An investment in our Shares involves various risks. You should carefully consider all the information in this document and, in particular, the risks and uncertainties described below before making an investment in our Shares. The occurrence of any of the following events could materially and adversely affect our business, financial condition, results of operations or prospects. If any of these events occur, the trading price of our Shares could decline and you may lose all or part of your investment. You should seek professional advice from your relevant advisers regarding your prospective investment in the context of your particular circumstances.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

We are subject to the credit risks of our customers and our credit risk management system may not be able to mitigate all our risk exposure.

We provide automobile finance lease services to customers on the condition that they will repay such financing amount together with interest regularly on a timely manner. Therefore, we are subject to risks of default repayment by customers. If our customers delay or default in their repayment, we may have to make additional impairments and write off the relevant receivables. This may have a material adverse effect on our business, financial condition and results of operations.

Our preliminary credit risk assessment involves the evaluation of our customers' personal and financial information. Since the information is mainly provided by our customers, we cannot assure that the information we rely on are provided in good faith and is accurate and complete. Further, our credit risk assessment may involve perusing credit reports on our customers produced by third party credit risk assessment agents. We have no control over how these credit risk assessment agents conduct the assessments on our customers. As such, our credit assessment may not be always accurate and provide sufficient information for us to manage all of the credit risks that we are exposed to, which may have a material adverse effect on our business, results of operations and financial condition.

We may not be able to repossess the automobiles under our finance lease services in cases of delinquency or default by our customers.

In the event of any material delinquency or default on repayment by our customers, we may enforce our right to repossess the relevant automobiles leased to them. However, due to the mobility nature of automobiles, we may face difficulties in repossessing all the automobiles of which the customers default in repayment. Practically we are also faced with the risk of traffic accidents or mismanagement of the automobile resulting in total loss of the automobile which make repossession meaningless. In the case where we are not able to successfully repossess these automobiles, our business, financial condition and results of operations may be materially and adversely affected.

The residual value of the repossessed automobiles or the amount recovered from legal proceedings may not be adequate to cover the remaining amount of financing extended to our customers.

Our receivables under our automobile finance leases are secured by the leased automobiles throughout the lease term. In case of any default in repayment by customers, we may enforce our right to repossess the leased automobiles of which we can dispose or put into other commercial uses, or initiate legal proceedings to recover the remaining amount of financing extended to our customers. In the event that the residual value of the repossessed automobile or the amount recovered from legal proceedings is not sufficient to cover the receivables, we may not be able to recover the outstanding principal amount of financing we granted to our customers, and thus our financial condition, results of operations and growth prospects may be materially and adversely affected.

Our allowance for impairment on receivables (including finance lease receivables, trade receivables and other receivables) may not be adequate to cover potential credit losses, and may adversely affect the Group's financial performance.

The carrying amount of our gross receivables (including finance lease receivables, trade receivables, and prepayment and other receivables) was RMB1,079.2 million, RMB1,384.8 million and RMB1,575.4 million as at 31 December 2020, 2021 and 2022, respectively. We make allowance for impairment on receivables in accordance with IFRS. Our allowance for impairment amounted to RMB10.3 million, RMB11.5 million and RMB14.2 million, representing 1.0%, 0.8% and 0.9% of gross receivables (including finance lease receivables, trade receivables, and prepayment and other receivables) as at 31 December 2020, 2021 and 2022, respectively. The corresponding impairment loss recognised in profit or loss was RMB2.1 million, RMB3.9 million and RMB4.9 million, respectively, during the Track Record Period. As our impairment provision under IFRS requires significant judgement and estimation, our allowance for impairment provision may not be adequate to cover all potential credit losses in our business operations. Our allowance for impairment may prove to be inadequate if unexpected adverse changes occur to the PRC economy or if other events adversely affect our customers, industries or markets. In such cases, we may need to make additional impairment allowance for our receivables, which could significantly reduce our profit and may adversely affect our financial condition, results of operations and growth prospects.

Net current liabilities may expose us to certain liability risks.

We recorded net current liabilities of RMB57.7 million and RMB147.2 million as at 31 December 2020 and 2021, respectively, and net current assets of RMB41.8 million as at 31 December 2022. The net current liabilities as at 31 December 2021 were mainly due to the inclusion of ordinary shares with redemption right of RMB196.6 million in the current liabilities. Such redemption right was no longer exercisable upon the filing of the **[REDACTED]** Application and will be terminated upon **[REDACTED]**.

Net current liabilities may expose us to certain liquidity risks and could constrain our operational flexibility. There can be no assurance that we will not experience liquidity problems in the future. If we fail to generate sufficient revenue from our operations, or if we fail to maintain sufficient cash or raise sufficient funding, we may not have sufficient cash to fund our business, operations and capital expenditure, and our business and financial position will be adversely affected. For detailed analysis of our net current liabilities, please refer to "Financial Information — Liquidity and Capital Resources — Net Current Assets/(Liabilities)".

Any material mismatch in the maturity profile of our assets and liabilities may have material adverse impact on our liquidity and our ability to settle our outstanding liabilities.

If there is any material mismatch in the maturity profile of our assets and liabilities, we may not be able to settle the liabilities when they fall due. For our financial assets and liabilities with the category of "on demand/less than one year", we had a negative net liquidity gap of approximately RMB268.1 million, RMB132.5 million and RMB74.7 million, as at 31 December 2020, 2021 and 2022, respectively. For our finance lease receivables and the relevant borrowings under the automobile retail and finance segment with the category of "on demand/less than one year", we had a maturity gap of approximately RMB87.3 million, RMB86.0 million and RMB89.4 million, as at 31 December 2020, 2021 and 2022, respectively. For further details of our net liquidity gap and maturity gap, please refer to the section headed "Financial Information — Capital Management — Liquidity". If we breach any of our obligations in the finance lease agreements or financing agreements that could result in any event of default, the creditors may exercise the right to demand immediate repayment of our borrowings in the future. In these events, we cannot assure you that we can meet our financial liabilities as they fall due. Our ability to maintain healthy liquidity position and obtain adequate additional financing may also be impaired, which may have a material adverse effect on our business, financial condition and results of operations.

We recorded negative cash flow from operating activities during the years ended 31 December 2021 and 2022. If we are unable to obtain additional financing in the future or there is any adverse movement in market interest rates, our business may be materially and adversely affected.

For the years ended 31 December 2021 and 2022, we recorded negative cash flow from operating activities of RMB77.4 million and RMB74.0 million, respectively. Our business operations, in particular, our automobile retail and finance lease business and automobile operating lease business, are capital intensive. We primarily finance our finance lease business through bank and other borrowings. For the years ended 31 December 2020, 2021 and 2022, our cost of funding amounted to RMB98.7 million, RMB108.8 million and RMB131.4 million, representing 42.0%, 46.4% and 50.1% of our finance lease income for the corresponding year, respectively. As such, our business is affected by adverse movements in market interest rates. For instance, an increase in market interest rates may not only have a negative impact on our ability to obtain additional funding at favourable interest rates, which we may not be able to pass on the increase of interest costs to our customers at a timely manner or at all, but also reduce the demand for our automobile finance lease services. As a result, any adverse movement in market interest rates may have a material adverse impact on our business, financial condition and results of operation.

