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OVERVIEW OF CHINA'S MOBILITY INDUSTRY

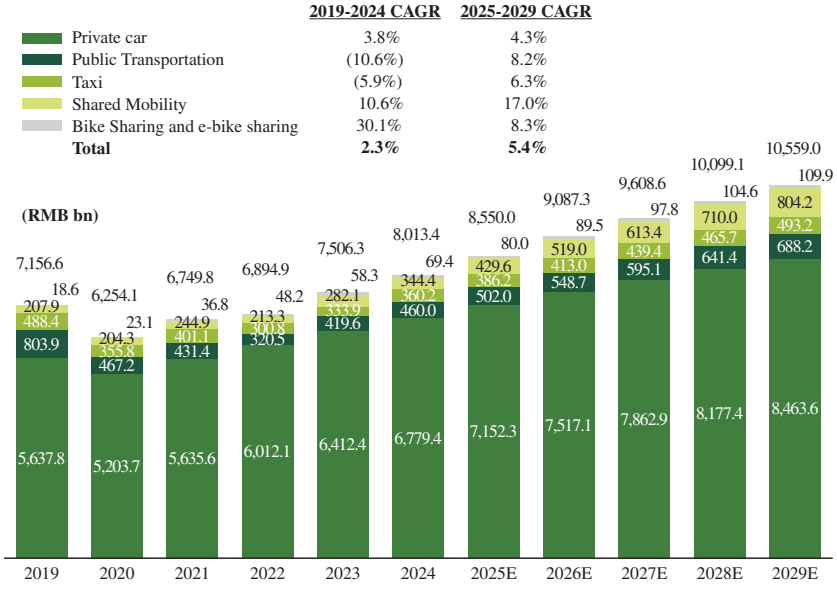
Mobility is essential to people's daily lives and has a massive business opportunity. As the world's second largest economy with the second largest population and a large number of concentrated and dense cities, China is the world's largest mobility market today with a market size of RMB8.0 trillion in 2024.

China's mobility industry consists of transportation using different types of vehicles for personal transport, including public transportation such as bus and rail transportation to move masses, traditional taxis for spontaneous one-way trips, shared mobility that provides convenient access to mobility services without vehicle ownership, private vehicles for personal transport that are always available, and modes of transportation such as two-wheelers to meet various mobility needs of consumers at different price points.

The size of China's mobility market grew from RMB6.9 trillion in 2018 to RMB7.2 trillion in 2019. From 2020 to 2022, due to the COVID-19 pandemic, there was a decrease in consumer demand for mobility, which disturbed the market's growth trajectory. In spite of the negative impact of the COVID-19 pandemic, the size of China's mobility market only slightly decreased from RMB7.2 trillion in 2019 to RMB6.9 trillion in 2022.

In 2023, as the economy recovered from the impact of the COVID-19 pandemic, China's mobility market made a strong comeback and grew by 8.9% to RMB7.5 trillion from 2022. The market size further increased to RMB8.0 trillion in 2024. From 2025 onwards, driven by increasing consumer demand for mobility in lower-tier cities, a growing consumer preference for BEVs, and reviving business activities. China's mobility market is expected to increase from RMB8.6 trillion in 2025 to RMB10.6 trillion in 2029, representing a CAGR of 5.4%. In particular, shared mobility is expected to enjoy the fastest growth among the different mobility options from 2025 to 2029.

The Market Size of China's Mobility Industry, 2019-2029E



Source: Frost & Sullivan, the PRC Ministry of Transport, and China Association of Automobile Manufacturers

Note:

(1) The market size of private vehicles is calculated by aggregating consumer spending on the vehicle purchase, energy replenishment, insurance, maintenance, and parking.

OVERVIEW OF CHINA'S SHARED MOBILITY MARKET

Massive Market Size and High Growth Potential

Shared mobility provides users with access to customized trips without vehicle ownership, creating a hybrid between private vehicle ownership and public transportation. By doing so, shared mobility alleviates urban congestion, lowers the cost per kilometer compared with private vehicle ownership, and improves the mobility experience with convenience and efficiency compared with public transportation.

China's shared mobility consists of ride hailing and hitch. Ride hailing leverages online platforms to match the demand from platform users and the available supply from drivers and vehicles registered on the platforms in real time. Hitch refers to the sharing of journeys in which private vehicle owners share information of their upcoming trips online in advance, allowing others with similar itineraries to join.

