

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

OVERVIEW

We were established in early 2010. We were established by our Founder, Lei Jun and our Co-founders, who shared the belief that innovative, high quality, well designed technology products and services should be accessible to the world’s population. Lei Jun has nearly thirty years of experience as a computer engineer and renowned angel investor in the technology industry, and our Co-founders are all engineers or designers with decades of hardware and software development experience. Our Founder and Co-founders self-funded the establishment of our Group.

BUSINESS MILESTONES

The following is a summary of our key business development milestones since our inception in 2010:

Year	Event
2012	Annual sales exceeded US\$1 billion (two years after inception)
2014	Number one smartphone company in mainland China by unit shipments, according to IDC (three years after launching our first smartphone)
2014	Annual sales exceeded US\$10 billion, four years after inception, which is the fastest in history, according to iResearch
2015	MIUI MAUs exceeded 100 million
2017	The world’s largest consumer IoT platform in terms of the number of connected devices (excluding smartphones and laptops), according to iResearch
2017	Number one smartphone company in India by unit shipments in the fourth quarter of 2017, according to IDC (three and a half years after officially entering the India market)
2017	Fastest growing internet company and second fastest growing company globally, as measured by organic revenue growth compared to publicly-listed profitable companies with revenue of over RMB100 billion in 2017, according to iResearch

MAJOR SUBSIDIARIES AND CONSOLIDATED AFFILIATED ENTITIES

The principal business activities and date of establishment and commencement of business of each member of our Group that made a material contribution to our results of operations during the Track Record Period are shown below:

Name of entity	Principal business activities	Date of establishment and commencement of business
Xiaomi Inc.	E-commerce business	March 3, 2010
Xiaomi HK	Wholesale and retail of smartphones and ecosystem partners’ products	April 7, 2010
Xiaomi Communications	Development and sales of smartphones, sales of ecosystem partners’ products and provision of customer services	August 25, 2010
Xiaomi Mobile Software	Software and hardware development and provision of software related services	May 8, 2012
Zhuhai Communications	Procurement and sales of smartphones, ecosystem partners’ products and spare parts, procurement of raw materials	January 25, 2013

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Name of entity	Principal business activities	Date of establishment and commencement of business
Xiaomi India Technology	Sales of smartphones and ecosystem partners' products	October 7, 2014
Chongqing Microcredit	Internet finance and consumer loan services	June 12, 2015

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on January 5, 2010 with an authorized share capital of US\$50,000 divided into 50,000 ordinary shares with par value of US\$1.00 each.

Following our establishment, we effected a capital reorganization between August 17, 2010 and December 21, 2010, following which the ordinary shares in our authorized share capital were re-classified and re-designated into 162,500,000 Class A ordinary shares and 600,000,000 Class B ordinary shares, each with par value of US\$0.0001.

On August 17, 2010 and December 20, 2010, we issued a total of 162,500,000 Class A ordinary shares and a total of 57,500,000 Class B ordinary shares, with par value of US\$0.0001 each, to our Founder and Co-founders.

Between September 28, 2010 and June 22, 2012, we conducted seven rounds of pre-[REDACTED] financing resulting in the aggregate issuance of 102,500,000 Series A Preferred Shares, 70,831,503 Series B Preferred Shares, 43,023,587 Series C Preferred Shares and 13,189,777 Series D Preferred Shares (and subsequently adjusted), further details of which are set out in the section headed “—Pre-[REDACTED] Investments” in this section.

On March 14, 2014, we conducted a share split pursuant to which each share in our then issued and unissued share capital was split into four shares of the corresponding class with par value of US\$0.000025 each, following which our share capital was divided into (i) 692,215,076 Class A ordinary shares with par value US\$0.000025 each and 2,828,385,900 Class B ordinary shares with par value US\$0.000025 each, (ii) 396,000,000 Series A Preferred Shares, (iii) 221,498,524 Series B-1 Preferred Shares, (iv) 33,249,592 Series B-2 Preferred Shares, (v) 172,094,348 Series C Preferred Shares, (vi) 102,127,680 Series D Preferred Shares, (vii) 21,277,676 Series E-1 Preferred Shares, and (viii) 72,351,828 Series E-2 Preferred Shares.

Between August 6, 2013 and August 24, 2017, we conducted two rounds of pre-[REDACTED] financing resulting in the aggregate issuance of 72,309,188 Series E Preferred Shares and 57,163,141 Series F Preferred Shares (and subsequently adjusted), further details of which are set out in the section headed “—Pre-[REDACTED] Investments.”

On April 2, 2018, we issued 63,959,619 Class B ordinary shares with par value US\$0.000025 each (or [REDACTED] Class B Shares following the Share Subdivision) at par value to Smart Mobile Holdings Limited, an entity controlled by Lei Jun, to reward Lei Jun for his contributions to our Company.

For further information on the rights attached to our Class A Shares and Class B Shares, please see the section headed “Share Capital.”

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Subsequent to each of the Pre-[REDACTED] financing rounds, we effected further changes to our issued share capital which are not material to the Group. For further information about the shareholding structure of the Company immediately prior to the [REDACTED], please refer to the section headed “—Capitalization of the Company”.

SHARE SUBDIVISION

On [●], 2018, our Shareholders resolved, among other things that, subject to the [REDACTED] becoming unconditional, all the issued and unissued Preferred Shares will be reclassified and re-designated as class B ordinary shares of US\$0.000025 par value each of the Company, following which each issued and unissued class A ordinary share of US\$0.000025 par value each of the Company and class B ordinary share of US\$0.000025 par value each of the Company will be subdivided into [REDACTED] Class A Shares of US\$[REDACTED] par value each and [REDACTED] Class B Shares of US\$[REDACTED] par value each, respectively, such that the authorized share capital of the Company shall be US\$[REDACTED] divided into (i) [REDACTED] Class A Shares of US\$[REDACTED] par value each and (ii) [REDACTED] Class B Shares of US\$[REDACTED] par value each, respectively, and the issued share capital (including those Preferred Shares to be reclassified and re-designated as class B ordinary shares of US\$0.000025 par value each of the Company on the [REDACTED]) shall be US\$[REDACTED] divided into (i) [REDACTED] Class A Shares of US\$[REDACTED] par value each and (ii) [REDACTED] Class B Shares of US\$[REDACTED] par value each, respectively.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

We have not conducted any acquisitions, disposals or mergers since our inception that we consider to be material to us. For certain minority investments that we have made, none of which we consider to be material, please see “Financial Information—Discussion of Certain Key Balance Sheet Items.”

