[REDACTED] *in the Shares involves certain risks. You should read this* **[REDACTED]** *in its entirety and carefully consider each of the risks described below and all of the other information contained in this* **[REDACTED]** *before* **[REDACTED]** *the Shares. If any of the following risks materialises, our business, financial condition and results of operations could be materially and adversely affected. The* **[REDACTED]** *of the Shares could decline and you may lose all or part of your* **[REDACTED]**.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

We recorded operating cash outflows for 2017 and 2018 because our operations are working capital intensive; any insufficient levels of liquidity may adversely affect our cash flow and working capital and results of operations

For the year ended 31 December 2016, 2017 and 2018, our net cash generated from (used in) operating activities amounted to RMB56.6 million, (RMB171.1 million) and (RMB137.3 million), respectively. In addition, as at 31 December 2016, 2017 and 2018, we had RMB104.9 million, RMB13.6 million and RMB61.4 million of cash and cash equivalents, respectively.

Historically, we have spent a significant amount of cash on our operating activities, principally to procure raw materials for our products and to provide deposit guarantees for our Cable Business (see further discussion below). We finance our operational activities mainly through short-term banking credit facilities (including bank acceptance bills) secured by a portion of our fixed assets, land use rights, receivables and restricted deposits. As at 31 December 2016, 2017 and 2018, our short-term bank borrowings amounted to RMB337.4 million, RMB433.4 million and RMB731.0 million, respectively, and our bills payables amounted to RMB239.0 million, RMB203.8 million and RMB343.9 million, respectively. Historically, we have rolled over our short-term bank borrowings on an annual basis. However, we cannot guarantee you that we will have sufficient funds available to pay all of our borrowings upon maturity in the future. Failure to roll over our short-term borrowings at maturity or to service our debt could result in the imposition of penalties, including increases in interest rates, legal actions against us by our creditors, or even insolvency. Please refer to "Financial Information — Liquidity and Capital Resources" for further details.

We generally provide prepayments to our primary suppliers of up to 80% of our estimated 12 months procurement volume on a rolling basis (for our Prestressed Materials Business) or of total contract value (for our Cable Business), which further results in pressure on our working capital. Please see "Business — Procurement — Our suppliers contracts". As at 31 December 2016, 2017 and 2018, we had provided prepayments in the amount of RMB440.2 million, RMB700.8 million and RMB961.7 million, respectively. In addition, our Cable Business projects may require us to provide deposit guarantees of between 5% to 10% of the contract value (in terms of performance bonds); and as at 31 December 2016, 2017 and 2018, we had provided deposits (current and non-current) in the amount of RMB121.1 million, RMB284.3 million and RMB260.3 million, respectively. Please see "Business — Sales and Marketing — Cable Business". We fund our prepayments and deposit guarantees mainly through our banking credit facilities (including bank acceptance bills) and cash balances. In addition, as at 31 December 2016, 2017 and 2018, our trade, retention and bills receivables were RMB578.3 million, RMB545.0 million and RMB803.2 million, respectively. As such, we face a strong pressure in maintaining an adequate level of cash flow and liquidity position. Although we have historically been able to maintain adequate working capital primarily through cash generated from operations and our banking credit facilities, any failure by our customers to settle outstanding trade receivables or our inability to borrow from banks in the future could materially and adversely affect our cash flow, financial condition and results of operations.

In addition, to the extent we have working capital issues or in case of an economic downturn, we may need to reduce the number and/or value of projects we bid for under our Cable Business or take on fewer orders from customers under the Prestressed Materials Business to ensure we have sufficient working capital for our operations, thereby limiting our growth and expansion plans. Please also refer to the paragraph headed "The economic, political, legal and social conditions, government policies or any economic downturn in the PRC could affect our business" in this section for risks in relation to an economic downturn.

In order to improve our cash flow and liquidity position, during the Track Record Period, we have implemented liquidity management measures at both the project level and at the business unit level within our operations. Please refer to the section headed "Financial Information — Liquidity and Capital Resources — Liquidity Management Measures" for details. Although during the Track Record Period, we have not experienced any major difficulties in maintaining sufficient working capital notwithstanding the growth in our business, we cannot assure you that we will be able to continue to implement our liquidity management measures effectively. If we fail to maintain these measures or if any of these measures are ineffective, we may experience insufficient level of working capital and liquidity, which may have a material and adverse impact on our business, financial condition and results of operations.

We may experience delays or defaults in payment of trade and retention receivables from our customers, and we have a significant mismatch between our trade receivables and trade payables turnover days, which may adversely affect our cash flow and working capital and results of operations

Delays or defaults in payments to us on projects from our customers for which we have already incurred significant costs and expenses can materially and adversely affect our results of operations and reduce our financial resources that would otherwise be available to fund other projects.

For our Cable Business, our sales to construction projects usually span across generally, from one month to two years. We may require our customers to pay us an initial deposit payment of up to 20% of the contract value following the signing of the contract, and as at 31 December 2016, 2017 and 2018, our contract liabilities was RMB18.5 million, RMB40.6 million and RMB46.3 million, respectively. However, our customers typically withhold approximately 5% to 10% of the contract value as retention money after completion of the construction of the bridge, which are usually released after deducting warranty claims, if any, upon expiry of the warranty period, which may take up to two years. Therefore, our accounts receivables also include such accumulated retention monies. As at 31 December 2016, 2017 and 2018, our trade, retention and bills receivables were RMB578.3 million, RMB545.0 million and RMB803.2 million, respectively.

In addition, a substantial portion of our revenue generated from the Cable Business is derived from sales to bridge construction project companies or contractors of these construction projects which may require funding from local governments. For such projects, it may take a longer period to complete their internal procedure for processing payments to us or that the project may be delayed due to changes in the government's infrastructure planning. As such, our customers may delay or fail to meet their settlement with us as scheduled.

Moreover, we have a significant mismatch between our trade receivables and trade payables turnover days. Our average trade receivables turnover days provide a general indication of the time required for us to collect cash payment from sales, while our trade payables turnover days provide a general indication of the timeframe we pay our suppliers taking into account prepayments we have already made. Our average trade receivables turnover days were 135 days, 120 days and 158 days, for 2016, 2017 and 2018, respectively; while our average trade payables turnover days were 19 days, 13 days and 15 days for 2016, 2017 and 2018, respectively. Please refer to the sections headed "Financial Information — Description of Selected Consolidated Statement of Financial Position Items — Trade, retention and bills receivables" and "Financial Information — Description of Selected Consolidated Statement of Financial Position Items — Trade and bills payables".

