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Investing in the [REDACTED] involves a high degree of risk. You should carefully consider all the information set forth in this document and, in particular, the risks and uncertainties described below and all of the other information in this document, including the Accountants’ Report contained in Appendix IA and the unaudited interim condensed consolidated financial information set out in Appendix IB to this document, before making an investment in our [REDACTED]. Our business, financial conditions, results of operations or prospects could be materially and adversely affected by any of these risks and uncertainties. The [REDACTED] of our [REDACTED] may decline due to any of these risks and uncertainties, and you may lose all or part of your investment. This document also contains forward-looking information that involves risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors, including the risks described below and elsewhere in this document.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

Due to our limited operating history in an emerging and rapidly evolving market, our historical results may not be indicative of our future performance.

Rental consumption market is a new and rapidly evolving market in China. As the early mover and a major player in this market, we started our business operations in 2015. Our limited operating history may make it difficult to evaluate our future prospects and the risks and uncertainties associated with new offerings, and our historical performance may not be indicative of our future prospects and operating results. We have expanded rapidly since our inception. For the years ended December 31, 2023, 2024, and the nine months ended September 30, 2024 and 2025, we recorded revenue of RMB293.9 million, RMB420.9 million, RMB299.1 million and RMB355.7 million, respectively. However, there can be no assurance that we will be able to maintain our historical growth rates in the future. Our revenue growth may slow down and even decline for a number of possible reasons, some of which are beyond our control, including, among others, increasing competition, slower growth of China’s rental consumption industry, which is still at a transitional stage from the traditional products ownership model to right-to-use model, the emergence of alternative business models and adverse changes in the general economic conditions. If our growth rate declines, [REDACTED] perceptions of our business and prospects may be adversely affected. We aim to continue to expand our businesses and explore new market opportunities. You should consider our prospects and future profitability in light of the risks, uncertainties, and difficulties encountered by any new company. Such risks and uncertainties may affect our ability to develop and maintain our range of services for our customers and partners, as well as the potential to compete with our competitors.

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Furthermore, as part of our business initiatives and growth strategies, we introduced platform services and value-added services to merchants, and we plan to diversify our service offerings in the future. However, the implementation of our business strategies and future plans is also expected to require significant management efforts, whilst incurring additional expenditures. Also, our business plans and strategies have been formulated based on a number of assumptions, many of which are beyond our control and cannot be ascertained. Given the fast development of the rental consumption industry, there is no assurance that our business strategies and future plans will achieve wide market reception, generate revenues or profit, or increase our market shares. If our efforts fail to enhance our monetization capabilities and market positions, we may not be able to maintain or increase our revenues or recover any associated costs, and our business and results of operations may be impacted, which may materially and adversely impact our business and results of operations.

If we fail to implement new technologies, develop and provide innovative features and services, respond to evolving user preferences, enhance user experience of our online Renrenzu platform, or optimize our technology systems, we may not be able to improve user experience, which may have a material and adverse effect on our user growth and retention, business, financial condition and results of operations.

Our success depends upon our ability to attract and retain merchants and users. Our ability to retain and attract users largely depends on, among others, the variety of rental consumption products available on our online platform. Our ability to retain and attract merchants primarily depends on the number of the users using our online platform. To encourage more merchants and users to come and stay on our online platform, improving user experience for both is a must.

The major functionalities of our online platform, such as the intelligent order matching and risk assessment systems, are largely dependent on our technology capabilities. Our technology capabilities such as our capabilities in big data analytics are crucial to us continuing to retain and attract users to our online platform.

In addition, an important way to improve user experience and attract more users is to introduce innovative services and features that are useful for users and that encourage more frequent use of our online platform. To develop, support and maintain such innovative services and features often requires implementation of new technologies, and we intend to continue to devote resources to the development of additional technologies and services. However, implementation of new technologies in our system may take a long time and may involve technical challenges and large amounts of capital and personnel resources. We may not be able to effectively integrate new technologies on a timely basis, or at all, which may decrease user satisfaction with our services. Such technologies, even if integrated, may not function as expected or may be unable to attract and retain a substantial number of users to use our online platform. Our failure to keep pace with rapid technological changes may cause our user retention to suffer.

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In addition, we must also continue to respond promptly to evolving user preferences, enhance the user friendliness of our online platform, optimize our mobile applications, and otherwise continue to improve our technology systems, all of which may require us to incur substantial costs and expenses. If such costs and expenses fail to effectively translate into improved user experience or user growth, we may not be successful in retaining and attracting our users.

We cannot assure you that our efforts to improve user experience and enlarge user base will always be successful. We also cannot predict whether our new products, service and features will be well received by users consistently, or whether we will be successful in cost-effectively implementing new technologies, enhancing user friendliness of our online platform, and otherwise improving our technology systems. If we cannot improve user experience, we may not be able to retain or attract users, and our business, financial condition and results of operations may be materially and adversely affected.

Our business depends on the continued success of our brands, and if we fail to maintain and enhance the recognition of our brands cost-effectively, or the recognition of our brands is adversely affected by any negative publicity concerning us or our directors, management, shareholders or business partners, our reputation and operating results may be harmed.

We believe that maintaining and enhancing our brands is important to the success of our business. Well-recognized brands are critical to increasing the number and the level of engagement of our users. Since we operate in a competitive industry, brand maintenance and enhancement also directly affect our ability to maintain our market position. We have continued to exercise strict quality control on our online platform to ensure that our brand image is not tarnished by substandard services. We have also conducted and will continue to conduct various marketing and brand promotion activities both online and offline to enhance our brands, to guide public perception of our brands, services, and ultimately to distinguish our online platform from those of our competitors. We have historically spent significantly on these marketing and promotional activities, with our selling and marketing expenses accounting for 33.2%, 39.4% and 42.5% of our revenue in the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2025, respectively, and we may need to increase such selling and distribution expenses in the future to continue to maintain and enhance brand awareness and brand loyalty, to retain and attract users as well as to promote our online platform. However, there can be no assurance that these sales and marketing activities will be successful or that we will be able to achieve the brand promotion effect we expect from them. If we cannot properly manage our sales and marketing expenses or if our sales and marketing activities underperform our expectations, our financial condition, results of operations and business prospects will be damaged as a result.

Moreover, any negative publicity relating to our company, services or our directors, management, shareholders or business partners, regardless of its veracity, could harm our brands and the perception of our brands in the market. As our business expands and grows, we may be exposed to heightened public scrutiny in markets where we already operate as well as in new markets where we may operate. We could become a target for regulatory or public scrutiny in the future and scrutiny and public exposure could severely damage our reputation as well as our business and prospects.

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Furthermore, our brand names and our business may be harmed by aggressive marketing and communication strategies by competitors and third parties. We may be subject to government or regulatory investigation or third-party claims as a result and we may be required to spend significant time and incur substantial costs to react to and address these consequences. There is no assurance that we will be able to effectively refute each of the allegations within a reasonable period of time, or at all. Additionally, public allegations, directly or indirectly, against us or our directors, management, shareholders or business partners, may be posted online by anyone on an anonymous basis. The availability of information on social media platforms is virtually immediate, as is its impact. Social media platforms may not necessarily filter or check the accuracy of information before publishing them, and we may be afforded little or no time to respond. As a result, our reputation may be materially and adversely affected, our ability to attract and retain users and maintain our market share may suffer, and our financial conditions may deteriorate.

Our users and merchants may engage in intentional or negligent misconduct or other improper activities on our online platform or otherwise misuse our online platform, which may damage our brand image and reputation, our business and our results of operations.

Our online platform allows merchants to provide rental consumption services to our users. We adopt comprehensive onboarding procedures to verify the identity of our users and merchants. We also regularly monitor the activities of our users and merchants on our online platform. Since we have limited control over the real-time and offline behavior of our users and merchants, it is still possible for our online platform to be misused by our users and merchants for inappropriate or illegal purposes.