RESTRUCTURING OF OUR FINANCE RELATED BUSINESS

Background to the finance related business and the XMF Restructuring

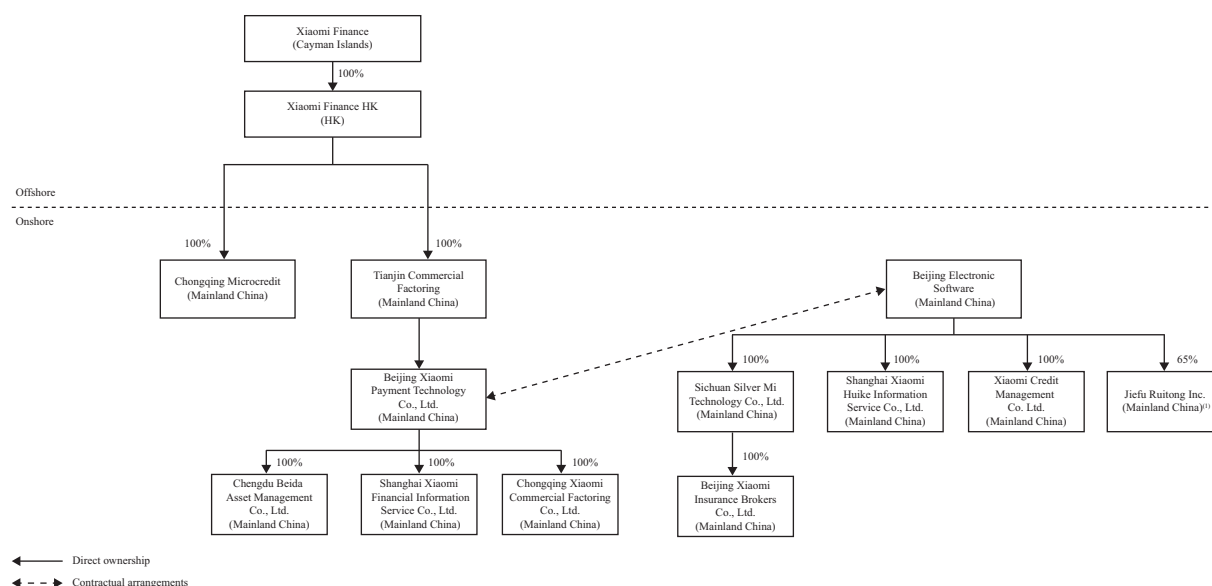
Xiaomi Finance is the financial services arm of the Group and is in an early stage of development. Xiaomi Finance operates start-up businesses in the financial technology industry, including in particular, artificial intelligence-enabled online financial services, mobile applications offering technology-enabled banking, wealth management, loan and insurance products and consumer payment solutions, as well as establishing a proprietary credit information database through continuously analyzing consumer big data. Xiaomi Finance’s business is not one of our core businesses, and involves different business models, value chains, ecosystems, risk profiles and growth strategies from our core business.

Xiaomi Finance’s business is primarily conducted in mainland China through, among others, Chongqing Microcredit and our Consolidated Affiliated Entity, Beijing Electronic Software. Assuming the XMF Restructuring had been completed as at December 31, 2017, for the year ended December 31, 2017, the revenue and net loss before tax of Xiaomi Finance would have accounted for approximately 0.7% and less than 0.2% of our Group, respectively, and as at December 31, 2017, the total assets of Xiaomi Finance would have accounted for approximately 14.1% of our Group.

With a view to streamlining the various entities operating the finance related business and ultimately separating Xiaomi Finance from the Group such that Xiaomi Finance would in the future no

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longer be a consolidated subsidiary of the Group, we have undertaken the XMF Restructuring, as described below. Upon completion of the XMF Restructuring, our finance related business will be held under a single wholly-owned subsidiary of our Company, Xiaomi Finance. The following diagram illustrates the corporate structure of the Xiaomi Finance Group after completion of the XMF Restructuring:



Note:

- (1) As of the Latest Practicable Date, Jiefu Ruitong Inc. (捷付睿通股份有限公司) (“**Jiefu Ruitong**”) was held by Xiaomi Inc. (a company outside of the Xiaomi Finance Group) as to 65% and Shengyin Herui Technology Co., Ltd. (盛銀和睿科技有限公司) and Wu Jun, both of whom are Independent Third Parties, as to 32% and 3%, respectively. As part of the XMF Restructuring, the equity interest in Jiefu Ruitong held by Xiaomi Inc. is in the process of being transferred to Beijing Electronic Software, subject to the approvals from the relevant regulatory authorities in mainland China.

In connection with the XMF Restructuring, the XM Group advanced the XMF Restructuring Loans amounting to approximately US\$830 million and RMB299 million, respectively, as of the Latest Practicable Date to the Xiaomi Finance Group. Such loans are interest-free and one-off and were made on the basis that Xiaomi Finance was at the time, and as of the Latest Practicable Date remained, a wholly-owned subsidiary of our Company.

XMF Share Option Schemes

In light of the novelty and competitiveness of the industry in which Xiaomi Finance operates, we believe that the “employee-owned and managed” development model would be conducive to the recruitment and retention of highly sought-after talent in the financial technology industry, and in turn the long-term growth of Xiaomi Finance. It is therefore our intention for the management and employees of Xiaomi Finance to hold a significant stake in Xiaomi Finance going forward. To this end, we adopted the XMF Share Option Schemes and intend to grant options to suitable management and employees after the [REDACTED]. For further information about the XMF Share Option Schemes, please see sections headed “Statutory and General Information—Share Option Schemes—The XMF Share Option Scheme I” and “Statutory and General Information—Share Option Schemes—The XMF Share Option Scheme II” in Appendix IV.

The XMF Share Option Scheme II is not in full compliance with the requirements under Chapter 17 of the Listing Rules. For the purpose of granting options under the XMF Share Option

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Scheme II after the [REDACTED], we have applied for [, and the Stock Exchange has granted], certain waivers described in the section headed “Waivers from Compliance with the Listing Rules and Exemptions from the Companies (Winding Up and Miscellaneous Provisions) Ordinance—Waivers in Relation to the XMF Share Option Scheme II.”

The maximum number of shares underlying the options to be granted under the XMF Share Option Schemes is 60% of the total issued share capital of Xiaomi Finance (on a fully-diluted basis assuming options representing the maximum number of shares of Xiaomi Finance under the XMF Share Option Schemes have been granted and exercised). The grant of options under the XMF Share Option Schemes will result in share-based compensation to be recorded in our Group’s consolidated income statement, the impact of which will depend on the valuation of such options taking into account, among other things, the exercise price, the vesting period, volatility of the underlying shares, the company value of Xiaomi Finance and the valuation model adopted by the valuer. The exercise of options under the XMF Share Option Schemes is at the discretion of the grantees subject to the terms and conditions of the grant. The exercise of the options under the XMF Share Option Schemes over time will effectively dilute our Company’s interest in Xiaomi Finance. We expect that, as a result of such dilution, Xiaomi Finance will cease to be a subsidiary of our Company and Xiaomi Finance’s results of operations will no longer be consolidated into those of our Group. Following such de-consolidation, we will only account for our interests in Xiaomi Finance under the equity method of accounting, under which neither Xiaomi Finance’s revenue nor any other individual line item of Xiaomi Finance’s consolidated financial statements will be recorded in the corresponding line items of our Group’s consolidated financial statements. For further information relating to such dilution, please see section headed “Risk Factors—Exercise of options granted or to be granted under the XMF Share Option Schemes may significantly dilute our interest in Xiaomi Finance over time to the extent that the results of operations of Xiaomi Finance will no longer be consolidated into those of our Group.”

One of the conditions to the waiver [granted by the Stock Exchange] in relation to the XMF Share Option Scheme II is that we will treat Xiaomi Finance as a “connected subsidiary” (as defined in Rule 14A.16 of the Listing Rules) after the [REDACTED] and will comply with the relevant connected transactions requirements under Chapter 14A of the Listing Rules for as long as we account for Xiaomi Finance as a subsidiary, save for the XMF Restructuring Loans described above. For our continuing connected transactions with the Xiaomi Finance Group that we expect to subsist after the [REDACTED], see “Connected Transactions.”

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CAPITALIZATION OF THE COMPANY

The following table sets out our shareholding structure on the date of this [REDACTED] and immediately prior to the Share Subdivision and the completion of the [REDACTED], assuming the [REDACTED] is not exercised and no options granted pursuant to the Pre-[REDACTED] ESOP are exercised.