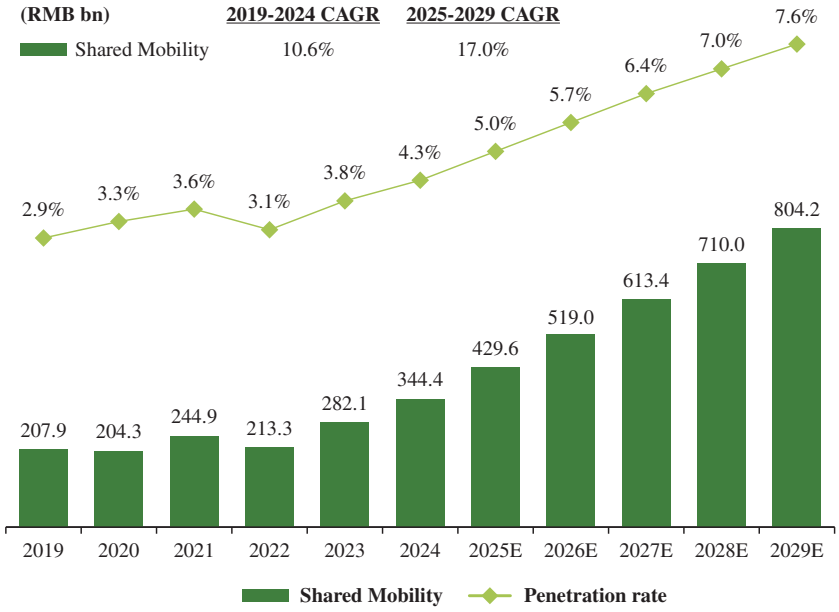
China is a market uniquely positioned to benefit from shared mobility. China has a large number of highly populated and dense cities that present challenges to the existing mobility infrastructure and give rise to demand for mobility solution upgrades. For example, many municipal governments across China restrict vehicle ownership or limit driving to certain days of a week to improve traffic and air quality. Parking lots are in short supply in many cities. In

addition, along with continued urbanization and consumption upgrade, consumers in China are becoming more demanding in terms of the mobility experience. Furthermore, private vehicles primarily serve for daily work commuting in China and are often left parked for extended periods, leading to a significant waste of resources as the average utilization rate of private vehicles in China is less than 30% in 2024. As a result, shared mobility that features lower cost and increased service quality for consumers, and improved efficiency for society has a massive business opportunity in China.

The rapid development of the shared mobility industry has garnered government support for digital transformation in the traditional taxi sector through various favorable policies. These policies foster the co-development of taxi and ride hailing services and the integration of traditional taxis with online ride-hailing modes, reducing taxi idle driving time, enhancing taxi operating efficiency, and improving passenger experience. Leading shared mobility service providers are integrating traditional taxis into their platforms and promoting taxi online hailing solutions and the traditional taxi industry is looking to upgrade their service offerings. In addition, as part of this co-development between traditional taxis and ride hailing services, taxi companies will need to modernize their fleets. This involves acquiring purpose-built vehicles that are equipped with intelligent features and designed to optimize vehicle TCO and enhance passenger experience. Such taxi fleet replacement process presents significant opportunities for companies specialized in developing these purpose-built vehicles. The convergence of upgraded taxi services and innovative ride hailing services is expected to further stimulate the growth of China's shared mobility industry.

Although China's shared mobility market already has a massive market size, there is still significant room for growth. From 2025 to 2029, penetration of shared mobility within the broader mobility industry, calculated as the GTV of shared mobility divided by the GTV of mobility for a given period, is expected to increase significantly from 4.3% in 2024 to 7.6% in 2029, driven by increasing consumer demand for value-for-money mobility options and the growing penetration of shared mobility in lower-tier cities. As shared mobility accounts for an increasing share within the broader mobility industry, the size of China's shared mobility market is expected to enjoy substantial growth to RMB804.2 billion in 2029 at a CAGR of 17.0% from 2025, which is comparable to the growth CAGR of 21.1% from 2016 to 2019 before the outbreak of the COVID-19 pandemic.

The Market Size of China's Shared Mobility Industry, 2019-2029E



Source: Frost & Sullivan, the PRC Ministry of Transport, and China Association of Automobile Manufacturers

Development Trends of China's Shared Mobility Market

Traffic Decentralization

Through years of development, China's shared mobility market has transformed from one where a single player dominated the market to one where user traffic is more diversely distributed. Compared with eight years ago when nearly 90% of total number of orders completed for ride hailing was generated by the largest shared mobility service provider in China, user traffic is now more decentralized, with the largest shared mobility service provider contributing to around 70% of total number of orders completed.