We cannot assure you that we will be able to collect receivables from our customers on a timely basis or that our customers will be able to settle our trade and retention receivables if there are any stoppage or delays in the schedule of the construction projects. As at 31 December 2016, 2017 and 2018, our allowance for doubtful debts was RMB19.4 million, RMB18.6 million and RMB22.5 million, respectively, accounting for 3.9%, 3.3% and 2.7% of our trade and retention receivables before impairment, respectively. If we encounter significant delays or failures in payments or release of retention money by our customers or are otherwise unable to recover our trade receivables, our cash flows from operations may be inadequate to meet our working capital requirements and hence our results of operations may be affected.

Our revenues are dependent on our five largest customers and the loss of any one of them may have a material and adverse impact on our business, financial condition and results of operations

For the years ended 31 December 2016, 2017 and 2018, revenue generated from our five largest customers accounted for 55.8%, 56.7% and 39.5% of our total revenue, respectively. Our five largest customers comprise primarily customers of our Prestressed Materials Business. Our single largest customer accounted for approximately 31.3%, 20.7% and 9.5% of our total revenue for each of the years ended 31 December 2016, 2017 and 2018, respectively. As a result of our reliance on a limited number of customers, we may face pricing and other competitive pressures. As we do not have any long-term commitments with our major customers, they are not obligated to continue to purchase from us. The volume of products sold to specific customers varies from year to year, especially since we are not the exclusive provider for any customers. In addition, there are a number of factors, other than our performance, that could cause the loss of a customer or a substantial reduction in the products that we provide for any customer and that may not be predictable. For example, our customers may decide to reduce spending on our products or a customer may no longer need our products following the completion of a project. The loss of any one of our major customers, a decrease in the volume of sales to these customers or a decrease in the price at which we sell our products to them could materially adversely affect our profits and our revenues.

In addition, such reliance on major customers may subject us to perceived or actual leverage that our customers may have in negotiations with us, given their relative size and importance to us. If our customers seek to negotiate their agreements on terms less favourable to us and we accept such unfavourable terms, such unfavourable terms may have a material adverse effect on our business, financial condition and results of operations. Accordingly, unless and until we diversify and expand our customer base, our future success will significantly depend upon the timing and volume of business from our major customers and the financial and operational success of these customers.

We procure a significant portion of our raw materials from our five largest suppliers

We procure the majority of our raw materials from a concentrated number of suppliers. For the years ended 31 December 2016, 2017 and 2018, purchases from our five largest suppliers accounted for 90.0%, 96.7% and 89.2% of our total purchases, respectively. Purchases from our single largest supplier accounted for 47.0%, 54.7% and 54.0% of our total purchases for each of the years ended 31 December 2016, 2017 and 2018, respectively. Please refer to the section headed "Business — Procurement — Relationship with Shagang Group, our largest supplier" for details of our relationship with our largest supplier. During the Track Record Period, we had not experienced any material disruptions to our production and operations due to any delay in delivery or issue with the quality of raw materials provided by our five largest suppliers. If there occurs any adverse change in our relationship with any of our major suppliers, or if any major supplier fails to deliver raw materials to us in accordance with our delivery schedule, and we are unable to procure such raw materials from other suppliers under acceptable commercial terms and in a timely manner, our manufacturing operations and financial results may be materially and adversely affected.

We derive a significant portion of our sales generated from our Prestressed Materials Business during the Track Record Period and our revenue may be affected by any decrease in demand for prestressed materials

For the years ended 31 December 2016, 2017 and 2018, we derived a significant portion of our revenue from our Prestressed Materials Business, which accounted for 72.0%, 67.7% and 62.5% of our Group's total revenue, respectively. In 2016, 2017 and 2018, our gross profit margin for our Prestressed Materials Business ranged from 11.1% to 15.7% and our gross profit margin for our Cable Business ranged from 34.6% to 36.8%. Although our Prestressed Materials Business had a lower gross profit margin compared to that of our Cable Business during the Track Record Period, this business segment contributed to the majority of the revenue of our Group. We cannot assure you that the demand for our prestressed materials products will remain at its current level or continue its growth momentum in the future. If the demand or prices for prestressed materials decrease, we may face a significant decrease in our revenue which may have a material and adverse effect on our business, financial condition and results of operations.

The customers of our Cable Business are non-recurring in nature, and the failure to obtain new sales contracts may affect our business, financial condition and results of operations

A portion of the revenue generated from our Cable Business is based on the projects awarded through an open tender. Accordingly, customers of our Cable Business may vary from year to year. Once sales to a bridge cable construction project is completed, such customer may not award any further projects to us. Our ability to secure new tenders will depend on the customer's tender evaluation metrics, which often includes price, product quality, production capabilities, reputation and track record in relevant bridge cable projects. Therefore, the final outcome of each tender process is beyond our control.

Upon completion of our contracts on hand, our financial performance may be adversely affected if we are unable to obtain new projects or secure new tenders with comparable contract value. As a result, our historical financial results during the Track Record Period should not be taken as an indication of our future performance. As our revenue is non-recurring in nature, we cannot guarantee that we will be able to secure new projects after the completion of the existing projects.

Any significant increase in the price of high carbon steel wire rods may materially increase our production costs and reduce our profitability

The major raw materials we use for our business are high carbon steel wire rods. Therefore, the cost of our raw materials is largely affected by the fluctuations in the price of high carbon steel wire rods that we purchase from multiple steel producers. The steel industry as a whole is cyclical and, at times, pricing and availability of steel can be volatile due to numerous factors beyond our control, including government regulations, general domestic and international economic conditions, labour costs, demand, competition, supply and consolidation of steel producers, raw material costs and production costs for steel producers, import duties and tariffs and currency exchange rates. This volatility can significantly affect the availability and cost of raw materials for us.

In 2016, the PRC government continued its policy to cut excessive industrial capacity and reform the supply-side of raw materials in its economy. It is expected that total steel production in China will further decrease by around 100 million tonnes to around 150 million tonnes by end of 2020 and the average price of high carbon steel wire rods is expected to increase at a CAGR of 2.7% between 2018 and 2022 depending on the changes in the price of steel, according to Frost & Sullivan. It is expected that steel demand will continue to slightly outpace supply due to the reduction of overcapacity and the average price of steel products will continue to rise in 2019, according to Frost & Sullivan.

For each purchase order in general, we are required to negotiate the terms of raw material supplies and we do not have any hedging facilities to minimise the risk of raw materials price fluctuation. Price fluctuations of our major or other raw materials will affect our production costs, which will in turn affect our gross profit margin. We cannot assure you that we will be able to transfer any increase in cost to our customers. If we are unable to increase the prices of our products to set off any increase in raw materials costs, our profitability and profit margins may be adversely affected.