We may be required by relevant governmental authorities to report certain misbehaviors for further investigation if such misbehaviors are subject to regulatory investigation or other governmental proceedings. Notwithstanding our effort to provide reminders to stakeholders of relevant rules and regulations in addition to our detection and filtering mechanism, we may not be able to identify every incident of inappropriate content or illegal or fraudulent activities, prevent all such content from being further disseminated or prohibit such activities from occurring. We may not be able to filter all the content generated by our users and merchants as it appears, especially in the context of actual usage of the rental consumption products. Therefore, our users and merchants may engage in illegal, obscene or incendiary conversations or engage in unethical or illegal activities via our online platform. If user and merchants misconduct and misuse of our online platform for inappropriate or illegal purposes occur on our online platform, claims may be brought against us for torts, defamation, libel, negligence, copyright, patent or trademark infringement. In response to allegations of illegal or inappropriate activities conducted through our online platform, relevant governmental authorities may intervene and hold us liable for noncompliance with applicable laws and regulations and subject us to administrative penalties or other sanctions, such as requiring us to restrict or discontinue some or all of our features and services. Our business and public perception of our brands may be materially and adversely affected if we do face civil lawsuits or other liabilities initiated by such affected users or merchants. Defending any actions brought by such affected users or merchants could be costly and require significant time and attention of our management and other resources, which would materially and adversely affect our business.

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Our business is subject to a variety of laws, regulations, rules, policies, and other obligations regarding privacy, data protection, and cybersecurity. Any losses, unauthorized access, or releases of confidential information or personal information could subject us to significant reputational, financial, legal, and operational consequences.

We receive, transmit, and store a large volume of personally identifiable information and other data on our platform. We are subject to numerous laws and regulations that address privacy, data protection, and the collection, storage, utilization, processing, transferring, provision, disclosure, and deletion of certain types of data. See “Regulations” for laws, rules, and regulations applicable to us, including the PRC Cybersecurity Law (《中華人民共和國網絡安全法》) last amended on October 28, 2025 and effective in January, 2026, the PRC Data Security Law (《中華人民共和國數據安全法》) effective in September 2021, and the PRC Personal Information Protection Law (《中華人民共和國個人信息保護法》) effective in November 2021. Interpretation, application, and enforcement of these laws, rules, and regulations evolve from time to time and their scope may continually change through new legislation, amendments to existing legislation, and changes in enforcement. We have incurred, and will continue to incur, significant expenses in an effort to comply with privacy, data protection, and cybersecurity standards and protocols imposed by laws, regulations, national and industry standards, or contractual obligations. Changes in existing laws or regulations or adoption of new laws and regulations relating to privacy, data protection, and cybersecurity, particularly any new or modified laws or regulations that require enhanced protection of certain types of data or new obligations with regard to data retention, protection, transfer, disclosure, or deletion, could greatly increase the cost to us of providing our service offerings or require significant changes to our operations.

Despite our efforts to comply with applicable laws, regulations, and other obligations relating to privacy, data protection, and cybersecurity, it is possible that our practices, offerings, or platform could fail to meet all of the requirements imposed on us by such laws, regulations, or obligations. Any failure on our part to comply with applicable laws or regulations or any other obligations relating to privacy, data protection, or cybersecurity, or any compromise of security that results in unauthorized access, use, or release of personally identifiable information or other data, or the perception or allegation that any of the foregoing types of failure or compromise has occurred, could damage our reputation, discourage new and existing users and merchants from using our platform, or result in investigations, fines, suspension of one or more of our apps, or other penalties by government authorities and private claims or litigation, any of which could materially and adversely affect our business, financial condition, and results of operations. Even if our practices are not subject to legal challenge, the perception of privacy concerns, whether or not valid, may harm our reputation and brand and adversely affect our business, financial condition, and results of operations.

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In addition, pursuant to the Revised Measures for Cybersecurity Review (《网络安全审查办法》) effective on February 15, 2022, a critical information infrastructure operator purchasing network products and services, and platform operators carrying out data processing activities, which affect or may affect national security, must apply for cybersecurity review and that a platform operator with more than one million users’ personal information aiming to list abroad must apply for cybersecurity review. As of the Latest Practicable Date, we have not been notified or identified as a critical information infrastructure operator by any domestic authority responsible for critical information infrastructure security protection. Nevertheless, the Regulations on the Administration of Cyber Data Security, which came into effect on January 1, 2025, require data processors to, among others, apply for cybersecurity reviews in certain situations including conducting data processing activities that affects or may affect national security. However, the regulations do not specify what constitutes “affects or may affect national security.” Given that the meaning of activities that “affect or may affect national security” under current PRC laws and regulations requires further clarification from the competent authorities, and the identification of “critical information infrastructure operators” and the scope of “network products and services” and “data processing activities that affect or may affect national security” are subject to further clarification and interpretation by the competent authorities, we cannot assure you that we will not be subject to the cybersecurity review or that new rules or regulations promulgated in the future will not impose additional compliance requirements on us.

We may be involved in legal proceedings associated with the rental consumption process, which may have a material adverse effect on our business and results of operations.

We are exposed to potential claims associated with the rental consumption process, including claims by users seeking to hold us liable for merchants who subsequently provides defective rental consumption products and claims by merchants alleging breach of rental consumption service agreements or other violations of other laws or regulations by our users. Most of such claims involve us as a third party without independent claim rights, and we do not substantively bear obligations under the relevant court judgments; however, notwithstanding the foregoing, such claims, regardless of merit, may still force us to participate in time-consuming, costly litigation or investigation, divert significant management and staff attention, and damage our reputation and brand names.

If our merchants’ product profiles are out-of-date, inaccurate, fraudulent or lack credible information, we may not be able to effectively create value for our users, which could materially and adversely impact our reputation and business prospects.

We adopt comprehensive onboarding procedures to verify the identity of merchants, and we also have ongoing risk assessment procedures for them. See “Business — Risk Management and Internal Control” for further details. However, we cannot assure you that we will be able to remove all merchants that submit out-of-date, inaccurate, fraudulent or otherwise incredible product profiles to our database. If we are not able to effectively filter out these merchants, our users may be misled or even defrauded by them, wasting their time and resources in the rental consumption process, and our reputation and business prospects will also be materially and adversely impacted as a result. We might also be ordered to make rectifications or even be subject to confiscation of illegal gains if we fail to review the authenticity and legality of the materials provided by the merchants in accordance with the PRC laws.

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If we fail to attract more merchants to our online platform, or if merchants decide to use less of our services for any reason, our revenue may stagnate or decline and our business and prospects may be materially and adversely affected.

Merchants are our customers, and attracting more merchants to our online platform is therefore of critical importance to us. Due to their contribution to our revenue, we need to invest in developing and promoting services that meet their needs. We, however, cannot assure you that our efforts will convince more merchants to use our online platform. There is also no guarantee that our existing merchants will continue to use our online transaction services at the same frequency going forward, as competition may put pressure on the demand and pricing for our online transaction services. If we are not successful in expanding our merchant base, our revenues may stagnate or decline and our business and prospects may be materially and adversely affected.

Our international expansion strategy involves replicating our well-established services from Chinese Mainland into other global markets. This expansion may expose us to operational, regulatory, and market risks.

We intend to expand business internationally. However, our international expansion is subject to a number of risks and uncertainties. We may not be able to successfully expand our business internationally, or our international expansion may not meet our expectations. The success of our international expansion will depend on a number of factors, including our ability to adapt our services to the local needs of our international customers, and our ability to comply with the local laws and regulations of the jurisdictions in which we operate. Furthermore, we must effectively manage the cultural and linguistic differences between our international employees and our employees in Chinese mainland, and compete effectively with local and international competitors in our international markets. Finally, we must manage the political and economic risks associated with operating in foreign jurisdictions. If we are not able to successfully manage these and other risks, our international expansion could have a material and adverse effect on our business, financial condition, and results of operations.

If user traffic to our online platform stagnates or declines for any reason, our operating and financial prospects may be harmed.

Our ability to attract and maintain user traffic to our online platform is important for our continuing growth. If user traffic to our online platform stagnates or declines for any reason, our business and results of operations may be harmed. We depend in part on various app stores, internet search engines and portals to direct a significant amount of user traffic to our mobile applications. However, the amount of user traffic directed to our mobile applications is not entirely within our control. Our competitors’ better relationship with certain app stores or social media platforms, greater online presence or news coverage, and more search engine optimization efforts may result in their mobile applications and websites receiving more directed user traffic or a higher search result page ranking than ours. App stores could recommend mobile applications from our competitors more prominently than they do ours, social media platforms may direct more attention to products and services from our

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competitors, and internet search engines could revise their methodologies, which may adversely affect the placement of our search result page ranking. Any such changes could decrease user traffic to our mobile applications and websites and adversely affect the growth of our user base, which may in turn harm our business and operating results.

