

CONNECTED TRANSACTIONS

We set out below (i) our Group’s one-off transactions with certain connected persons on agreed terms before the [REDACTED], and (ii) certain transactions with connected persons that, if carried out, will constitute continuing connected transactions of our Group under Chapter 14A of the Listing Rules.

CONNECTED PERSONS

We have entered into transactions with the following parties which will become our connected persons upon [REDACTED]:

Name of connected person	Relationship
Geely Technology Group Co., Ltd. (“ Geely Technology ”, together with its subsidiaries and 30%-controlled companies (as defined in the Listing Rules), the “ Geely Technology Group ”)	A company owned as to 55% and 45% by Ningbo Ruima Enterprise Management Partnership (Limited Partnership) and Zhejiang Jidi respectively, which are both controlled by Mr. Li
Geely Holding (together with its subsidiaries and 30%-controlled companies (as defined in the Listing Rules), the “ Geely Holding Group ”)	A company owned as to approximately 82.2%, 8.1% and 9.7% by Mr. Li, Mr. Xingxing Li and Ningbo Yima Enterprise Management Partnership (Limited Partnership) (a company wholly owned by Mr. Li and his associates) respectively. Geely Holding holds approximately 13.9% interest in Hangzhou Youxing as one of the Registered Shareholders
Zhejiang Mingtai Times Technology Group Co., Ltd. (“ Mingtai Technology ,” together with its subsidiaries and 30%-controlled companies (as defined in the Listing Rules), the “ Mingtai Technology Group ”)	A company owned as to 70% by Geely Group (Ningbo) Co., Ltd., a company controlled by Mr. Li, and 30% by Hangzhou Minghao Enterprise Management Partnership (Limited Partnership), the general partner of which is controlled by Mr. Li
Farizon Commercial Vehicle Technology Co., Ltd. (“ Farizon ”, together with its subsidiaries and consolidated affiliated entities, the “ Farizon Group ”)	A 30%-controlled company (as defined in the Listing Rules) by Mr. Li

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Name of connected person	Relationship
Chongqing Ruilan Automobile Technology Co., Ltd. (“ Chongqing Ruilan Automobile Technology ”)	A company controlled by Mr. Li through his controlled entities
Suzhou Caozhi Automobile Co., Ltd. (“ PBV Co ”)	A connected subsidiary of our Company, which is owned as to 55% by Suzhou Youxing and 45% by Chongqing Ruilan Automobile Technology
Wuhan Lotus Technology Co., Ltd (“ Lotus Technology ”, together with its subsidiaries, the “ Lotus Technology Group ”)	A subsidiary of Lotus Technology Inc., a company listed on NASDAQ (stock symbol: LOT), and is indirectly owned by Mr. Li as to more than 50%

SUMMARY OF OUR EXEMPT CONTINUING CONNECTED TRANSACTIONS

Guarantee provided by Geely Holding Group

Geely Holding Group has provided guarantee (“**Connected Guarantee**”) in favor of our Group in respect of certain financing arrangements entered into by our Group, which include asset backed securitization, loan financing and issuance of letters of credit. We have no current plan to release the outstanding Connected Guarantee prior to the [REDACTED] and we expect that such arrangement will continue upon [REDACTED] as our Directors believe that the Connected Guarantee is in the best interests of our Group and Shareholders as a whole. For more details of the Connected Guarantee as well as the reasons for and benefits of the Connected Guarantee, see “Relationship with Our Controlling Shareholders—Independence from Controlling Shareholders—Financial Independence.”

As Geely Holding is a connected person of our Company, the Connected Guarantee provided by Geely Holding Group in favor of our Group constitutes financial assistance received by our Group from our connected persons under Rule 14A.90 of the Listing Rules. As the Connected Guarantee is on normal commercial terms or better to our Group, and no security over our assets has been granted to Geely Holding Group in respect of the provision of the Connected Guarantee, the Connected Guarantee will be fully exempt from the reporting, annual review, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

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Trademark Licensing Agreement

On March 23, 2023, we entered into a trademark licensing agreement (the “**Trademark Licensing Agreement**”) with Geely Holding, pursuant to which Geely Holding agreed to grant our Group a license to use certain trademarks which have been or are being registered by Geely Holding in the PRC and Hong Kong for our use in connection with our operations on a royalty-free basis for a term of ten years commencing on March 23, 2023.

