- (b) If, while any Conversion Right is or is capable of being or becoming exercisable, there shall be any adjustment to the Conversion Price, the Issuer shall promptly after the adjustment takes effect, give notice to the Noteholders stating that the Conversion Price has been adjusted and setting out the event giving rise to the adjustment, the Conversion Price in effect before the adjustment, the adjusted Conversion Price and the effective date of the adjustment.

**15. Reservation of Shares and the Notes**

- (a) The Issuer will use its best endeavors to (a) at the time of an IPO, to obtain and maintain a listing and admission to trading for all the Shares issued on the exercise of the Conversion Rights (whether prior to or on or after such IPO) on the Relevant Stock Exchange.
- (b) The Issuer shall at all times reserve and keep available for issuance upon the conversion of the Notes, free from any other pre-emptive or other similar rights or Security, such number of its authorized but unissued Shares as will from time to time be sufficient to permit the conversion of all outstanding Notes, and shall take all action to increase the authorized number of Shares if at any time there shall be insufficient authorized but unissued Shares to permit such reservation or to permit the conversion of all outstanding Notes.
- (c) The Issuer shall ensure that all Shares delivered on conversion of the Notes will be duly and validly issued as fully-paid, non-assessable and free from encumbrances.
- (d) The Issuer will not make any offer, issue, grant, or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Issuer.
- (e) The Issuer will pay any and all Taxes, including interest and penalties, payable in the Cayman Islands in respect of the creation, issue and offering of the Notes and the execution or delivery of this Certificate.

**16. Closing of Register of Members**

Unless so required by Applicable Laws or the articles of association of the Issuer or in order to establish a dividend or other rights attaching to the Shares, the Issuer shall not (a) close its register of members or take any other action which prevents the transfer of its Shares generally and ensure that the Notes may be converted legally and the Shares issued on conversion may (subject to any limitation imposed by law) be transferred (as between transferor and transferee although not as against the Issuer) at all times while the register is closed or such other action is effective, and (b) take any action which prevents the conversion of the Notes or the issue of Shares in respect of them otherwise than in accordance with the Conditions.

**17. New Business Model**

- (a) Unless and until an IPO has occurred, the Issuer shall not (and the Issuer shall ensure that each Group Company will not):
- (i) carry out any business relating to or in connection with the New Business Model; and
  - (ii) (A) incur or allow to remain outstanding any Financial Indebtedness, (B) be a creditor in respect of any Financial Indebtedness, (C) incur or allow to remain outstanding any guarantee in respect of any obligation of any person and/or (D) create or permit to subsist any Security or Quasi-Security over any of its assets, in each case, for the purpose of carrying out any business relating to or in connection with the New Business Model.
- (b) After the occurrence of an IPO, the Issuer shall not (and the Issuer shall ensure that each Group Company will not) (i) incur or allow to remain outstanding any Financial Indebtedness, (ii) be a creditor in respect of any Financial Indebtedness, (iii) incur or allow to remain outstanding any guarantee in respect of any obligation of any person and/or (iv) create or permit to subsist any Security or Quasi-Security over any of its assets, in each case, for the purpose of carrying out any business relating to or in connection with the New Business Model, except that the Issuer and any other Group Company shall be permitted to carry out any and all such actions after the occurrence of an IPO, in each case, for the purpose of carrying out any business relating to or in connection with the New Business Model if any of the following circumstances apply at all times:
- (A) (1) the Deed of Account Charge has been duly executed between the parties thereto, (2) the Issuer has delivered evidence to the Noteholders that a bank account located outside of the PRC has an amount of Cash equal to the Cash Security Amount deposited in such account over which the Account Security has been created and (3) no Default has occurred and is continuing; or
  - (B) (1) the Issuer has delivered evidence to the Noteholders that the Issuer has, and the Issuer shall maintain at all times, a bank account located outside of the PRC that has an amount of Cash no less than the aggregate principal amount then outstanding under the Notes, and (2) no Default has occurred and is continuing.

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18. **Principal business**

The Issuer shall (and the Issuer shall ensure that each Group Company will) maintain the principal business of the Group to be (a) internet and big data related business and (b) to the extent expressly permitted under these Conditions, relating to or in connection with the New Business Model.

**EXHIBIT F**  
**PROVISIONS GOVERNING NOTEHOLDER MEETINGS**

**1. Poll**

On a poll, each Noteholder, proxy or representative will have a vote in respect of each US\$1 in principal amount of Notes held or for which it is a proxy or representative. All votes will be conducted by poll.

**2. Conduct and Quorum**

Any meeting of the Noteholders shall (subject to the provisions of this Exhibit F and Condition 13 (*Noteholders' Resolutions, Amendments and Waivers*)) be convened, conducted and held in all respects as near as possible in the same way as shall be provided by the memorandum and articles of association for the time being of the Issuer with regard to general meetings of the Issuer, provided that no member of the Issuer not being a director or officer of the Issuer shall be entitled to notice thereof or to attend thereat unless he is also a Noteholder and that the quorum at any such meeting shall be persons holding or representing by proxy or representative more than 50 per cent. of the principal amount of the Notes for the time being outstanding. In the event of any conflict between the memorandum and articles of association of the Issuer for the time being and Condition 13 (*Noteholders' Resolutions, Amendments and Waivers*) and this Exhibit F, the Conditions and this Exhibit F shall prevail.

**3. Proxies**

- (a) Any Noteholder shall be permitted to appoint a proxy to represent him at any Noteholders' meeting held in accordance with the Conditions. A proxy need not be a Noteholder and need not be a member of the Issuer. Any Noteholder wishing to appoint a proxy must deliver to the specified office of the Issuer a notice in writing signed by the Noteholder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorized officer of the corporation stating that the Noteholder desires to appoint a proxy to represent the Noteholder at the meeting. The notice shall state the name of the proxy and the notice will only be valid if delivered to the specified office of the Issuer at least 48 hours prior to the time appointed for the commencement of the meeting. A validly appointed proxy shall have the right to vote on a resolution or act on his or its behalf in connection with any meeting or proposed meeting. A holder of a Note which is a corporation may, by delivering to the specified office of the Issuer not later than 48 hours before the time fixed for any meeting a resolution of its directors or other governing body in English, authorize any person to act as its representative (a "**representative**") in connection with any meeting or proposed meeting of Noteholders.
- (b) A proxy or representative so appointed shall so long as such appointment remains in force be deemed, for all purposes in connection with any meeting or proposed meeting of Noteholders specified in such appointment, to be the holder of the Notes to which such appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder.