We cannot assure you, especially in prevailing adverse market conditions, that we will be able to obtain sufficient additional financing on commercially reasonable terms, or at all, to support our business operation, in particular, our automobile finance lease business. In such case, there would be an adverse impact on our liquidity and our financial condition, results of operations and growth prospects may be materially and adversely affected.

We may be unable to maintain our historical gross profit margins.

We attained a gross profit margin of approximately 40.5%, 30.9% and 32.8%, respectively, for the years ended 31 December 2020, 2021 and 2022. However, the gross profit margin we attained during the Track Record Period may not be taken as a reference to estimate our gross profit margin in the future. Our ability to maintain our historical profit margin is contingent on a variety of competitive, industrial, macroeconomic, fluctuations in costs of automobile, funding costs, labour costs, governmental and regulatory factors and conditions which are beyond our control.

There is no assurance that we will be successful in meeting all challenges and addressing the risks and uncertainties as we may face in developing our business and our gross profit margin can be maintained at the level similar to those in the Track Record Period. Should we fail to maintain such gross profit margin, our financial results may be adversely affected.

We are subject to the risk of recoverability of other tax recoverable.

As at 31 December 2020, 2021 and 2022, we had other tax recoverable of RMB94.6 million, RMB56.0 million and RMB70.8 million, respectively. The amount of input VATs and output VATs are determined with reference to the applicable VAT rate in effect during the period when the purchase from suppliers and the periodic lease payments are made. Our other tax recoverable may pose risk to us as its recoverability is dependent on the recoverability of lease payments and the applicable VAT rate in effect.

There is no assurance that the other tax recoverable can be recovered. In the case of lack of lease payments or adjustment of the applicable VAT rate in effect, the output VAT may continue to be in a shortfall in the future, and we may have to write-down the other tax recoverable, which may significantly affect our financial condition.

The fair value measurements of ordinary shares with redemption right require the use of estimates that are based on unobservable inputs, which inherently involve a certain degree of uncertainty, and the fair value change of ordinary shares with redemption right could materially affect our Group's financial performance.

As at 31 December 2020, 2021 and 2022, our financial liabilities at fair value through profit and loss which was categorised as level three fair value measurement consisted of ordinary shares with redemption right. Our financial liabilities amounted to RMB177.9 million, RMB196.6 million and RMB163.1 million as at 31 December 2020, 2021 and 2022, respectively.

Our Group has engaged an independent valuer to determine the underlying share value of our Group by discounted cash flow method and adopted equity allocation model to determine the fair value of the ordinary shares with redemption right as of the date of issuance and at the end of each reporting period. See Note 3 to the Accountant's Report in Appendix I to this document for more information about the fair value measurement of our financial liabilities at fair value through profit and loss which was categorised as level three fair value measurement. Changes in the unobservable inputs will affect the estimated fair value of our financial liabilities at fair value through profit and loss which was categorised as level three fair value measurement, which leads to uncertainty in accounting estimation.

We recognised fair value loss on ordinary shares with redemption right of RMB6.9 million and RMB4.2 million and fair value gain on ordinary shares with redemption right of RMB47.3 million for the years ended 31 December 2020, 2021 and 2022, respectively. A substantial increase in the fair value of our financial liabilities at fair value through profit or loss may have an adverse effect on our financial position and as well as our results of operations.

Such redemption right was no longer exercisable upon the filing of the **[REDACTED]** application and will be terminated upon **[REDACTED]**.

We are exposed to the risk of inventories obsolescence.

As at 31 December 2020, 2021 and 2022, we had inventories of approximately RMB142.0 million, RMB141.9 million and RMB193.6 million, respectively. Our average inventory turnover days for our automobile finance lease business were 96 days, 54 days and 58 days for the years ended 31 December 2020, 2021 and 2022, respectively. The demand for automobiles is dependent on our customers' preferences and the economic condition, which are beyond our control. Any increase in inventory may adversely affect our working capital. If we cannot manage our inventory level efficiently in the future, our liquidity and cash flow may be adversely affected.

Our business and results of operations may be severely affected due to the outbreak of diseases or epidemic.

Any occurrence of diseases or epidemics may cause material disruptions to our business operations. The COVID-19 pandemic has affected the global economy. The COVID-19 outbreak resulted in nationwide restrictions on travel and public transport, and the implementation of social distancing measures in China in 2020. As a result, our automobile retail and finance business, and our automobile operating lease business were adversely affected in the first half of 2020. In 2022, COVID-19 variants, such as Omicron strains, trigger new infection waves in China. Some regions in China take restrictive control measures.

We cannot accurately predict what effects the pandemic or any new variants will have on our business operations or financial performance, due to the fact that the impact depends on many factors which are out of our control, such as the duration of the pandemic, and the corresponding travel restrictions and other restrictive measures imposed by government authorities, which can potentially create uncertainty about the overall demand for automobiles and automobile services, as well as constraints on automobile supplies.

There is no assurance that there will be no recurrence of any outbreak of diseases such as COVID-19 and its variants, Severe Acute Respiratory Syndrome (SARS), Middle East Respiratory Syndrome Coronavirus (MERS) or any other contagious disease or epidemic outbreaks in cities or provinces in China in which we do business. We may not be able to sustain our historical revenue and profit in the future.

We may be exposed to impairment losses on prepayments, deposits and other receivables.

Our prepayments, deposits and other receivables primarily consisted of (i) other tax recoverable; (ii) prepayment for inventories; and (iii) prepayment for auto-insurance premium. As at 31 December 2020, 2021 and 2022, our prepayment, deposits and other receivables were RMB238.4 million, RMB244.5 million and RMB266.0 million, respectively. The impairment loss recognised in profit or loss was RMB0.3 million, RMB0.4 million and RMB0.02 million, respectively, during the Track Record Period. For details, see "Financial information — Description of Certain Items of Consolidated Statements of Financial Position — Prepayment, deposits and other receivables". Any material impairment loss on prepayments, deposit and other receivables could adversely affect our financial performance.

If our intangible assets are impaired, our results of operations and financial position may be adversely affected.