The decentralization of user traffic was partly attributable to the rise of aggregation platforms. Aggregation platforms include mapping and navigation apps and local life service apps, such as Amap (高德), Meituan (美团), Tencent Mobility (騰訊出行), and Baidu Map (百度地圖), which integrate user traffic and channel it to mobility service providers. From 2019 to 2024, the proportion of ride hailing orders fulfilled through aggregation platforms increased from 7.0% to 31.0%, and is expected to further grow to 53.9% in 2029.

The rise of aggregation platforms provided space for emerging mobility service providers to grow, as they can attract and retain users with high qualities of service even without the scale and the network effect enjoyed by the largest player.

Regulatory Enhancement

The rapid evolution of China's shared mobility market is marked with increasing regulatory requirements in recent years. There are multiple layers of compliance requirements placed on mobility service providers and aggregation platforms regarding the drivers, vehicles, and online platforms that provide shared mobility service.

Currently, there is no major shared mobility service provider with a 100% compliance rate, as there are numerous practical difficulties for obtaining the requisite permits and licenses. Over time, the competition dynamics in the shared mobility market has shifted from competing over user traffic on the demand side to competing for compliant vehicles and drivers on the supply side.

The lack of compliant drivers and vehicles partially contributed to the slower growth of the shared mobility market from 2019 to 2024, as mobility service providers bore increasing compliance cost in light of increasing regulatory requirements. As the market starts to gain more compliant drivers and vehicles, the shared mobility market may expand further. Moreover, primarily due to non-compliance and safety issues as well as the impact from COVID-19, hitch has seen limited room for growth in recent years. Ride hailing has become the key driver for growth of the entire shared mobility market.

Mobility Operating Vehicles

Features of Mobility Operating Vehicles

Mobility operating vehicles include vehicles used in shared mobility and traditional taxi services and are distinct from private vehicles in many aspects. Firstly, mobility operating vehicles tend to depreciate at a much faster rate compared with private vehicles, accelerating the replacement cycle and creating a consistent and growing demand for new vehicles. Secondly, a substantial number of local government authorities in China promulgate compliance standards requiring certain vehicle parameters for mobility operating vehicles, including number of seats, satellite position devices installation, requirement on wheelbase. Consequently, there is an emerging need for mobility operating vehicles that meet these compliance standards, and purpose-built vehicles that were specifically designed to meet such requirements on vehicle parameters imposed by governmental authorities across China are increasingly in demand as they better satisfy these compliance standards. Lastly, there is a recent trend that a significant number of mobility operating vehicles are purchased by businesses (including both shared mobility service providers and taxi service providers) rather than individual persons. In 2024, 85.4% of mobility operating vehicles were purchased by businesses.

TCO Comparison Among Shared Mobility Operating Vehicles

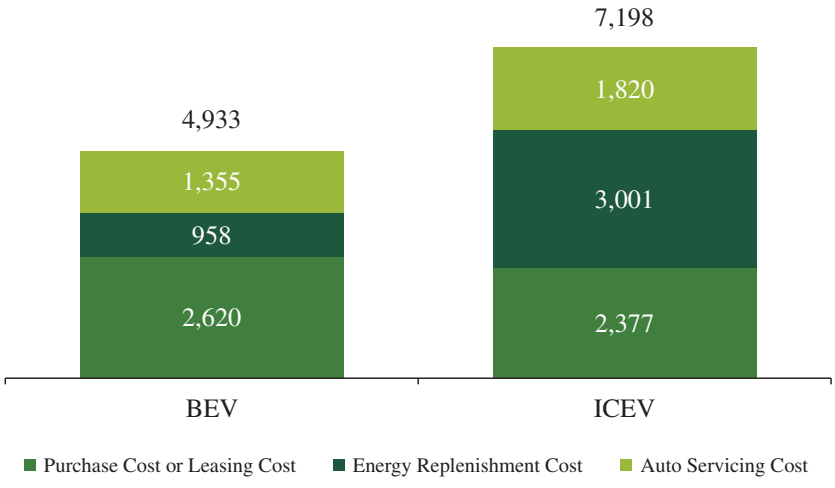
In the shared mobility value chain, vehicle TCO is the largest cost component that affects drivers' income and mobility service providers' profitability. In 2024, vehicle TCO accounts for approximately 55% of a driver's average gross income. Reduction in vehicle TCO has become the key to improving drivers' earning potential and mobility service providers' profitability.

The vehicle TCO consists of (i) its purchase cost or leasing cost, (ii) energy replenishment cost, and (iii) auto servicing cost. Purchase cost or leasing cost is allocated evenly over its service life. Energy replenishment cost measures direct cost associated with refueling, charging, or battery swap. Auto servicing cost includes insurance cost and maintenance and repair cost.

