

SHARE CAPITAL

AUTHORIZED AND ISSUED SHARE CAPITAL

The following is a description of our authorized share capital as of the Latest Practicable Date and immediately following the completion of the Global Offering:

Authorized Share Capital

	<u>CLASS OF SHARES</u>	<u>SHARES</u>	<u>TOTAL PAR VALUE</u> <u>(US\$)</u>
Authorized share capital	Shares of common stock	1,000,000,000	10,000,000
	Shares of preferred stock	100,000,000	1,000,000

Our authorized share capital consists of 1,000,000,000 Shares of common stock, with a par value of US\$0.01 per Share, and 100,000,000 shares of preferred stock, with a par value of US\$0.01 per share. As of the Latest Practicable Date, 377,195,679 Shares of common stock were issued and outstanding, and no share of preferred stock was issued and outstanding.

Issued Share of Common Stock

<u>Description of Shares</u>	<u>Shares</u>	<u>Total par value</u> <u>(US\$)</u>	<u>Approximate percentage of authorized shares of common stock</u> <u>%</u>
Issued and outstanding Shares of common stock	377,195,679	3,771,956.79	37.7
Issued and outstanding Shares of common stock immediately following completion of the Global Offering (assuming no exercise of the Over-allotment Option)	419,106,379	4,191,063.79	41.9
Issued and outstanding Shares of common stock immediately following completion of the Global Offering (assuming full exercise of the Over-allotment Option)	425,392,979	4,253,929.79	42.5

Assumptions

The above table assumes that the Global Offering becomes unconditional and the Shares are issued pursuant to the Global Offering. The above does not take into account any allotment and issuance of Shares pursuant to the 2016 Plan, the Warrant 1 or the Warrant 2, and any issuance or repurchase and cancellation of Shares that we may make after the Latest Practicable Date.

RANKING

Our Company will have only one issued class of Shares upon completion of the Global Offering. The issued Shares are Shares of common stock in the share capital of our Company and rank *pari passu* in all respects with all Shares of common stock currently in issue or to be issued and, in particular, will rank equally and in full for all dividends or other distributions declared, made or paid on the Shares of common stock in respect of a record date which falls after the date of this prospectus.

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Under the terms of our Certificate of Incorporation, our Board is authorized, subject to limitations prescribed by DGCL, to issue up to 100,000,000 shares of preferred stock in one or more series without further action by the holders of our Shares of common stock, and has the discretion, subject to limitations prescribed by the DGCL and by our Certificate of Incorporation, to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of shares of preferred stock.

2016 PLAN

See “Directors, Senior Management and Employees — Compensation — Incentive Plans — 2016 Plan” and “Appendix IV — Statutory and General Information — D. Incentive Plans — 2. 2016 Plan” for further details.

SHARE REPURCHASES

Share Repurchase under the Investment Agreements

Pursuant to the investment agreements we entered into with each of Pollos Investment and API Investment dated September 1, 2016, we issued 17,064,172.74 and 2,080,996.68 Shares of common stock at US\$24.03 per share to Primavera and Ant Financial, respectively, on November 1, 2016, subject to adjustment depending on the volume-weighted average trading price (the “VWAP”) of Shares of common stock for a specified period post-closing. If the adjusted VWAP price per share exceeded US\$24.03, we were required to repurchase for par value per Share a number of Shares held by Primavera and Ant Financial. On January 9, 2017, we repurchased from Primavera and Ant Financial 699,394.74 and 85,291.68 Shares of common stock, respectively, at par value of US\$0.01 per Share, based on the adjusted VWAP price per Share as determined on December 30, 2016.

Share Repurchase Program

One February 7, 2017, our Board authorized a US\$300 million share repurchase program. On October 4, 2017, such authorization was increased from US\$300 million to an aggregate of US\$550 million. On October 30, 2018, the Board further expanded the share repurchase authorization to an aggregate of US\$1.4 billion. For the six months ended June 30, 2020 and the years ended December 31, 2019, 2018 and 2017, we repurchased 0.2 million, 6.2 million, 9.0 million and 3.4 million Shares of our common stock at a total costs of US\$7 million, US\$261 million, US\$312 million and US\$128 million, respectively. As of June 30, 2020, US\$692 million remained available for future share repurchases under the authorization. We may repurchase Shares under this program from time to time in open market or privately negotiated transactions, including block trades, accelerated share repurchase transactions and the use of Rule 10b5-1 trading plans.

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The table below summarizes the repurchases we made during the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2020.