As at 31 December 2020, 2021 and 2022, our intangible assets were RMB26.7 million, RMB24.1 million and RMB21.8 million, respectively. Our intangible assets comprise (i) computer software; (ii) self-developed applications; and (iii) intangible assets under development. Our Group has developed the software which is internally used for finance lease operation. For the purpose of impairment test on software under development as at 31 December 2020, 2021 and 2022, the recoverable amounts of the finance lease business units were determined based on value-in-use calculations. However, we cannot assure you that impairments or write-offs will not occur in the future, in which case our financial position and results of operations may be materially and adversely affected.

The fair value change of financial assets at fair value through profit or loss would have impact on the Group's financial performance.

During the Track Record Period, our financial assets at fair value through profit or loss consisted of asset-backed securities and our minority investment in a partnership. As at 31 December 2020, 2021 and 2022, such financial assets at fair value through profit or loss amounted to nil, RMB26.0 million and RMB21.6 million, respectively. The fair value gain through profit or loss from these financial assets was nil, loss of RMB33,000 and gain of RMB2.7 million during the Track Record Period. Any changes in the unobservable inputs will affect the estimated fair value of our financial assets at fair value through profit or loss, which lead to uncertainty in accounting estimation. A substantial decrease in the fair value of our financial assets at fair value through profit or loss may have an adverse effect on our financial position as well as our results of operations if we hold any financial assets at fair value through profit or loss in the future.

The markets we operate in are competitive.

We face intense competition in the automobile finance lease business and automobile-related services from both traditional and internet-based RAFLCs and we cannot guarantee that we will be able to sustain our competitive advantage or to effectively implement our business strategies. The top 20 companies in terms of transaction volume in 2022 in China's retail automobile finance lease market represent a market share of approximately 81.1%. Our Group ranked 4th in terms of transaction volume of direct finance lease with a market share of approximately 4.1% and 19th in terms of transaction volume of retail automobile finance lease among RAFLCs in the PRC in 2022 according to the CIC Report. Our current and potential competitors may have greater financial, technical, marketing and other resources devoted to the development of their businesses. As such, they may be able to develop new and better services and respond more quickly to new technologies, which may be more appealing to consumers. This may have a material adverse impact on our financial condition, results of operations and growth prospects.

We may fail to maintain or enlarge our consumer base.

Our Directors believe that our success depends in part on our ability to maintain and enlarge our consumer base by providing our consumers with distinct and satisfactory experience in using our automobile services. If we fail to deliver satisfactory experience to our automobile finance lease customers as well as automobile operating lease customers, they may look for substitutes and turn to our competitors not only for automobile finance lease and automobile operating lease services, but also other automobile-related services. As such, our business partners, including but not limited to auto dealers and third party automobile aftermarket service providers, may find us less attractive for business cooperation and thus reduce or suspend their cooperation with us. Our business and results of operations may therefore be adversely affected.

If we are unable to maintain stable relationships with automobile suppliers, our results of operation may be adversely affected.

We primarily procure new automobiles from auto dealers, some of which we have entered into framework supply agreements with. We believe that maintaining stable relationships with automobile suppliers is critical to a steady supply of and favourable discount in purchasing automobiles. If we are unable to maintain stable relationship with our automobile suppliers, we may not enjoy a steady supply, or at all, of automobiles. Our cost of procurement of automobiles may also increase as we may not be able to purchase automobiles on favourable terms. As such, our business, results of operations and financial condition will suffer.

We have very limited control over the services of third party automobile aftermarket service providers.

We operate an automobile aftermarket service platform with our 52 Car APP where car-user customers were able to access over 500 automobile service locations operated by third party automobile aftermarket service providers in the PRC as at 31 December 2022. However, we have very limited control over the operation of these automobile aftermarket service providers as we do not send our staff to manage and operate their services. If these automobile aftermarket service providers fail to deliver reliable, effective and satisfactory services to our customers, our customers may associate these with our Group. As we expand to work with more automobile aftermarket service providers, it may be more difficult for us to monitor and ensure their service quality. Any poor or unsatisfactory services from these service providers to our car-user customers may harm our corporate image and materially and adversely affect our business and results of operations.

Our automobile finance lease business may subject us to regulatory risks, and uncertainties and/or changes of which may materially and adversely affect our results of operations, financial condition and growth prospects.

PRC laws and regulations concerning automobile finance lease business are evolving and the PRC government authorities may promulgate new laws and regulations in the future. If the operation of our finance lease and operating lease services were later deemed to violate PRC laws or regulations, our business model, results of operations, and financial condition would be materially and adversely affected. We cannot assure you that our business would not be deemed to violate any PRC laws and regulations to come into force. In the event that the regulatory policy on our business changes or stricter laws and regulations are promulgated and implemented, we may not be able to adjust our business accordingly. This could have a material adverse effect on our results of operations, financial condition and business prospects.

Furthermore, there can be no assurance that the PRC government will not amend or revise existing laws, rules or regulations to require additional approvals, licenses or permits, or to impose stricter requirements to obtain or maintain the necessary licenses to carry out our business. We also cannot predict whether the renewal application will attract significant opposition or whether the permitting process will be lengthened due to complexities, legal claims or appeals. In addition, if we fail to satisfy the conditions or comply with the restrictions imposed by governmental approvals and permits, or the restrictions imposed by any other statutory or regulatory requirements, we may be subject to regulatory enforcement action, fines, penalties or additional costs or revocation of such approvals or permits. The revocation of a permit or a license essential to our business, the imposition of impractical conditions upon renewal or the refusal to renew the licenses and permits currently in place could impair our ability to conduct our business.

Failure to protect the confidentiality of our customers' personal data could cost us penalties and bring a negative impact on our corporate image.

In the provision of our services, we collect, store and transmit personal information about our customers, for example, names, addresses, contact information, financial and credit information. To the extent allowed under the PRC laws and regulations, we may also provide personal data of our customers to third party automobile aftermarket service providers for the provision of our other automobile-related services. We are prohibited to collect, use or disclose such information without prior consent from our customers in accordance with the "Automotive Data Security Management Provisions" (《汽車數據安全管理若干規定(試行)》) issued on 16 August 2021, and became effective on 1 October 2021, and the "Personal Information Protection Law" (《中華人民共和國個人信息保護法》) issued on 20 August 2021, and became effective on 1 November 2021. We store the personal data of our customers on our IT systems which may be vulnerable to the attack of computer virus, worms, trojan horse, hackers or other similar computer system disruptive problems. We also rely on these automobile aftermarket service providers to enforce adequate controls over the personal data of our customers passed to them. In the event that we, unintentionally or mistakenly, or any of these automobile aftermarket service providers disclose or misappropriate any personal data of our consumers without necessary consent, we may face claims for identity theft or similar fraud claims or claims for other misuses of personal information, which in turn will cause damage to our corporate image. This may have a material adverse effect on our business, financial condition and results of operations.

We cannot predict changes in government policies on automobile purchases and ownership.