There are a wide variety of vehicle models used in shared mobility. BEVs generally enjoy a much lower vehicle TCO compared to ICE vehicles. The lower TCO of BEVs is primarily attributable to its lower energy replenishment costs and maintenance costs, as a result of the lower prices of electricity and the simpler body structure of BEVs. However, the purchase cost of BEVs is often higher than that of ICE vehicles because the research and development cost for BEVs is still relatively high. With the continued improvement of battery technology and increasing economics of scale of BEV manufacturers, the average marginal cost for producing a BEVs is expected to continue to decline, translating to further declining purchase cost of BEVs. In addition, BEVs with battery swap capabilities afford drivers with benefits beyond TCO savings, including reduced time needed for energy replenishment and thus greater operating time, and lower initial purchase price accomplished through the separation of vehicles and batteries.

The following diagram sets forth an illustrative comparison of vehicle TCO composition among ICE vehicles, BEVs under the vehicle purchase model, considering multiple most commonly used vehicle models for shared mobility premier services in China in the respective categories.

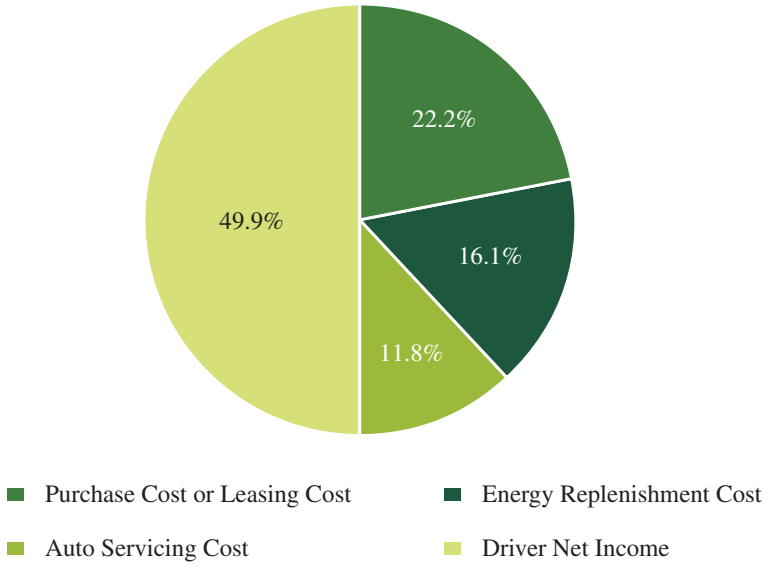
A Comparison of TCO per Month of Vehicle Types in Shared Mobility



Source: Frost & Sullivan, the PRC Ministry of Transport

The diagram below further sets forth an illustrative breakdown of BEV drivers' gross income by TCO and net income, considering the most commonly used BEV models for shared mobility services in China:

A Breakdown of BEV Drivers' Gross Income by TCO and Net Income in Shared Mobility Industry



Source: Frost & Sullivan, the PRC Ministry of Transport

The Company's Maple 80V and CaoCao 60 are considered two of the most cost efficient vehicle models for the shared mobility services. Maple 80V and CaoCao 60 have respective estimated TCO of RMB0.53 per kilometer and RMB0.47 per kilometer, both equipped with battery swap capabilities. The following table further sets forth a TCO comparison of Maple 80V, CaoCao 60, and other typical mobility operating vehicle models:

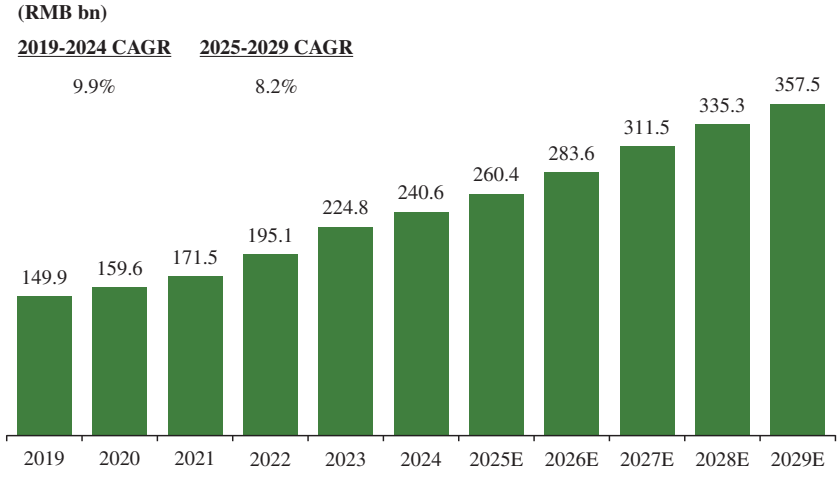
	Maple 80V	CaoCao 60	Purpose-Built BEV (Battery Swap)	BEV (Charging)	ICE Vehicle
Range (km)	600,000	600,000	600,000	497,000	560,000
Amortized Monthly Purchase Cost (RMB)	1,629	1,482	2,498	2,742	2,377
Monthly Energy Replenishment Cost (RMB)	976	928	928	987	3,001
Monthly Auto Servicing Cost (RMB)	716	545	1,427	1,284	1,820