Our online platform depends on effective interoperation with mobile and computer operating systems, hardware, networks, regulations, and standards that we do not control. Changes in our online platform or to those operating systems, hardware, networks, regulations, or standards may seriously harm our merchant and user retention, growth, and engagement. Our business depends on our ability to maintain and scale our technology infrastructure. Any service disruption in our services could damage our reputation, result in a potential loss of merchants and users and decrease in merchant and user engagement, and seriously harm our business.

Our online platform, especially its mobile applications, must remain interoperable with popular operating systems, such as iOS and Android, and related hardware. We have no control over these operating systems or hardware, and any changes to these systems or hardware that degrade the functionality of our services, or give preferential treatment to competitive online platforms, could seriously harm usage of our online platform. When we introduce new services in the future it may take time to optimize such services to function with these operating systems and hardware, thereby impacting the popularity of such services.

To deliver high quality services through our online platform, it is crucial that our online platform works well with a range of mobile technologies, systems, networks, regulations and standards that we do not control. In particular, any future changes to iOS or Android operating systems may impact the accessibility, speed, functionality and other performance aspects of our online platform.

Our business and the continuing performance, reliability and availability of our technology systems and online platform also depend on the performance and reliability of China’s internet, mobile, and other infrastructures that are not under our control. Disruptions in internet infrastructure or the failure of telecommunications network operators to provide us with the bandwidth needed to provide our services may interfere with the speed and availability of our services on our online platform. If our online platform is unavailable when merchants and users attempt to access them, or if our online platform does not respond as quickly as merchants and users expect, merchants and users may not return to use our online platform as often in the future, or at all, and may use our competitors’ products or services instead. In addition, we have no control over the costs of the services provided by China’s telecommunications operators. If mobile internet access fees or other charges to internet users increase, merchant and user traffic may decrease, which may in turn cause our revenues to significantly decrease.

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We have been and may in the future be subject to legal proceedings during the course of our business operations. Our directors, management, shareholders and employees also may in the future be subject to legal proceedings, which could adversely affect our reputation and results of operations.

From time to time, we are subject to allegations, and may be party to legal claims and regulatory proceedings, relating to our business operations and business partners. Such allegations, claims and proceedings may be brought by third parties directly against us, or initiated by us in the ordinary course of our business, in each case where we act as a party to such proceedings. These allegations, claims and proceedings may concern issues relating to, among others, labor disputes, and contract disputes. The outcome of litigation, particularly class action lawsuits, is difficult to assess or quantify. Plaintiffs in these types of lawsuits may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods of time. We may incur significant expenses related to such proceedings, which may negatively affect our operating results if changes to our business operations are required. There may also be negative publicity associated with litigation that could decrease user acceptance of our online services, regardless of whether the allegations are valid or whether we are ultimately found liable. In addition, our directors, management, shareholders and employees may from time to time be subject to litigation, regulatory investigations, proceedings and/or negative publicity or otherwise face potential liability and expense in relation to commercial, labor, employment, securities or other matters, which could adversely affect our reputation and results of operations. As a result, litigation may adversely affect our business, financial condition, results of operations or liquidity.

We face significant competition in China's dynamic rental consumption industry, and potential market entries by established players from other industries may make competition even more fierce. Our market share, financial condition and results of operations may be materially and adversely affected if we are unable to compete effectively.

The rental consumption industry in China is competitive and rapidly evolving. We face constant pressure to attract and retain users, expand the market for our services and incorporate new capabilities and technologies. Our online platform competes with other major platforms and niche market players that focus on certain industry verticals or user segments. Other large internet companies and classified advertisement platforms have also entered the market for rental consumption services.

Many of our competitors or potential competitors may have long operating histories, international strategic partners, local government sponsorship, a larger user base, and greater financial, management, technological development, sales, marketing and other resources than we do. They may also be able to adopt our business model and intensify competition. As a result, we may experience reduced margins, loss of market share or less use of our services and products by users. Existing or future competitors could develop or offer services and products which provide significant performance, price, creative, technological or other advantages over counterparts from us. If we are unable to compete effectively with current or future competitors as a result of these or other factors, our market share, financial condition and results of operations may be materially and adversely affected.

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Our operating metrics are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may materially and adversely affect our business and operating results.

We regularly review operating metrics, such as the number of our registered users/merchants, to evaluate growth trends, measure our performance and make strategic decisions. While these numbers are based on what we believe to be reasonable for the applicable period of measurement, there are inherent challenges in measuring usage and user engagement across our large user base. Errors or inaccuracies in our metrics could result in incorrect business decisions and inefficiencies. For example, if a significant understatement or overstatement of the number of users/merchants were to occur, we may expend resources to implement unnecessary business measures or fail to take required actions to attract a sufficient number of users to satisfy our growth strategies.

Our measures of operating metrics may differ from estimates published or adopted by third parties, including but not limited to business partners, market and investment research organizations (including short-selling research firms), [REDACTED] and media, or from similarly titled metrics used by our competitors or other companies in the relevant industries due to differences in methodology and assumptions. If these third parties do not perceive our operating metrics to be accurate representations of operations, or if we discover material inaccuracies in our operating metrics, our brand value and reputation may be materially harmed, our users and business partners may be less willing to allocate their resources or spending to us, and we may face lawsuits or disputes in relation to the inaccuracies. As a result, our business and operating results may be materially and adversely affected.

Computer and mobile malware, viruses, hacking and phishing attacks, spamming and improper or illegal use of our online platform may affect user experience, which could reduce our ability to attract users and materially and adversely affect our business, financial condition and results of operations.

Computer and mobile malware, viruses, hacking and phishing attacks have become more prevalent in our industry, have occurred on our online platform in the past, and may occur again in the future. Although it is difficult to determine what, if any, direct harm may result from an interruption or attack, any failure to maintain performance, reliability, security and availability of our online platform and technology infrastructure to the satisfaction of our users may seriously harm our reputation and our ability to retain existing users and attract new users.

In addition, spammers may use our online platform to send targeted and untargeted spam messages to users, which may affect user experience. In spamming activities, spammers typically create multiple user accounts for the purpose of sending spam messages. Although we attempt to identify and delete accounts created for spamming purposes, we may not be able to effectively eliminate all spam messages from our online platform in a timely fashion. Our

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actions to combat spam may also require diversion of significant time and focus of our technology team from improving our online platform. As a result, our users may use our online platform less or stop using them altogether, which may result in continuing operational costs to us.

Pursuant to the PRC Data Security Law, entities carrying out data processing activities shall establish a sound data security management system, organize data security education and training, and take corresponding technical measures and other necessary measures to ensure data security, in accordance with the provisions of laws and regulations. Risk-monitoring shall be strengthened when carrying out data processing activities, and remedial measures shall be taken immediately upon discovery of any data security defect or bug, disposal measures shall be taken immediately upon occurrence of any data security incident, users shall be timely notified in accordance with the relevant provisions and reports shall be made to relevant competent authorities. Failure to fulfil aforementioned obligations may subject us to rectification order, warning, fines, suspension of relevant business or suspension of our operation as a whole for rectification, or revocation of relevant business permit or business license.

If the software used in our online platform and technology systems contains undetected programming errors or vulnerabilities, our business could be adversely affected.

Our online platform and technology systems rely on software, including software developed or maintained internally and/or by third parties. In addition, our online platform and technology systems depend on the ability of such software to store and process large amount of data. The software on which we rely may contain undetected programming errors, bugs, or vulnerabilities. Some errors may only be discovered after the code has been released for external or internal use. Errors, vulnerabilities, or other design defects within the software on which we rely may result in a negative experience for users using our online platform, delay introductions of new features or enhancements, result in errors or compromise our ability to protect the data of our users and/or our intellectual property or lead to reductions in our ability to provide some or all of our services. In addition, any errors, bugs, vulnerabilities, or defects discovered in the software on which we rely, and any associated degradations or interruptions of service, could result in harm to our reputation and loss of users, which could adversely affect our business, financial condition and operation results.