Pursuant to the Notice on the Reduction of Vehicle Purchase Tax for Passenger Vehicles up to 1.6 litres (《關於減徵1.6升及以下排量乘用車車輛購置稅的通知》) promulgated jointly by the MOF and State Taxation Administration on 13 December 2016 and effected from 1 January 2017, a vehicle purchase tax was levied on the purchase of 1.6 litres and less passenger vehicles at a 7.5 percent rate from 1 January 2017 to 31 December 2017. The vehicle purchase tax was later increased to 10 percent rate from 1 January 2018. On 28 June 2019, MOF and STA jointly issued the Announcement on the Continued Implementation of Preferential Policies for Vehicle Purchase Tax (《關於繼續執行的車輛購置稅優惠政策的公告》) (the "**Announcement**") which came into effect on 1 July 2019. According to the Announcement, the vehicle purchase tax shall be exempted on the purchase of new energy vehicles from 1 January 2018 to 31 December 2020. On 16 April 2020, MOF, STA and Ministry of Industry and Information Technology jointly issued the Announcement on Relevant Policies for the Exemption of Vehicle Acquisition Tax on New-energy Automobiles (《關於新能源汽車免徵車輛購置稅有關政策的公告》) (the "**New-energy Automobiles Announcement**") which came into effect on 1 January 2021. According to the New-energy Automobiles Announcement, new-energy automobiles purchased shall be exempt from vehicle acquisition tax between 1 January 2021 and 31 December 2022. According to the Announcement on Continuation of Policies for Exemption of Vehicle Purchase Tax on New Energy Vehicles (關於延續新能源汽車免征車輛購置稅政策的公告》), which was jointly promulgated by MOF, SAT and Ministry of Industry and Information Technology on 18 September 2022 and became effective on the same day, the new energy vehicles purchased during the period from 1 January 2023 to 31 December 2023 will be exempted from the vehicle purchase tax. We believe that these government policies or subsidies may influence consumers' behaviour on purchase of automobiles as they may have become used to such incentives. If these government policies are withdrawn or subsidies expire and no other similar incentives are introduced, consumers may delay purchase decisions on automobiles and the demand for our automobile finance lease services may decline, which may materially and adversely affect our business, results of operations and financial condition.

Increasing focus with respect to environmental, social and governance matters may impose additional costs on us or expose us to additional risks. Failure to adapt to or comply with the evolving expectations and standards on environmental, social and governance matters from investors and the PRC government may adversely affect our business, financial condition and results of operation.

The PRC government and public advocacy groups have been increasingly focused on environment, social and governance, or ESG, issues in recent years, making our business more sensitive to ESG issues and changes in governmental policies and laws and regulations associated with environment protection and other ESG-related matters. Investor advocacy groups, certain institutional investors, investment funds, and other influential investors are also increasingly focused on ESG practices and in recent years have placed increasing importance on the implications and social cost of their investments. Regardless of the industry, increased focus from investors and the PRC government on ESG and similar matters may hinder access to capital, as investors may decide to reallocate capital or to not commit capital as a result of their assessment of a company's ESG practices. Any ESG concern or issue could increase our regulatory compliance costs. If we do not adapt to or comply with the evolving expectations and standards on ESG matters from investors and the PRC government or are perceived to have not responded appropriately to the growing concern for ESG issues, regardless of whether there is a legal requirement to do so, we may suffer from reputational damage and the business, financial condition, and the price of our Shares could be adversely effected.

Our business is subject to seasonal fluctuations.

We have experienced, and expect to continue to experience various level of seasonal fluctuations in our revenues and results of operations, which are a reflection of consumers' automobile purchase patterns. More consumers tend to purchase automobiles in December each year until before the Chinese New Year in the next calendar year. As a result, our revenue may vary from quarter to quarter, causing volatility in our results of operations. This may lead to fluctuations in the price of our Shares.

We may face potential liabilities arising from the use of our leased automobiles by our customers.

According to PRC Tort Law, when a person drives a leased automobile and is held liable for a traffic accident, liability will first be covered by the compulsory traffic accident liability insurance. Any portion beyond the coverage of the insurance will be borne by the driver of the leased automobile, unless the registered owner of the automobile has committed negligence in the accident. Due to the nature of our business, it is inevitable and beyond our control that we may be joined as one of the defendants for car accident cases involving our customers as we are the legal owner of the automobiles. During the Track Record Period and up to the Latest Practicable Date, we had been involved in a number of claims, litigations and pending or threatened claims in our ordinary and usual course of business. See "Business — Legal Proceedings" for further details. However, since judicial proceedings determining the cause of the traffic accident can be costly and time consuming, and the results of such proceedings can be uncertain, we cannot assure you that we will succeed in defending ourselves every time in such proceedings. In case we fail, our reputation and financial performance of our Group could be harmed.

We cannot assure you that our automobile monitoring platform and our provision of services on our mobile applications can continue to run without any significant disruption.

Our business operation is dependent on the accuracy and stability of our automobile monitoring platform to keep track of our leased automobile and the capability of our IT systems to process a huge amount of information and transactions. The proper functioning and satisfactory performance of our automobile monitoring platform, our mobile applications and our underlying IT network infrastructure are crucial to our business operations, reputation and our ability to compete in the market. However, we cannot assure you that access to our mobile applications and the operation of our automobile monitoring platform and the host of our IT system will be error-free and not materially disrupted due to, among other things, fire, natural disasters, power suspension, faulty software, computer viruses, unauthorised access or security breaches. In case of significant disruption to our automobile monitoring platform, our mobile applications or IT system, our business operation would be materially and adversely affected.

There is no guarantee that we can effectively implement our business strategies, maintain our current average effective interest rate charged for newly entered finance lease agreements, and our business, results of operations and financial condition may be materially and adversely affected accordingly.

Our business and growth prospects depend in part on our ability to effectively implement our business strategies and maintain our current average effective interest rate charged for newly entered finance lease agreements. According to CIC, lower effective interest rates of finance lease services may be charged by industry players from time to time if the RAFLCs offer occasional promotions and more competitive pricing options to car buyers, and fluctuations in market interest rates could also affect the level of effective interest rates charged by RAFLCs. Our business, results of operations and financial condition may be materially and adversely affected if we fail to allocate resources adequately to support our growth or implement our business strategies, or our average effective interest rate charged for newly entered finance lease agreement is significantly reduced.

Our ability to implement our business strategies also depends on, among other things, the general economic conditions in the PRC, the PRC laws and regulations relating to our business segments and the availability of management, financial and technical resources.

We have historically benefited from government grants and there can be no assurances that we will continue to receive such benefits.