Source: Frost & Sullivan, the PRC Ministry of Transport

Market Opportunities for Mobility Operating Vehicle Sales

The mobility operating vehicle sales market has seen a substantial increase in recent years measured by total sales of vehicles used in mobility services, and this upward trajectory is expected to maintain its momentum. The market size of mobility operating vehicle sales grew from RMB149.9 billion in 2019 to RMB240.6 billion in 2024, and are expected to further grow at a CAGR of 8.2% from RMB260.4 billion in 2025 to RMB357.5 billion in 2029.

The Market Size of China's Mobility Operating Vehicle Sales, 2019-2029E



Source: Frost & Sullivan, the PRC National Bureau of Statistic, the PRC Ministry of Transport, China Association of Automobile Manufacturers

A key for success in mobility operating vehicle sales is the opportunity to access to drivers in mobility services, who inherently are potential customers and end-users for such vehicles. For a shared mobility service provider that has a vast pool of drivers in mobility services, this translates to a natural advantage, positioning such shared mobility service provider favorably in the mobility operating vehicle sales market.

Challenges of China's Shared Mobility Market

For Users – The Dilemma to Choose Between Price and Experience

Currently, express and premier are the two predominant types of service lines in China's current shared mobility market, while users often face the dilemma to choose between price and experience. The lack of good value-for-money options with consistently high-quality and intelligent ride experience remain as the major pain point for users.

While premier mobility service typically provides superior user experience, its high price results in a low penetration rate in the shared mobility market. Express shared mobility service, on the other hand, currently features a large number of vehicle models of various quality. There are currently more than 200 different express vehicle models employed by the largest shared mobility service provider alone for the provision of express shared mobility service in China. With a wide variety of vehicle models, users may not be assured a consistent ride hailing experience by each ride.

For Drivers – High Vehicle TCO and the Lack of Driver-Care Features

Vehicle TCO accounted for around 55% of a driver's gross income on average. High vehicle TCO hinders drivers from increasing their net income. This situation often results in low driver retention rates on shared mobility service providers, presenting considerable challenges for the industry.

Amortized monthly purchase cost or monthly leasing cost is the biggest component of a vehicle TCO. Drivers often lack the opportunity to choose a mobility operating vehicle model that offers considerably lower vehicle TCO, thereby restricting their ability to achieve cost efficiency.

Energy replenishment cost for drivers is considerably high whether they drive ICE vehicles or BEVs. Mobility operating vehicles, which are in operation for long hours, typically need to replenish energy about 1.1 times daily for both types of vehicles. Such replenishment need results in significant gasoline costs for traditional ICE vehicles. Meanwhile, BEVs take much longer time to fully charge as compared to ICE vehicles that only require gas refills. The charging time also translates to low operating efficiency. In addition, although some BEVs have lower energy replenishment cost compared with ICE vehicles, BEVs typically have significantly lower durability, which is a major concern for drivers when selecting a vehicle.

Another major component of vehicle TCO is the auto servicing cost including insurance and maintenance and repair cost. Insurance cost of a driver represents insurance charges collected by insurance companies and depends on the frequency of car accidents where this car driver bears legal liability for the associated damages and the severity of such accidents. In addition, auto maintenance and repair services typically require significant down-time that cannot be controlled by drivers. Auto servicing shops also typically lack transparency of pricing and service quality guarantee. These factors significantly increase a driver's operating cost.

In 2024, Chinese shared mobility drivers worked around 10 hours on average in a vehicle each working day. Traditional vehicles typically lack driver-care features that are critical to drivers' health and convenience, including driver seat ventilation, adjustable waist support, driver rest mode, and traffic heatmap to support order in-take.

For Shared Mobility Service Providers – High Compliance Cost and Shortage of Compliant Drivers and Vehicles

Shared mobility service providers also face a high compliance cost and a shortage of compliant drivers and vehicles, as there is increasing regulatory scrutiny on the industry. Average order compliance rate is approximately 69% across the industry in 2024.