#### 4. **Adjournments**

- (a) If within a quarter of an hour after the time appointed for any meeting of Noteholders a quorum as set out in paragraph 2 above is not present, the meeting shall stand adjourned to such day (not being less than 14 or more than 28 days after the date of the meeting from which such adjournment takes place) and time and place as the chairman of the meeting may determine and at the adjourned meeting the Noteholders present (whatever the amount held or represented by them) shall form a quorum. Notice of an adjourned meeting shall be given in like manner as for the original meeting and such notice shall state that the Noteholders present at such meeting whatever their number or the Notes held or represented by them will constitute a quorum for all purposes.
- (b) The chairman of the meeting may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at an adjourned meeting which may not lawfully have been transacted at the meeting from which the adjournment took place.
- (c) The chairman shall be selected by the Issuer, failing which the Majority Noteholders (on behalf of all Noteholders) shall be entitled to elect a chairman (who need not be a Noteholder).
- (d) Noteholders, proxies and representatives shall be entitled to attend and vote at any meeting of Noteholders
- (e) The following persons shall be entitled to attend any meeting of the Noteholders
  - (i) representatives of the Issuer; and
  - (ii) the Issuer's legal and financial advisers.

#### 5. **Written Resolutions**

A resolution in writing signed by or on behalf of the Majority Noteholders who for the time being are entitled to receive notice of a meeting in accordance with these provisions shall for all purposes be as valid as a resolution passed at a meeting of Noteholders convened and held in accordance with these provisions. Such resolution in writing may be in one document or several documents in like form each signed by or on behalf of one or more of the Noteholders.

**EXHIBIT G**  
**DEFINITIONS**

For the purposes of these Conditions:

“**30-Day VWAP**” means, as of any date, the volume-weighted average price of the common shares of the Issuer from 9:30 a.m. (New York time) on the trading day that is 30 trading days preceding such date to 4:00 p.m. (New York time) on the last trading day immediately preceding such date, as calculated pursuant to the heading “Bloomberg VWAP” on Bloomberg Page HCHC <Equity> VWAP (or any replacement Bloomberg page which displays that rate) or, if such page or service ceases to be available, any other page or service displaying the relevant information as specified by such Noteholder and notified to the Issuer;

“**Account Security**” means the Security to be granted by the Issuer or any other Group Company incorporated outside of the PRC to the Noteholders (or any other person acting as their agent and/or trustee) with respect to a bank account located outside of the PRC which shall have an amount of Cash deposited in such account equal to the Cash Security Amount;

“**Accounting Principles**” means the generally accepted accounting principles of the jurisdiction of incorporation or establishment of any relevant Group Company or IFRS (or any other standard agreed by the Majority Noteholders and the Issuer);

“**Additional Shares**” has the meaning given to such term in paragraph (b)(ii) of Condition 6.2 (*Conversion Procedure*);

“**Additional Tax Amounts**” has the meaning given to such term in Condition 9 (*Taxation, Set-Off and Counterclaim*);

“**Affiliate**” means:

- (a) with respect to any person other than a natural person, any other person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such person, including without limitation any investment funds managed by such person, provided that the Affiliates of a Noteholder shall not include the Issuer and its Affiliates. For the avoidance of doubt, in the case of the Investor, the term “Affiliate” also includes any fund or limited partnership whose general partner, manager or advisor is The Goldman Sachs Group, Inc. or any of its Subsidiaries; and
- (b) with respect to any natural person:
  - (i) any other person that directly or indirectly through one or more intermediaries is controlled by such natural person;
  - (ii) any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, step-sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, cousin-in-law, uncle, aunt, nephew, niece of that natural person or their spouse, including adoptive relationships; or

- (iii) the trustees, acting in their capacity as such trustees, of any trust of which that natural person or any natural person within paragraph (b)(ii) of this definition is a beneficiary or, in the case of a discretionary trust, is a discretionary object;

“**Amendment to Protective Terms**” has the meaning given to such term in sub-paragraph (b) of paragraph 12 (*Amendments*) of Exhibit E (*Undertakings*);

“**Anti-Corruption Laws**” means any applicable anti-bribery or anti-corruption law of any jurisdiction in which the Issuer or any other Group Company conducts business, including but not limited to the United States Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act, 2010, as amended, the Criminal Law of China, the PRC Anti-Unfair Competition Law, and the Provisional Regulations on Anti-Commercial Bribery;

“**Anti-Money Laundering Laws**” means all applicable anti-money laundering laws of all jurisdictions in which the Issuer or any other Group Company conducts its business, the rules and regulations thereunder, including all anti-money laundering laws of the PRC, the United States and the United Kingdom;

“**Applicable Law**” or “**Applicable Laws**” means, with respect to any person, any Laws that are applicable to and binding on such person or the person in control of such person;

“**Arbitration Board**” has the meaning given to such term in Condition 19.2 (*Arbitration*);

“**Authorization**” means an authorization, permit, consent, approval, resolution, license, exemption, filing, notarization, variance, lodgment or registration;

“**Authorized Denomination**” has the meaning given to such term in Condition 2.1 (*Form*);

“**Borrowings**” means any Financial Indebtedness incurred by the Issuer or any other Group Company but excluding any Financial Indebtedness constituting Trade Instruments and ordinary course of trade working capital payments to be made by the Issuer or any other Group Company;

“**Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business in (a) the city in which the specified office of the Registrar is located, (b) the city in which the specified office of the Issuer is located, (c) Hong Kong, (d) Singapore, (e) Beijing and (f) (in relation to any date for payment or purchase of a currency) the principal financial centre of the country of that currency;

“**Cash**” means, at any time (without double counting), cash at bank or in hand or any credit balance on an account to which a Group Company is beneficially entitled and for so long as (a) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any Group Company or of any other person whatsoever; (b) there is no Security over that cash other than any Security granted in favor of the Noteholders, and (c) the cash is capable of being applied in repayment or prepayment of the Notes without any condition;

“**Cash Security Amount**” means:

- (a) if the Deed of Account Charge is entered into by the parties thereto after the occurrence of an IPO, an amount equal to the aggregate principal amount then outstanding under the Notes; and
- (b) in any other case, an amount equal to the aggregate of (i) the aggregate principal amount then outstanding under the Notes and (ii) an amount that would represent a total internal rate of return of eight per cent. per annum calculated from (and including) the Issue Date to (and including) the QIPO Date;

“**Certificate**” has the meaning given to such term in Condition 2.1 (*Form*);

“**Change of Control**” means Pledgor 1, Pledgor 2, Pledgor 3 and Mr Chen collectively ceasing to control each Group Company;

“**Closed Period**” has the meaning given to such term in Condition 3.5 (*Closed Periods*);

“**Closing Price**” for the Shares on any Trading Day shall be the last reported sale price of the Shares as published on the Relevant Stock Exchange for such Trading Day;

“**Conditions**” has the meaning given to such term in Condition 2.2 (*Title*);

“**Control Document**” means (a) the Service Agreement, (b) any Equity Pledge Agreement, (c) any Option Agreement, (d) any Power of Attorney or (e) any other document designated as a “Control Document” by the Majority Noteholders and the Issuer;

“**Conversion Date**” has the meaning given to such term in (a)(iv) of Condition 6.2 (*Conversion Procedure*);

“**Conversion Notice**” has the meaning given to such term in paragraph (a)(i) of Condition 6.2 (*Conversion Procedure*);

“**Conversion Period**” has the meaning given to such term in paragraph (a)(ii) of Condition 6.1 (*Conversion Right*);

“**Conversion Price**” has the meaning given to such term in paragraph (c) of Condition 6.1 (*Conversion Right*);

“**Conversion Right**” has the meaning given to such term in paragraph (a)(i) of Condition 6.1 (*Conversion Right*);

“**CP After ESOP**” has the meaning given to such term in paragraph (d) of Condition 6.3 (*Adjustments to Conversion Price*);

“**Deed of Account Charge**” means the deed of account charge constituting the Account Security entered into by the Issuer or any other Group Company incorporated outside of the PRC in favor of the Noteholders (or any other person acting as their agent and/or trustee), and which shall be in form and substance satisfactory to the Majority Noteholders (acting reasonably);

“**Default**” means an Event of Default or an event or circumstance specified in Condition 11 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Transaction Documents, issue of a certificate or any combination of the foregoing) be an Event of Default;

“**Default Redemption Notice**” has the meaning given to such term in paragraph (a) of Condition 11 (*Events of Default*);

“**Dispute**” has the meaning given to such term in Condition 19.2 (*Arbitration*).