We may cease to be entitled to a reduced PRC corporate income tax rate of 15% and our government grants are non-recurring in nature

During the Track Record Period, our major PRC operating subsidiaries were recognised as "High and New Technology Enterprise" by the relevant PRC government authorities and were entitled to preferential tax treatments of 15% in the PRC. These operating subsidiaries include Ossen Innovation Materials, Ossen (Jiujiang), Shanghai Pujiang and Zhejiang Pujiang and their respective preferential tax rate will expire in July 2020, August 2021, November 2020 and November 2019 respectively. In addition, during the Track Record Period, our PRC subsidiaries were granted certain tax incentives for research and development expenses and tax exemptions. For the years ended 31 December 2016, 2017 and 2018, we made provision estimates of RMB11.1 million, RMB15.4 million and RMB22.5 million, respectively for tax incentives and exemptions in accordance with the tax laws and regulations of the PRC. Please see Note 14 in the Accountants' Report in Appendix I to this **[REDACTED]** for further details. Accordingly, our effective income tax rate for the years ended 31 December 2016, 2017 and 2018 were 11.7%, 12.1% and 13.8%, respectively.

The relevant PRC government authorities will take into account various factors in determining whether to award or renew any "High and New Technology Enterprise" certificate upon expiration of the certificates, and there is no assurance that each of our PRC operating subsidiaries will be successful in renewing its "High and New Technology Enterprise" certificate. Should the relevant PRC government authorities refuse to renew any of our PRC operating subsidiaries status as "High and New Technology Enterprise" for any reason, they will cease to be entitled to such preferential tax treatment and they will be required to pay PRC corporate income tax at the normal statutory rate of 25%. Under such circumstances, our profitability and results of operations will be adversely affected.

In addition, during the Track Record Period, we obtained government grants, which consisted mainly of grants received from the PRC local government authority as subsidies to us for incentive of technology innovation projects. We recorded government grants as part of other revenue in the amount of RMB5.1 million, RMB5.3 million and RMB6.4 million in 2016, 2017 and 2018, respectively. However, such government grants are non-recurring in nature and there is no guarantee that we will receive such grants in the future.

Our proprietary and licensed technologies may not be adequately protected, and our right to use certain technologies could be challenged

Our success depends, in part, on our core production technologies and critical production processes. For further details on our registered trademarks and other intellectual properties owned by our Group, please refer to "Statutory and General Information — B. Further Information about our Business — 2. Intellectual property rights". However, our competitors may independently develop proprietary methodologies similar to ours or duplicate our products, or develop alternatives. We cannot guarantee that we will be able to protect our rights or prevent third parties from using or infringing our technology in the future. Any significant infringement of our technology, or the counterfeiting of any of our products on a significant scale, could result in loss of market share, affect our relationships with our customers, harm our reputation, and affect our business materially and adversely.

For our Cable Business, we have licensed two patented technologies to our customers at the designing stage of the bridge as part of the conditions in obtaining the tender. As a result, confidential or proprietary information of these technologies may be disclosed to third parties by our licensees should the customers require multiple bridge cable suppliers. We cannot assure you that our competitors will not be able to develop other competing technologies by designing around or reverse engineering our patents if they have obtained any of such confidential or proprietary information.

We also cannot guarantee that a third party will not challenge our right to use certain intellectual property rights, thereby requiring us to defend or settle any related intellectual property infringement allegations or disputes. Any such litigation could be costly and incur substantial resources, which could have a negative impact on our financial condition and results of operations. We may be required to incur substantial costs to develop non-infringing alternatives or to obtain the required licences. There is no assurance that we will succeed in developing such alternatives or in obtaining such licences on reasonable terms, or at all, and any failure to do so may disrupt our manufacturing processes, damage our reputation and adversely affect our results of operations. During the Track Record Period and up to the Latest Practicable Date, there were no material legal claims in relation to disputes on intellectual property rights against us.

We may need to invest additional resources in improving our production equipment in response to changes in market demand and government regulations

In order to satisfy the evolving needs of our customers, continual improvement of our operations and production capabilities is required. We have carried out various research and development projects on new products, techniques and technology and we seek to continue our research and development efforts with a view to improving the functionalities of our production facilities and lowering our production cost. For the years ended 31 December 2016, 2017 and 2018, our research and development expenses amounted to RMB49.1 million, RMB60.2 million and RMB53.7 million, respectively, representing 4.5%, 4.6% and 3.9% of our total revenue, respectively.

There is no assurance that we will successfully develop or implement any of the research and development projects or be able to complete such projects within the respective time and cost estimates. If we do not develop new techniques or introduce new products which adequately satisfy the market demand and comply with the relevant government regulations or industry standards in a timely manner, our competitive position, sales and gross profit margins could be materially and adversely affected. In the event that we fail to enhance our research and development capabilities to meet the fast-changing demand of customers, or if we fail to successfully adopt the latest technological developments, our capabilities may be surpassed by our competitors, which may adversely impact our results of operations and future prospects.

The backlog for our Cable Business may not be indicative of our future results of operations

As at the Latest Practicable Date, the backlog for our Cable Business was RMB1,072.1 million. This figure was based on the assumption that the relevant contracts will be performed in accordance with their terms. Any modification, termination or suspension of these contracts by our customers, especially with regard to any one or more sizeable contracts, may have a substantial and immediate effect on the backlog. Projects may also remain in our backlog for an extended period of time beyond the initial period anticipated due to various factors such as delay in project schedule and government policies beyond our control. Therefore, the backlog only reflects the remaining value to be delivered under our signed sales contracts as at a specific date due to various stages in the underlying construction projects. Please refer to the section headed "Business — Sales and Marketing — Cable Business — Backlog" in this **[REDACTED]**. We cannot guarantee that the estimated amount of our backlog will be realised in time, or at all, or even realised. As a result, you should not rely on the backlog or consider it as a reliable indicator of our future results of operations.

We have limited insurance coverage and may incur losses resulting from product liability claims, business interruption or natural disasters

We are exposed to risks associated with product liability claims in the event that the use of our products results in property damage or personal injury. Since our products are ultimately used for the construction of bridges, buildings, railways and other large architectural structures, users of these structures or workers installing our products could be injured or killed by such structures, whether as a result of defects, improper installation or other causes. As we continue to expand our customer base and our application, and because our products are used for long periods of time, we are unable to predict whether product liability claims will be brought against us in the future or to predict the impact of any resulting adverse publicity on our business even after the warranty periods.