Key Growth Drivers of China's Shared Mobility Market

Supply Side

Purpose-Built Vehicles

The increasing deployment of purpose-built vehicles is expected to fuel the expansion of China's shared mobility market.

Vehicles are traditionally designed for the use and enjoyment of their owners. However, vehicles used in shared mobility need to primarily cater to both drivers and passengers. Drivers in shared mobility services view vehicles as tools of production, prioritizing productivity over features designed for the personal enjoyment of private vehicle owners. As a result, traditional vehicles, which often come with high TCO, fail to deliver cost-effectiveness for drivers and a satisfactory experience for passengers, making them unsuitable for shared mobility.

Purpose-built vehicles, on the other hand, offer significantly lower TCO, enhancing income for drivers and improving profitability for shared mobility service providers. Purpose-built vehicles are tailored to meet the practical needs of drivers and passengers and improve operational efficiency for shared mobility service providers. Purpose-built vehicles typically not only incorporate features to improve experience for drivers and passengers, such as seat heating and extra legroom, but also integrate advanced technologies, such as intelligent cabin features and app connectivity. By focusing on customized features for shared mobility and omitting certain superfluous functions, purpose-built vehicles provide a good value-for-money option for drivers and satisfactory ride experience for passengers, driving the growth of the shared mobility industry.

Battery Electric Vehicles

BEVs are poised to play a central role in the future of shared mobility given their cost-effectiveness and environmental friendliness compared with traditional ICE vehicles. The cost per kilometer for a traditional ICE vehicle is RMB1.2 while the cost per kilometer for a BEV is RMB0.8. BEVs are more cost-efficient when it comes to auto servicing. Increasing adoption of BEVs would allow for more room to improve drivers' income, thereby attracting more drivers and improving driver retention. BEVs with battery swap capability can achieve even more vehicle TCO improvements. They can improve drivers' productivity by decreasing the down time needed for charging.

There has been an accelerated adoption of BEVs in general. The sales volume of BEVs in China increased from 1.0 million vehicles from 2019 to 7.7 million vehicles in 2024, and is forecasted to further increase to 23.6 million vehicles in 2029. By 2029, it is estimated that 61% of all new vehicles sold will be BEVs, as compared to 25% in 2024.

In 2024, approximately 35% of the vehicles in operation in the shared mobility market are traditional ICE vehicles, while nearly 80% of vehicles that began operation in the shared mobility market in 2024 are BEVs. Leveraging BEVs' significant advantage in energy replenishment cost, it is expected that BEVs will continue to replace ICE vehicles in the future and expect such replacement to occur at an increasing pace.

Autonomous Driving

Over the long run, autonomous driving is expected to drive a structural transformation of China's shared mobility market.

In the long term, as autonomous driving technology becomes more advanced and widely adopted, rides with autonomous driving technology will also become more economical for consumers. Autonomous driving is also expected to help supply the shared mobility market with more compliant and cost-effective vehicles, elevate user experience, and attract a larger user base.

Not all mobility service providers with autonomous driving technology can commercialize autonomous driving massively. The successful commercialization of autonomous driving for shared mobility, however, requires more than the development and use of autonomous driving technology on a software level. Deployment of autonomous driving requires the full integration of software technology with vehicle hardware. Only mobility service providers with strong control of vehicles can fully integrate autonomous driving technology onto their platforms and provide large scale services in a commercial setting.

Partnership between Shared Mobility Platforms and Aggregation Platforms

Aggregation platforms serve as a crucial driver of shared mobility market development by enhancing users' travel experiences. The proportion of ride hailing orders fulfilled through aggregation platforms in China increased from 7.0% to 31.0% between 2019 to 2024, and is expected to further grow to 53.9% in 2029. Aggregation platforms integrate resources from multiple shared mobility platforms, optimizing order matching accuracy and efficiency, thereby reducing user wait times and increasing vehicle utilization rates. Specifically, the order response time, defined as the duration from when a user places an order until a driver accepts it, averages about 3 minutes on aggregation platforms compared to around 4 minutes on shared mobility platforms. Furthermore, the passenger wait time, which is the period from when a driver accepts the order until the passenger is picked up, averages about 6 minutes on aggregation platforms, whereas it is approximately 8 minutes on shared mobility platforms. These metrics suggest that aggregation platforms are more efficient in order matching and provide shorter passenger wait times. Meanwhile, cooperation with aggregation platforms

helps shared mobility platforms reduce operational costs, expand market share, and improve service quality. Through resource sharing and partnership between shared mobility platforms and aggregation platforms, the shared mobility industry is expected to achieve sustainable growth in the future.