We are dependent on third parties to distribute our mobile applications.

We offer our online services through our online platform, an important component of which is our mobile applications. Our mobile applications are offered via app stores operated through third parties, such as Apple's App Store, Android app stores and mini programs of Alipay or WeChat, which could suspend or terminate our users' access to our mobile applications, increase access costs or change the terms of access in a way that makes our mobile applications less desirable or harder to access. As such, the promotion, distribution and operation of our mobile applications are subject to such distribution platforms' standard terms and policies for application developers, which are subject to the interpretation of, and frequent

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changes by, these distribution channels. If such third parties interpret or change their standard terms and conditions in a manner that is detrimental to us, or terminate their existing relationship with us, our business, financial condition and results of operations may be materially and adversely affected. In the future, it is possible that compliance requirements of third parties may cause us to suspend our mobile applications from such stores. As a result, our ability to expand our user base may be hindered if potential users experience difficulties in or are barred from accessing our mobile applications. Any such incident may adversely affect our brands and reputation, business, financial condition and results of operations.

We are subject to risks relating to third-party online payment systems.

Currently, we collect payments for our services through third-party online payment systems. In all these online payment transactions, secured transmission of confidential information over public networks is essential to maintaining users' trust and confidence on our online platform.

We do not have control over the security measures of our third-party online payment vendors. Any security breaches of the online payment systems that we use could expose us to litigation and possible liability for failing to secure confidential user information and could, among other things, damage our reputation and the perceived security of all of the online payment systems that we use. If a well-publicized internet or mobile network security breach were to occur, users may become reluctant to pay for our services even if the publicized breach did not involve payment systems or methods used by us. In addition, billing software errors could damage user confidence in these online payment systems. If any of the above were to occur and damage our reputation or the perceived security of the online payment systems we use, we may lose users and users may be discouraged from purchasing our services, which may have a material adverse effect on our business.

In addition, there are currently only a limited number of reputable third-party online payment systems in China. If any of these major payment systems decides to cease to provide services to us, or significantly increase the percentage they charge us for using their payment systems for our services, our results of operations may be materially and adversely affected.

If we are unable to protect our intellectual property, or if third parties are successful in claiming that we are misappropriating the intellectual property of others, we may incur significant expense and our business may be adversely affected.

We believe that our intellectual property is essential to our business and affords us a competitive advantage in the markets in which we operate. If we do not adequately protect our intellectual property, our brand and reputation may be harmed, users and merchants could devalue our service offerings, and our ability to compete effectively may be impaired.

To protect our intellectual property, we rely on a combination of copyright, trademark, patent, and trade secret laws, contractual provisions, user policies, and disclosure restrictions. Upon discovery of potential infringement of our intellectual property, we promptly take action

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to protect our rights as appropriate. We also enter into confidentiality agreements and invention assignment agreements with our employees and consultants and seek to control access to, and distribution of, our proprietary information in a commercially prudent manner. The efforts that we have taken to protect our intellectual property may not be sufficient or effective. In addition, it may be possible for other parties to copy or reverse-engineer our service offerings or obtain and use the content of our website without authorization. Furthermore, we may be unable to detect infringement of our intellectual property rights, and even if we detect such violations and decide to enforce our intellectual property rights, we may not be successful, and may incur significant expenses, in such efforts. Any failure to protect or any loss of our intellectual property may have an adverse effect on our ability to compete and may adversely affect our business, financial condition, and results of operations.

In addition, we cannot be certain that our operations or any other aspects of our business do not or will not infringe upon or otherwise violate trademarks, copyrights, or other intellectual property rights held by third parties. We may be subject to legal proceedings and claims relating to the intellectual property rights of others in the future. In addition, there may be other third-party intellectual property that is infringed by our services or other aspects of our business. If we are found to have violated the intellectual property rights of others, we may be subject to liability for our infringement activities or may be prohibited from using such intellectual property, and we may incur licensing fees or be forced to develop alternatives of our own. Defending against these claims and proceedings is costly and time consuming and may divert management's time and other resources from our business and operations, and the outcome of many of these claims and proceedings cannot be predicted. If a judgment, a fine, or a settlement involving a payment of a material sum of money were to occur, or injunctive relief were issued against us, it may result in significant monetary liabilities and may materially disrupt our business and operations by restricting or prohibiting our use of the intellectual property in question, and our business, financial condition, and results of operations could be materially and adversely affected.

We are subject to advertising compliance obligations in connection with advertisements published by us or in our capacity as an internet platform operator, and non-compliance with such obligations may subject us to penalties and other administrative actions.

Under PRC advertising laws and regulations, in respect of advertisements published by ourselves, we are required to ensure that such advertising content is true and accurate and in compliance with applicable laws and regulations. In addition, in our capacity as an internet platform operator, we are obligated to take measures to monitor and prevent unlawful advertising content on our platform. Violation of these laws and regulations may subject us to penalties, including fines, confiscation of our advertising income, orders to cease dissemination of the advertisements and orders to publish an announcement correcting the misleading information. Due to the uncertainty in the interpretation and enforcement of PRC advertising laws and regulations, we cannot assure you that all advertising content published by us or on our platform will always be deemed to be in full compliance with applicable requirements. If we are found to be in violation of applicable PRC advertising laws and

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regulations, we may be subject to penalties and our reputation may be harmed, which may negatively affect our business, financial condition, results of operations and prospects. Please refer to the section headed “Regulations — Regulations of Advertisement.”

Any delivery delay, improper handling of devices or increase in transportation costs of our logistic service providers could adversely affect our business and results of operations.

Interruptions or failures in the third parties’ delivery services could jeopardize the timely or successful delivery of the rental goods, which could in turn result in the loss of users and merchants. The rental goods may be lost or damaged during transportation. The logistics services provided by third parties may be suspended or cancelled due to unforeseen events, which could cause interruption to the sales or delivery of our rental goods. In addition, delivery delays may occur for various reasons beyond our control, including inclement weather, natural disasters, virus outbreaks, transportation disruptions or labor disputes. If third parties are unable to perform the logistics services as expected, users may have unsatisfied experience and our business and reputation can be materially and adversely affected.

Our business depends substantially on the continuing efforts of our executive officers and other key employees. If we lose their services or do not plan their succession effectively, our business operations and growth prospects may be materially and adversely affected.

Our future success depends heavily on the continuing services of our executive officers and other key employees. In particular, we rely on the expertise, experience and vision of the chairman of our Board, an executive Director, the chief executive officer, Mr. Hong Guozhi, as well as other members of our senior management team. If one or more of our executive officers or other key employees were unable or unwilling to continue their services with us or are otherwise subject to any legal or regulatory liabilities in their personal capacity or otherwise, we might not be able to replace them easily, in a timely manner, or at all. Competition for qualified talent is intense, there can be no assurance that we will be able to attract or retain qualified employees. As a result, our business may be materially and adversely affected, our financial condition and results of operations may be severely affected, and we may incur additional expenses to recruit, train and retain key personnel.

Moreover, if any of our executive officers or other key employees joins a competitor or forms a competing company, we may lose know-how, trade secrets, business partners, user base and market share. Each of our executive officers and key employees has entered into an employment agreement, a confidentiality and intellectual property ownership agreement and a non-compete agreement. However, these agreements may be deemed invalid or unenforceable under PRC laws and other applicable laws and regulations in other jurisdictions. If any dispute arises between our executive officers or key employees and us, there can be no assurance that we would be able to enforce these agreements in China and other jurisdictions, where these executive officers and key employees may reside.

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Effective succession planning is also important to the long-term success of our business. If we fail to ensure effective transfer of knowledge and smooth transitions involving key employees, it could significantly hinder our strategic planning and execution. The loss of senior management or any ineffective transitions in management could delay or prevent the achievement of our development and strategic objectives, which could adversely affect our business, financial condition, results of operations, and cash flows.

Competition for qualified personnel is often intense. If we are unable to recruit, train and retain sufficient qualified personnel while controlling our labor costs, our business may be materially and adversely affected.