Shareholders	Class A ordinary shares of US\$0.000025 each	Class B ordinary shares of US\$0.000025 each	Series A Preferred Shares	Series B-1 Series B-2 Series C Preferred Preferred Preferred Shares Shares Shares	Series D Series E-1Series E-2Series F-1Series F-2 Preferred Preferred Preferred Preferred Preferred Shares Shares Shares Shares Shares	Aggregate total number of shares of par value of US\$0.000025 each as of the date of this [REDACTED] ⁽¹⁾	Aggregate ownership percentage as at completion of the date of this [REDACTED] ⁽¹⁾	Aggregate ownership percentage upon completion of the date of this [REDACTED] ⁽²⁾
Lin Bin ⁽³⁾	240,000,000	9,123,361	30,000,000	—	—	279,123,361	13.3286%	[REDACTED]%
Smart Mobile Holdings Limited ⁽⁴⁾	429,518,772	72,655,923	125,200,000	4,532,552	—	651,907,247	31.1296%	[REDACTED]%
Smart Player Limited ⁽⁴⁾	—	5,922,163	—	—	—	5,922,163	0.2828%	[REDACTED]%
Hans Tung	—	48,852	—	—	—	48,852	0.0023%	[REDACTED]%
Long Great Holdings Limited	—	2,132,032	—	—	—	2,132,032	0.1018%	[REDACTED]%
Duke King Holdings Limited	—	2,529,559	—	—	—	2,529,559	0.1208%	[REDACTED]%
Wisdom Bloom International Limited ⁽⁵⁾	—	13,870,890	9,477,045	—	—	23,347,935	1.1149%	[REDACTED]%
JONGMI Limited	—	800,000	—	—	—	800,000	0.0382%	[REDACTED]%
Mirodesign Limited	—	1,600,000	—	—	—	1,600,000	0.0764%	[REDACTED]%
Wali International Holdings Ltd	—	1,571,388	—	—	—	1,571,388	0.0750%	[REDACTED]%
Matrix Partners China I, L.P.	—	1,326,180	—	—	—	1,326,180	0.0633%	[REDACTED]%
Matrix Partners China I-A, L.P.	—	134,372	—	—	—	134,372	0.0064%	[REDACTED]%
Lofly Power International Limited ⁽⁶⁾	—	22,796,582	9,650,960	—	—	32,447,542	1.5494%	[REDACTED]%
Zhou Guangping ⁽⁷⁾	—	28,404,168	—	58,3861,518,912	—	29,981,466	1.4317%	[REDACTED]%
Colorful Mi Limited	—	12,253,726	8,510,417	3,764,000	1,709,788	39,790,347	1.9001%	[REDACTED]%
Mini Stone Limited ⁽⁸⁾	—	57,796,582	9,650,960	—	—	67,447,542	3.2207%	[REDACTED]%
Wong Kong Kat	—	67,747,730	50,960	—	—	67,798,690	3.2375%	[REDACTED]%
Natural Hero Limited ⁽⁹⁾	—	67,747,730	50,960	—	—	67,798,690	3.2375%	[REDACTED]%
Gifted Jade Limited ⁽¹⁰⁾	—	337,700	—	—	—	337,700	0.0161%	[REDACTED]%
Powerful Era Limited	—	1,000,000	—	—	—	1,000,000	0.0478%	[REDACTED]%
Bright Inspiration Holdings Limited	—	500,000	—	—	—	500,000	0.0239%	[REDACTED]%
Qiming Managing Directors Fund II, L.P. ⁽¹¹⁾	—	—	—	973,232	126,104	1,099,336	0.0525%	[REDACTED]%
Qiming Venture Partners II-C, L.P. ⁽¹¹⁾	—	—	—	5,856,197	758,784	6,614,981	0.3159%	[REDACTED]%
Qiming Venture Partners II, L.P. ⁽¹¹⁾	—	—	—	66,877,929	8,665,304	75,543,233	3.6073%	[REDACTED]%
2020 Investment Partners Limited	—	—	63,426	17,129	23,709	330,552	0.0247%	[REDACTED]%
Mifans Investment LLC	—	—	64,694	17,472	24,184	337,164	0.0252%	[REDACTED]%
Binghe Age Group Corporation	—	—	95,138	25,694	35,564	495,829	0.0370%	[REDACTED]%
Moussedragon, L.P.	—	—	95,138	25,694	35,564	495,829	0.0370%	[REDACTED]%
Celia Safe Inc.	—	—	158,564	42,823	18,242	826,381	0.1233%	[REDACTED]%
Evertide Limited	—	—	317,128	85,646	118,547	1,652,763	0.1233%	[REDACTED]%
Circle Creek Investments Limited	—	—	317,128	85,646	118,548	1,652,763	0.1233%	[REDACTED]%
HOPU Gioura Company Limited	—	—	317,128	85,647	118,548	1,652,763	0.1233%	[REDACTED]%
Shiny Stone Limited	—	—	634,256	171,292	237,096	3,305,525	0.2466%	[REDACTED]%
Smart System Investment Fund, L.P.	—	—	951,385	256,939	355,641	4,958,289	0.3699%	[REDACTED]%

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Shareholders	Class A ordinary shares of US\$0.000025 each	Class B ordinary shares of US\$0.000025 each	Series A Preferred Shares	Series B-1 Preferred Shares	Series B-2 Preferred Shares	Series C Preferred Shares	Series D Preferred Shares	Series E-1 Preferred Shares	Series E-2 Preferred Shares	Series F-1 Preferred Shares	Series F-2 Preferred Shares	Aggregate total number of shares of par value of US\$0.000025 each as at the date of this [REDACTED] ⁽¹⁾	Aggregate ownership percentage as at the date of this [REDACTED] ⁽¹⁾	Aggregate ownership percentage upon completion of the [REDACTED] ⁽⁵⁾
Techline Investment Pte Ltd	—	—	951,385	256,939	109,456	355,643	—	—	—	4,958,288	1,115,615	7,747,326	0.3699%	[REDACTED]%
Kawa Investments LLC	—	—	—	200,000	—	—	—	—	—	—	—	200,000	0.0096%	[REDACTED]%
Robin Hon Bun Chan	—	—	—	—	—	191,004	—	—	—	—	—	191,004	0.0091%	[REDACTED]%
All-Stars XMI Limited	—	—	3,177,624	858,177	365,583	1,187,847	—	—	—	16,560,684	3,726,154	25,876,069	1.2356%	[REDACTED]%
China TMT Holding I Limited ⁽¹²⁾	—	—	19,476,408	—	—	—	—	—	—	—	—	19,476,408	0.9300%	[REDACTED]%
China TMT Holding II Limited ⁽¹²⁾	—	—	—	—	—	3,270,707	—	—	—	—	—	3,270,707	0.1562%	[REDACTED]%
Morningside China TMT Fund I, L.P. ⁽¹³⁾	—	3,859,212	173,380,598	97,241,380	—	14,325,280	—	—	—	—	—	288,806,470	13.7910%	[REDACTED]%
Morningside China TMT Fund II, L.P. ⁽¹³⁾	—	—	—	—	—	44,235,710	—	—	4,264,060	—	—	48,499,770	2.3159%	[REDACTED]%
CCDD International Holdings Limited	—	—	—	9,724,136	—	—	—	—	—	—	—	9,724,136	0.4643%	[REDACTED]%
IDG-Accel China Investors II L.P. ⁽¹³⁾	—	—	—	—	1,237,368	1,443,992	—	—	—	—	—	2,681,360	0.1280%	[REDACTED]%
IDG-Accel China Growth Fund II L.P. ⁽¹³⁾	—	—	—	—	15,129,969	17,656,384	—	—	—	—	—	32,786,353	1.5656%	[REDACTED]%
Wealth Plus Investments Limited	—	—	—	—	10,789,132	—	—	—	—	—	—	10,789,132	0.5152%	[REDACTED]%
Smart Promise Limited	—	—	—	—	—	556,666	—	—	—	—	—	556,666	0.0266%	[REDACTED]%
Qualcomm Incorporated	—	—	—	—	—	1,866,775	—	—	—	—	—	1,866,775	0.0891%	[REDACTED]%
Fast Sino Holdings Limited	—	—	—	—	—	3,820,072	—	—	—	—	—	3,820,072	0.1824%	[REDACTED]%
Sennett Investments (Mauritius) Ptd Ltd	—	—	—	—	—	9,550,184	—	—	—	—	—	9,550,184	0.4560%	[REDACTED]%
Shunwei Ventures Limited ⁽¹⁴⁾	—	—	—	—	—	61,047,189	—	—	—	—	—	61,047,189	2.9151%	[REDACTED]%
Gannat Pte. Ltd. ⁽¹⁵⁾	—	—	—	—	—	23,499,265	—	—	—	—	—	23,499,265	1.1221%	[REDACTED]%
Apoletto Limited ⁽¹⁶⁾	—	—	—	—	—	1,910,028	—	—	—	—	—	1,910,028	0.0912%	[REDACTED]%
Apoletto China I, L.P. ⁽¹⁶⁾	—	—	—	—	—	—	36,638,268	—	—	—	—	36,638,268	1.7495%	[REDACTED]%
Apoletto China II, L.P. ⁽¹⁶⁾	—	—	—	—	—	—	37,859,544	—	—	—	—	37,859,544	1.8079%	[REDACTED]%
Apoletto Investments II, L.P. ⁽¹⁶⁾	—	—	—	—	—	2,420,815	—	—	—	—	—	2,420,815	0.1156%	[REDACTED]%
Apoletto China III, L.P. ⁽¹⁶⁾	—	—	—	—	—	—	—	21,277,676	4,264,064	—	—	25,541,740	1.2197%	[REDACTED]%
Apoletto China IV, L.P. ⁽¹⁶⁾	—	—	—	—	—	—	—	—	42,503,388	—	—	42,503,388	2.0296%	[REDACTED]%
Nokia Growth Partners II, L.P.	—	—	—	—	—	—	—	—	495,830	495,830	—	495,830	0.0237%	[REDACTED]%
Patrick Raymon MC Goldrick	—	—	—	—	—	—	—	—	—	7,437	—	7,437	0.0004%	[REDACTED]%
MBD 2015, L.P.	—	—	—	—	—	—	—	—	—	35,829	—	35,829	0.0017%	[REDACTED]%
Stone Street 2015, L.P.	—	—	—	—	—	—	—	—	—	40,588	—	40,588	0.0019%	[REDACTED]%
RNT Associates International Pte. Ltd.	—	—	—	—	—	—	—	—	—	49,583	—	49,583	0.0024%	[REDACTED]%
2015 Employee Offshore Aggregator, L.P.	—	—	—	—	—	—	—	—	—	81,974	—	81,974	0.0039%	[REDACTED]%
Dragonair Global Fund II, L.P.	—	—	—	—	—	—	—	—	—	99,166	—	99,166	0.0047%	[REDACTED]%
Bridge Street 2015, L.P.	—	—	—	—	—	—	—	—	—	139,106	—	139,106	0.0066%	[REDACTED]%
Sinarmas Digital Ventures (HK) Limited	—	—	—	—	—	—	—	—	—	247,914	—	247,914	0.0118%	[REDACTED]%
Broad Street Principal Investments, L.L.C.	—	—	—	—	—	—	—	—	—	446,246	—	446,246	0.0213%	[REDACTED]%
Mecca International (BVI) Limited	—	—	—	—	—	—	—	—	—	9,916,601	—	9,916,601	0.4735%	[REDACTED]%
TOTAL	[REDACTED] 669,518,772	[REDACTED] 374,158,150	[REDACTED] 392,591,302	[REDACTED] 221,156,910	[REDACTED] 33,049,592	[REDACTED] 172,094,348	[REDACTED] 102,127,680	[REDACTED] 21,277,676	[REDACTED] 51,031,512	[REDACTED] 48,787,104	[REDACTED] 8,376,037	[REDACTED] 2,094,169,083	[REDACTED] 100%	[REDACTED] 100%