**“Equity Interest”** means, in relation to any person:

- (a) any shares of any class or capital stock of or equity interest (including any membership interest, partnership interest, registered capital, joint venture or other ownership interest) in such person or any depositary receipt in respect of any such shares, capital stock or equity interest;
- (b) any securities that are directly or indirectly convertible into, or exercisable or exchangeable for (whether at the option of the holder thereof or otherwise and whether such conversion is conditional or otherwise) into any such shares, capital stock or equity interest (including any membership interest, partnership interest, registered capital, joint venture or other ownership interest) (whether or not such derivative securities are issued by such person) or any depositary receipt in respect of any such securities; or
- (c) any option, warrant or other right to acquire any such shares, capital stock, equity interest securities (including any membership interest, partnership interest, registered capital, joint venture or other ownership interest) (whether or not such derivative securities are issued by such person) or depositary receipts referred to in paragraphs (a) and/or (b) above;

**“Equity Pledge Agreement”** means the Equity Pledge Agreement 1, the Equity Pledge Agreement 2 or the Equity Pledge Agreement 3;

**“Equity Pledge Agreement 1”** means the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 1, Opco and the WFOE;

**“Equity Pledge Agreement 2”** means the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 2, Opco and the WFOE;

**“Equity Pledge Agreement 3”** means the equity interest pledge agreement dated August 5, 2014 entered into between Pledgor 3, Opco and the WFOE;

**“ESOP”** means any share option plan or other equity based incentive plan;

**“Event of Default”** has the meaning given to such term in paragraph (a) of Condition 11 (*Events of Default*);

**“Existing Preference Share”** means any Series A Share, any Series B Share, any Series C Share or any Series D Share;

**“Existing Preference Share Document”** means (a) the Existing Shareholders Agreement, (b) the Issuer Articles, (c) the Series A Share Purchase Agreement, (d) the Series B Share Purchase Agreement, (e) the Series C Purchase Agreement, (f) the Series D Purchase Agreement or (g) any document or instrument entered into pursuant to or in connection with the subscription of the Existing Preference Shares;

**“Existing Preferred Shareholder”** means any holder of any Existing Preference Share;

**“Existing Shareholders Agreement”** means the fourth amended and restated shareholders’ agreement dated May 10, 2017 entered into between Aurora Mobile Limited, the Investors, the Founder Parties, the Major Subsidiaries, the Angel Investor and HAKIM (each as defined therein), as may be amended and/or restated from time to time;

**“Finance Document”** means (a) any Note, (b) the Conditions, (c) the Deed of Account Charge or (d) any other document designated as a “Finance Document” by the Majority Noteholders and the Issuer;

**“Finance Leases”** means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability or finance or capital lease;

**“Financial Indebtedness”** means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialized equivalent);
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of Finance Leases;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (h) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) or are otherwise classified as borrowings under the Accounting Principles (including for the avoidance of doubt, any issuance of preference shares);
- (i) any amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question;
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles; and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above;

**“Future Subscription”** has the meaning given to such term in paragraph (b)(iv) of Condition 6.3 (*Adjustments to Conversion Price*);

**“Governmental Authority”** means any government or any governmental agency, semi-governmental or judicial entity or authority (including, without limitation, any stock exchange or any self-regulatory organisation established under statute) of any jurisdiction, or any political subdivision thereof, whether provincial, state or local, and any department, ministry, agency, instrumentality, authority, body, court, central bank or other entity lawfully exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government;

“**Group**” means the Issuer, UA Mobile, KK Mobile, the WFOE, Opco and their respective Subsidiaries from time to time (each a “**Group Company**”);

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**HKIAC**” means the Hong Kong International Arbitration Centre;

“**HKIAC Arbitration Rules**” has the meaning given to such term in Condition 19.2 (*Arbitration*);

“**IFRS**” means the international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements;

“**Investor**” means (a) Mercer Investments (Singapore) Pte. Ltd., a company incorporated and existing under the laws of Singapore with its registered office at 1 Raffles Link, #07-01, One Raffles Link, Singapore 039393 or (b) MANDRA IBASE LIMITED, a limited liability company incorporated and existing under the laws of British Virgin Islands with its registered office at 3rd Floor, J & C Building, P.O. Box 933, Road Town, Tortola, BVI, VG1110;

“**Investors’ Rights Agreement**” means the investors’ rights agreement dated April 17, 2018 entered into between the Issuer and the Investors, as may be amended or restated from time to time;

“**IPO**” means an underwritten registered public offering by the Issuer of common shares in the Issuer on any stock exchange;

“**Issue Date**” has the meaning given to such term in the preamble to the Conditions;

“**Issue Price**” has the meaning given to such term in paragraph (b)(i) of Condition 6.3 (*Adjustments to Conversion Price*);

“**Issuer**” means Aurora Mobile Limited, a company duly incorporated and validly existing under the laws of the Cayman Islands with company number 286958, whose registered office is at Harneys Fiduciary (Cayman) Limited, P. O. Box 10240, 4th Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1002, Cayman Islands;

“**Issuer Articles**” means the fifth amended and restated memorandum and articles of association of the Issuer adopted by a special resolution on May 10, 2017, as amended from time to time to the extent permitted by the Conditions;

“**Key Protective Term**” means any of the following provisions (a) sections 2.6 (insofar as this relates to paragraph 16 of Exhibit C of the Existing Shareholders Agreement), 6.2, 6.3 and 8.6 of, and paragraphs 16 and 19 (insofar as this relates to paragraph 16 of Exhibit C of the Existing Shareholders Agreement) of Exhibit C to, the Existing Shareholders Agreement, (b) the preamble to paragraph 5.3 (*Protective Provisions*) and sub-paragraphs (p) and (s) (insofar as this relates to sub-paragraph (p) of paragraph 5.3 (*Protective Provisions*) of Schedule A to the Issuer Articles) of paragraph 5.3 (*Protective Provisions*) of Schedule A to the Issuer Articles, and (c) the corresponding definitions of any of the foregoing;

“**KK Mobile**” means KK Mobile Investment Limited, a company duly organized and validly existing under the laws of Hong Kong with company number 1759301, whose registered office is at Room D, 10/F., Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong;