Accelerating Issuance of Ride-Hailing Operating Licenses and Permits

The shared mobility industry is poised for growth as regulatory bodies accelerates the issuance of licenses and permits for ride hailing services. This has boosted employment opportunities, as the development of shared mobility services has created more job opportunities for residents, fostering a flexible employment model in the sector. In recent years, the government authorities have published a number of policies to support the rapid expansion of compliant shared mobility services, and have repeatedly proposed to simplify and optimize the administrative approval process for the licenses and permits for ride hailing services. As a result, there has been a notable uptick in permits issued for drivers and vehicles, with Online Ride Hailing Driver's License growing from 2.9 million in 2020 to 6.6 million in 2023, and Transportation Permits rising from 1.1 million to 2.8 million in the same period, representing a CAGR of 31.5% and 35.6%, respectively. In some cities, particularly first- and second-tier cities, local authorities have implemented dynamic adjustment mechanisms to manage the number of vehicles engaging in online ride hailing services, as a result of which some shared mobility platforms have sought to increase the number of their compliant vehicles through the acquisition of local companies that already owns compliant vehicles. Nonetheless, the overall acceleration in the issuance of licenses and permits has fortified the market's supply side, enhancing compliance, responsiveness and operational efficiency for shared mobility platforms. In particular, improved compliance for shared mobility platforms not only fosters passenger trust and satisfaction but also enables hared mobility platforms to manage risks and uphold quality and safety standards more effectively. With a greater number of compliant drivers and vehicles, shared mobility platforms are expected deliver more stable and efficient services, meeting escalating demand, and propelling industry growth.

Demand Side

Paradigm Shift from Vehicle Ownership to Shared Mobility

Unlike many developed countries, shared mobility is a more cost-effective option to car ownership in China. For the vast population, the cost of vehicle ownership is much higher than the cost of shared mobility, making shared mobility a preferred method of transportation. In many Chinese cities, cost of vehicle ownership goes far beyond the purchase cost. In particular, many municipal governments across China restrict vehicle ownership or limit driving to certain days of the week to improve traffic and air quality. License plates can only be obtained through a lottery or public bidding system in some first-tier cities in China. Parking lots are in short supply in many cities and parking costs are considerably high. In 2024, the cost per kilometer

for using shared mobility service on a typical vehicle is RMB2.7, nearly 40% less than the cost per kilometer of RMB4.5 for owning the car privately. Thus, a good value-for-money shared mobility option could represent a paradigm shift, causing consumers to give up ownership of private vehicles.

Penetration into Lower-tier Cities and Reaching a Vast Consumer Base

The growth of the shared mobility market is accelerated by its widening reach, especially its expansion from tier-one cities to tier-two and lower-tier cities, mainly driven by well-established infrastructure for shared mobility in these cities. This trend highlights the nationwide appeal of shared mobility services and enables shared mobility platforms tap into an extensive consumer base, infusing fresh energy into the market. Lower-tier cities in China have a significant population and are experiencing consistent economic development and urbanization, while transportation options are often limited. As a result, there is a growing demand among residents in lower-tier cities for convenient and efficient mobility options. Shared mobility services, recognized for the adaptability, ease of use, and affordability, are increasingly becoming the preferred mobility option in these cities. In recent years, compliant shared mobility services in most lower-tier cities have grown at a faster rate than the national average. For instance, between 2020 and 2023, the number of Transportation Permits issued in Haikou and Weihai has increased at a CAGR of over 43% and 56%, respectively, which is higher than the national average of 35.6% during the same period. In this context, the trend of booking rides via apps in low-tier cities is rising, which is a testament to the growing preference for personalized and on-demand travel solutions in lower-tier cities. Share mobility platforms are fine-tuning their offerings and pricing models to align with the spending habits of lower-tier cities and are employing localized marketing strategies to draw in more customers.

Better User Experience

The popularity and adoption of shared mobility has significantly increased in recent years. Users can enjoy the convenience of shared mobility, avoiding the stress of driving, with a number of service lines at different price points to cater to their specific needs. With the emergence of multiple players in the market, users are also able to enjoy services at more competitive prices. Over time, the industry has seen increased emphasis on enhancing user experience and delivering good value for money. In particular, mobility service providers have continually improved user experience by enabling users to optimize across preferences over cost, comfort, and timeliness to attract more users to opt for shared mobility, which in turn drives the growth of the industry.