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- (1) Our Company has adopted a WVR structure through two classes of Shares, Class A Shares and Class B Shares. Class A Shares entitle the Shareholder to 10 votes per share and Class B Shares entitle the Shareholder to one vote per share. In all other respects Class A Shares and Class B Shares rank *pari passu*. Each Preferred Share will automatically convert into one Class B Share upon completion of the [REDACTED].
- (2) Assuming [the [REDACTED]] is not exercised and the options granted under the Pre-[REDACTED] ESOP are not exercised.
- (3) 240,000,000 Class A ordinary shares of par value US\$0.000025 each and 30,000,000 Series A Preferred Shares are held by Lin Bin as trustee on trust for the benefit of, among others, Lin Bin and his family members. The remaining shares are held directly by Lin Bin.
- (4) The entire interest of Smart Mobile Holdings Limited and Smart Player Limited is held on trust established for the benefit of, among others, Lei Jun and his family members. Includes 63,959,619 Class B ordinary shares of par value US\$0.000025 each (or [REDACTED] Class B Shares following the Share Subdivision) issued to Smart Mobile Holdings Limited at par value to reward Lei Jun for his contributions to our Company.
- (5) The entire interest of Wisdom Bloom International Limited is held on trust for the benefit of, among others, Wang Chuan and his family members.
- (6) The entire interest of Lofty Power International Limited is held on trust for the benefit of, among others, Liu De and his family members.
- (7) 27,304,168 Class B ordinary shares of par value US\$0.000025 each and 1,518,912 Series B-2 Preferred Shares are held by Zhou Guangping as trustee on trust for the benefit of, among others, Zhou Guangping and his family members. The remaining shares are held directly by Zhou Guangping.
- (8) The entire interest of Mini Stone Limited is held on trust for the benefit of, among others, Hong Feng and his family members.
- (9) The entire interest of Natural Hero Limited is held on trust for the benefit of, among others, Li Wanjia and his family members.
- (10) The entire interest of Gifted Jade Limited is wholly-owned by Koh Tuck Lye.
- (11) Qiming Venture Partners II L.P. and Qiming Venture Partners II-C, L.P. are funds managed by Qiming GP II, L.P., whose general partner is Qiming Corporate GP II, Ltd., which is also the general partner of Qiming Managing Directors Fund II, L.P.
- (12) The Morningside Group consists of China TMT Holding I Limited, Morningside China TMT Fund I, L.P., China TMT Holding II Limited and Morningside China TMT Fund II, L.P.
- (13) IDG-Accel China Growth Fund II L.P. and IDG-Accel China II Investors L.P. are funds controlled by IDG-Accel China Growth Fund GP II Associates Ltd.
- (14) Shunwei Ventures Limited is a wholly-owned subsidiary of Shunwei China Internet Fund L.P. Shunwei Capital Partners GP, L.P. is the general partner of Shunwei China Internet Fund L.P. Shunwei Capital Partners GP Limited is the general partner of Shunwei Capital Partners GP, L.P. which is controlled by Koh Tuck Lye, our non-executive Director.
- (15) Gannat Pte. Ltd. is wholly-owned by Equinvest Pte. Ltd and is affiliated with GIC Pte Ltd.
- (16) Apoletto China I, L.P., Apoletto China II, L.P., Apoletto China III, L.P., Apoletto China IV, L.P. and Apoletto Investments II, L.P. are funds managed by Apoletto Managers Limited, which is under common control with Apoletto Limited.

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PRE-[REDACTED] INVESTMENTS

1. Overview

We have received nine rounds of investment since our establishment, which are summarized below. All of our Pre-[REDACTED] Investors were issued Preferred Shares in our Company pursuant to the below Pre-[REDACTED] Investments.