“**Law**” or “**Laws**” means any constitutional provision, statute or other law, rule, regulation, directive, treaty, decree, order, official policy or interpretation of any Governmental Authority and any injunction, judgment, order, ruling, assessment or writ issued by any Governmental Authority;

“**Liquidation Event**” has the meaning given to such term in the Issuer Articles;

“**Majority Noteholders**” means, at any time, any one or more holders holding Notes or being proxies or representatives in respect of Notes and representing, in the aggregate, more than 50 per cent. of the aggregate principal amount of all Notes then outstanding;

“**Material Adverse Effect**” means any condition, circumstance, change or effect that has or could reasonably be expected to have a material adverse effect or change on (a) the business, operations, assets, property, condition (financial or otherwise) or prospects of any Group Company; (b) the ability of any Group Company or Third Party Obligor to perform its obligations under the Transaction Documents; or (c) the legality, validity or enforceability of, or the effectiveness of, any Transaction Document or the rights or remedies of any Noteholder or an Investor under any of the Transaction Documents;

“**Maturity Date**” means the date falling three years after the Issue Date;

“**Misrepresentation**” has the meaning given to such term in paragraph (iv) of Condition 11 (*Events of Default*);

“**Mr Chen**” means Chen Fei (陈飞), a Hong Kong resident who holds Hong Kong identification number #####(##) with the mailing address at Room 501, Block 7, Zhiheng Strategic Hi-tech Industrial Park, Guankou 2nd Road Nanshan District, Shenzhen#####7#####501#;

“**New Business Model**” means the implementation of a lending and/or guarantee business by Opco (as lender or guarantor as the case may be);

“**No QIPO Event**” means the occurrence of the earlier of any of the following events: (a) a Non-QIPO and (b) the QIPO has not been completed by (and including) the QIPO Date;

“**No Share Delivery Event**” means the failure by the Issuer to deliver and register title to any Shares as and when such Shares are required to be delivered and registered following conversion of any Note;

“**No Share Delivery FMV**” means:

- (a) prior to an IPO, the value of such Shares which were required to be delivered and registered following conversion of any Note as set out in a fair value opinion issued by a global investment bank jointly appointed by the Issuer and such Noteholder or, failing such joint appointment within five Business Days upon request by such Noteholder, a “Big 4” accounting firm appointed by such Noteholder; and
- (b) in any other case, an amount equal to the product of (i) the number of Shares which were required to be delivered and registered following conversion of any Note and (ii) the 30-Day VWAP of the shares of the Issuer which have been listed on the Relevant Stock Exchange;

“**Non-QIPO**” means the occurrence of an IPO that does not constitute a QIPO;

“**Noteholder**” or “**holder**” has the meaning given to such term in Condition 2.2 (*Title*);

“**Notes**” has the meaning given to such term in the preamble to the Conditions;

“**Opco**” means Shenzhen Hexun Huagu Information Technology Co. Ltd. (深圳合讯华股信息技术有限公司), a company duly organized and validly existing under the laws of the PRC whose registered office is at Room 501, Block 7, Zhiheng, Strategic Hi-tech Industrial Park, Guankou 2<sup>nd</sup> Road, Nanshan District, Shenzhen;

“**Option Agreement**” means the Option Agreement 1, the Option Agreement 2 or the Option Agreement 3;

“**Option Agreement 1**” means the exclusive option agreement dated August 5, 2014 entered into between Pledgor 1, Opco and the WFOE;

“**Option Agreement 2**” means the exclusive option agreement dated August 5, 2014 entered into between Pledgor 2, Opco and the WFOE;

“**Option Agreement 3**” means the exclusive option agreement dated August 5, 2014 entered into between Pledgor 3, Opco and the WFOE;

“**Party**” has the meaning given to such term in Condition 19.2 (*Arbitration*);

“**Permitted Distribution**” means:

- (a) the redemption, repurchase, defease, retire, reduction or repayment of any share capital of the Issuer to the extent that it is permitted under clause 2.4 of the Subscription Agreement;
- (b) the repurchase of any share capital of the Issuer after an IPO, provided that (i) no Default has occurred and is continuing, and (ii) the Issuer certifies to the Noteholders in writing prior to any such action (together with evidence reasonably satisfactory to the Majority Noteholders) that the Group would have Cash equal to at least US\$100,000,000 (or its equivalent in any other currency) immediately after any such repurchase;
- (c) the payment of a dividend by the Issuer to any of its shareholders provided that the Noteholders are paid in cash, based on their respective pro rata ownership interest in the Issuer (on an as converted basis and as if such Noteholder were a shareholder of record on the record date) immediately prior to such dividend payment, at the same time as the Issuer makes payment of such dividend, and further provided that any such amount shall be paid by transfer to a US dollar account maintained and nominated by the relevant Noteholder;
- (d) the payment of a dividend to the Issuer or any of its wholly-owned Subsidiaries; and
- (e) any distribution to which the Majority Noteholders have given their prior written consent,

provided that any such action (i) is not otherwise prohibited or limited by the Existing Preference Share Documents or the Issuer Articles and (ii) if such action is so prohibited or limited under the Existing Preference Share Documents or the Issuer Articles, is otherwise permitted and approved by the relevant persons in the Existing Preference Share Documents or the Issuer Articles, as applicable;

**“Permitted Financial Indebtedness”** means Financial Indebtedness:

- (a) arising under any of the Transaction Documents;
- (b) arising under a Permitted Loan or a Permitted Guarantee;
- (c) incurred by the Issuer or any other Group Company from any person by way of a Finance Lease in one or a series of transactions for the purpose of purchasing machine equipment which is to be used solely for the business of the Group, the aggregate finance lease liability (determined in accordance with the Accounting Principles) of all such Finance Leases shall not exceed US\$10,000,000 (or its equivalent in any other currency) at any time, provided that with respect to any such Financial Indebtedness (i) no Security or Quasi-Security shall be given or granted by any Group Company other than to the lessor of such Finance Lease, (ii) no indemnity exceeding an amount equal to the sum of (A) the aggregate finance lease liability (determined in accordance with the Accounting Principles) permitted under this paragraph and (B) the interest incurred in relation to such indebtedness permitted under this paragraph, guarantee or other assurance against loss shall be granted by any Group Company for such Financial Indebtedness other than to the lessor of such Finance Lease, and (iii) no Default has occurred and is continuing;
- (d) incurred by the Issuer or any other Group Company from any person in one or a series of transactions, the aggregate outstanding principal amount of all such Financial Indebtedness shall not exceed RMB50,000,000 (or its equivalent in any other currency) at any time, provided that with respect to any such Financial Indebtedness (i) no Security or Quasi-Security shall be given or granted by any Group Company, (ii) no indemnity exceeding an amount equal to the sum of (A) the aggregate principal liability permitted under this paragraph and (B) the interest incurred in relation to such indebtedness permitted under this paragraph, guarantee or other assurance against loss shall be granted by any Group Company for such Financial Indebtedness, and (iii) no Default has occurred and is continuing;
- (e) to the extent that the Issuer or any other Group Company is permitted to implement the New Business Model pursuant to sub-paragraph (b) of paragraph 17 (*New Business Model*) of Exhibit E (*Undertakings*), arising in connection with the New Business Model; and
- (f) to which the Majority Noteholders have given their prior written consent,

provided that any such action (i) is not otherwise prohibited or limited by the Existing Preference Share Documents or the Issuer Articles and (ii) if such action is so prohibited or limited under the Existing Preference Share Documents or the Issuer Articles, is otherwise permitted and approved by the relevant persons in the Existing Preference Share Documents or the Issuer Articles, as applicable;