Our ability to continue to conduct and expand our operations depends on our ability to attract and retain a large and growing number of qualified personnel in China and also globally. Our ability to meet our labor needs, including our ability to find qualified personnel to fill positions that become vacant, while controlling labor costs, is generally subject to numerous external factors, including the availability of a sufficient number of qualified persons in the markets where we operate, unemployment levels within those markets, prevailing wage rates, changing demographics, health and other insurance costs and adoption of new or revised employment and labor laws and regulations. If we are unable to locate, attract or retain qualified personnel, or manage leadership transition successfully, the quality of service we provide to users may decrease and our financial performance may be adversely affected. In addition, if our costs of labor or related costs increase for other reasons or if new or revised labor laws, rules or regulations or healthcare laws are adopted or implemented that further increase our labor costs, our financial performance could be materially and adversely affected.

We may not have sufficient insurance to cover our business risks, so that any uninsured occurrence of business disruption may result in substantial costs to us and the diversion of our resources, which could have an adverse effect on our results of operations and financial condition.

We provide social security insurance for our employees as required by PRC law, and we also provide supplemental commercial medical insurance for our employees. We do not maintain business interruption insurance or key-man insurance. We consider this practice to be reasonable in light of the nature of our business, which is in line with the practices of other companies of similar size in the same industry in China. In addition, insurance companies in China currently offer limited business-related insurance products. Any uninsured occurrence of business disruption, litigation or natural disaster, or significant damages to our uninsured equipment or facilities could disrupt our business operations, requiring us to incur substantial costs and divert our resources, which could have an adverse effect on our business, financial condition and results of operations could be materially and adversely affected.

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We have granted, and may continue to grant, certain awards under our employee incentive schemes, which may result in increased share-based payment expenses, affect our financial condition and results of operations, and potentially dilute the shareholding of our existing shareholders.

We adopted an employee incentive scheme, for our Directors and employees to incentivize and reward the eligible persons who have contributed to our success. In 2023, 2024, and the nine months ended September 30, 2024 and 2025, we incurred share-based payment expenses of RMB16.6 million, RMB4.4 million, RMB3.2 million and RMB4.1 million, respectively. We believe the granting of the employee incentive scheme is of significant importance to our ability to attract and retain key personnel and employees. Nevertheless, employee incentive schemes would potentially dilute the shareholding of existing shareholders. We may continue to grant share-based compensation awards to employees in the future. As a result, our expenses associated with share-based compensation may increase, which may affect our financial condition and results of operations. We may re-evaluate the vesting schedules, lock-up period, or other key terms applicable to the grants under the share incentive scheme from time to time. If we choose to do so, we may experience a substantial change in our share-based payment expenses in the reporting periods following this [REDACTED].

Any failure to comply with the PRC regulations regarding social insurance or housing provident fund may subject us to fines and other legal or administrative penalties.

Pursuant to relevant PRC laws and regulations, employers are obligated to directly and duly contribute to the social insurance and housing provident fund for their employees. As advised by our PRC Legal Advisor, pursuant to applicable PRC laws and regulations, if an employer fails to make social insurance contributions in full, the relevant authorities could order the employer to pay, within a prescribed time limit, the outstanding amount with an additional late payment penalty at the daily rate of 0.05%, and if the employer fails to make the overdue contributions within such time limit, a fine equal to one to three times the outstanding amount may be imposed. Additionally, pursuant to applicable PRC laws and regulations, if the employer fails to register and establish an account for housing provident fund contributions, the authority could order the employer to correct it within a prescribed time limit, where failure to do so at the expiration of the time limit shall result in a fine of not less than RMB10,000 nor more than RMB50,000 being imposed. Where an employer is overdue in the payment and deposit of, or underpays, the housing provident fund, the authority could order it to make the payment and deposit within a prescribed time limit, and where the payment and deposit has not been made after the expiration of the time limit, an application may be made to a court in China for compulsory enforcement. As advised by our PRC Legal Advisor, and in light of the relevant facts outlined above, if we promptly pay the historical outstanding amounts within the stipulated timeframe as required by the competent authority, the likelihood that we would be subject to late payment fees and any material penalties due to our failure to make full social insurance and housing provident fund contributions for our employees is remote. However, although we did not incur any administrative penalties for our contributions to social insurance and housing provident funds during the Track Record Period, we cannot

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assure you that our historical and current practices in respect of such contributions will continue to be accepted by PRC authorities, as the interpretation and enforcement of the applicable laws and regulations continue to evolve.

During the Track Record Period, we engaged a third-party human resources agency to pay social insurance premium and housing provident funds for certain of our employees. Pursuant to the PRC laws and regulations, we are required to pay social insurance premium and housing provident funds for our employees under our own accounts instead of making payments under third-party accounts. The contributions to social insurance premiums and housing provident funds made through third-party accounts may not be viewed as fully compliant, and as a result, we may be required by competent governmental authorities to pay the outstanding amounts. Pursuant to the agreements entered into between such a third-party human resources agency and us, the agency has the obligation to pay social insurance premium and housing provident funds for our relevant employees. During the Track Record Period and up to the Latest Practicable Date, we have not received any administrative penalty or labour arbitration application from employees for their agency arrangement with the third-party human resources agency. In addition, if such third-party human resources agency fails to pay the social insurance premium or housing provident funds on behalf of our employees in full as required by applicable PRC laws and regulations, we may also be subject to additional contributions, late payment fees and/or penalties imposed by the relevant PRC governmental authorities for failing to discharge our obligations in relation to payment of social insurance and housing provident funds as an employer or be ordered to rectify. This in turn may adversely affect our financial condition and results of operations. We cannot assure you that we would not be required to make additional payments or be subject to penalties or liabilities in relation to our existing practice.

Furthermore, pursuant to the Interpretation II of the Supreme People’s Court of Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) promulgated on July 31, 2025 and effective as of September 1, 2025, if the employer and its employee agree or the employee undertakes that social insurance contributions need not be paid, the people’s court will deem such agreement or undertaking invalid. In addition, where the employer fails to pay social insurance contributions in accordance with the applicable laws, and the employee seeks to terminate the labor contract and claims economic compensation from the employer pursuant to the PRC Labor Contract Law, the people’s court will support such claims. See “Regulatory Overview — Regulations of Labor Protection — Social Insurance and Housing Provident Fund.” As of the Latest Practicable Date, we had not received any notice from the relevant government authorities or any claim or request from these employees in this regard. However, we cannot assure you that we will not receive any complaint or demand for social insurance or housing provident fund contribution from our employees, or that the PRC authorities will not require us to make additional social insurance and housing provident fund contributions. If such circumstances occur, our business, financial condition, and results of operations may be adversely affected.

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We face certain risks related to our leased properties.

We lease real properties in China from third parties primarily as office space. We have not registered our lease agreements for these properties with the PRC governmental authorities as required by PRC law. Although the failure to do so does not in itself invalidate the lease agreements, we may be ordered by the PRC government authorities to rectify such noncompliance and, if such noncompliance is not rectified within a given period of time, we may be subject to fines imposed by PRC government authorities ranging from RMB1,000 and RMB10,000 for each lease agreement that has not been registered with the relevant PRC governmental authorities. In addition, the land nature and planned uses of certain leased properties are inconsistent with the use stipulated in our lease contracts and the owners do not provide any approval from the competent authorities for the change of uses of such leased properties. Thus, we may not be able to continue to use such leased properties and may have to relocate to other premises, if the competent authorities order the owners to make rectifications. In addition, certain of our leased properties were subject to mortgage when we entered our lease agreements. If the ownership of such properties changes as a result of the foreclosure of the mortgage, we may not be able to enforce our rights to the leased properties under the respective lease agreements against the mortgagee. We cannot assure you that suitable alternative locations are readily available on commercially reasonable terms, or at all, and if we are unable to relocate our affected operations in a timely manner, our operations may be adversely affected.

The ownership certificates or other similar proof of three of our leased properties have not been provided to us by the relevant lessors. Therefore, we cannot assure you that such lessors are entitled to lease the relevant real properties to us. If the lessors are not entitled to lease the real properties to us and the owners of such real properties decline to ratify the lease agreements between us and the respective lessors, we may not be able to enforce our rights to lease such properties under the respective lease agreements against the owners. If we face challenges from the legal owners of the leased real properties or other third parties, we could be required to vacate the properties and incur additional costs, in the event of which we could only initiate the claim against the lessors under relevant PRC laws and/or lease agreements for indemnities for their breach of the relevant leasing agreements. We cannot assure you that suitable alternative locations are readily available on commercially reasonable terms, or at all, and if we are unable to relocate our officers in a timely manner, our operations may be interrupted.