	Round	Date of initial share purchase agreement	Date of last payment of consideration	Total number of shares under the share purchase agreement(s)	Cost per share paid ⁽¹⁾	Total funds raised by the Company	Discount to the [REDACTED] ⁽²⁾
1.	Series A	September 28, 2010	May 17, 2011	102,500,000 Series A Preferred Shares	US\$0.10 per Series A Preferred Share	US\$10,250,000	[REDACTED]%
2.	Series B	December 21, 2010	December 24, 2010	60,775,862 Series B-1 Preferred Shares 4,297,283 Series B-2 Preferred Shares	US\$0.411348 per Series B-1 Preferred Share US\$0.581763 per Series B-2 Preferred Share	US\$27,500,030.15	[REDACTED]%
3.	Series B+	April 11, 2011	April 21, 2011	4,727,011 Series B-2 Preferred Shares	US\$0.581763 per Series B-2 Preferred Share	US\$2,750,000	[REDACTED]%
4.	Series B++	August 24, 2011	September 16, 2011	1,031,347 Series B-2 Preferred Shares	US\$0.581763 per Series B-2 Preferred Share	US\$600,000	[REDACTED]%
5.	Series C	September 30, 2011	April 16, 2012	42,020,822 Series C Preferred Shares	US\$2.0942 per Series C Preferred Share	US\$88,000,000	[REDACTED]%
6.	Series C+	November 10, 2011	November 29, 2011	1,002,765 Series C Preferred Shares	US\$2.0942 per Series C Preferred Share	US\$2,100,000	[REDACTED]%
7.	Series D	June 22, 2012	December 21, 2012	26,379,554 Series D Preferred Shares	US\$8.1882 per Series D Preferred Share	US\$216,000,000	[REDACTED]%
8.	Series E	August 5, 2013	August 6, 2013	5,319,419 Series E-1 Preferred Shares 1,066,016 Series E-2 Preferred Shares	US\$15.04 per Series E-1 Preferred Share US\$18.76 per Series E-2 Preferred Share	US\$100,000,000	[REDACTED]%
9.	Series F	December 23, 2014	August 24, 2017	48,787,104 Series F-1 Preferred Shares 8,376,037 Series F-2 Preferred Shares	US\$20.1682 per Series F-1 Preferred Share US\$17.9273 per Series F-2 Preferred Share	US\$983,948,070.89 US\$150,159,728	[REDACTED]%

(1) As adjusted to reflect subsequent share splits and other capital reorganizations, as applicable.

(2) The discount to the [REDACTED] is calculated based on the assumption that the [REDACTED] is HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED].

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2. Principal terms of the Pre-[REDACTED] Investments

[REDACTED] period	Upon request by the Company or the [REDACTED], the Pre-[REDACTED] Investors will not sell or otherwise transfer or dispose of any securities of the Company (other than transfers to affiliates permitted by applicable laws) without the prior written consent of the Company or the [REDACTED], as the case may be, for a period of up to one hundred and eighty (180) days from the [REDACTED].
Use of proceeds from the Pre-[REDACTED] Investments	We utilized all of the proceeds from the Pre-[REDACTED] Investments for the development and operation of our business, including but not limited to personnel recruitment, new business and product development, technology infrastructure, office utilities and marketing.
Strategic benefits the Pre-[REDACTED] Investors brought to our Company	At the time of the Pre-[REDACTED] Investments, our Directors were of the view that our Company would benefit from the additional capital provided by the Pre-[REDACTED] Investors' investments in our Company and their knowledge and experience.
Basis of determining the consideration paid	The consideration for the Pre-[REDACTED] Investments were determined based on arm's length negotiations between our Company and the Pre-[REDACTED] Investors after taking into consideration the timing of the investments and the status of our business and operating entities.

3. Special rights of the Pre-[REDACTED] Investors

All of our Pre-[REDACTED] Investors are currently bound by the terms of the Existing Articles, which will be replaced by our Articles effective upon completion of the [REDACTED]. Pursuant to the Pre-[REDACTED] Shareholders' Agreement, the Pre-[REDACTED] Investors were granted certain special rights in relation to our Company, including, among others, customary rights of first refusal to participate in future funding rounds, information rights, and anti-dilution and veto rights. The Pre-[REDACTED] Shareholders' Agreement and such special rights will terminate effective upon completion of the [REDACTED] in accordance with the terms of the Pre-[REDACTED] Shareholders' Agreement.

All of the Preferred Shares will convert to Class B ordinary shares of US\$0.000025 each upon completion of the [REDACTED] (subject to the Share Subdivision) at which time our share capital will comprise two classes of Shares, Class A Shares and Class B Shares. For further information on the rights attached to our Class A Shares and Class B Shares, please see the section headed “Share Capital.”

4. Public Float

Upon completion of the Share Subdivision and the [REDACTED] (assuming the [REDACTED] is not exercised and the options granted under the Pre-[REDACTED] ESOP are not exercised), Smart Mobile Holdings Limited and Smart Player Limited will in aggregate hold approximately [REDACTED]% of the issued share capital of the Company (on a one share, one vote basis). Smart Mobile Holdings Limited and Smart Player Limited are controlled by Lei Jun, our executive Director and a core connected person of the Company as defined in the Listing Rules. The Shares held directly or

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indirectly by Smart Mobile Holdings Limited and Smart Player Limited will therefore not be counted towards the public float.

Upon completion of the Share Subdivision and the [REDACTED] (assuming the [REDACTED] is not exercised and the options granted under the Pre-[REDACTED] ESOP are not exercised), Lin Bin will be interested in approximately [REDACTED]% of the issued share capital of the Company (on a one share, one vote basis). Lin Bin is an executive Director and core connected person of the Company as defined in the Listing Rules. The Shares held directly or indirectly by Lin Bin will therefore not be counted towards the public float.

Upon the completion of the Share Subdivision and the [REDACTED] (assuming the [REDACTED] is not exercised and the options granted under the Pre-[REDACTED] ESOP are not exercised), Shunwei Ventures Limited will hold approximately [REDACTED]% of the issued share capital of the Company (on a one share, one vote basis). Shunwei Ventures Limited is indirectly controlled by Koh Tuck Lye. Upon the completion of the [REDACTED] (assuming [the [REDACTED] is not exercised and] the options granted under the Pre-[REDACTED] ESOP are not exercised), Gifted Jade Limited will hold approximately [REDACTED]% of the issued share capital of the Company (on a one share, one vote basis). Gifted Jade Limited is wholly-owned by Koh Tuck Lye. Koh Tuck Lye is a non-executive Director and a core connected person of the Company, as defined under the Listing Rules. The Shares held by Shunwei Ventures Limited and Gifted Jade Limited will therefore not be counted towards the public float.

Upon completion of the Share Subdivision and the [REDACTED] (assuming the [REDACTED] is not exercised and assuming the options granted under the Pre-[REDACTED] ESOP are not exercised), Morningside China TMT Fund I, L.P., Morningside China TMT Fund II, L.P., China TMT Holding I Limited and China TMT Holding II Limited will collectively hold [REDACTED]% of the total issued share capital of the Company (on a one share, one vote basis) and will be a core connected person of the company as defined under the Listing Rules. The Shares held directly and indirectly by Morningside China TMT Fund I, L.P., Morningside China TMT Fund II, L.P., China TMT Holding I Limited and China TMT Holding II Limited will therefore not be counted towards the public float.

Save as provided above, upon completion of the Share Subdivision and the [REDACTED] (assuming [the [REDACTED] is not exercised and] the options granted under the Pre-[REDACTED] ESOP are not exercised), the other Pre-[REDACTED] Investors (excluding our Founder, our Co-founders and the entities controlled by them) will collectively hold [REDACTED] Class B Shares or approximately [REDACTED]% of the issued share capital of the Company (on a one share, one vote basis). Save as disclosed above, no other Pre-[REDACTED] Investor is a core connected person of the Company, as defined in the Listing Rules. Therefore, the Shares held by the other Pre-[REDACTED] Investors will count towards the public float.

5. Information about our principal Pre-[REDACTED] Investors

Set out below is a description of our Pre-[REDACTED] Investors that are sophisticated investors, being private equity funds and investment companies, and that have made meaningful investments in our Company (each holding between 1.1221% to 17.1931% of our total issued and outstanding Shares immediately prior to the [REDACTED] (assuming all the Preferred Shares are converted into Class B ordinary shares of par value US\$0.000025 each)).

Morningside China TMT Fund I, L.P. and Morningside China TMT Fund II, L.P. are private equity funds registered in the Cayman Islands. Morningside China TMT Fund I, L.P. is controlled by

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Morningside China TMT GP, L.P., its general partner. Morningside China TMT Fund II, L.P. is controlled by Morningside China TMT GP II, L.P., its general partner. Morningside China TMT GP, L.P. and Morningside China TMT GP II, L.P. are both controlled by TMT General Partner Ltd., their general partner. China TMT Holding I Limited and China TMT Holding II Limited are investment holding vehicles incorporated in the BVI, and wholly-owned by Morningside China TMT Fund I, L.P. and Morningside China TMT Fund II, L.P., respectively. As of the date of this [REDACTED], Morningside China TMT Fund I, L.P., Morningside China TMT Fund II, L.P., China TMT Holding I Limited and China TMT Holding II Limited collectively hold approximately 17.1931% of the total issued and outstanding Shares (assuming all Preferred Shares are converted into Class B ordinary shares of par value US\$0.000025 each).