**“Permitted Guarantee”** means:

- (a) any guarantee arising under the Transaction Documents;
- (b) any guarantee expressly permitted under paragraph (c) of the definition of “Permitted Financial Indebtedness”;
- (c) to the extent that the Issuer or any other Group Company is permitted to implement the New Business Model pursuant to sub-paragraph (b) of paragraph 17 (*New Business Model*) of Exhibit E (*Undertakings*), any guarantee arising in connection with the New Business Model; and

(d) any guarantee to which the Majority Noteholders have given their prior written consent,

provided that any such action (i) is not otherwise prohibited or limited by the Existing Preference Share Documents or the Issuer Articles and (ii) if such action is so prohibited or limited under the Existing Preference Share Documents or the Issuer Articles, is otherwise permitted and approved by the relevant persons in the Existing Preference Share Documents or the Issuer Articles, as applicable;

**“Permitted Loan”** means:

- (a) any loan made by the Issuer or any other Group Company to another Group Company, provided that any loan from a Group Company to the Issuer has to be subordinated to the Noteholders;
- (b) any loan made to implement a Permitted Distribution;
- (c) any loan made to an employee of the Issuer or any other Group Company, provided that the aggregate principal amount of all such loans shall not exceed US\$1,000,000 (or its equivalent in any other currency);
- (d) to the extent that the Issuer or any other Group Company is permitted to implement the New Business Model pursuant to sub-paragraph (b) of paragraph 17 (*New Business Model*) of Exhibit E (*Undertakings*), any loan arising in connection with the New Business Model; and
- (e) a loan to which the Majority Noteholders have given their prior written consent,

provided that any such action (i) is not otherwise prohibited or limited by the Existing Preference Share Documents or the Issuer Articles and (ii) if such action is so prohibited or limited under the Existing Preference Share Documents or the Issuer Articles, is otherwise permitted and approved by the relevant persons in the Existing Preference Share Documents or the Issuer Articles, as applicable;

**“Permitted Security”** means:

- (a) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any Group Company;
- (b) any netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of another Group Company but only so long as (i) no credit balances of a Group Company incorporated outside the PRC shall be netted or set off against debit balances of another Group Company incorporated in the PRC, (ii) such arrangement does not give rise to other Security over the assets of a Group Company incorporated outside the PRC being given or granted in support of liabilities of another Group Company incorporated in the PRC and (iii) no netting or set-off arrangement shall be entered between Opco and the other Group Companies;
- (c) any Security or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Group Company in the ordinary course of trading and on the supplier’s standard or usual terms and not arising as a result of any default or omission by any Group Company;
- (d) any Security or Quasi-Security constituted pursuant to or arising under or in connection with any Transaction Document;

- (e) any Security or Quasi-Security expressly permitted under paragraph (c) of the definition of “Permitted Financial Indebtedness”;
- (f) to the extent that the Issuer or any other Group Company is permitted to implement the New Business Model pursuant to sub-paragraph (b) of paragraph 17 (*New Business Model*) of Exhibit E (*Undertakings*), any Security or Quasi-Security arising in connection with the New Business Model; and
- (g) any Security to which the Majority Noteholders have given their prior written consent,

provided that any such action (i) is not otherwise prohibited or limited by the Existing Preference Share Documents or the Issuer Articles and (ii) if such action is so prohibited or limited under the Existing Preference Share Documents or the Issuer Articles, is otherwise permitted and approved by the relevant persons in the Existing Preference Share Documents or the Issuer Articles, as applicable;

“**Pledgor**” means Pledgor 1, Pledgor 2 or Pledgor 3;

“**Pledgor 1**” means Luo Weidong (□□□), a PRC national who resides at No. 10, Fu Qian Heng Jie, Ye Tang She Qu Ju Wei Hui, Ye Tang Town, Xing Ning, Guangdong, China and holds PRC resident identification number #####;

“**Pledgor 2**” means Wang Xiaodao (□□□), a PRC national who resides at Room 30C, Ming Yue Garden, Yi Tian Road, Fu Tian District, Shenzhen, Guangdong, China and holds PRC resident identification number #####;

“**Pledgor 3**” means Fang Jiawen (□□□), a PRC national who resides at No. 1, Ke Fa Road, Ke Ji Yuan, Nanshan District, Shenzhen, Guangdong, China and holds PRC resident identification number #####;

“**Power of Attorney**” means the Power of Attorney 1, the Power of Attorney 2 or the Power of Attorney 3;

“**Power of Attorney 1**” means the power of attorney dated August 5, 2014 entered into by Pledgor 1 in favor of the WFOE, and acknowledged by the WFOE and Opco;

“**Power of Attorney 2**” means the power of attorney dated August 5, 2014 entered into by Pledgor 2 in favor of the WFOE, and acknowledged by the WFOE and Opco;

“**Power of Attorney 3**” means the power of attorney dated August 5, 2014 entered into by Pledgor 3 in favor of the WFOE, and acknowledged by the WFOE and Opco;

“**Protective Term**” means any of the following provisions (a) sections 2.1, 2.6, 5, 6.1, 6.2, 6.3 and 8.6 of, and Exhibits C and E to, the Existing Shareholders Agreement, (b) articles 18, 69, 90 and 118 of, and Schedule A to, the Issuer Articles, and (c) the corresponding definitions of any of the foregoing;

“**Put Date**” means the date specified in the Put Notice as the date fixed for redemption of the relevant Notes upon the occurrence of the No QIPO Event, but which shall fall no earlier than the date falling seven days after the date of the Put Notice;

“**Put Notice**” has the meaning given to such term in paragraph (b) of Condition 8.2 (*Redemption for No QIPO at the Option of Noteholders*);

“**PRC**” means the People’s Republic of China (but excluding Hong Kong, Macau and Taiwan);

“**QIPO**” means an IPO on a Relevant Stock Exchange with a minimum pre-offering valuation of the Issuer of at least US\$1,000,000,000;

“**QIPO Date**” means the date falling on (and including) two years after the Issue Date;

“**Qualifying Affiliate**” means an Affiliate of the converting Noteholder, provided that (a) such Affiliate shall have agreed in writing to be bound by the terms of the Investors’ Rights Agreement by executing the Deed of Adherence in the form of Schedule 2 attached thereto, and (b) such issue of Shares is in compliance with all applicable laws, provided further if such Affiliate ceases to be an Affiliate of such Noteholder, the Shares shall be immediately transferred back to such Noteholder or another person who qualifies as an Affiliate of such Noteholder;