As at the Latest Practicable Date, we do not maintain insurance for all of our production facilities or for any product liability. Any uninsured loss or damage to property, litigation, business disruption or product liability claims may result in us incurring substantial costs or diverting our resources. If we incur substantial liabilities that are not covered by any of our insurance policies, or if we encounter any business interruption or natural disaster for a significant period of time, it could result in substantial losses and diversion of our resources and materially and adversely affect our business, financial condition and results of operations.

Increasing competition in the industries that we operate in could have an adverse impact on our ability to maintain competitiveness

We operate in a competitive market for all of our business segments. The industries that we operate in require substantial investments in manufacturing, machinery, research and development, product design, engineering, technology and marketing in order to meet both the customers' business needs and regulatory requirements. Large industry players are able to benefit from economies of scale by leveraging their investments and activities at a lower cost. Moreover, some of our competitors are listed companies in the PRC which have broad access to raise fund for their expansion, technological development and capacity upgrade. Some of our competitors may have advantages over us in terms of capacity, access to capital and management experience, while some competitors may have advantages over us in terms of pricing, and in particular while bidding for projects for our Cable Business, our potential customers may prefer to contract with suppliers within the same province due to geographical proximity or for other reasons. Failure to compete effectively with these competitors could result in a loss of our market share and a decrease in our revenue and profitability.

For further details of the competitive landscape, please refer to the sections headed "Industry Overview — Competitive Landscape" and "Industry Overview — Market Analysis for the Bridge Cable and Prestressed Materials Industry — Key Entry Barriers" in this **[REDACTED]**. Should our competitors equip themselves with, among other things, industry knowledge, technical know-how, equipment and machinery that are comparable to or better than ours, we might not be able to maintain our market position and our business, results of operations, financial condition and future prospects might be adversely affected.

In addition, if any of our customers diversify their business and engage in upstream or downstream expansion to manufacture similar products offered by us, this may intensify competition in the industries that we operate in. Such customers may cease to place orders with us or may substantially reduce the amount of orders placed with us, and our financial condition, results of operations and future prospects could be materially and adversely affected.

We are subject to risks associated with international trade regulations that may be imposed on our products

For the years ended 31 December 2016, 2017 and 2018, we derived 4.1%, 3.8% and 2.4% of our total revenue from overseas customers, respectively. We are subject to risks associated with anti-dumping duties on tariffs that may be imposed on our products. For example, in 2009, the European Commission imposed anti-dumping measures on pre-and post-stressed wires and wire strands of non-alloy steel originated from China in order to protect the prestressed materials manufacturers within the European Union. Similar anti-dumping duties have been imposed in the United States for prestressed wires and wire strands imported into the United States originating from China. Since April 2018, the United States has been in a trade dispute with China and imposed various tariffs on steel and aluminium imports from China which may affect our overseas sales.

We cannot assure you that any future changes in international trade regulations and policies will not cause any adverse impact on the demand from our overseas customers or the price we charge for our products, which in turn could materially and adversely affect our business, results of operations and financial condition.

Our results of operations may be adversely affected by foreign currency exchange rate fluctuations

During the Track Record Period, the majority of our sales was in China and was denominated in RMB and our cost of production was substantially denominated in RMB as our production facilities are located in China. For the years ended 31 December 2016, 2017 and 2018, 95.9%, 96.2% and 97.6%, respectively, of our revenue were from sales in China, while the remaining overseas sales were primarily denominated in USD. However, as and if we expand our overseas sales, those sales may be denominated in foreign currencies such as the USD and/or the Euro. For example, we recently entered into a sales contract denominated in Euros to sell our cables to a large scale bridge project in Turkey, known as the "1915 Canakkale Bridge". Accordingly, any significant depreciation in the value of foreign currencies such as the Euro and USD against the RMB could adversely affect the value of our overseas projects in RMB terms and thus our revenues.

Currency fluctuations are affected by a number of macro-economic factors not within our control. Movements in Renminbi exchange rates are affected by, among other things, changes in political and economic conditions and PRC foreign exchange regime and policy. Since July 2005, the Renminbi has been pegged to a basket of several currencies, and accordingly, the Renminbi may appreciate or depreciate significantly, depending on the fluctuation of the basket of currencies that it is currently valued.

There are limited hedging instruments available to reduce our exposure to exchange rate fluctuations between the Renminbi and other currencies. The cost of such hedging instruments may fluctuate significantly over time and could outweigh the potential benefit from the reduced currency volatility. As at the Latest Practicable Date, we have not engaged in any hedging transaction to reduce our exposure to foreign currency exchange risks. In any event, while we may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedging transactions may be limited and we may not be able to successfully hedge our exposure, or at all, and our financial condition and results of operations may be materially and adversely affected.

Our business depends on the continuing service of our senior management and any failure to retain key senior management executives could have an adverse effect on our operations

Our business depends on the continuous service of our executive Directors, including Dr. Tang, Mr. Zhou Xufeng, Ms. Zhang Weiwen and Mr. Ni Xiaofeng. For their relevant details, please refer to the section headed "Directors, Senior Management and Employees". Our success will, to a certain extent, depend on whether we can continue to retain our senior management executives and attract or retain other key personnel. If we lose the service of any key senior management executives, or if we fail to replace any loss of such persons with alternative personnel with similar expertise and experience, our business, results of operations, financial condition and future prospects could be materially and adversely affected.

Our business operations may be affected if we fail to implement our expansion plans

We plan to expand our production facilities for our Prestressed Materials Business, expand our research and development centre for our Cable Business and expand our environmental protection facilities to continue to comply with relevant environmental regulations. Please refer to the section headed "Future Plans and **[REDACTED]**". The success of our expansion is subject to a variety of factors beyond our control such as changes in the economy, governmental policies and regulations.

In addition, if the forecasted demand for our products does not grow at the pace that we expect or at all, or if we are unable to deepen existing and develop additional customer relationships in these markets and product lines, we may fail to realise return on these investments, incur losses on such investments and be unable to redeploy effectively the invested capital to take advantage of other markets and opportunities, potentially resulting in lost of market share to our competitors. As a result, our business, financial condition and results of operations may be materially and adversely affected. Further, we cannot assure you that our production capacity expansion plans will be successfully implemented without delay or at all. Any failure or delay in implementing any part of these plans may adversely affect our growth and market expansion, which in turn could materially and adversely affect our business, financial condition and results of operations.