We recorded government grants of approximately RMB24.4 million, RMB16.7 million and RMB22.6 million, respectively, for the years ended 31 December 2020, 2021 and 2022, as part of our other income. Government grants primarily consist of the fiscal support that local governments offer to our Group companies engaged in the finance lease business in the PRC. The fiscal support mainly represented VAT refund from the government as we are one of the 13th batch of pilot enterprises of domestic-funded finance leasing business jointly approved by the MOFCOM and the SAT. However, we cannot assure you that we will continue to receive the same or similar refund of VAT or government grants as the relevant government policies may change over time. Any loss or reduction in benefits could have an adverse effect on our financial conditions, results of operations and prospects.

Inability to keep up with technological developments may cause material adverse impact on our business and results of operations.

We believe the ability to keep up with technological developments is essential to our business. There is an increasing trend of accessing the Internet through smartphones, tablets and other mobile devices. There are also continuing launches of new electronic devices, new technologies, new mobile platforms and updates to mobile platforms. As such, it is crucial for us to keep developing and updating our mobile application to incorporate new technologies and accommodate these new devices and new mobile platforms, all of which require significant technological and financial resources. Any failure on our part to act effectively in any of these areas may materially and adversely affect our business and results of operations.

We may fail to protect our intellectual property rights, and we may also be subject to intellectual property infringement claims or other allegations by third parties.

Our trademarks, software copyrights and other intellectual property rights and proprietary information are crucial to our business. We rely on the applicable laws to protect our intellectual property rights. However, enforcing a claim against a third party for infringement on our intellectual property rights can be expensive, time consuming and unpredictable. We cannot assure you that we will be able to enforce our intellectual property rights effectively, or at all. Any unauthorised use of our intellectual property rights and proprietary information could adversely affect our business, reputation and competitive advantages.

On the other hand, we may be subject to intellectual property infringement claims or allegations by third parties. There may be a risk that third parties, including our competitors, will allege and claim that our technologies and online platforms violate their trademarks, patents, copyrights or other intellectual property rights they own. Defending such claims can be costly and time consuming. We cannot be certain that we will obtain favourable judgments in all cases. In the event that we are held liable for infringement of third parties' intellectual property rights, any resulting liability, expenses or injunctions on any of our mobile applications may cause a material adverse impact on our business and results of operations.

We may be exposed to product liability claims for faulty automobiles leased by us.

We cannot be certain that all the automobiles leased by us are free of any inherent defects. In cases where any personal injury or property damage arises out of our leased faulty automobiles, we may be subject to product liability claims by third parties subject to such injury or damage since we leased such defective automobiles. If we are subject to product liability claims, such legal proceedings can be expensive and time consuming. There is also no guarantee that we can obtain favourable results in such proceedings. As a result, any material product liability claim can put our business, reputation, financial condition and results of operations at risk.

We may not be able to retain our senior management team and key personnel.

Our business operation depends highly on the continuing efforts of our senior management and other key personnel. The industry experience, expertise and contributions of our executive Directors and other members of our senior management as set out in "Directors and Senior Management" in this document remain essential to our continuing success. Each of them takes an important role in formulation and implementation of our business strategies. We require a sufficient number of experienced and competent personnel to implement our growth plans. However, we may not be able to retain our senior management or other key personnel, which could have a negative impact on our ability to maintain our competitive position and expand our business. As a result, our business and results of operations could be materially and adversely affected.

We may face penalties for the non-registration of our lease agreements.

As at the Latest Practicable Date, 123 of our lease agreements had not been registered with the relevant regulatory authorities primarily due to the lessors did not provide the necessary support or documents for filing. Pursuant to the requirements of the Administrative Measures for Commodity House Leasing and relevant local rules, we may be subject to a fine between RMB1,000 and RMB10,000 per lease for any delay in making these registrations imposed by local authorities. As at the Latest Practicable Date, we did not receive any rectification order, nor have we been subject to any fine or penalty in respect of the failure to register lease agreements. However, we cannot assure you that we would not be subject to any penalties and/or requests from local authorities to fulfil the registration requirements, which may increase our cost, in the future.

Acts of God, acts of war, epidemics and other disasters could affect our business.

Our business is subject to the general and social conditions in China. Acts of God such as natural disasters, epidemics, and other disasters which may materially and adversely affect the economy, infrastructure and livelihood of the people in China are beyond our control. Our business, results of operation and financial condition may be materially and adversely affected if these natural disasters occur.

Apart from natural disasters, epidemics may materially and adversely affect people's livelihood and even threaten people's lives. Any outbreak of an epidemic is beyond our control and there is no assurance that epidemics like severe acute respiratory syndrome, avian flu or the human swine flu will not happen again. For example, the outbreak of COVID-19 has caused temporary suspension of productions and shortage of labour and raw materials in affected regions, and disrupted local and international travel and economy. The COVID-19 outbreak has caused an adverse impact on the economy and social conditions in China and other countries. In the event of the resurgence of COVID-19, or occurrence of other epidemic in China, our business, results of operation and financial conditions may be materially and adversely affected.

Acts of war and terrorist attacks may cause damage or disruption to us, our employees, facilities, markets, suppliers and customers, any of which may materially and adversely affect our revenue, cost of sales, results of operation, financial condition or Share price. Potential war or terrorist attacks may also cause uncertainty and cause our business to suffer in ways that we cannot currently predict.

RISKS RELATING TO CONDUCTING BUSINESS IN THE PRC

Our business, financial condition, operating results and growth prospects are subject to the PRC's economic, political and social conditions as well as government policies. Adverse changes in the PRC's conditions may reduce our profit before tax.

We conduct all of our businesses and generate all of our revenues in the PRC. If the PRC's economy experiences significant adverse developments or a significant downturn, we could experience a reduced level of liquidity and increased credit spreads, and our business, financial condition, results of operations and growth prospects may be materially and adversely affected.

For more than three decades, the PRC government has been pursuing economic reforms to transform its economy from a planned economy to a market economy. However, a substantial part of the PRC economy is still subject to various controls by the government. By imposing industrial policies and other economic measures, such as control of foreign exchange, taxation and foreign investment, the PRC government directly and indirectly exerts considerable influence on the development of the PRC economy. Many of the economic reforms carried out by the PRC government are unprecedented or experimental and are expected to be refined over time.

With regard to foreign investment in China, according to the latest version of the Special Administrative Measures (Negative List) for Foreign Investment Access (2021 Edition) (《外商投資准入特別管理措施(負面清單)(2021年版)》) (the "**Negative List**"), which was issued on 27 December 2021 and became effective on 1 January 2022, our business does not fall within the prohibited or the restricted category of business.

However, as the Negative List may be updated from time to time, there can be no assurance that the PRC government will not change its policies in a manner that would render part or all of our businesses to fall within the restricted or prohibited categories. If we cannot obtain approval from relevant approval authorities to engage in a business which become prohibited or restricted for foreign investors, we may be forced to sell or restructure our business which become restricted or prohibited for foreign investment. If we are forced to adjust our corporate structure or business as a result of changes in government policy on foreign investment, our business, financial condition and results of operations may be adversely affected.