“**Quasi-Security**” means an arrangement or transaction described in sub-paragraph (b) of paragraph 7 (*Negative pledge*) of Exhibit E (*Undertakings*);

“**Recovered Amount**” has the meaning given to that term in Condition 17.1 (*Payments to Finance Parties*);

“**Recovering Noteholder**” has the meaning given to that term in Condition 17.1 (*Payments to Finance Parties*);

“**Redemption Notice**” has the meaning given to such term in the Issuer Articles;

“**Redistributed Amount**” has the meaning given to that term in Condition 17.4 (*Reversal of redistribution*);

“**Register**” has the meaning given to such term in Condition 2.1 (*Form*);

“**Registered Account**” means, with respect to a Noteholder, the bank account of that Noteholder, details of which appear on the Register at the close of business on the second Business Day before the due date for payment, as may be updated and changed from time to time;

“**Registrar**” has the meaning given to such term in Condition 3.1 (*Register*);

“**Registration Date**” has the meaning given to such term in paragraph (b)(iii) of Condition 6.2 (*Conversion Procedure*);

“**Relevant Jurisdiction**” means, in relation to any person:

- (a) its jurisdiction of incorporation;
- (b) any jurisdiction where any asset subject to or intended to be subject to any Security to be created by it is situated;
- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the security documents entered into by it;

**“Relevant Stock Exchange”** means, at any time, in respect of the share capital of the Issuer, NASDAQ, New York Stock Exchange or any other internationally recognized stock exchange as agreed in writing by the Majority Noteholders;

**“Retroactive Adjustment”** has the meaning given to such term in paragraph (b)(ii) of Condition 6.2 (*Conversion Procedure*);

**“Sanctions Laws”** means all economic or financial sanctions Laws, measures or embargoes administered or enforced by the United States (including all sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, and its “Specially Designated Nationals and Blocked Persons” lists), China, Hong Kong, the European Union (including under Council Regulation (EC) No. 194/2008), the United Nations, the United Kingdom or any other relevant sanctions Governmental Authority;

**“Security”** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

**“Series A Share”** means any series A preferred share of par value US\$0.0001 each of the Issuer, with the rights and privileges as set forth in the Issuer Articles;

**“Series A Share Purchase Agreement”** has the meaning given to such term in the Issuer Articles;

**“Series B Share”** means any series B preferred share of par value US\$0.0001 each of the Issuer, with the rights and privileges as set forth in the Issuer Articles;

**“Series B Share Purchase Agreement”** has the meaning given to such term in the Issuer Articles;

**“Series C Share”** means any series C preferred share of par value US\$0.0001 each of the Issuer, with the rights and privileges as set forth in the Issuer Articles;

**“Series C Share Purchase Agreement”** has the meaning given to such term in the Issuer Articles;

**“Series D Share”** means any series D preferred share of par value US\$0.0001 each of the Issuer, with the rights and privileges as set forth in the Issuer Articles;

**“Series D Share Purchase Agreement”** has the meaning given to such term in the Issuer Articles;

**“Service Agreement”** means the exclusive business cooperation agreement dated August 5, 2014 entered into between Opco and the WFOE;

**“Shares”** has the meaning given to such term in paragraph (d) of Condition 6.1 (*Conversion Right*);

**“Shareholder”** means a person whose name is entered as a holder of one or more Shares in the register of members of the Issuer;

**“Sharing Noteholder”** has the meaning given to that term in Condition 17.2 (*Redistribution of payments*);

**“Sharing Payment”** has the meaning given to that term in Condition 17.1 (*Payments to Finance Parties*);

**“Spot Rate of Exchange”** means the spot rate of exchange as quoted by any leading bank, as reasonably obtained by the Issuer (and failing which the Majority Noteholders), for the purchase of the relevant currency with US dollars in the Hong Kong foreign exchange market at or around 11:00 a.m. (Hong Kong time) on the Business Day immediately prior to the relevant time for determination;

“**Subscription Agreement**” means the subscription agreement dated April 11, 2018 entered into between the Issuer and the Noteholders, as may be amended and/or restated from time to time;

“**Subsidiary**” means in relation to any company, corporation or entity, a company, corporation or entity:

- (a) which is controlled, directly or indirectly, by the first mentioned company, corporation or entity;
- (b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company, corporation or entity; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company, corporation or entity;

“**Tax**” means any and all applicable tax or taxes (including, but not limited to, any value added tax, sales tax, land use tax, deed tax, real estate tax, capital tax, individual income tax, enterprise income tax, or business tax, stamp or other duty (including any registration and transfer duties), levy, impost, charge, fee, deduction, penalty or withholding imposed, levied, collected or assessed) and includes any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same;

“**Third Party Obligor**” means any person that is a party to a Transaction Document (other than the Issuer, any other Group Company and the Noteholders), including for the avoidance of doubt the Pledgors;

“**Trade Instruments**” means any performance bonds, advance payment bonds or documentary letters of credit issued in respect of the obligations of the Issuer or any other Group Company arising in the ordinary course of trading of the Issuer or any other Group Company;

“**Transaction**” has the meaning given to such term in paragraph (b)(iii) of Condition 6.3 (*Adjustments to Conversion Price*);

“**Transaction Document**” means (a) the Subscription Agreement, (b) any document or instrument entered into pursuant to or in connection with the Subscription Agreement, (c) any Finance Document, (d) the Investors’ Rights Agreement, (e) the Issuer Articles, (f) any Control Document or (g) any other document designated as a “Transaction Document” by the Majority Noteholders and the Issuer;

“**Treasury Transaction**” means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price;

“**UA Mobile**” means UA Mobile Limited, a company duly incorporated and validly existing under the laws of the British Virgin Islands with company number 1714899, whose registered office is at Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands; and

“**WFOE**” means JPush Information Consultation (Shenzhen) Co. Ltd. (深圳市捷推信息技术有限公司), a company duly organized and validly existing under the laws of the PRC whose registered office is at Room 503, Block 7, Zhiheng, Strategic Hi-tech Industrial Park, Guankou 2<sup>nd</sup> Road, Nanshan District, Shenzhen.

**List of Significant Subsidiaries and Consolidated Variable Interest Entity of Aurora Mobile Limited**

<u>Subsidiaries</u>	<u>Place of Incorporation</u>
UA Mobile Limited	British Virgin Islands
KK Mobile Investment Limited	Hong Kong
JPush Information Consultation (Shenzhen) Co., Ltd. (□□□□□□□□□□□□□□)	People's Republic of China
<u>Consolidated Variable Interest Entity</u>	<u>Place of Incorporation</u>
Shenzhen Hexun Huagu Information Technology Co., Ltd. (□□□□□□□□□□□□□□)	People's Republic of China

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**HAN KUN LAW OFFICES**

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[www.hankunlaw.com](http://www.hankunlaw.com)

, 2018

**To: Aurora Mobile Limited**

5/F, Building No. 7, Zhiheng Industrial Park, Nantou Guankou Road 2, Nanshan District, Shenzhen, Guangdong, 518052  
 The People's Republic of China

Re: Legal Opinion on Certain PRC Legal Matters

**Dear Sirs or Madams:**

We are qualified lawyers of the People's Republic of China (the "PRC" or "China", and for the purpose of this opinion only, the PRC shall not include the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan) and as such are qualified to issue this opinion based on the laws and regulations of the PRC effective as at the date hereof.