Any operational failure or disruption to our production facilities could negatively affect our business

A disruption to, or shortage of, water, electricity or gas may adversely affect our production output. We produce all our products in our production facilities. From July to December 2018, we experienced a power interruption for part of our galvanisation production line due to a construction accident affecting a power transmission cable while the government was making road repairs, rendering the equipment used for the "galvanisation" stage of production inoperable during this period. Please refer to the section headed "Business — Our Production — Our Production Facilities — Prestressed Material Business" for details. The power interruption did not have a material adverse impact on our business as we were able to purchase semi-finished galvanised prestressed materials for further processing. The gross profit margin from the sales of self-produced galvanised prestressed products was around 27% in 2018, while the gross profit margin from the sales of processed semi-finished galvanised products was around 20% in 2018. However, should there be any future disruption that may affect our production, there is no guarantee we would be able to take any mitigating measures for our other products or in the future. A significant disruption to, or shortage of, utilities may prevent us from manufacturing sufficient products during the affected period and may materially and adversely affect our business, financial condition and results of operations.

In addition, our ability to adequately preserve our inventory of raw materials and to produce, distribute and sell our products is critical to our success. If all or a portion of the raw materials we hold in inventory is damaged, our ability to produce, distribute or sell our products could be partially or materially hindered. If we fail to take adequate steps to mitigate the likelihood or potential impact of such events, or to effectively manage such events if they occur, this could materially and adversely affect our business, financial condition and results of operations.

We may not be able to efficiently manage our inventory risks

We need to maintain sufficient inventory levels for our business operations in order to meet our customers' demands. We generally maintain certain inventory level of raw materials to ensure stable operations, and we cannot assure you that we can accurately predict sales and avoid over-stocking or under-stocking of raw materials in our inventories.

In addition, when we purchase raw materials based on the customers' orders, we may not be able to consume all such inventory in sufficient quantities if a customer cancels or reduces its order. Changes in the product requirements of our customers may result in material increases or decreases in demands for certain raw materials, which may negatively impact our results of operations and inventory usage. As at 31 March 2019, approximately RMB139.1 million, or 78.4%, of our inventories as at 31 December 2018 were subsequently consumed or sold.

Inventory levels in excess of customer demand could result in inventory write-downs or increase in inventory holding costs. On the contrary, if we underestimate demand or if our suppliers fail to provide products in a timely manner, we may experience inventory shortages, which could in turn result in unfulfilled customer orders, loss of sales and a negative impact on customer relationships. We cannot assure you that we will be able to maintain an appropriate inventory levels, and any such failure could have an adverse effect on our business, financial condition, and results of operations.

Our failure to comply with environmental, safety, and health laws and regulations may subject us to penalties

As part of our business operations, we are required to comply with various and extensive environmental as well as health and safety laws and regulations promulgated by the PRC government. Given the magnitude and complexity of these laws and regulations, compliance with them or the establishment of effective monitoring systems may require a significant amount of financial and other resources. As these laws and regulations continue to evolve, there can be no assurance that the PRC government will not impose additional or more onerous laws or regulations, compliance with which may cause us to incur significantly increased costs, that we may not be able to pass on to our customers.

Our business operations may be affected by an occurrence of widespread public health problems, acts of war, natural disasters or other events beyond our control

Our suppliers, production facilities and the majority of our customers are all located in China. Any widespread health problems, acts of war or natural disasters such as bad weather conditions, flooding, typhoons, tsunamis, snowstorms, landslides, earthquakes and fires, as well as labour strikes or social turmoil that are beyond our control could have an adverse effect on the overall business sentiment and environment, which in turn may have an adverse impact on our sales. Epidemics may cause different degrees of damage to the national and local economies and result in material disruptions to our operations. The occurrence of natural disasters, unanticipated catastrophic events or a recurrence of an epidemic and other adverse public health developments in the PRC could severely disrupt our business operations, and in turn materially and adversely affect our business, financial condition and results of operations.

We will continue to be controlled by our Controlling Shareholders, whose interests may differ from those of our other Shareholders

Immediately following the **[REDACTED]** without taking into account of options which may be granted under the Share Option Scheme, our Controlling Shareholders will hold approximately **[REDACTED]** of our total issued share capital assuming no exercise of the **[REDACTED]** (or approximately **[REDACTED]** if the **[REDACTED]** is fully exercised). As such, our Controlling Shareholders will have substantial influence over our business, including decisions regarding mergers, consolidations and the sale of all or substantially all of our assets, election of Directors and other significant corporate actions. This concentration of ownership may discourage, delay or prevent changes in control of our Company that would otherwise benefit our other Shareholders. To the extent that the Controlling Shareholders have interests that conflict with those of our Group and our other Shareholders, they may take actions in its capacity as the Controlling Shareholders that may not be in the best interests of our Shareholders as a whole.

RISKS RELATING TO CONDUCTING BUSINESS IN CHINA

Our business, financial condition and results of operations may be affected by changes in the PRC government policies with respect to the infrastructure construction industry

Our products are mainly for use in infrastructure construction, in particular transportation infrastructure projects such as bridges, railways and highways. As transportation infrastructure is a key infrastructure component in urban development which requires substantial investment, these projects in China are largely funded by municipal government budgets. The future growth in the infrastructure construction industry in China would depend on the continuing effort in urban planning and the capital investment by the PRC government. Thus, our business relies heavily on policies promulgated by the PRC government and infrastructure investment budgets by local governments.

Infrastructure investments by the PRC government are subject to periodic variations due to national and regional economic policies and changes in the development of the Chinese economy. The growth of the bridge construction market has been correlated with China's increasing investment in infrastructure construction pursuant to government's initiatives in social development and the improvement in bridge construction technology in recent years. During the period between 2013 and 2017, the CAGR of total investments in fixed assets for transportation infrastructure in China was 9.0%, according to Frost & Sullivan. It is expected that with the introduction of various new government policies in relation to infrastructure development, such as the "13th Five Year Plan" and the "Belt and Road" Initiative, more bridges will be built and significant investment will be deployed in the transportation infrastructure sector. If there is any change in the PRC government budgets, public expenses or public policies in relation to the infrastructure construction in China, in particular for the transportation sector, our business, financial position, results of operations and prospects may be materially and adversely affected.