Qiming Venture Partners II, L.P., Qiming Venture Partners II-C, L.P. and Qiming Managing Directors Fund II, L.P. are collectively referred to as the Qiming Group. The general partner of Qiming Venture Partners II, L.P. and Qiming Venture Partners II-C, L.P. is Qiming GP II, L.P., a Cayman Islands exempted limited partnership, whose general partner is Qiming Corporate GP II, Ltd., a Cayman Islands limited company which is also the general partner of Qiming Managing Directors Fund II, L.P. As of the date of this [REDACTED], Qiming Group collectively holds approximately 3.9757% of the total issued and outstanding Shares (assuming all Preferred Shares are converted into Class B ordinary shares of par value US\$0.000025 each).

Both IDG-Accel China Growth Fund II L.P. (“**IDG-Accel Growth II**”) and IDG-Accel China Investors II L.P. (“**IDG-Accel Investors II**,” together with IDG-Accel Growth II, “**IDG-Accel Fund II**”) are Cayman exempted limited partnerships. IDG-Accel Fund II is engaged in making venture capital investment primarily in growth stage companies in mainland China. IDG-Accel Fund II is managed and controlled by its sole general partner, IDG-Accel China Growth Fund II Associates L.P., which is also a Cayman exempted limited partnership and is in turn, controlled by its general partner, IDG-Accel China Growth Fund GP II Associates Ltd., (“**IDG-Accel GP Ltd.**”), a Cayman limited company. IDG-Accel GP Ltd. is also acting as the sole general partner of IDG-Accel Investors II. As of the date of this [REDACTED], IDG-Accel Fund II holds approximately 1.6936% of the total issued and outstanding Shares (assuming all Preferred Shares are converted into Class B ordinary shares of par value US\$0.000025 each).

Apoletto China I, L.P., Apoletto China II, L.P., Apoletto China III, L.P., Apoletto China IV, L.P. and Apoletto Investments II, L.P. are funds managed by Apoletto Managers Limited, which is under common control with Apoletto Limited (collectively, “**Apoletto**”). As of the date of this [REDACTED], Apoletto China I, L.P., Apoletto Limited, Apoletto China II, L.P., Apoletto China III, L.P., Apoletto China IV, L.P. and Apoletto Investments II, L.P. collectively hold approximately 7.0135% of the total issued and outstanding Shares (assuming all Preferred Shares are converted into Class B ordinary shares of par value US\$0.000025 each).

Gamnat Pte. Ltd is wholly-owned by Equivest Pte. Ltd and is affiliated with GIC Pte Ltd. (“**GIC**”). GIC is a leading global investment firm established in 1981 to manage Singapore’s foreign reserves. As a disciplined long-term investor, GIC is uniquely positioned for investments across a wide range of asset classes, including equities, fixed income, private equity, real estate and infrastructure. GIC has investments in over 40 countries and has been investing in emerging markets for more than two decades. As of the date of this [REDACTED], GIC holds approximately 1.1221% of the total issued and outstanding Shares (assuming all Preferred Shares are converted into Class B ordinary shares of par value US\$0.000025 each).

All-Stars XMI Limited is a company limited by shares incorporated under the laws of the British Virgin Islands. All-Stars XMI Limited is an investment holding company controlled by All-Stars Investment Limited, which focuses on investing in technology leaders and acquired the preferred shares of the Company. As of the date of this [REDACTED], All-Stars XMI Limited holds approximately 1.2356% of the total issued and outstanding Shares (assuming all Preferred Shares are converted into Class B ordinary shares of par value US\$0.000025 each).

Based on the documents provided by the Company relating to the Pre-[REDACTED] Investments, the Joint Sponsors confirm that the Pre-[REDACTED] Investments are in compliance with Guidance Letter HKEX-GL29-12 issued by the Stock Exchange in January 2012 and updated in March 2017, Guidance Letter HKEX-GL43-12 issued by the Stock Exchange in October 2012 and updated in July 2013 and March 2017 and Guidance Letter HKEX-44-12 issued by the Stock Exchange in October 2012 and updated in March 2017.

According to the Regulations for Merger with and Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者並購境內企業的規定》) (the “**M&A Rules**”) jointly issued by MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council, the SAT, the CSRC, the SAIC and the SAFE on August 8, 2006, effective as of September 8, 2006 and amended on June 22, 2009, if a mainland China company or individual intends to acquire its/his/her related domestic company through an offshore company which it/he/she lawfully established or controls, such acquisition shall be subject to the examination and approval of MOFCOM. The M&A Rules, among other things, further purport to require that an offshore special vehicle, or a special purpose vehicle, formed for [REDACTED] purposes and controlled directly or indirectly by mainland China companies or individuals, shall obtain the approval of the CSRC prior to the [REDACTED] and trading of such special purpose vehicle’s securities on an overseas stock exchange, especially in the event that the special purpose vehicle acquires shares of or equity interests in the mainland China companies in exchange for the shares of offshore companies.

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provision in the M&A Rules clearly classified contractual arrangements as a type of transaction subject to the M&A Rules. However, there is uncertainty as to how the M&A Rules will be interpreted or implemented.

SAFE REGISTRATION IN MAINLAND CHINA

Pursuant to the SAFE Circular on Foreign Exchange Administration of Overseas Investment, Financing and Round-trip Investments Conducted by Domestic Residents through Special Purpose Vehicles (《關於境內居民通過特殊目的公司境外融資及返程投資外匯管理有關問題的通知》) (the “**SAFE Circular 37**”), promulgated by SAFE and which replaced the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents’ Corporate Financing and Roundtrip Investment Through Offshore Special Purpose Vehicles (《關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知》) (the “**SAFE Circular 75**”) which became effective on July 14, 2014, (a) a mainland China resident must register with the local SAFE branch before he or she contributes assets or equity interests in an overseas special purpose vehicle (the “**Overseas SPV**”) that is directly established or indirectly controlled by the mainland China resident for the purpose of conducting investment or financing, and (b) following the initial registration, the mainland China resident is also required to register with the local SAFE branch for any major change in respect of the Overseas SPV, including, among other things, a change of Overseas SPV’s mainland China resident shareholder(s), the name of the Overseas SPV, terms of operation, or any increase or reduction of the Overseas SPV’s capital, share transfer or swap, and merger or division. Pursuant to SAFE Circular 37, failure to comply with these registration procedures may result in penalties.

Pursuant to the SAFE Circular on Further Simplification and Improvement in Foreign Exchange Administration on Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》) (the “**SAFE Circular 13**”), promulgated by SAFE which became effective on June 1, 2015, the power to accept SAFE registration was delegated from local SAFE to local banks where the assets or interest in the domestic entity are located.

As advised by JunHe LLP, our legal advisor as to the laws of mainland China, our Founder, Lei Jun and all of the Chinese resident Co-founders, namely, Hong Feng, Li Wanqiang, Liu De and Wang Chuan, have conducted the registration under the SAFE Circular 37.

The following diagram illustrates the corporate and shareholding structure of our Group immediately prior to the completion of the [REDACTED].



- (1) The Company is controlled through weighted voting rights, as represented by the diagram above. Each Class A Share has 10 votes and each Class B Share has one vote, capable of being exercised on resolutions in general meeting. For the Reserved Matters, the Class A Shares held directly and indirectly by Lei Jun and Lin Bin are only entitled to one vote per share, and in relation to the Reserved Matters, the percentage of voting rights Lei Jun and Lin Bin are capable of exercising are **[REDACTED]**% and **[REDACTED]**%, respectively, for resolutions with respect to matters other than the Reserved Matters, in relation to which each Share carries one vote. For further details, refer to the section headed “Share Capital.”
- (2) Hong Feng, Li Wanjiang, Lin Bin, Liu De, Wang Chuan, Wong Kong Kat and Zhou Guangping are our Co-founders.