We act as the PRC counsel to Aurora Mobile Limited. (the "Company"), a company incorporated under the laws of the Cayman Islands, in connection with (i) the proposed initial public offering (the "Offering") of certain number of American depository shares ("Offered ADSs"), each Offered ADS representing certain number of ordinary shares of the Company (the "Ordinary Shares"), by the Company as set forth in the Company's registration statement on Form F-1, including all amendments and supplements thereto (the "Registration Statement"), filed by the Company with the Securities and Exchange Commission under the U.S. Securities Act of 1933 (as amended) in relation to the Offering, and (ii) the Company's proposed listing of the Offered ADSs on the New York Stock Exchange or the Nasdaq Stock Market.

**A. Documents and Assumptions**

In rendering this opinion, we have examined originals or copies of the due diligence documents provided to us by the Company and the PRC Companies and such other documents, corporate records and certificates issued by the Governmental Agencies in the PRC (collectively the "Documents").

In rendering this opinion, we have assumed without independent investigation that (the "Assumptions"):

- (i) all signatures, seals and chops are genuine, each signature on behalf of a party thereto is that of a person duly authorized by such party to execute the same, all Documents submitted to us as originals are authentic, and all Documents submitted to us as certified or photostatic copies conform to the originals;

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**CONFIDENTIALITY.** This document contains confidential information which may also be privileged. Unless you are the addressee (or authorized to receive for the addressee), you may not copy, use, or distribute it. If you have received it in error, please advise Han Kun Law Offices immediately by telephone or facsimile and return it promptly by mail. Thanks.

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- (ii) each of the parties to the Documents, other than the PRC Companies, (a) if a legal person or other entity, is duly organized and is validly existing in good standing under the laws of its jurisdiction of organization and/or incorporation; or (b) if an individual, has full capacity for civil conduct; each of them, other than the PRC Companies, has full power and authority to execute, deliver and perform its obligations under the Documents to which it is a party in accordance with the laws of its jurisdiction of organization and/or incorporation or the laws that it/she/he is subject to;
- (iii) unless otherwise indicated in the Documents, the Documents presented to us remain in full force and effect on the date of this opinion and have not been revoked, amended or supplemented, and no amendments, revisions, supplements, modifications or other changes have been made, and no revocation or termination has occurred, with respect to any of the Documents after they were submitted to us for the purposes of this legal opinion;
- (iv) the laws of jurisdictions other than the PRC which may be applicable to the execution, delivery, performance or enforcement of the Documents are complied with;
- (v) all requested Documents have been provided to us and all factual statements made to us by the Company and the PRC Companies in connection with this legal opinion are true, correct and complete;
- (vi) each of the Documents governed by laws other than the PRC Laws is legal, valid, binding and enforceable in accordance with their respective governing laws in all material respects.

**B. Definitions**

In addition to the terms defined in the context of this opinion, the following capitalized terms used in this opinion shall have the meanings ascribed to them as follows.

**“Governmental Agency”** means any national, provincial or local governmental, regulatory or administrative authority, agency or commission in the PRC, or any court, tribunal or any other judicial or arbitral body in the PRC, or any body exercising, or entitled to exercise, any administrative, judicial, legislative, police, regulatory, or taxing authority or power of similar nature in the PRC.

**“Governmental Authorization”** means any license, approval, consent, waiver, order, sanction, certificate, authorization, filing, declaration, disclosure, registration, exemption, permission, endorsement, annual inspection, clearance, qualification, permit or license by, from or with any Governmental Agency pursuant to any PRC Laws.

“M&A Rules”	means the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors promulgated by six PRC regulatory agencies, including the Ministry of Commerce, the State Assets Supervision and Administration Commission, the State Administration for Taxation, the State Administration for Industry and Commerce, the China Securities Regulatory Commission, and the State Administration of Foreign Exchange, which became effective on September 8, 2006 and was amended on June 22, 2009 by the Ministry of Commerce.
“Hexun Huagu”	means Shenzhen Hexun Huagu Information Technology Co., Ltd. (深圳合讯华股信息技术有限公司), a company incorporated under the PRC Laws.
“JPush”	means JPush Information Consultation (Shenzhen) Co., Ltd. (深圳捷推信息技术有限公司), a company incorporated under the PRC Laws.
“PRC Companies”	means, Hexun Huagu and Jpush, and each a “PRC Company”.
“PRC Laws”	means all applicable national, provincial and local laws, regulations, rules, notices, orders, decrees and supreme court’s judicial interpretations currently in effect and publicly available as of the date of this opinion in the PRC.

Based on our review of the Documents and subject to the Assumptions and the Qualifications set out below, we are of the opinion that:

(i) *VIE Structure*. The ownership structure of the PRC Companies, currently and immediately after giving effect to the Offering, does not result in any violation of applicable PRC Laws. Each of the PRC Companies and, to the best of our knowledge after due inquiry, each of the shareholders of Hexun Huagu, has full power, authority and legal right to enter into, execute, deliver and perform his obligations in respect of each of the agreements under the contractual arrangements described in the Registration Statement under the caption “Corporate History and Structure” (the “**VIE Agreements**”) to which he is a party, and has duly authorized, executed and delivered each of the VIE Agreements to which he is a party.

The VIE Agreements constitute valid, legal and binding obligations enforceable against each of the parties thereto in accordance with the terms of each of the VIE Agreements, subject, as to enforceability, to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors’ rights and to general equity principles. To the best of our knowledge after due inquiry, none of the PRC Companies is in material breach or default in the performance or observance of any of the terms or provisions of the VIE Agreements to which it is a party.

The due execution, delivery and performance of each of the VIE Agreements by the parties thereto, and the consummation of the transactions contemplated thereunder, do not (a) result in any violation of the business license, articles of association, approval certificate or other constitutional documents (if any) of any of the PRC Companies or (b) result in any violation of any applicable PRC Laws. No Governmental Authorizations are required under any PRC Laws in connection with the due execution, delivery or performance of each of the VIE Agreements other than those already obtained; provided, however, any exercise by JPush of its rights under the relevant Exclusive Option Agreements (as referred to in the Registration Statement) will be subject to: (1) the approval of and/or registration with the Governmental Agencies for the underlying equity interest transfer; and (2) the exercise price for equity transfer under the VIE Agreements complying with the PRC Laws.

However, there are substantial uncertainties regarding the interpretation and application of current PRC Laws and there can be no assurance that the Governmental Agencies will ultimately take a view that is consistent with our opinion stated above.