The economic, political, legal and social conditions, government policies or any economic downturn in the PRC could affect our business

Our business and results of operations are subject to the economic, political, legal and social developments of the PRC, as most of our assets are located, and all of our products are manufactured, in China. The Chinese economy differs from the economies of other countries in many respects. The Chinese economy has historically been a planned economy and has been in a transitional stage to a more market economy. Although the PRC government has implemented measures emphasising the use of market forces for economic reform in recent years, we cannot assure you that economic, political or legal systems of the PRC will not develop in a way that is detrimental to our business. Moreover, uncertainties regarding interpretation and enforcement of PRC laws and regulations may negatively affect our business. Any changes in the political, economic, legal and social conditions in China or the relevant policies of the PRC government, such as changes in laws and regulations or their interpretation, in particular changes in labour laws which may result in wage increases, inflationary measures, changes in the tax rate or method of taxation, further foreign exchange restrictions and the imposition of additional import restrictions, could materially and adversely affect our business, financial condition and results of operations.

The future performance of the Chinese economy is not only affected by the economic and monetary policies of the PRC government, but may also be affected by material changes in global economic and political environments as well as the performance of certain major developed economies in the world. There may exist a continued uncertainty for the overall prospects for the global and the Chinese economy in the foreseeable future.

In addition, our products are mainly for use in infrastructure construction, in particular transportation infrastructure projects, any economic downturn in China may lead to a negative effect to the construction industry. As infrastructure construction projects involves huge capital and investment, any cyclical trends in the economy as a whole, fluctuations in interest rates and the availability of new development initiatives by the government could affect the progress and scale of a construction project, which may affect the demand for our products. If China experiences any adverse economic conditions due to events beyond our control, our overall business and results of operations and profits could be materially and adversely affected. Furthermore, an economic downturn may hinder our ability to maintain adequate working capital through cash generated from operations or through our banking credit facilities, which may affect our liquidity position. Insufficient working capital and liquidity may have material and adverse effect on our business, financial condition and results of operations.

We may be adversely affected by inflation or labour shortage in China

In recent years, the Chinese economy has experienced periods of rapid expansion and highly fluctuating rates of inflation. During the past ten years, the rate of inflation in China has been as high as 5.9% and as low as -0.7%. While inflation has recently slowed with a moderate rate of 1.6% recorded in December 2017, it is uncertain when the general price level may increase or decrease sharply in the future. Moreover, the significant economic growth in China has resulted in a general increase in labour costs and shortage of low-cost labour. Inflation may cause our production costs to continue to increase. If we are unable to pass on the increase in production costs to our customers, we may suffer a decrease in profitability and a loss of customers and our results of operations could be materially and adversely affected.

Failure to comply with SAFE regulations relating to the establishment of offshore special purpose companies by PRC residents, particularly SAFE Circular No. 37, may subject our PRC resident Shareholders or our PRC subsidiaries to liabilities or penalties, limit our ability to inject capital into our PRC subsidiaries or limit the ability of our PRC subsidiaries to distribute profits to our Company

In July 2014, SAFE promulgated the SAFE Circular No. 37, pursuant to which a "special purpose vehicle" means an overseas enterprise directly established or indirectly controlled by a domestic resident (including domestic institutions and domestic individual residents) for the purpose of engaging in investment and financing with the domestic enterprise assets or interests he legally holds, or with the overseas assets or interests he legally holds. Domestic residents establishing or taking control of a special purpose vehicle abroad which engages in overseas investment and financing or makes round-trip investments in the PRC are required to effect foreign exchange registration.

According to the PRC Legal Advisers, Dr. Tang, Mr. Lu and Mr. Wang are all subject to the requirements under SAFE Circular No. 37 and all necessary foreign exchange registrations with the local foreign exchange authority under SAFE Circular No. 37 were completed on 1 August 2017. However, there is no assurance that the PRC government will not have a different interpretation of the requirements of SAFE Circular No. 37 in the future. Moreover, we may not be fully informed of the identities of all the future Shareholders who are PRC residents. We do not have control over the Shareholders and cannot assure you that all of the PRC resident Shareholders will comply with SAFE Circular No. 37. Failure of the PRC resident Shareholders to register or amend their SAFE registrations in a timely manner pursuant to SAFE Circular No. 37 may subject such Shareholders and our PRC subsidiaries to fines and legal sanctions. Failure to comply with SAFE Circular No. 37 may also limit our ability to contribute additional capital to our PRC subsidiaries, limit the ability of the PRC subsidiaries to distribute dividends to our Company or otherwise materially and adversely affect our business.

We may be deemed a PRC resident enterprise under the CIT Law and any gains on the sales of our Shares and dividends on our Shares may be subject to PRC income taxes

Under the CIT Law and its implementation rules, a PRC withholding tax at the rate of 10% is applicable to dividends payable to investors which are "non-resident enterprises" that do not have an establishment or place of business in the PRC, or that have such establishment or place of business but the relevant income is not effectively connected with such establishment or place of business to the extent such dividends have their source within the PRC unless there is an applicable tax treaty between the PRC and the jurisdiction in which an overseas holder resides which reduces or exempts the relevant tax. According to the Arrangements between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), the dividends derived by a foreign investor residing in Hong Kong from its PRC subsidiary is subject to a tax rate of 5% provided that the foreign investor directly holds not less than 25% of the equity interest of the PRC subsidiary. However, according to the Notice of the State Administration of Taxation on the Issues Concerning the Application of the Dividend Clauses of Tax Agreements (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》) issued by the SAT on 20 February 2009, if the main purpose of a transaction or an arrangement is to obtain preferential tax treatment, the PRC tax authorities will have the discretion to adjust the preferential tax rate for which an offshore entity would otherwise be eligible. In addition, any gain realised on the transfer of shares by foreign investors is subject to a 10% PRC income tax if such gain is regarded as income derived from sources within the PRC. Since it is uncertain whether our Company will be considered a PRC "resident enterprise", dividends payable to the foreign investors of our Company with respect to the Shares, or the gain the foreign investors of our Company may realise from the transfer of the Shares, may be treated as income derived from sources within the PRC and be subject to the PRC tax.

RISKS RELATING TO THE [REDACTED] AND OUR SHARES AND LISTING OF OSSEN INNOVATION ON NASDAQ

There has been no prior public market in Hong Kong for our Shares and an active trading market for the Shares may not develop or be sustained

Prior to the **[REDACTED]**, no public market existed for our Shares. The initial **[REDACTED]** to the public for our Shares is the result of negotiations between us (for ourselves and on behalf of the **[REDACTED]**) and the **[REDACTED]** (for itself and on behalf of the **[REDACTED]**) and the **[REDACTED]** may differ significantly from the market price for our Shares following the **[REDACTED]**. We cannot assure you that an active **[REDACTED]** for our Shares will develop following the **[REDACTED]** or, if it does develop, that it will be sustained or that the market price for our Shares will not decline below the **[REDACTED]**.