In addition, government policies in the PRC as well as other political, economic and social factors such as consumer, corporate and government spending, business investment, volatility of the capital markets and inflation all affect the business and economic environment in the PRC and ultimately, the profitability of our business.

Changes in laws and regulations of the e-hailing industry may adversely affect our e-hailing operating lease business indirectly.

There are mainly four regulations related to e-hailing service industry published recently: (i) the Provisional Measures for Administration of E-Hailing Services (《網絡預約出租汽車經營服務管理暫行辦法》) (the "**E-Hailing Measures**"); (ii) the Notice on Maintaining Market Order for the Fair Competition and Accelerating the Compliance of E-hailing Vehicles (《關於維護公平競爭市場秩序加快推進網約車合規化的通知》); (iii) Opinions on Strengthening the Protection of the Rights and Interests of Employees in the New Transportation Industry (《關於加強交通運輸新業態從業人員權益保障工作的通知》); and (iv) the Notice on Strengthening the Work Related to the Joint Supervision of the Whole Industry Chain of the E-hailing (《關於加強網絡預約出租汽車行業事中事後全鏈條聯合監管有關工作的通知》). On 30 November 2022, the Ministry of Transport and other five departments jointly revised the Provisional Measures for Administration of E-Hailing Services (《網絡預約出租汽車經營服務管理暫行辦法》). These new regulations mainly regulate online e-hailing platform enterprises and are not applicable to Group's businesses, and do not have any bearing on the Group's business and operation. However, if any new laws and regulations are introduced to further regulate the e-hailing industry, which may adversely impact the e-hailing industry or online e-hailing platform enterprises, which in turn may indirectly impact our e-hailing operating lease business. If we cannot timely adjust our business operation, our e-hailing operating lease business would be materially and adversely impacted.

The PRC legal system is evolving from time to time. There are inherent uncertainties that could limit the legal protections to our operations and Shareholders.

Our operating subsidiaries are incorporated under the laws of the PRC. The PRC legal system is based on written statutes. Prior court decisions may be cited for reference but have limited precedential value. In 1979, the PRC government began to promulgate a comprehensive system of laws and regulations governing economic matters in general, such as foreign investment, corporate organisation and governance, commerce, taxation and trade. As all of our businesses are conducted in the PRC, our operations are principally governed by the PRC laws and regulations. However, since the PRC legal system continues to rapidly evolve, the interpretations of many laws, regulations and rules are not always uniform, and enforcement of these laws, regulations and rules involves uncertainties, which may limit the legal protections available to us. In addition, we cannot predict the effect of future developments in the PRC legal system, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, or the pre-emption of local regulations by national laws. These uncertainties could limit the legal protections available to us and other foreign investors, including you. In addition, any litigation in the PRC may be protracted and result in substantial costs and diversion of our resources and management attention.

Our Company is a holding company and relies on dividend payments from our subsidiaries.

We are a holding company and rely principally on dividends paid by our subsidiaries to make dividend payments and other distributions in cash, pay expenses, service any debts incurred, and finance the needs of other subsidiaries. The ability of our subsidiaries to pay dividends or other distributions to us may be subject to its earnings, financial position, cash requirements and availability, applicable laws, rules and regulations, and restrictions on making payments to our Company contained in financing or other agreements. If our subsidiaries incur debt in their own name in the future, the instruments or agreements governing the debt may restrict it from declaring dividends or making other distributions to us, which could in turn restrict our ability to fund our business operations and to pay dividends to our Shareholders. Our Company's future declaration of dividends may not reflect our historical declarations of dividends and will be at the absolute discretion of our Board.

Furthermore, the applicable PRC laws, rules and regulations permit payment of dividends by our PRC subsidiaries only out of its accumulated retained earnings, if any, determined in accordance with the PRC accounting standards. Our PRC subsidiaries are required to set aside a certain percentage of their after tax profits based on the PRC accounting standards as statutory reserves in accordance with the requirements of relevant PRC laws and provisions in its articles of associations. As a result, our PRC subsidiaries may be restricted in their ability to transfer a portion of their net income to us whether in the form of dividends, loans or advances. These restrictions and requirements could reduce the amount of distributions that we receive from our subsidiaries, which would restrict our ability to fund our operations, generate income, pay dividends and service our indebtedness. Moreover, these limitations on the flow of funds between and amongst us and our PRC subsidiaries could restrict our ability to respond to changing market conditions or appropriately allocate funds to our PRC subsidiaries in a timely manner, or at all.

Dividends we receive from our subsidiaries located in the PRC may be subject to PRC withholding tax, which could materially and adversely affect the amount of dividends, if any, we may pay our shareholders.

The PRC Enterprise Income Tax Law, or the EIT Law, classifies enterprises as resident enterprises and non-resident enterprises. The EIT Law provides that an income tax rate of 20% may be applicable to dividends payable to non-resident investors, which (i) do not have an establishment or place of business in the PRC or (ii) have an establishment or place of business in the PRC but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends are derived from sources within the PRC. The State Council of the PRC reduced such rate to 10% through the implementation regulations of the EIT Law. Further, pursuant to the Arrangement 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 Tax 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 "**Double Tax Avoidance Arrangement**") and other applicable laws, if a Hong Kong resident enterprise owns more than 25% of the equity interest in a company in the PRC at all times during the 12-month period immediately prior to obtaining a dividend from such company, the 10% withholding tax on dividends is reduced to 5% provided certain other conditions and requirements under the Double Tax Avoidance Arrangement between Hong Kong and Mainland China and other applicable PRC laws are satisfied at the discretion of relevant PRC tax authority. If we and our BVI and Hong Kong subsidiaries are considered as non-resident enterprises and our Hong Kong subsidiary is considered as a Hong Kong resident enterprise under the Double Tax Avoidance Arrangement and is determined by the competent PRC tax authority to have satisfied relevant conditions and requirements, then the dividends paid to our Hong Kong subsidiaries by its PRC subsidiaries may be subject to the reduced income tax rate of 5% under the Double Tax Avoidance Arrangement. However, based on the Notice on Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties (《關於執行稅收協定股息條款有關問題的通知》), if the relevant PRC tax authorities determine, in their discretion, that a company benefits from such reduced income tax rate due to a structure or arrangement that is primarily tax-driven, such PRC tax authorities may adjust the preferential tax treatment; and based on the Announcement of SAT on Issues "Beneficial Owners" in Tax Treaties (《國家稅務總局關於稅收協定中「受益所有人」有關問題的公告》) issued by SAT on 3 February 2018, conduit companies, which are established for the purpose of evading or reducing tax, transferring or accumulating profits, shall not be recognised as beneficial owner and thus are not entitled to the abovementioned reduced income tax rate of 5% under the Double Tax Avoidance Arrangement. If we are required under the EIT Law to pay income tax for any dividends we receive from our subsidiaries in the PRC, or if any of our Hong Kong subsidiaries is determined by PRC government authority as receiving benefits from reduced income tax rate due to a structure or arrangement that is primarily tax-driven, it would materially and adversely affect the amount of dividends, if any, we may pay to our Shareholders.