(ii) *M&A Rules*. Based on our understanding of the explicit provisions under the PRC Laws as of the date hereof, since (a) JPush was established as a foreign-invested enterprise by means of direct investment rather than by merger or acquisition directly or indirectly of the equity interest or assets of a “domestic company” as defined under the M&A Rules, and (b) no provision in the M&A Rules classifies the contractual arrangements under the VIE Agreements as a type of acquisition transaction falling under the M&A Rules, we are of the opinion that, the Company is not required to obtain the approval under the M&A Rules for the Offering and the listing and trading of the Offered ADSs on the New York Stock Exchange or the Nasdaq Stock Market. However, there are substantial uncertainties regarding the interpretation and application of current PRC Laws and there can be no assurance that the Governmental Agencies will ultimately take a view that is consistent with our opinion stated above.

(iii) *Enforceability of Civil Procedures*. The recognition and enforcement of foreign judgments are provided for under the PRC Civil Procedures Law.

PRC courts may recognize and enforce foreign judgments in accordance with the requirements of PRC Civil Procedures Law based either on treaties between China and the country where the judgment is made or on reciprocity between jurisdictions. China does not have any treaties or other form of reciprocity with the United States or the Cayman Islands that provide for the reciprocal recognition and enforcement of foreign judgments.

In addition, according to the PRC Civil Procedures Law, courts in the PRC will not enforce a foreign judgment against a company or its directors and officers if they decide that the judgment violates the basic principles of PRC Laws or sovereignty, national security or public interest. As a result, it is uncertain whether and on what basis a PRC court would enforce a judgment rendered by a court in the United States or the Cayman Islands.

(iv) *Taxation*. The statements made in the Registration Statement under the caption “Taxation—People’s Republic of China Taxation,” with respect to the PRC Laws, constitute true and accurate descriptions of the matters described therein in all material respects and such statements represent our opinion.

(v) *PRC Laws*. All statements set forth in the Registration Statement under the captions “Prospectus Summary,” “Risk Factors,” “Use of Proceeds,” “Enforceability of Civil Liabilities,” “Corporate History and Structure,” “Business,” “Regulation,” “Management” and “Taxation”, in each case insofar as such statements describe or summarize PRC legal or regulatory matters, are true and accurate in all material respects, and are fairly disclosed and correctly set forth therein, and nothing has been omitted from such statements which would make the same misleading in any material respect.

Our opinion expressed above is subject to the following qualifications (the “**Qualifications**”):

- (i) Our opinion is limited to the PRC Laws of general application on the date hereof. We have made no investigation of, and do not express or imply any views on, the laws of any jurisdiction other than the PRC.
- (ii) There is no guarantee that any of the PRC Laws referred to herein, or the interpretation or enforcement thereof, will not be changed, amended or revoked in the future with or without retrospective effect.
- (iii) Our opinion is subject to (a) applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws in the PRC affecting creditors’ rights generally, and (b) possible judicial or administrative actions or any PRC Laws affecting creditors’ rights.
- (iv) Our opinion is subject to the effects of (a) certain legal or statutory principles affecting the enforceability of contractual rights generally under the concepts of public interest, social ethics, national security, good faith, fair dealing, and applicable statutes of limitation; (b) any circumstance in connection with formulation, execution or performance of any legal documents that would be deemed materially mistaken, clearly unconscionable, fraudulent, coercive or concealing illegal intentions with a lawful form; (c) judicial discretion with respect to the availability of specific performance, injunctive relief, remedies or defenses, or calculation of damages; and (d) the discretion of any competent PRC legislative, administrative or judicial bodies in exercising their authority in the PRC (in particular, the interpretation and implementation of PRC Laws related to foreign investment, and their application to and effect on the legality, binding effect and enforceability of contracts, including the VIE Agreements).

- (v) This opinion is issued based on our understanding of the PRC Laws. For matters not explicitly provided under the PRC Laws, the interpretation, implementation and application of the specific requirements under the PRC Laws are subject to the final discretion of competent PRC legislative, administrative and judicial authorities, and there can be no assurance that the Government Agencies will ultimately take a view that is not contrary to our opinion stated above.
- (vi) We may rely, as to matters of fact (but not as to legal conclusions), to the extent we deem proper, on certificates and confirmations of responsible officers of the PRC Companies and PRC government officials.
- (vii) As used in this opinion, the term “enforceable” or “enforceability” means that the obligations assumed by the relevant obligors under the relevant Documents are of a type which the courts of the PRC may enforce. It does not mean that those obligations will necessarily be enforced in all circumstances in accordance with their respective terms and/or additional terms that may be imposed by the courts. As used in this opinion, the expression “to our best knowledge after due inquiry” or similar language with reference to matters of fact refers to the current actual knowledge of the attorneys of this firm who have worked on matters for the Company and the PRC Companies in connection with the Offering and the transactions contemplated thereunder. We have not undertaken any independent search, investigation or other verification action to ascertain the existence or absence of any fact, and no inference as to our knowledge of the existence or absence of any fact should be drawn from our representation of the Company and the PRC Companies or the rendering of this opinion.
- (viii) This opinion is intended to be used in the context which is specifically referred to herein.

This opinion is strictly limited to the matters stated herein and no opinion is implied or may be inferred beyond the matters expressly stated herein. The opinion expressed herein is rendered only as of the date hereof, and we assume no responsibility to advise you of facts, circumstances, events or developments that hereafter may be brought to our attention and that may alter, affect or modify the opinion expressed herein.

The opinion expressed herein is solely for the benefit of the Company and without our prior written consent, neither this opinion nor our opinion herein may be relied upon by any other person. We hereby consent to the use of this opinion in, and the filing hereof as an exhibit to, the Registration Statement, and to the reference to our name in such Registration Statement.

Yours faithfully,

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HAN KUN LAW OFFICES

[Letterhead of Frost &amp; Sullivan]

May 23, 2018

Aurora Mobile Limited  
2/F, Building No. 7, Zhiheng Industrial Park, Nantou Guankou Road 2, Nanshan District  
Shenzhen, Guangdong, 518052  
The People's Republic of China

**Re: Consent of Frost & Sullivan**

Ladies and Gentlemen,

We understand that Aurora Mobile Limited (the "Company") plans to file a registration statement on Form F-1 (the "Registration Statement") with the United States Securities and Exchange Commission (the "SEC") in connection with its proposed initial public offering (the "Proposed IPO").

We hereby consent to the references to our name, data and statements from our research reports and amendments thereto, including but not limited to the industry research report titled "Mobile Internet Big Data Service Market Independent Market Research Report" (collectively, the "Reports"), and any subsequent amendments to the Reports, (i) in the Registration Statement and any amendments thereto, (ii) in any written correspondences with the SEC, (iii) in any other future filings with the SEC by the Company, including filings on Form 20-F, Form 6-K and other SEC filings (collectively, the "SEC Filings"), (iv) on the websites of the Company and its subsidiaries and affiliates, (v) in institutional and retail road shows and other activities in connection with the Proposed IPO, and (vi) in other publicity materials in connection with the Proposed IPO.

We further hereby consent to the filing of this letter as an exhibit to the Registration Statement and any amendments thereto and as an exhibit to any other SEC Filings.

In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the U.S. Securities Act of 1933, as amended, or the rules and regulations of the SEC thereunder.

Frost &amp; Sullivan International Limited

/s/ Yves Wang

Name: Yves Wang

Title: Managing Director