The [REDACTED] of the Shares may be volatile, which could result in substantial losses to you

The **[REDACTED]** of the Shares may be volatile and could fluctuate widely in response to factors beyond our control, including the general market conditions of the securities markets in Hong Kong and elsewhere in the world. In particular, the **[REDACTED]** performance of Ossen Innovation or other companies offering products and services related to ours, such as our customers and competitors, may affect the **[REDACTED]** of the Shares. In addition to market and industry factors, the **[REDACTED]** and **[REDACTED]** for the Shares may be highly volatile for specific business reasons. In particular, factors such as variations in our revenue, net income and cash flow could cause the market price of the Shares to change substantially. Any of these factors may result in large and sudden changes in the **[REDACTED]** and **[REDACTED]** of the Shares.

Since there will be a gap of several days between [REDACTED] and [REDACTED] of our Shares, holders of our Shares are subject to the risk that the [REDACTED] of the Shares could fall during the period before [REDACTED] of the Shares begins

The **[REDACTED]** of our Shares is expected to be determined on the **[REDACTED]**. However, the Shares will not commence **[REDACTED]** on the Stock Exchange until they are delivered, which is expected to be several business days after the **[REDACTED]**. As a result, investors may not be able to sell or otherwise deal in the Shares during that period. Accordingly, holders of the Shares are subject to the risk that the **[REDACTED]** of the Shares could fall before **[REDACTED]** begins as a result of adverse market conditions or other adverse developments that could occur between the **[REDACTED]** and the time **[REDACTED]** begins.

Any sale of a substantial amount of the Shares in the public market, or any changes in the number of Shares in issue, could negatively affect the market price of the Shares

We cannot assure you that, after the expiry of the restrictions in respect of their lock-up undertakings, the Controlling Shareholders will not dispose of any Shares that they may own now or in the future. Please refer to the section headed "**[REDACTED]**" in this **[REDACTED]**. Any sale of a substantial amount of the Shares in the public market after the completion of the **[REDACTED]**, or the perception that these sales may occur in the near future, could negatively affect the market price of the Shares. Such sale or perception could also significantly impair our ability to raise capital through **[REDACTED]** Shares in the future.

In addition, we may issue additional Shares, or securities convertible into the Shares, to raise capital in the future,. We may also acquire interests in other companies by issuing Shares, or using a combination of cash and Shares. Any of these events may dilute your ownership interest in our Company and could negatively affect the market price of the Shares.

Any options granted under the Share Option Scheme may dilute the Shareholders' equity interests

Our Company has conditionally adopted the Share Option Scheme. Please refer to the section headed "Statutory and General Information — D. Share Option Scheme" in Appendix IV to this **[REDACTED]** for details. As at the Latest Practicable Date, no option had been granted to subscribe for Shares under the Share Option Scheme. Following the **[REDACTED]** upon exercise of the options that may be granted under the Share Option Scheme, there will be an increase in the number of issued Shares. As such, there may be a dilution or reduction of shareholding of the Shareholders which results in a dilution or reduction of the earnings per Share or net asset value per Share. In addition, the fair value of the options to be granted to the eligible participants under the Share Option Scheme will be charged to the consolidated comprehensive income statement of our Group over the vesting periods of the options. The fair value of the options shall be determined on the date of granting of the options. Accordingly, the financial results and profitability of our Group may be adversely affected.

Fluctuations in the value of the Renminbi could have an adverse effect on your investment

Our income and expenses have been and are expected to continue to be primarily denominated in Renminbi and we are exposed to the risks associated with the fluctuation in the currency exchange rate of Renminbi. Should Renminbi appreciate against other currencies, the value of the **[REDACTED]** from the **[REDACTED]** and any future financings, which are to be converted from Hong Kong dollar or other currencies into Renminbi, would be reduced and might accordingly hinder our business development due to the lessened amount of funds raised. On the other hand, in the event of the devaluation of Renminbi, the dividend payments of our Company, which are to be paid in Hong Kong dollars after the conversion of the distributable profit denominated in Renminbi, would be reduced. Hence, substantial fluctuation in the currency exchange rate of Renminbi may have a material adverse effect on our business, operations and financial position and the value of your investment in the Shares.

We may incur significant costs as a result of holding controlling interest in Ossen Innovation, a publicly listed company in the United States, and our management is required to devote substantial time to compliance requirements

Our subsidiary, Ossen Innovation, which holds our Prestressed Materials Business, is a publicly listed company in the United States and its ADSs are traded on the NASDAQ Capital Market under the stock code "OSN". As a publicly listed company in the United States, we are subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934, as amended ("**U.S. Exchange Act**"), and legal, accounting and other expenses incurred under the Sarbanes-Oxley Act of 2002, as amended ("**Sarbanes-Oxley Act**"), together with rules implemented by the U.S. Securities and Exchange Commission ("**SEC**") and applicable market regulators. These rules impose various requirements on public companies, including requiring certain corporate governance practises. Our management and other personnel devote a substantial amount of time to these requirements. Moreover, these rules and regulations increase our legal and financial compliance costs and make some activities more time-consuming and costly.

As required by Section 404 of the Sarbanes-Oxley Act, we must perform system and process evaluations and testing of our internal controls over financial reporting to allow management to report on the effectiveness of our internal controls over financial reporting. Such compliance requires that we incur substantial accounting expenses and expend significant management efforts. In the event we identify significant deficiencies or material weaknesses in our internal controls that we cannot remediate in a timely manner, the market price of our Shares and/or ADSs could decline if investors and others lose confidence in the reliability of our financial statements, we could be subject to sanctions or investigations by the SEC or other applicable regulatory authorities and our business could be harmed.

In addition, as a U.S. listed company, Ossen Innovation is also subject to the United States Foreign Corrupt Practises Act ("**FCPA**"), which prohibits U.S. companies from making prohibited payments to foreign officials for the purpose of obtaining or retaining business. Corruption, extortion, bribery, pay-offs, theft and other fraudulent practises occur from time to time in mainland China. If our employees or other agents are found to have engaged in such practises, we could suffer severe penalties under the FCPA.