The PRC government's control over the conversion of foreign exchange and fluctuations in the value of RMB may affect the value of, and the distributions payable on, our Shares in foreign currency terms.

RMB is not a freely convertible currency due to the fact that conversion and remittance of foreign currencies are subject to PRC foreign exchange regulations. Pursuant to the existing foreign exchange regulations in the PRC, if the current account foreign exchange transactions, including dividend payment, are processed by banks designated and licensed for foreign exchange trading, we are allowed to carry out such transactions without submitting the relevant documentary evidence of such transactions to the SAFE for approval in advance. However, foreign exchange transactions for capital account purposes may require prior approval or registration with the SAFE. As a result, our capital expenditure plans, business operations, results of operations, financial condition and our ability to pay dividends could be materially and adversely affected when there are changes in the foreign exchange regulations or policies, or if we fail to obtain the SAFE's approval to convert RMB into foreign currencies for foreign exchange transactions.

On the other hand, our operations are conducted in the PRC and all of our revenue is denominated in RMB. Should RMB appreciate or depreciate against the U.S. dollar or any other foreign currency, it will have mixed effects on our business and there is no assurance that the overall effect will be positive. The value of RMB against the U.S. dollar and other currencies fluctuates from time to time due to a number of factors, including changes in the political and economic conditions in the PRC as well as internationally and the fiscal and foreign exchange policies prescribed by the PRC government. There remains significant international pressure on the PRC government to adopt a more flexible currency policy. Together with domestic policy consideration, a further and more significant appreciation of RMB against the Hong Kong dollar, the U.S. dollar or other foreign currencies could be resulted. As we need to convert the **[REDACTED]** from the **[REDACTED]** and future offshore financing into RMB for our operations, appreciation of RMB against the relevant foreign currencies would reduce the RMB amount we would receive upon the conversion. In addition, because the dividends on our Shares, if any, will be paid in Hong Kong dollars, any devaluation of RMB against the HK dollar could reduce the amount of any cash dividends on our Shares in Hong Kong dollar terms.

PRC regulation of loans and direct investment by offshore holding companies to PRC entities may delay or prevent us from using the [REDACTED] of the [REDACTED] to make loans or additional capital contributions to our PRC subsidiaries.

In utilising the **[REDACTED]** from the **[REDACTED]** or any further **[REDACTED]**, as an offshore holding company of our PRC subsidiaries, we may make loans to our PRC subsidiaries. However, such loans to our PRC subsidiaries are subject to PRC regulations and approvals. For instance, loans by us to our wholly owned PRC subsidiaries in the PRC to finance their activities cannot exceed statutory limits and must be registered with the SAFE or its local counterpart. While we may also consider making additional capital contributions to our PRC subsidiaries, these capital contributions must be approved by MOFCOM or its local counterpart. We cannot assure you that we will be able to obtain these government registrations or approvals on a timely basis, if at all, with respect to future loans or capital contributions by us to our subsidiaries or any of their respective subsidiaries. If we fail to receive such registrations or approvals, our ability to use the **[REDACTED]** of the **[REDACTED]** and to capitalise on our PRC operations may be negatively affected, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

There are uncertainties with respect to indirect transfers of assets (including equity interests) of our PRC subsidiaries.

In February 2015, the SAT issued the Announcement on Certain Issues Concerning Enterprise Income Tax for Indirect Transfer of Assets by Non-Resident Enterprises (《關於非居民企業間接轉讓財產企業所得稅若干問題的公告》) or Circular 7, which abolished certain provisions in the Notice on Strengthening the Administration of Enterprise Income Tax on Non-Resident Enterprises (《關於加強非中國居民企業股權轉讓所得企業所得稅管理的通知》), or Circular 698, which was previously issued by the SAT in December 2009, as well as certain other rules providing clarification on Circular 698. Circular 7 provides comprehensive guidelines relating to, and also heightens the PRC tax authorities' scrutiny over, indirect transfers by a non-resident enterprise of assets (including equity interests) of a PRC resident enterprise ("**PRC Taxable Assets**").

Circular 7 specifies that the PRC tax authorities are entitled to reclassify the nature of an indirect transfer of PRC Taxable Assets if such transfer is deemed to have been conducted for the purposes of avoiding PRC enterprise income taxes and without any other reasonable commercial purpose. It applies when a non-resident enterprise transfers PRC Taxable Assets indirectly by direct or indirect disposing of equity interests in an overseas holding company holding such PRC Taxable Assets. Disregarding the existence of such overseas holding company, such transaction is in fact a direct transfer of PRC Taxable Assets.

Although Circular 7 contains certain exemptions, it remains unclear whether any exemptions under Circular 7 will be applicable to the transfer of our Shares on a public market by our non-resident enterprise Shareholders or to any future acquisition by us outside of the PRC involving PRC Taxable Assets. See "Regulatory Overview — Laws and Regulations on Taxation" for further details. As a result, the PRC tax authorities may deem any transfer of our Shares by our Shareholders that are non-resident enterprises, or any future acquisition by us outside of the PRC involving PRC Taxable Assets to be subject to the foregoing regulations, which may subject our Shareholders or us to additional PRC tax reporting obligations or tax liabilities.

It may be difficult to effect service of process, enforce judgments and arbitral awards obtained from courts other than Chinese courts actions in the PRC against us or our Directors and senior management.

Substantially all of our businesses, assets, operations and subsidiaries are located in the PRC. In addition, substantially all our senior management members reside in the PRC, and substantially all of our assets, and substantially all of the assets of those persons, are located in the PRC. Therefore, it may be difficult for investors to effect service of process upon those persons inside the PRC or to enforce against us or them in the PRC any judgments obtained from non-PRC courts. As the PRC does not have treaties with most of the other jurisdictions that provide for the reciprocal recognition and enforcement of judicial rulings and awards, it may be difficult or impossible for investors to effect service of process on us or those persons in the PRC. While final judgments for civil and commercial cases and arbitral awards obtained in a recognised Hong Kong court or Hong Kong arbitral tribunal, provided that certain conditions are satisfied, may be enforced in the PRC there are uncertainties as to the outcome of any applications to recognise and enforce such judgments and arbitral awards in the PRC. Recognition and enforcement in the PRC of the judgment of a non-PRC court in relation to any matter not subject to a binding arbitration provision may be also difficult or impossible.