Any failure to obtain requisite approvals, licenses or permits applicable to our business operation may have a material and adverse impact on our business, financial condition and results of operations.

In accordance with the laws and regulations in the jurisdictions in which we operate, we are required to maintain various approvals, licenses, permits and certifications in order to operate our business. Complying with such laws and regulations may require substantial expense and may impose a significant burden, while any noncompliance may expose us to liability. Furthermore, the regulatory requirements of certain sectors, such as data security and

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cybersecurity, are relatively new and continuously evolving. Therefore, with the introduction and enactment of new laws and regulations, as well as the refinement of interpretations and applications of existing ones, we cannot assure you that we will not be found in violation of any future laws, regulations and policies or any of the laws, regulations and policies currently in effect due to changes and developments in this regard. If we fail to maintain compliance with law, or otherwise fail to complete, obtain or maintain any of the required licenses or approvals or make the necessary filings in any of the jurisdictions where we operate our business, we may be subject to adverse consequences.

In addition, in the event that we are required to renew our existing licenses or permits or acquire new ones, whether as a result of the promulgation of new laws and regulations or otherwise, we cannot assure you that we will be able to meet the requisite conditions and requirements, or obtain all requisite approvals, licenses, permits and certifications in a timely manner. If we are unable to obtain, or experience material delays in obtaining, necessary government approvals, our operations may be substantially disrupted, which could materially and adversely affect our business, financial condition and results of operations.

Brand owners provide products to us in connection with various aspects of our operations. If such services become limited, restricted, curtailed, less effective or more expensive or become unavailable to us for any reason, our business may be adversely affected.

We collaborate with several major brand owners, including but not limited to vivo, OPPO, Lenovo and Samsung, in connection with multiple aspects of our operations, such as equipment procurement, brand authorization, and cooperation with their regional distributors. These business relationships allow our merchants to access a stable supply of high-quality devices, enhance the credibility of our platform through recognized brands, and support the smooth operation of our rental consumption transaction services.

If any of major brand owners or their authorized agents were to terminate or suspend cooperation, fail to deliver equipment in a timely manner, or limit our use of brand-related authorizations, our ability to procure goods of certain brands for our merchants could be materially affected. In addition, any deterioration in their product quality, logistics efficiency, or reputation could have an adverse impact on user perception of our platform.

Although our transactions with the brand owners are conducted on an arm's-length and non-exclusive basis, we rely on their continued cooperation for stable supply, timely delivery, and ongoing authorization. If the services, support, or commercial terms provided by the brand owners become limited, restricted, curtailed, less effective, more expensive, or otherwise unavailable to us for any reason, our business operations, brand image, financial condition, and results of operations may be adversely affected.

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Our expansion into new service, new scenario and product categories and businesses may expose us to new challenges and more risks.

We have been actively expanding our business into new services, usage scenarios and product categories to capture emerging opportunities in the fast-evolving rental market. These include short-term event-based rentals such as concerts and exhibitions, same-city instant rental, among others. While these initiatives are expected to diversify our revenue sources and strengthen our market position, we cannot assure you that they will achieve the desired results. Our limited experience in certain new business areas may affect our ability to manage operations effectively and compete with established players.

Moreover, entering new markets and scenarios may increase operational complexity, divert management’s focus from our core business, and lead to additional costs or unforeseen liabilities. We may also face challenges in achieving expected synergies and adapting to new regulatory requirements. Failure to successfully expand or manage these new initiatives may adversely affect our growth momentum, profitability, financial condition and overall business prospects.

Our operations depend on the performance of the internet infrastructure and fixed telecommunications networks in China.

Our business relies heavily on the stability and reliability of China’s internet infrastructure and telecommunications networks. Almost all internet access in China is provided by state-owned telecommunications operators under the supervision of the MIIT. We depend on a limited number of telecommunication service providers for data transmission, cloud hosting and connectivity. In the event of network failures, slowdowns or other infrastructure disruptions beyond our control, access to our platform could be interrupted or degraded, adversely affecting user experience and transaction efficiency. As our platform traffic continues to grow, we may need to further upgrade our infrastructure, which could lead to higher operational costs. Furthermore, we have no control over the pricing of telecommunication services, and any significant increase in these costs, or in user internet fees, could reduce platform usage and materially and adversely affect our business, financial condition and results of operations.

Our risk management and internal control systems may not be adequate or effective in all respects, which may materially and adversely affect our business, financial condition, and results of operations.

We seek to establish risk management and internal control systems consisting of policies and procedures that we consider appropriate for our business operations. See “Business — Risk Management and Internal Control.” However, due to the inherent limitations in the design and implementation of risk management and internal control systems, we cannot assure you that our risk management and internal control systems will be able to identify, prevent, and manage all risks. Our internal control procedures are designed to monitor our operations and ensure their overall compliance. However, our internal control procedures may be unable to identify

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all non-compliance incidents in a timely manner, or at all. It is not always possible to timely detect and prevent fraud and other misconduct, and the precautions we take to prevent and detect such activities may not be effective.

Our risk management and internal controls also depend on the effective implementation by our employees. However, we cannot assure you that such implementation will not be subject to any human errors or mistakes, which may materially and adversely affect our business, financial condition, and results of operations. As we are likely to offer a broader and more diverse range of services in the future, the diversification of our services will require us to continue to enhance our risk management and internal control capabilities. If we fail to timely adapt our risk management and internal control policies and procedures to our changing business, our business, financial condition, and results of operations could be materially and adversely affected.

We may need additional capital, and we may be unable to obtain such capital in a timely manner or on acceptable terms, or at all.

Our continued business growth and operations require substantial capital investment to support technology development, platform enhancement, infrastructure expansion and overall operational needs. While we rely primarily on cash generated from our operations, these sources may not always be sufficient to meet our liquidity and investment requirements. If our available funds become inadequate, we may seek additional financing through debt or equity offerings. However, such financing may not be obtainable on terms favorable to us, or at all. Any future equity financing could result in dilution to existing shareholders, while debt financing may impose restrictive covenants on our operations. If we are unable to secure necessary funding, we may be forced to slow down or adjust our business expansion plans, which could materially and adversely affect our growth prospects, financial condition and results of operations.

Pandemics and epidemics, natural disasters, terrorist activities, political unrest and other outbreaks could disrupt our production, delivery, and operations, which could materially and adversely affect our business, financial condition and results of operations.

Our business operations are vulnerable to disruptions caused by pandemics, epidemics, natural disasters, terrorist attacks, political unrest, or other large-scale emergencies. Events such as public health crises may lead to government-imposed restrictions, reduced workforce availability, or interruptions in logistics and supply chain operations, all of which could delay equipment procurement and delivery. Likewise, natural disasters such as floods, typhoons, or earthquakes could damage our warehouses, affect our service points, or hinder transportation networks. In addition, political or social instability could negatively impact consumer demand and our partners' operational capacity. Any prolonged or widespread disruption of this nature could materially and adversely affect our ability to operate efficiently, resulting in increased costs, reduced revenues, and a negative impact on our financial condition and results of operations.

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RISKS RELATING TO OUR BUSINESS AND INDUSTRY IN THE PRINCIPAL PLACE OF OUR BUSINESS

Changes in global economic, political or social conditions or government policies in the countries and regions where we operate could have a material and adverse effect on our business and operations.

The global economic, political and social conditions are evolving rapidly and are subject to uncertainties. Geopolitical tension and conflicts, energy crisis, inflation risk, interest rate increases, instability in the financial system, and the tightening of monetary policy by the U.S. Federal Reserve impose new challenges and uncertainties on the global economy. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term. Furthermore, sanctions and export control measures are unilaterally imposed by the U.S. or other jurisdictions from time to time. These measures may have a significant impact on the targeted countries, markets and/or entities. Chinese companies may be affected by such sanctions or export control measures. We may also be exposed to risks in dealing with business partners subject to sanctions or export controls. As a result, we could be required to incur additional costs to comply with these complicated regulations and measures and could face penalties for any violation, even if inadvertent.

Our 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 and by continued economic growth in China as a whole.