The trading prices and volumes of the ADSs of Ossen Innovation may be volatile, which may have an effect on the prices and volumes of our Shares traded on the Stock Exchange and the ability of Ossen Innovation to remain listed on NASDAQ

The market price for the ADSs of Ossen Innovation is highly volatile and subject to wide fluctuations in response to various factors beyond our control, such as:

- actual or anticipated fluctuations in our operating results and revisions to our expected results;
- changes in financial estimates by securities research analysts;
- conditions in the markets for our products;
- the **[REDACTED]**;

- changes in the economic performance or market valuations of companies specialising in our industry or our customers or their industries;

- changes in market valuations of U.S. listed companies headquartered in China, and in particular small capitalisation companies;

- announcements by us or our competitors of new products, acquisitions, strategic relationships, joint ventures or capital commitments;

- addition or departure of our senior management and key personnel;

- fluctuations of exchange rates between the Renminbi and the U.S. dollar; and

- sales or perceived potential sales of the ADSs or shares of Ossen Innovation.

Under NASDAQ Capital Market listing rules, the ADSs of Ossen Innovation need to trade at a bid price at or above US$1.00, and if this requirement has not met for an extended period of time or rectified in a timely manner, Ossen Innovation may be delisted from NASDAQ. Please refer to the section headed "History, Reorganisation and Group Structure — Listing on Other Stock Exchanges — Historic non-compliance incidents" for further information. In addition, the characteristics of the U.S. capital markets and the Hong Kong capital markets are different. The NASDAQ and the Stock Exchange have different trading hours, trading characteristics (including trading volume and liquidity), trading and listing rules, and investor bases (including different levels of retail and institutional participation). Accordingly, the trading prices and volumes of our Shares on the Stock Exchange may be affected by the market price for the ADSs of Ossen Innovation.

Ossen Innovation may be subject to securities litigation in the United States, which could be expensive and divert management attention

As a publicly traded company on NASDAQ, Ossen Innovation is subject to securities litigation claims by its ADS holders in the United States regardless of whether there is any substantial merit to the claims. In particular, companies that have experienced volatility in the volume and market price of their shares have been subject to an increased incidence of securities class action litigation which would likely be expensive. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, and, if adversely determined, could have a material adverse effect on our business, financial condition and results of operations.

There is no assurance that the Company will declare dividends in the future

Since the date of our incorporation, no dividend has been paid or declared by us. We may pay dividends to our Shareholders in the future. We cannot guarantee whether and when any dividends will be paid in the future, and potential investors should be aware that historical dividends record shall not be used as a reference or basis upon which future dividends may be determined. The declaration, payment and amount of any future dividends of the Company will be subject to the discretion of the Directors, and will depend upon, among other things, our earnings, financial condition, cash requirements and availability of profits, the provisions of the Articles and the Companies Law and other relevant factors. Details of our Company's dividend policy and dividends are set out in the section headed "Financial Information — Dividend".

In particular, our Company is a holding company and conducts substantially all of our business through our operating subsidiaries. As a result, our ability to pay dividends depends on dividends and other distributions received from our operating subsidiaries, which in turn depend on the legal and regulatory requirements to which the relevant subsidiary is subject. Generally, our subsidiaries could not pay any dividends to us if they do not have any distributable profit. Limitation on the ability of our subsidiaries to remit their after-tax profits to us in the form of dividends or other distributions could adversely affect our ability to grow, invest, pay dividends and other distributions and conduct our business. In addition, restrictive covenants in banking facilities that our subsidiaries may enter into in the future may also restrict the ability of our subsidiaries to pay dividends or make distributions to us. These restrictions would reduce the amount of dividends or other distributions we could receive from our subsidiaries, which in turn would restrict our ability to pay dividends to our Shareholders.

The laws of the Cayman Islands relating to the protection of the interests of minority shareholders may differ from the laws of Hong Kong and other jurisdictions

Our corporate affairs are governed by, among other things, the Memorandum and Articles of the Company and the Companies Law and common law of the Cayman Islands. The laws of the Cayman Islands relating to the protection of the interests of minority shareholders differ in some respects from those established under statutes or judicial precedents in existence in Hong Kong. This may mean that the remedies available to our minority Shareholders may be different from those available under the laws of Hong Kong or other jurisdictions. A summary of the constitution of our Company and the Companies Law is set out in Appendix III to this **[REDACTED]**.

We cannot guarantee the accuracy of facts and other statistics with respect to our industry contained in this [REDACTED]

We have derived certain facts and other statistics in this **[REDACTED]** relating to the industry in which we operate from various third-party sources that we believe to be reliable and appropriate. While we have taken reasonable care in the reproduction of the information and our Directors have no reason to believe that any of the information is false or misleading or that any fact has been omitted that would render it false or misleading, such facts and statistics not been prepared or independently verified by us, the **[REDACTED]**, the Sole Sponsor, the **[REDACTED]**, the **[REDACTED]**, the **[REDACTED]** or any of our or their respective directors, officers, employees, agents, affiliates or advisers or any other party involved in the **[REDACTED]**. Therefore, we make no representation as to the accuracy of such facts and statistics, which may not be consistent with other information complied within or outside China or available from other sources. Due to possibly flawed or ineffective sampling or discrepancies between published information and market practise or other reasons, such facts and statistics may be inaccurate and may not be comparable to official statistics and you should not place undue reliance on them. Accordingly, you should consider carefully how much weight or importance you should attach to or place on such facts or statistics.

[REDACTED] should not rely on any information in the press articles or other media regarding our Group or the [REDACTED] not contained in this [REDACTED]

There may be certain press coverage in certain news publications regarding our Group and the **[REDACTED]** which include certain financial information, financial projections and other information about our Group that do not appear in this **[REDACTED]**. We wish to emphasise to **[REDACTED]** that we do not accept any responsibility for the accuracy or completeness of any information disseminated in the articles or media and that such information was not sourced from or authorised by our Group.

We make no representation as to the appropriateness, accuracy, completeness or reliability of any of the information and underlying assumptions. To the extent that any of such information is inconsistent with, or conflicts with, the information contained in this **[REDACTED]**, we disclaim it. Accordingly, **[REDACTED]** are cautioned to make **[REDACTED]** decisions on the basis of the information contained in this **[REDACTED]** only and should not rely on any other information.

Forward-looking statements contained in this [REDACTED] are subject to risks and uncertainties

This document contains certain statements that are "forward-looking" and indicated by the use of forward-looking terms such as "aim", "anticipate", "believe", "could", "estimate", "expect", "going forward", "intend", "ought to", "may", "plan", "potential", "project", "seek", "should", "will" or "would" or similar expressions. You are cautioned that any forward-looking statement involves risks and uncertainties and any or all of the assumptions relating to the forward-looking statements could prove to be inaccurate. As a result, the forward-looking statements could be incorrect. The inclusion of forward-looking statements in this **[REDACTED]** should not be regarded as a representation by us that the plans and objectives will be achieved, and you should not place undue reliance on such statements.