Furthermore, an original action may be brought in the PRC against us or our Directors and senior management only if the actions are not required to be arbitrated by PRC law and upon satisfaction of the conditions for commencing a cause of action pursuant to the PRC civil procedure law. It is uncertain whether investors will be able to bring an original action in the PRC because the conditions set out are under the discretion of the PRC courts to determine whether they are satisfied and whether to accept the action for adjudication.

RISKS RELATING TO THE [REDACTED]

There is no existing public market for our Shares. The liquidity and market price of our Shares may fluctuate after the [REDACTED].

Prior to the **[REDACTED]**, there has not been a public market for our Shares. Whilst we have applied for the **[REDACTED]** of and dealing in our Shares on the Stock Exchange, even if the application is successful, we cannot assure you that an active and liquid public trading market for our Shares will develop or sustain following the **[REDACTED]**. Volatility in the price of our Shares may be unrelated or disproportionate to our operating results and caused by factors outside our control, such as business interruptions resulting from natural disasters or accidents or regulatory developments or market changes in the PRC affecting us or the industries in which we participate. The financial market in Hong Kong and other countries have in the past experienced significant price and volume fluctuations. Accordingly, we cannot assure you that the liquidity and market price of our Shares will not fluctuate.

The **[REDACTED]** will be the result of, negotiations among us and the **[REDACTED]** on behalf of the **[REDACTED]** and may not be indicative of prices that will prevail in the trading market after the **[REDACTED]**. Therefore, our Shareholders may not be able to sell their Shares at prices equal to or greater than the price paid for their Shares purchased in the **[REDACTED]**.

Our Shareholders may experience further dilution if we issue additional Shares in the future.

We may need to raise additional funds in the future to finance our business expansion, for existing operations or new acquisitions. If additional funds are raised through the issuance of new equity or equity-linked securities of our Company, other than on a pro rata basis to existing Shareholders, then (i) the percentage ownership of the existing Shareholders may be reduced, and they may experience subsequent dilution and reduction in their earnings per Share, and/or (ii) such newly issued securities may have rights, preferences or privileges superior to those of the Shares of the existing Shareholders.

Future sales or perceived sales of our Shares could have a material adverse effect on the prevailing market price of our Shares and our ability to raise additional capital.

The market price of our Shares could decline as a result of future sales or issuances of a substantial number of our Shares or other securities in the public market, or the perception that such sales or issuances may occur. Such a decline could also occur with the issuance of new Shares or other securities relating to our Shares, or the perception that such sales or issuances may occur. Future sales, or perceived sales, of substantial amounts of our Shares could materially adversely affect the prevailing market price of our Shares and our ability to raise future capital at a favourable time and price.

We cannot give any assurance that the current Shareholders will not dispose of any Shares they own now or may own in the future, and such future sales or issuances or perceived sales or issuances may adversely affect the prevailing market price of our Shares and our ability to raise capital in the future at a favourable time and price.

There can be no assurance if and when we will pay dividends in the future.

There can be no assurance whether, when and in what form we will pay dividends in the future. Distribution of dividends is formulated by our Board and will be subject to shareholders' approval. A decision to declare or to pay any dividends and the amount of any dividends will depend on various factors, including but not limited to our results of operations, cash flows and financial condition, operating and capital expenditure requirements, distributable profits as determined under IFRS, our Articles of Association, market conditions, our strategic plans and prospects for business development, contractual limits and obligations, payment of dividends to us by our operating subsidiaries, taxation, relevant laws and regulations and any other factors determined by our Board from time to time to be relevant to the declaration or suspension of dividend payments. See "Financial Information — Dividends and Dividend Policy" for further details.

You may face difficulties in protecting your interests because we are incorporated under Cayman Islands law and, under Cayman Islands law, protection to minority shareholders may differ from those established under the laws of Hong Kong and other jurisdictions.

Our corporate affairs are governed by our Memorandum of Association and the Articles and by the Cayman Companies Act 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 and judicial precedents in existence in Hong Kong and other jurisdictions. Such differences may mean that the remedies available to our minority shareholders may be different from those which they would have under the laws of Hong Kong or other jurisdictions. See "Appendix III — Summary of the Constitution of Our Company and Cayman Islands Company Law" for further details.

Investors should exercise independent judgement when assessing the accuracy of facts, forecasts, estimates and statistics which are derived from government and third party sources.

We have derived certain statistics in this document, particularly those relating to the PRC, the PRC economy, the PRC automobile industry, the PRC automobile finance lease industry, the PRC automobile operating lease market, from information provided by the PRC and other government agencies, industry associations, independent research institutes and other third party sources. We have taken reasonable care in the reproduction or extraction of the official government publications or reports for the purpose of disclosure in this document, however, we cannot assure you that the quality or reliability of such official government source materials, as which have not been prepared or independently verified by us, the Sole Sponsor or any of the respective affiliates or advisers and, therefore, we make no representation as to the accuracy of such statistics from these official government sources, which may not be consistent with other information compiled within or outside the PRC. In all cases, investors should give consideration as to how much weight or importance they should attach to or place on such facts.

Investors should read the entire document and we strongly suggest you not to place undue reliance on any information contained in the press articles, other media and/or research analyst reports regarding us, our business, our industry and 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, media, and/or research analyst coverage regarding us, our business, our industry and the **[REDACTED]**. You should rely solely upon the information contained in this document in making your investment decisions regarding our Shares and we do not accept any responsibility for the accuracy or completeness of the information contained in such press articles, other media and/or research analyst reports nor the fairness or the appropriateness of any forecasts, views or opinions expressed by the press, other media and/or research analyst regarding the Shares, the **[REDACTED]**, our business, our industry or us. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information, forecasts, views or opinions expressed or any such publications. To the extent that such statements, forecasts, views or opinions are inconsistent or conflict with the information contained in this document, we disclaim them. Therefore, prospective investors are cautioned to make their investment decisions on the basis of information contained in this document only and should not rely on any other information.

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

This document contains certain statements that are "forward-looking" and uses forward looking terminology such as "anticipate", "estimate", "believe", "expect", "may", "plan", "consider", "ought to", "should", "would", and "will". Those statements include, among other things, the discussion of our growth strategy and the expectations of our future operations, liquidity and capital resources.

Investors of our **[REDACTED]** are cautioned that reliance on any forward-looking statement involves risks and uncertainties (include those identified in the risk factors discussed above) and that, any or all of those assumptions could prove to be inaccurate. As a result, the forward-looking statements based on those assumptions could also be incorrect. In light of these and other uncertainties, the inclusion of forward-looking statements in this document should not be regarded as representations and warranties by us that our Company's plans and objectives will be achieved and these forward-looking statements should be considered in light of various important factors, including those set out in this section. We do not intend to update these forward-looking statements in addition to our on-going disclosure obligations pursuant to the Listing Rules or other requirements of the Stock Exchange. Investors should not place undue reliance on such forward-looking information.