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- (3) The entire interests of Smart Mobile Holdings Limited and Smart Player Limited are held on trust established for the benefit of, among others, Lei Jun and his family members. Additionally, pursuant to the Voting Proxy Agreements, certain minority shareholders have granted Lei Jun a voting proxy over Class B Shares representing [REDACTED]% of the issued share capital or [REDACTED]% of the voting rights of the Company with respect to the Reserved Matters, immediately upon completion of the [REDACTED] (assuming [the [REDACTED] is not exercised and] the options granted under the Pre-[REDACTED] ESOP are not exercised).
- (4) 240,000,000 Class A ordinary shares of par value US\$0.000025 each and 30,000,000 Series A Preferred Shares are held by Lin Bin as trustee on trust for the benefit of, among others, Lin Bin and his family members. The remaining shares are directly held by Lin Bin.
- (5) The entire interest of Natural Hero Limited is held on trust established for the benefit of, among others, Li Wanjing and his family members.
- (6) The entire interest of Mini Stone Limited is held on trust established for the benefit of, among others, Hong Feng and his family members.
- (7) Shunwei Ventures Limited is a wholly-owned subsidiary of Shunwei China Internet Fund L.P. Shunwei Capital Partners GP, L.P. is the general partner of Shunwei China Internet Fund L.P. Shunwei Capital Partners GP Limited is the general partner of Shunwei Capital Partners GP, L.P. which is controlled by Koh Tuck Lye, our non-executive Director. The entire interest of Gifted Jade Limited is wholly-owned by Koh Tuck Lye.
- (8) The entire interest of Lofty Power International Limited is held on trust established for the benefit of, among others, Liu De and his family members.
- (9) 27,304,168 Class B ordinary shares of par value US\$0.000025 each and 1,518,912 Series B-2 Preferred Shares are held by Zhou Guangping as trustee on trust for the benefit of, among others, Zhou Guangping and his family members. The remaining shares are directly held by Zhou Guangping.
- (10) The entire interest of Wisdom Bloom International Limited is held on trust established for the benefit of, among others, Wang Chuan and his family members.
- (11) The Morningside Group consists of Morningside China TMT Fund I, L.P., Morningside China TMT Fund II, L.P., China TMT Holding I Limited and China TMT Holding II Limited. For further information, refer to section headed “—Pre-[REDACTED] Investments—Information about our Principal Pre-[REDACTED] Investors.”
- (12) The remaining interest is held by the other Pre-[REDACTED] Investors. For details please see “—Pre-[REDACTED] Investments—Overview” above.
- (13) Fast Pace Subsidiaries include the following direct wholly-owned subsidiaries of Fast Pace Limited, all incorporated in the BVI:
 - (a) Blue Better Limited;
 - (b) People Better Limited;
 - (c) Red Better Limited; and
 - (d) Green Better Limited.
- (14) Other Xiaomi Offshore Subsidiaries include the following indirect subsidiaries of the Company:
 - (a) PT. Xiaomi Communications Indonesia, incorporated in Indonesia and owned by Xiaomi HK as to approximately 80.37% and Xiaomi Singapore as to approximately 19.63%;
 - (b) PT. Xiaomi Technology Indonesia, incorporated in Indonesia and owned by Xiaomi HK as to approximately 99.92% and Xiaomi Singapore as to approximately 0.08%;
 - (c) Taiwan Xiaomi Communications Co., Ltd. (臺灣小米通訊有限公司), established in Taiwan and wholly-owned by Xiaomi HK;
 - (d) Xiaomi Communications and Logistics India Private Limited, incorporated in India and owned by Xiaomi Singapore as to 99.9967% and Jain Manu Kumar, who is a director of Xiaomi India Technology, as to 0.0033%;
 - (e) Xiaomi Do Brasil Tecnologia Ltda., incorporated in Brazil and wholly-owned by Xiaomi Singapore;
 - (f) Xiaomi Malaysia SDN. BHD., incorporated in Malaysia and wholly-owned by Xiaomi Singapore;
 - (g) Xiaomi Philippines Corporation, incorporated in Philippines and owned by Xiaomi Singapore as to 99.9944% and Jose Cochingyan, Sheryl Bartolome, Aimee Abigail Salamat, [Liu Yi] and Enerie Medrano, all of whom are directors of Xiaomi Philippines Corporation, as to 0.0056% in aggregate;
 - (h) Xiaomi Technology Spain, S.L. incorporated in Spain and wholly-owned by Xiaomi H.K. Limited; and
 - (i) Xiaomi Singapore Fintech Private Limited incorporated in Singapore and wholly-owned by Xiaomi Finance H.K. Limited.
- (15) Zhigu Subsidiaries include:
 - (a) Maine Hub Company LLC, incorporated in the US and directly wholly owned by Zhigu Holdings Limited; and
 - (b) Artois LLC, incorporated in the US and wholly-owned by Maine Hub Company LLC.

[To the best knowledge of the Directors, each of Maine Hub Company LLC and Artois LLC was in the process of deregistration as of the Latest Practicable Date.]
- (16) Other Xiaomi Onshore Subsidiaries include the following indirect wholly-owned subsidiaries of the Company established in mainland China:
 - (a) Beijing Xiaomi Electronics Co., Ltd. (北京小米電子產品有限公司), which is wholly-owned by Xiaomi HK; and
 - (b) Beijing Xiaomi Software Co., Ltd. (北京小米軟件技術有限公司), which is wholly-owned by Xiaomi HK.
- (17) The remaining 30% interest in Timi Personal Computing Co., Ltd. (北京田米科技有限公司) is held by two indirect wholly-owned subsidiaries of the Company, as to 20% and 10% and the company transfer registration is being obtained.
- (18) Other Xiaomi Communications Subsidiaries include the following direct wholly-owned subsidiaries of Xiaomi Communications:
 - (a) Xiaomi Technology (Wuhan) Co., Ltd. (小米科技(武漢)有限公司);