As Geely Holding is a connected person of our Company, the transaction between Geely Holding and us will constitute a continuing connected transaction upon [REDACTED]. As the license of the trademarks granted by Geely Holding to us is on a royalty-free basis, the transactions under the Trademark Licensing Agreement fall within the de minimis threshold under Rule 14A.76(1)(a) of the Listing Rules and are exempt from reporting, annual review, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules. We believe that entering into the Trademark Licensing Agreement with a term of ten years, which is more than three years, can ensure the stability of the operations of our Group, and is in the interest of our Company and our Shareholders as a whole and will be beneficial to our Group. The Joint Sponsors agree with our Company’s view and concur that the term of the Trademark Licensing Agreement for more than three years is in line with normal business practice.

SUMMARY OF OUR NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

We have entered into the following transactions that will constitute continuing connected transactions under Rule 14A.31 of the Listing Rules upon the [REDACTED]:

			Proposed annual cap for the years ending December 31, (in millions of RMB)			
Transaction	Applicable Listing Rules	Waiver(s) sought	2025	2026	2027	
<i>Partially exempt continuing connected transactions</i>						
1	Travel Agency Services	Rule 14A.35	Announcement requirements	[19.8]	[25.7]	[30.8]
	Framework Agreement	Rule 14A.53				
		Rule 14A.105				
2	Online Ride Hailing Services	Rule 14A.35	Announcement requirements	[19.4]	[25.3]	[32.8]
	Framework Agreements	Rule 14A.53				
		Rule 14A.105				
3	Vehicle Insurance Service	Rule 14A.35	Announcement requirements	[40]	[50]	[50]
	Framework Agreement	Rule 14A.53				
		Rule 14A.105				

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Transaction		Applicable Listing Rules	Waiver(s) sought	Proposed annual cap for the years ending December 31, (in millions of RMB)		
				2025	2026	2027
4	Business and R&D Support Services Framework Agreement	Rule 14A.35 Rule 14A.53 Rule 14A.105	Announcement requirements	[33]	[33]	[33]
5	Customer Referral Service Framework Agreement	Rule 14A.35 Rule 14A.53 Rule 14A.105	Announcement requirements	[6.9]	[9.7]	[12.9]
6	Vehicle Parts Procurement Framework Agreements	Rule 14A.35 Rule 14A.53 Rule 14A.105	Announcement requirements	[30]	[35]	[35]
7	Technology Service Framework Agreement	Rule 14A.35 Rule 14A.53 Rule 14A.105	Announcement requirements	[13]	[33]	[23]
8	Used Vehicle Sales Framework Agreements	Rule 14A.35 Rule 14A.53 Rule 14A.105	Announcement requirements	[126]	[126]	[126]
9	Battery Sales Framework Agreements	Rule 14A.35 Rule 14A.53 Rule 14A.105	Announcement requirements	[116.8]	[116.8]	[116.8]
<i>Non-exempt continuing connected transactions</i>						
10	Vehicle Procurement Framework Agreements	Rule 14A.35 Rule 14A.36 Rule 14A.52 Rule 14A.53 Rule 14A.105	Announcement, independent shareholders' approval, circular	[3,746.7]	[5,060.5]	[6,867.8]
11	PBV Vehicle Procurement Framework Agreement	Rule 14A.35 Rule 14A.36 Rule 14A.52 Rule 14A.53 Rule 14A.105	Announcement, independent shareholders' approval, circular	[1,388.5]	[1,044.7]	[1,184.1]
12	Battery Services Framework Agreements	Rule 14A.35 Rule 14A.36 Rule 14A.52 Rule 14A.53 Rule 14A.105	Announcement, independent shareholders' approval, circular	[293.4]	[324]	[351.7]