The Chinese economy has experienced significant growth over the past decades, and the Chinese government has implemented various measures to encourage economic growth. These measures may benefit the overall Chinese economy, but may not have the same effect on us. Any economic downturn, whether actual or perceived, decrease in economic growth rates or an otherwise uncertain economic outlook in our geographic markets or any other market in which we may operate could affect our business, financial condition and results of operations.

Holders of our [REDACTED] may be subject to PRC income tax on dividends from us or on any gain realized on the transfer of our [REDACTED].

As is customary with all major economies, China has tax treaties or similar arrangements with jurisdictions across the world. Under the EIT Law and its implementation rules and Notice on the Issues concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H-share Holders Which Are Overseas Non-resident Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) (Guo Shui Han [2008] No. 897) (國稅函[2008]897號), dated November 6, 2008, issued by the STA, subject to any applicable tax treaty or similar arrangement between China and your jurisdiction of residence that provides for a different income tax arrangement, PRC withholding tax at the rate of 10% is normally applicable to dividends from PRC sources

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payable to investors that are resident enterprises outside of the PRC, which do not have an establishment or a place of business in the PRC, or which have such establishment or place of business if the relevant income is not effectively connected with the establishment or place of business. Any gain realized on the transfer of shares by such investors is subject to 10% (or a lower rate) PRC income tax if such gain is regarded as income derived from sources within the PRC unless a treaty or similar arrangement otherwise provides.

Under the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) and its implementation rules, income and gains from sources within the PRC paid to foreign individual investors who are not residents in the PRC are generally subject to a PRC withholding tax at a rate of 20%, unless specifically exempted by the tax authority of the State Council or reduced or eliminated by an applicable tax treaty. Pursuant to the Circular on Questions Concerning the Collection of Individual Income Tax Following the Repeal of Guo Shui Fa [1993] No. 045 (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》) (GuoShui Han [2011] No. 348) (國稅函[2011]348號) dated June 28, 2011, issued by the STA, dividends paid to non-PRC resident individual holders of [REDACTED] are generally subject to individual income tax of the PRC at the withholding tax rate of 10%, depending on whether there is any applicable tax treaty between the PRC and the jurisdiction in which the non-PRC resident individual holder of [REDACTED] resides as well as the tax arrangement between the PRC and Hong Kong. Non-PRC resident individual holders who reside in jurisdictions that have not entered into tax treaties with the PRC are subject to a 20% withholding tax on dividends received from us. However, pursuant to the Circular Declaring that Individual Income Tax Continues to be Exempted over Income of Individuals from Transfer of Shares (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) (Cai Shui [1998]NO. 61) (財稅[1998]61號) issued by the MOF and the STA on March 30, 1998, gains of individuals derived from the transfer of listed shares of enterprises may be exempt from individual income tax. In addition, on December 31, 2009, the MOF, the STA and the CSRC jointly issued the Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》) (Cai Shui [2009] No. 167) (財稅[2009]167號) which states that individuals' income from the transfer of listed shares on certain domestic exchanges shall continue to be exempted from individual income tax, except for the relevant shares which are subject to sales restrictions as defined in the Supplementary Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of the Listed Shares Subject to Sales Limitations (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的補充通知》) (Cai Shui [2010] No. 70) (財稅[2010]70號). As of the Latest Practicable Date, the aforesaid provision has not expressly provided that individual income tax shall be collected from non-PRC resident individuals on the sale of shares of PRC resident enterprises listed on overseas stock exchanges.

If any PRC income tax is collected from the transfer of our [REDACTED] or on dividends paid to our non-PRC resident [REDACTED], the value of your [REDACTED] in our [REDACTED] may be affected. Furthermore, our Shareholders whose jurisdictions of residence have tax treaties or arrangements with the PRC may not qualify for benefits under such tax treaties or arrangements.

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You may experience difficulties in effecting service of legal process and enforcing judgments against us and our management.

We are a company incorporated under the laws of the PRC and substantially all of our business, assets and operations are located in China. In addition, the majority of our Directors and executive officers reside in China, and substantially all of the assets of such Directors and executive officers are located in China. As a result, it may not be possible for you to directly effect service of process upon us or such Directors or executive officers who reside in China, including with respect to matters arising under U.S. federal securities laws or applicable state securities laws. Pursuant to Arrangements for Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Cases between Courts of the Mainland and Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) effective on January 29, 2024, promulgated by the Supreme People’s Court, a party with an enforceable final court judgment rendered by any designated people’s court of China or any designated Hong Kong court with respect to any civil and commercial cases excluding certain types of which, may apply for recognition and enforcement of the judgment in the relevant people’s court of China or Hong Kong court.

China has not entered into a treaty for the reciprocal recognition and enforcement of court judgments with the United States, the United Kingdom, Japan and many other countries. In addition, Hong Kong has no arrangement with the United States for reciprocal enforcement of judgments. In accordance with the Civil Procedure Law of the PRC (《中華人民共和國民事訴訟法》) and other applicable laws, regulations, and interpretations, a court judgment obtained in the United States and any of the other jurisdictions mentioned above may be recognized and enforced in Chinese mainland or Hong Kong in consideration of the treaties providing for the reciprocal enforcement of judgments of courts between China and the country where the judgment was made.

Certain foreign exchange transactions may be subject to regulatory requirements relating to foreign currency conversion.

Conversion and remittance of foreign currencies are subject to the foreign exchange regulations. It cannot be guaranteed that under a certain exchange rate, we shall have sufficient foreign exchange to meet our foreign exchange needs. For example, under the current Chinese foreign exchange control system, foreign exchange transactions under the current account conducted by us, including the payment of dividends, do not require advance approval from the SAFE, but we are required to present relevant documentary evidence of such transactions and conduct such transactions at designated foreign exchange banks within the PRC that have the licenses to carry out foreign exchange business. Foreign exchange transactions under the capital account, however, normally need to be approved by or registered with the SAFE or its local branch unless otherwise permitted by law. Any insufficiency of foreign exchange may restrict our ability to obtain sufficient foreign exchange for dividend payments to shareholders or satisfy any other foreign exchange obligation. If we fail to obtain approvals from the SAFE

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to convert RMB into any foreign exchange for any of the above purposes, our potential offshore capital expenditure plans and even our business may be materially and adversely affected and could subject us to administrative penalties and fines.

Fluctuations in exchange rates could result in foreign currency exchange losses.

The exchange rate of Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by, among other things, changes in international political and economic conditions, as well as supply and demand in the local market. There is no assurance that, under a certain exchange rate, we will have sufficient foreign exchange to meet our foreign exchange requirements. It is difficult to predict how market forces or government policies may impact the exchange rate between Renminbi and the Hong Kong dollar, U.S. dollar or other currencies in the future.

The [REDACTED] from the [REDACTED] will be received in Hong Kong dollars. As a result, any appreciation of Renminbi against the U.S. dollar, Hong Kong dollar or any other foreign currency may result in a decrease in the value of our [REDACTED] from the [REDACTED]. Conversely, any depreciation of the Renminbi may adversely affect the value of, and any dividends payable on, our Shares in foreign currency. In addition, there are limited instruments available for us to reduce our foreign currency risk exposure at reasonable costs. Any of these factors could materially and adversely affect our business, financial condition, results of operations and prospects, and could reduce the value of, and dividends payable on, our Shares in foreign currency terms.

We may be subject to additional regulatory requirements relating to new laws and regulations in connection with overseas securities offering and listing issued by PRC government authorities.

On February 17, 2023, the CSRC issued the Trial Measures for the Administration on Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) and five supporting guidelines, which became effective on March 31, 2023 (the “Overseas Listing Regulations”). The Overseas Listing Regulations are applicable to overseas securities offering and listing conducted by issuers who are (i) companies incorporated in the PRC (“PRC domestic companies”) and (ii) companies incorporated overseas with substantial operations in the PRC. The Overseas Listing Regulations lay out the arrangements for regulatory filings for both direct and indirect overseas offerings, and clarify the determination criteria for indirect overseas offerings in overseas markets. For details, see “Regulatory Overview — Regulation of Overseas Listing and Full Circulation” in this document. The Overseas Listing Regulations, or any pertinent rules or regulations promulgated in the future, may subject us, or our financing activities, to additional compliance requirements in the future. Any failure on our part to fully comply with the new regulatory requirements may significantly limit or completely hinder our future financing activities.