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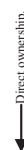
- (b) Xiaomi Home Commercial Co., Ltd. (小米之家商業有限公司);
- (c) Xiaomi Home Technology Co., Ltd. (小米之家科技有限公司);
- (d) Guangdong Xiaomi Inc. (廣東小米科技有限責任公司);
- (e) Zhuhai Xiaomi Communications Co., Ltd. (珠海小米通訊技術有限公司);
- (f) Tibet Zimi Communications Co., Ltd. (西藏紫米通訊技術有限公司); and
- (g) Guangzhou Xiaomi Communications Co., Ltd. (廣州小米通訊技術有限公司).
- (19) Xiaomi Inc. Subsidiaries include:
- (a) Tianjin Jinxing Investment Co., Ltd. (天津金星投資有限公司), which is wholly-owned by Xiaomi Inc.;
- (b) Xiaomi Industrial Investment Management Co., Ltd. (小米產業投資管理有限公司), which is wholly-owned by Tianjin Jinxing Investment Co., Ltd. (天津金星投資有限公司);
- (c) Jiefu Ruitong Inc. (捷付睿通股份有限公司), which is owned by Xiaomi Inc. as to 65% and Shengyin Herui Technology Co., Ltd. (盛銀和睿科技(香港)有限公司) and Wu Jun, both of whom are Independent Third Parties, as to 32% and 3%, respectively. As part of the XMF Restructuring, the equity interest in Jiefu Ruitong held by Xiaomi Inc. is in the process of being transferred to Beijing Electronic Software, subject to the approvals from the relevant regulatory authorities in mainland China;
- (d) Hubei Xiaomi Changjiang Industrial Investment Fund Partners (Limited Partnership) (湖北小米長江產業基金合夥企業(有限合夥)), which is a limited partnership controlled by its general partner Hubei Xiaomi Changjiang Industrial Investment Fund Management Limited (湖北小米長江產業投資基金管理有限公司) and its interest is owned by Xiaomi Inc. as to 99.50% and Hubei Xiaomi Changjiang Industrial Investment Fund Management Limited (湖北小米長江產業投資基金管理有限公司) as to 0.50%;
- (e) Hubei Jiayue Equity Investment Partners (Limited Partnership) (湖北嘉月股權投資合夥企業(有限合夥)), which is a limited partnership controlled by its general partner Hubei Xiaomi Changjiang Industrial Investment Fund Management Limited (湖北小米長江產業投資基金管理有限公司) and its interest is owned by Hubei Xiaomi Changjiang Industrial Investment Fund Partners (Limited Partnership) (湖北小米長江產業投資基金管理有限公司) as to 99.11% and Hubei Xiaomi Changjiang Industrial Investment Fund Management Limited (湖北小米長江產業投資基金管理有限公司) as to 0.99%;
- (f) Tianjin Zhongmi Enterprise Management Partners (Limited Partnership) (天津衆米企業管理合夥企業(有限合夥)), is a limited partnership controlled by its general partner Tianjin Jinxing Investment Co., Ltd. (天津金星投資有限公司) and its interest is owned by Tianjin Jinxing Investment Co., Ltd. (天津金星投資有限公司) as to 0.003% and 15 limited partners, all of which are controlled by their general partner Tianjin Jinxing Investment Co., Ltd. (天津金星投資有限公司), as to the remaining 99.997% in aggregate;
- (g) Tianjin Gold Mi Investment Partners (Limited Partnership) (天津金米投資合夥企業(有限合夥)), is a limited partnership controlled by its general partner Tianjin Jinxing Investment Co., Ltd. (天津金星投資有限公司) and its interest is owned by Tianjin Jinxing Investment Co., Ltd. (天津金星投資有限公司) as to 70.65% and Tianjin Zhongmi Enterprise Management Partners (Limited Partnership) (天津衆米企業管理合夥企業(有限合夥)) as to 29.35%; and
- (h) Hubei Xiaomi Changjiang Industrial Investment Fund Management Limited (湖北小米長江產業投資基金管理有限公司) is owned by Xiaomi Industrial Investment Management Co., Ltd. (小米產業投資管理有限公司) as to 80% and [Hubei Changjiang Economic Belt Industry Fund Management Co., Ltd. (湖北省長江經濟帶產業基金管理有限公司)] as to 15% and Wuhan Guanggu Industry Investment Fund Management Co., Ltd. (武漢光穀產業投資基金管理有限公司) as to 5%; and
- (i) Chongqing Xiaomi Commercial Factoring Co., Ltd. (重慶小米商業保理有限公司).
- (20) Beijing Payment Technology Subsidiaries include the following direct wholly-owned subsidiaries of Beijing Payment Technology:
- (a) Chengdu Beida Asset Management Co., Ltd. (成都倍達資產管理有限公司); and
- (b) Shanghai Xiaomi Financial Information Service Co., Ltd. (上海小米金融信息服務有限公司).
- (21) Beijing Electronic Software Subsidiaries include:
- (a) the following direct wholly-owned subsidiaries of Beijing Electronic Software:
- Xiaomi Credit Management Co. Ltd. (小米信用管理有限公司);
 - Shanghai Xiaomi Huikue Information Service Co., Ltd. (上海小米慧科信息技術服務有限公司);
 - Sichuan Silver Mi Technology Co., Ltd. (四川銀米科技有限責任公司);
- (b) Beijing Xiaomi Insurance Brokers Co., Ltd. (北京小米保險經紀有限公司), which is wholly-owned by Sichuan Silver Mi Technology Co., Ltd. (四川銀米科技有限責任公司); and
- As of the Latest Practicable Date, Jiefu Ruitong Inc. (捷付睿通股份有限公司) (“Jiefu Ruitong”) was held by Xiaomi Inc. (a company outside of the XMF Group) as to 65% and Shengyin Herui Technology Co., Ltd. (盛銀和睿科技(香港)有限公司) and Wu Jun, both of whom are Independent Third Parties, as to 32% and 3%, respectively.
- (22) The remaining 28.41% interest in Pinecone International is held by X-Lab Limited as to 23.30% and Zhou Guangping as to 5.11%. X-Lab Limited is wholly-owned by the founder of Pinecone International.

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(23) Beijing Zhigu Subsidiaries include:

- (a) Beijing Zhigu Ruituo Tech Co., Ltd. (北京智毅睿拓技術服務有限公司), which is wholly-owned by Beijing Zhigu Tech Co., Ltd. (北京智毅技術服務有限公司);
- (b) Beijing Zhigu Technology Consulting Service Co., Ltd. (北京智毅技術諮詢服務有限公司), which is wholly-owned by Beijing Zhigu Ruituo Tech Co., Ltd. (北京智毅睿拓技術服務有限公司); and
- (c) Beijing Ruichuang Investment Management Center (Limited Partnership) (北京睿創投資管理中心(有限合伙)), which is a limited partnership controlled by its general partner Beijing Zhigu Technology Consulting Service Co., Ltd. (北京智毅技術諮詢服務有限公司). The interest in Beijing Ruichuang Investment Management Center (Limited Partnership) (北京睿創投資管理中心(有限合伙)) is owned by Beijing Zhigu Technology Consulting Service Co., Ltd. (北京智毅技術諮詢服務有限公司) as to 10%, Tianjin Gold Mi Investment Partners (Limited Partnership) (天津金米投資合夥企業(有限合伙)) as to 30%, Zhongguancun Science Park Haidianyuan Entrepreneurial Service Center (中關村科技園區海澱園創業服務中心) as to 20%, Beijing Zhongguancun Entrepreneurial Investment Development Co., Ltd. (北京中關村創業投資發展有限公司) as to 20%, Chengdu Jinshan Hudong Entertainment Technology Co., Ltd. (成都金山互動娛樂科技有限公司) as to 10%, and Huizhou TCL Mobile Communication Co., Ltd. (惠州TCL移動通信有限公司) as to 10%. Beijing Zhigu Technology Consulting Service Co., Ltd. (北京智毅技術諮詢服務有限公司) and Tianjin Gold Mi Investment Partners (Limited Partnership) (天津金米投資合夥企業(有限合伙)) are wholly-owned subsidiaries of the Group. Zhongguancun Science Park Haidianyuan Entrepreneurial Service Center (中關村科技園區海澱園創業服務中心), Beijing Zhongguancun Entrepreneurial Investment Development Co., Ltd. (北京中關村創業投資發展有限公司), Chengdu Jinshan Hudong Entertainment Technology Co., Ltd. (成都金山互動娛樂科技有限公司) and Huizhou TCL Mobile Communication Co., Ltd. (惠州TCL移動通信有限公司) are Independent Third Parties.

The following diagram illustrates the corporate and shareholding structure of our Group immediately following to the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and the options granted under the Pre-[REDACTED] ESOP are not exercised). In relation to the shareholding of the Company, the diagram below illustrates the voting power of the Shareholders.



Contractual Arrangements, see the section headed "Contractual Arrangements" for details.

Notes (1) to (23): Please refer to the details contained in the preceding pages subject to adjustments for the Share Subdivision and the conversion of the Preferred Shares to Class B Shares.

(1) to (4-5): A table refers to the details contained in the preceding pages subject to adjustment for the conversion of the Reserved Shares to Class B Shares.

24) The Company is controlled through weighted voting rights, as represented by the diagram above. Each Class A Share has 10 votes and each Class B Share has one vote, capable of being exercised on resolutions in general meetings. For the Reserved Matters, the Class A Shares held directly and indirectly by Lei Jun and Lin Bin are only entitled to one vote per share, and for all matters other than the Reserved Matters, the percentage of voting rights Lei Jun and Lin Bin are capable of exercising are [REDACTED]% and [REDACTED]%, respectively. For further details, refer to the section headed “Share Capital.”

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(25) [REDACTED]