COMPETITIVE LANDSCAPE OF CHINA'S RIDE HAILING MARKET

Competitive Landscape Overview

The shared mobility market is composed of ride hailing and hitch. Ride hailing is the largest sector with significant growth potential, representing around 90% of total shared mobility market size in 2024. The competitive landscape of ride hailing service providers is led by one player in the market with 70.4% market share in terms of GTV in 2024, followed by several major players. The top five players in the market contributed 86.0% market share in terms of GTV in 2024. The Company has been ranked in the top three ride hailing platforms in China in the last three years in terms of GTV.

Ranking of China's Leading Market Players by GTV in Billions, 2024

Company	GTV	Market Share in terms of GTV
	(RMB in billions)	(%)
Company A[(1)]	219.6	70.4
CaoCao	16.9	5.4
Company B[(2)]	16.7	5.3
Company C[(3)]	8.9	2.8
Company D[(4)]	6.6	2.1
Total Market Share by Top Five Players	**86.0%**	

Source: Frost & Sullivan

Notes:

(1) Company A, established in 2012 and headquartered in Beijing, China, is a mobility technology platform. Company A provides ride hailing, taxi online hailing, hitch, driver service, corporate transportation service, bicycle sharing, electric scooter sharing, vehicle care, delivery and payment services in Asia, Latin America and Australia. Company A's American depositary shares have been quoted on OTC Pink.

(2) Company B, established in 2019 and headquartered in Nanjing, China, is a shared mobility platform, mainly providing ride hailing services in China. Company B is a private company.

(3) Company C, established in 2015 and headquartered in Beijing, China, is a mobility service provider that offers mobility services and serves as a service provider for major online travel agencies (OTAs), airlines, hotels, and other corporate clients in China. Company C is a private company.

(4) Company D, established in 2018 and headquartered in Shanghai, China, is a mobility service provider that integrates the resources and technologies of its parent company in China. Company D is a private company.

Shared mobility is a business with heavy on-the-ground operations, indicating that each city represents a unique market with its own set of challenges and opportunities. This local nature stems from variations in consumer preferences, infrastructure, and market competition. This aspect underscores the importance of understanding and adapting to local conditions for achieving operational success in the shared mobility industry. In 2024, the Company was one of the top three ride hailing platforms in China's first-tier and second-tier cities in 2024 in terms of GTV.

Ranking of China's Leading Market Players in Tier-One and Tier-Two Cities by 2024 GTV

Company	GTV in Tier-One Cities	GTV in Tier-Two Cities
	(RMB in billions)	(RMB in billions)
Company A[(1)]	48.3	81.2
CaoCao	6.0	9.8
Company B[(2)]	3.9	11.0
Total Market Share by Top 3 Players	**85.4%**	**88.3%**

Source: Frost & Sullivan

Notes:

(1) Company A, established in 2012 and headquartered in Beijing, China, is a mobility technology platform. Company A provides ride hailing, taxi online hailing, hitch, driver service, corporate transportation service, bicycle sharing, electric scooter sharing, vehicle care, delivery and payment services in Asia, Latin America and Australia. Company A's American depositary shares have been quoted on OTC Pink.

(2) Company B, established in 2019 and headquartered in Nanjing, China, is a shared mobility platform, mainly providing ride hailing services in China. Company B is a private company.

SOURCES OF INFORMATION

We commissioned Frost & Sullivan, an independent global consulting firm that offers industry research and market strategies and provides growth consulting and corporate training to conduct a detailed research on and analysis of the shared mobility industry in China. We have agreed to pay a fee of RMB600,000 to Frost & Sullivan in connection with the preparation of the Frost & Sullivan Report. We have extracted certain information from the Frost & Sullivan Report in this section, as well as in "Summary," "Risk Factors," "Business," "Financial Information," and elsewhere in this document to provide our potential [**REDACTED**] with a more comprehensive presentation of the industries where we operate.

During the preparation of the Frost & Sullivan Report, Frost & Sullivan performed both primary and secondary research, and obtained knowledge, statistics, information, and industry insights on the industry trends of the target research markets. Primary research involved interviewing industry insiders such as leading market players, suppliers, customers, and recognized third-party industry associations. Secondary research involved reviewing company reports, independent research reports, and data based on Frost & Sullivan's own research database. Frost & Sullivan has independently verified the information, but the accuracy of the conclusions of its review largely relies on the accuracy of the information collected. Frost & Sullivan's research may be affected by the accuracy of assumptions used and the choice of primary and secondary sources.

The Frost & Sullivan Report was compiled based on the following assumptions: (i) the Chinese economy will grow at a steady rate supported by favorable government policies as well as global economic recovery, among other factors; and (ii) the social, economic, and political stability in China will continue during the forecast period, which will ensure a sustainable and steady development of the shared mobility market in China.