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Transaction	Applicable Listing Rules	Waiver(s) sought	Proposed annual cap for the years ending December 31, (in millions of RMB)		
			2025	2026	2027
13 Contractual Arrangements	Rule 14A.35 Rule 14A.36 Rule 14A.46 Rule 14A.52 Rule 14A.53 Rule 14A.105	Announcement, independent shareholders’ approval, circular, annual cap requirements, and limiting the term to three years	N/A	N/A	N/A

PARTIALLY-EXEMPT CONTINUING CONNECTED TRANSACTIONS

1. Travel Agency Services Framework Agreement

Principal terms

On April 17, 2025, we entered into a travel agency services framework agreement (the “**Travel Agency Services Framework Agreement**”) with Zhejiang Geely Business Service Co., Ltd. (“**Geely Business**”), an entity controlled by Mr. Li, pursuant to which Geely Business will provide certain business travel services (including, but not limited to, the booking of air tickets, accommodation and other forms of transportation) to us, and in return, we shall pay service fees in accordance with the Travel Agency Services Framework Agreement.

The initial term of the Travel Agency Services Framework Agreement will commence on the [REDACTED] and end on December 31, 2027. Subject to compliance with Listing Rules and applicable laws and regulations, the Travel Agency Services Framework Agreement may be renewed upon mutual consent by the parties. Separate underlying agreements will be entered into which will set out the precise scope of services, service fees calculation, method of payment and other details of the service arrangement in the manner provided in the Travel Agency Services Framework Agreement.

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Reasons for the transaction

Travelling for business purposes by our employees is required for our ordinary business operations. Geely Business is the business travel management service platform within the Geely Group and specializes in providing corporate travel solution services. We have historically engaged Geely Business to assist with bookings relating to business travels by our employees. The Directors consider that the provision of travel agency services by Geely Business would benefit us for the following reasons:

- Geely Business operates a one-stop travel platform which integrates a comprehensive suite of travel products and services offered by airlines, accommodation and transportation service providers. Our employees can make informed and cost-effective travel bookings on Geely Business’s platform with full pricing transparency;
- systematic bookings can be made through Geely Business’s online platform, which promotes efficiency in making business travel arrangements; and
- Geely Business collects fees from us directly, which negates the need for our employees to personally pay for business travel and request reimbursement afterwards and therefore saves time and costs.

Pricing policies

The travel agency fees payable by us for the services provided by Geely Business will be charged based on a fixed service fee in addition to the cost of air tickets, accommodation and/or other forms of transportation. The fixed service fee is expected to be approximately RMB10 for bookings of train tickets and hotels and approximately RMB12 to RMB18 for bookings of flights depending on the booking method (e.g., via an app, phone or email). The amount of service fee payable by us for each booking is based on prevailing market rates taking into account (i) the channel of booking (online or offline), (ii) the type of flight (international or domestic), (iii) the location of the accommodation, and/or (iv) whether the hotel is within the partnership network of Geely Business, and shall be in line with service fees offered by Geely Business to Independent Third Parties for similar services. We will make inquiries on the service fees charged by Independent Third Parties for the travel agency services in order to assess the prevailing market rates for comparison to ensure that the service fees payable by us to Geely Business are on normal commercial terms and are fair and reasonable and in the interest of our Company and the Shareholders as a whole.

Historical amounts

The travel agency fees incurred by us to Geely Business in respect of the travel agency services for each of the years ended December 31, 2022, 2023 and 2024 were RMB8.6 million, RMB12.3 million and RMB15.2 million, respectively.