Month	Total number of Shares purchased⁽¹⁾ (thousands)	Average price paid per Share⁽²⁾ (US\$)	Approximate dollar value of Shares that may yet be repurchased under the plans or programs (millions)
For the year ended December 31, 2017			
March 2017	–	–	–
April 2017	37	33.06	299
May 2017	1,036	36.39	261
June 2017	1,651	39.98	195
July 2017	523	36.75	176
August 2017	109	36.52	172
September 2017	–	–	–
October 2017	–	–	–
November 2017	–	–	–
December 2017	–	–	–
For the year ended December 31, 2018			
January 2018	–	–	–
February 2018	–	–	–
March 2018	–	–	–
April 2018	39	38.68	420
May 2018	1,471	38.20	364
June 2018	400	39.18	349
July 2018	1,514	35.76	295
August 2018	–	–	295
September 2018	1,152	34.33	255
October 2018	3,389	32.59	995
November 2018	136	34.84	990
December 2018	897	33.53	960
For the year ended December 31, 2019			
January 2019	896	34.24	929
February 2019	314	41.44	916
March 2019	497	42.28	895
April 2019	471	44.62	874
May 2019	822	41.28	840
June 2019	466	42.90	820
July 2019	495	44.45	798
August 2019	498	44.09	776
September 2019	438	45.69	756
October 2019	526	43.69	733
November 2019	466	42.94	713
December 2019	309	45.87	699
For the six months ended June 30, 2020			
January 2020	127	43.38	693
February 2020	36	43.87	692
March 2020	–	–	692
April 2020	–	–	–
May 2020	–	–	–
June 2020	–	–	–

(1) The Shares of common stock repurchased by our Company for such period have been rounded to the nearest thousands.

(2) Pursuant to our share repurchase program, we repurchased Shares of common stock from the market.

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REGISTRATION RIGHTS

We have granted to Primavera and Ant Financial (the “**Investors**”) certain customary registration rights with respect to their Shares of common stock, including demand registration rights (no more than two written requests of the Company in any given calendar year and no more than four in the aggregate) and piggyback registration rights. Upon request from the Investors, we are required to file a shelf registration statement with the SEC and use commercially reasonable efforts to cause the shelf registration statement to become effective (and to remain effective for five years, or if earlier, until the securities covered by the shelf registration statement have been sold or until the Investors no longer hold at least 2% of the Company’s Shares of common stock). The Investors are entitled to assign their registration rights to a transferee in a permitted transfer, and any rights and obligations under the shareholders agreement to any of their respective affiliates.

Demand Registration Rights

Subject to any applicable lock-up agreement they may enter into, at any time after the completion of our initial public offering, the Investors have the right to demand that we file a registration statement for disposition in accordance with the intended method of disposition stated in such demand. We have the right to postpone, upon written notice to the Investors, the filing or the effectiveness of a registration statement or require the Investors to suspend the use of this prospectus for sales of registrable securities in respect of any demand registration in the event of a black period of up to 60 days if the Board determines in good faith that such registration and offering would reasonably be expected to materially adversely detrimental to us, provided that we may not utilize this right more than once in any 12-month period.

Piggyback Registration Rights

If we initiate any underwritten offering, we shall notify all holders of registrable securities and afford them an opportunity to include in the registration all or any part of their registrable securities that each such holder may request to be registered.

Form S-3 Registration Rights

The Investors have the right to request, by written notice, that we file a registration statement on Form S-3 providing for an offering to be made on a continuous basis pursuant to Rule 415 under the U.S. Securities Act to permit or facilitate the offer, sale and distribution, from time to time, of an amount of registrable securities then held by the Investors that equals or is greater than the registrable amount. We also have the right to postpone a registration pursuant to this request in the event of a blackout period of up to 60 days if the Board determines in good faith that it would be seriously detrimental to us for such registration statement to be filed. We may not utilize this right more than once in any 12-month period.

Withdrawal Rights

The Investors, after having notified or directed the Company to include any or all of their registrable securities in a registration statement under the U.S. Securities Act, shall have the right to withdraw any such notice or direction with respect to any or all of the registrable securities designated by it for registration by giving written notice to such effect to the Company.

Expenses of registration

We will pay all expenses (other than underwriting discounts and commissions) in connection with the demand registration, Form S-3 registration and piggyback registration including,

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among others, (i) all registration and filing fees, (ii) printers' and accounting fees, (iii) messenger, telephone and delivery expenses, (iv) fees and disbursements of our public accountants and counsel and the Investors' counsel, and (v) our expenses incurred in connection with any "road show."

Limitation on granting of further registration rights

We shall not, without the prior written consent of the Investors, enter into any agreement with any holder or prospective holder of any securities of the Company that would allow such holder or prospective holder to (i) require us to effect a registration or (ii) include any securities in any registration filed under demand registration rights, piggyback registration rights and Form S-3 registration rights.