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Our operations are subject to, and may be affected by, changes in tax laws and regulations in the countries and regions where we operate.

The PRC EIT Law imposes a tax rate of 25% on business enterprises. Our Company and some of our subsidiaries are entitled to preferential tax treatment. See “Financial Information — Description of major components of our results of operations — Income Tax Expenses” in this document. To the extent there are any changes in the laws and regulations governing preferential tax treatment, or increases in our effective tax rate due to any other reasons, our tax liability would increase correspondingly. In addition, the PRC government may amend or restate regulations on income, withholding, value-added, and other taxes. Non-compliance with the PRC tax laws and regulations may also result in penalties or fines imposed by relevant tax authorities. Adjustments or changes to PRC tax laws and regulations and tax penalties or fines could affect our business, financial condition and results of operations.

We also operate in countries and regions overseas and are subject to various taxes. Due to the fact that the tax environment can be different in different jurisdictions and that the regulations regarding various taxes, including but not limited to corporate income tax, are complex, our international operations may expose us to risks associated with the overseas tax policy changes. Dealing with such regulatory complexities and changes may require us to divert more managerial and financial resources, which in turn could affect our results of operations.

RISKS RELATING TO THE [REDACTED]

An active [REDACTED] market for our H Shares may not develop or be sustained.

Prior to the [REDACTED], there was no [REDACTED] for our H Shares. We cannot assure you that a [REDACTED] for our H Shares with adequate liquidity will develop and be sustained following the completion of [REDACTED]. The initial [REDACTED] for our H Shares to the public will be the result of negotiations, and the [REDACTED] may differ significantly from the [REDACTED] of the H Shares following the [REDACTED].

We have applied to the Stock Exchange for the [REDACTED] of, and permission to [REDACTED], the H Shares (including any H Shares which may be issued pursuant to the exercise of the [REDACTED]). However, the [REDACTED] on the Stock Exchange does not guarantee that an active and liquid [REDACTED] market for the H Shares will develop, or if it does develop, that it will be sustained following the [REDACTED], or that the [REDACTED] of the H Shares will not decline following the [REDACTED]. If an active [REDACTED] for our H Shares does not develop following the completion of the [REDACTED], the [REDACTED] and liquidity of our H Shares could be materially and adversely affected.

RISK FACTORS

Our Controlling Shareholders Group has substantial influence over our Group and its interests may not be aligned with the interests of our other Shareholders.

Our Controlling Shareholders Group has significant influence in determining the outcome of any corporate transaction or other matter submitted to the Shareholders for approval, including but not limited to mergers, privatizations, consolidations and the sale of all, or substantially all, of our assets, election of directors, and other significant corporate actions. Immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised), the Controlling Shareholders Group will be together entitled to control the exercise of approximately [REDACTED] of the voting rights and thus remain as a group of Controlling Shareholders of our Company. The interests of our Controlling Shareholders Group might differ from the interests of our other Shareholders. In the event that our Controlling Shareholders Group causes us to pursue strategic objectives that conflict with the interests of our other Shareholders, our other Shareholders could be disadvantaged, and their interests could be damaged. Any conflict of interest between our Controlling Shareholders Group and our other Shareholders may also materially and adversely affect the aspects such as the decision and implementation of our business plans, which may in turn affect our operations and prospects.

The price and [REDACTED] volume of our H Shares may be volatile, which could materially and adversely affect the [REDACTED] of our H Shares.

The price and [REDACTED] volume of our H Shares may be subject to significant volatility in response to various factors beyond our control, including the general market conditions of the securities in Hong Kong and elsewhere in the world. The Stock Exchange and other securities markets have, from time to time, experienced significant price and [REDACTED] volume volatility that are not related to the operating performance of any particular company. The business and performance and the [REDACTED] of the shares of other companies engaging in similar business may also affect the price and [REDACTED] volume of our H Shares. In addition to market and industry factors, the price and [REDACTED] volume of our H Shares may be highly volatile for specific business reasons, such as fluctuations in our revenue, earnings, cash flows, investments, expenditures, regulatory developments, relationships with our suppliers, movements or activities of key personnel, or actions taken by competitors. Moreover, shares of other companies [REDACTED] on the Stock Exchange with significant operations and assets in the PRC have experienced price volatility in the past, and it is possible that our H Shares may be subject to changes in price not directly related to our performance.

We cannot assure you when, whether and in what form or size we will pay dividends in the future.

There can be no assurance that we will declare and distribute any amount of dividends in the future. The declaration, payment, and amount of any future dividends are subject to the discretion of our Directors, after taking into account our results of operations, financial condition, cash requirements and availability, and other factors as they may deem relevant, and

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subject to the approval at a Shareholders' meeting. We may not have sufficient or any profits to enable us to distribute dividends to our Shareholders in the future, even if our financial statements indicate that our operations have been profitable.

Should the [REDACTED] be higher than the net tangible book value per Share, subject to pricing, you may experience an immediate dilution in the book value of the [REDACTED] you purchased in the [REDACTED] and may experience further dilution if we issue additional Shares in the future.

The [REDACTED] of the [REDACTED] may be higher than the net tangible book value per Share immediately prior to the [REDACTED]. As a result, you and other purchasers of the [REDACTED] in the [REDACTED] may experience an immediate dilution in [REDACTED] net tangible asset value. In order to expand our business, we may consider [REDACTED] and issuing additional Shares in the future. Purchasers of the [REDACTED] may experience dilution in the net tangible asset value per share of their Shares if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time. Furthermore, we may issue Shares pursuant to share incentive schemes, which would further dilute Shareholders' interests in our Company.

Certain facts, forecasts and statistics contained in this document are derived from publicly available sources and they may not be reliable.

Certain facts, forecasts and statistics contained in this document are derived from publicly available sources. We believe that the sources of this information are appropriate sources for such information and have taken reasonable care in the reproduction or extraction of such information for the purpose of disclosure in this document. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. However, the information from official government sources has not been independently verified by us, the Sole Sponsor, the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED] or any of their respective affiliates or advisors and, therefore, we make no representation as to the accuracy of such facts, forecasts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, such statistics in this document may be inaccurate or may not be comparable to statistics produced with respect to other economies. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, [REDACTED] should give consideration as to how much weight or importance they should attach to or place on such facts, forecasts and statistics.

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Forward-looking statements contained in this document are subject to risks and uncertainties.

This document contains certain statements and information that are forward-looking and uses forward-looking terminology such as "believe," "expect," "estimate," "predict," "aim," "intend," "will," "may," "plan," "consider," "anticipate," "seek," "should," "could," "would," "continue," and other similar expressions. You are cautioned that reliance on any forward-looking statement involves risks and uncertainties and that any or all of those assumptions could prove to be inaccurate and, as a result, the forward-looking statements based on those assumptions could also be incorrect. In light of these and other risks and uncertainties, the inclusion of forward-looking statements in this document should not be regarded as representations or warranties by us that our plans and objectives will be achieved and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. Subject to the requirements of the Listing Rules, we do not intend publicly to update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events or otherwise. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this document are qualified by reference to this cautionary statement.

You should read the entire document carefully and only rely on the information included in this document to make your [REDACTED] decision, and we strongly caution you not to rely on any information contained in press articles or other media coverage relating to us, our H Shares or the [REDACTED].

There has been, prior to the publication of this document, and there may be, subsequent to the date of this document but prior to the completion of the [REDACTED], press and media coverage regarding us and the [REDACTED]. We have not authorized the disclosure of any information concerning the [REDACTED] in the press or media. We do not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding our H Shares, the [REDACTED] or us. We make no representation as to the appropriateness, accuracy, completeness or reliability of any of the projections, valuations or other forward-looking information about us. To the extent such statements are inconsistent with, or conflict with, the information contained in this document, we disclaim responsibility for them. You should rely solely upon the information contained in this document, the [REDACTED] and any formal announcements made by us in Hong Kong in making your [REDACTED] decision regarding our H Shares. By applying to purchase our H Shares in the [REDACTED], you will be deemed to have agreed that you will not rely on any information other than that contained in this document and any formal announcements made by us in Hong Kong with respect to the [REDACTED].