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Annual caps

The following table sets forth the proposed annual caps for the service fees payable by us to Geely Business under the Travel Agency Services Framework Agreement:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
(RMB in millions)			
Service fees to be paid by us to Geely Business	[19.8]	[25.7]	[30.8]

The proposed annual caps have been estimated based on the following factors:

- (i) the historical transaction amounts and the existing travel agency arrangements between us and Geely Business during the Track Record Period;
- (ii) our increased inter-city travel needs following the relocation of certain business functions to Suzhou in 2023, including the sales and management of CaoCao 60, which increases the travels between our offices in Suzhou and Hangzhou; and
- (iii) the expected expansion of business to more cities and the expected increase in the number of our employees, which in turn will increase the demand for business travel-related services as part of our ordinary business operations.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Travel Agency Services Framework Agreement for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 0.1%, but less than 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules.

2. Online Ride Hailing Services Framework Agreements

Principal terms

On April 14, 2025, May 16, 2025, December 19, 2024, April 14, 2025 and January 9, 2025, we entered into online ride hailing services framework agreements with Geely Technology, Geely Holding, Mingtai Technology, Farizon and Lotus Technology (the “**Online Ride Hailing Services Framework Agreements**”), respectively, pursuant to which we will

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provide Geely Technology Group, Geely Holding Group, Mingtai Technology Group, Farizon Group and Lotus Technology Group online ride hailing services, and in return, Geely Technology Group, Geely Holding Group, Mingtai Technology Group, Farizon Group and Lotus Technology Group shall pay service fees in accordance with the Online Ride Hailing Services Framework Agreements.

The initial term of the Online Ride Hailing Services Framework Agreements will commence on the [REDACTED] and end on December 31, 2027, subject to renewal upon mutual consent by the parties. Separate agreements will be entered into which will set out the precise scope of services, model of vehicle, service fees calculation, method of payment and other details of the service arrangement in the manner provided in the Online Ride Hailing Services Framework Agreements.

Reasons for the transaction

As we are the mobility platform in Geely’s ecosystem, we have historically provided online ride hailing services to Geely Technology Group, Geely Holding Group, Mingtai Technology Group, Farizon Group and Lotus Technology Group for the commute of their employees and other mobility needs for business purposes. The Directors consider that the provision of online ride hailing services to Geely Technology Group, Geely Holding Group, Mingtai Technology Group, Farizon Group and Lotus Technology Group would benefit us as we are able to generate service income while providing them with convenient commute at a competitive rate.

Pricing policies

The online ride hailing service fees payable by Geely Technology Group, Geely Holding Group, Mingtai Technology Group, Farizon Group and Lotus Technology Group to us will be charged based on our pricing policy for online ride hailing. The amount of service fees payable by Geely Technology Group, Geely Holding Group, Mingtai Technology Group, Farizon Group and Lotus Technology Group for rides is calculated based on (i) vehicle type, (ii) base fee, (iii) total time of the ride, (iv) travel distance, and (v) extra charges for exceeding a certain distance, and shall be in line with service fees offered by us to Independent Third Parties for similar services. The base fee and extra charges will be determined based on the prevailing market rates of online ride-hailing platforms in the relevant cities, for which we conduct market inquiries.

Historical amounts

The total online ride hailing service fees received from Geely Technology Group, Geely Holding Group, Mingtai Technology Group, Farizon Group and Lotus Technology Group to us in respect of online ride hailing services for each of the years ended December 31, 2022, 2023 and 2024 were RMB10.5 million, RMB15.0 million and RMB12.3 million, respectively. The total service fees received from the above connected persons decreased in 2024 primarily due to (i) the fluctuation in demand for our ride hailing services by the connected persons from time

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to time based on their internal needs, and (ii) the reduction in the scale of operations of China Railway Technology Co., Ltd. (the “**Relevant Connected Person**”), which is an associate of Geely Holding and is principally engaged in, among others, the provision of integrated online and offline mobility services for users in railway stations and on trains where mobility services to and from the train stations are provided by mobility service providers, including our Group. The total service fees received from the Relevant Connected Person decreased during the Track Record Period, which amounted to RMB1.4 million, RMB0.6 million and RMB0.2 million for the years ended December 31, 2022, 2023 and 2024, respectively. The total service fees in 2023 increased primarily as a result of the increased demand for online ride hailing services due to the growing scale of operations of Geely Technology Group and Geely Holding Group.

Annual caps

The following table sets forth the proposed annual caps for the total service fees payable by Geely Technology Group, Geely Holding Group, Mingtai Technology Group, Farizon Group and Lotus Technology Group to us under the Online Ride Hailing Services Framework Agreements:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
	(RMB in millions)		
Total service fees to be paid by Geely Technology Group, Geely Holding Group, Mingtai Technology Group, Farizon Group and Lotus Technology Group to us	[19.4]	[25.3]	[32.8]

The proposed annual caps have been estimated based on the following factors:

- (i) the historical transaction amounts under the existing online ride hailing services agreements between us and Geely Technology Group, Geely Holding Group, Mingtai Technology Group, Farizon Group and Lotus Technology Group during the Track Record Period;
- (ii) the estimated demand for online ride hailing services from the Relevant Connected Person for the coming three years is expected to experience growth compared to that in 2024; and
- (iii) the estimated demand for online ride hailing services from other connected persons is expected to increase in the coming three years due to increased demand in business trips as a result of expected business growth of the other connected persons.

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Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Online Ride Hailing Services Framework Agreements for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 0.1%, but less than 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules.

3. Vehicle Insurance Service Framework Agreement

Principal terms

On September 13, 2024, we entered into a vehicle insurance service framework agreement (the “**Vehicle Insurance Service Framework Agreement**”) with Union Property and Casualty Insurance Co., Ltd. (“**Union P&C**”), a company in which Geely Holding held approximately 33.3% interest as of the Latest Practicable Date, pursuant to which Union P&C will provide insurance coverage for our vehicles in certain cities as the parties may agree from time to time. The insurance coverage includes compulsory vehicle traffic accident liability insurance and other types of commercial vehicle insurance (e.g. vehicle loss and damage and third-party liability insurance). In return, we shall pay service fees in accordance with the Vehicle Insurance Service Framework Agreement. Separate underlying agreements will be entered into which will set out the scope of insurance coverage, premium, method of payment and other details of the insurance arrangement in the manner provided in the Vehicle Insurance Service Framework Agreement.

The initial term of the Vehicle Insurance Service Framework Agreement will commence on the [REDACTED] and end on December 31, 2027. Subject to compliance with the Listing Rules and applicable laws and regulations, the Vehicle Insurance Service Framework Agreement may be renewed upon mutual consent by the parties.

Reasons for the transaction

Our Group owns and deploys a fleet of vehicles for our online ride hailing service. We purchase automobile insurance for all of our owned vehicles in the ordinary course of business, which allows us to limit vehicle-related risks. The Directors consider that the provision of vehicle insurance services by Union P&C would benefit us for the following reasons:

- Union P&C offers a wide range of, and has deep expertise in, vehicle-related insurance coverage and, as such, Union P&C can meet the full spectrum of vehicle insurance needs of our operations; and
- the insurance premiums offered by Union P&C are competitive relative to those of Independent Third Parties and can therefore lower our insurance costs.

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Pricing policies

The vehicle insurance service fees payable by us to Union P&C will be determined by reference to, among others, prevailing market rates for comparable insurance coverage, the vehicle models being insured, the number of vehicles insured, circumstances relating to any vehicle accidents, and the number of insurance policies and insurance claims made by us in cities within the scope of engagement during the coverage periods. The prevailing market rates per vehicle per year are expected to range from approximately RMB700 to RMB2,600 for mandatory traffic accident liability insurances and approximately RMB4,000 to RMB22,000 for commercial vehicle insurances, depending on, among others, vehicle model and condition, claims history and, for commercial vehicle insurances, the relevant region and city, insured amount and deductible amount. The service fees shall be in line with those charged by Union P&C to Independent Third Parties for similar insurance policies. We will also make inquiries on the fees charged by Independent Third Parties for similar insurance coverage in order to assess the prevailing market rates for comparison to ensure that the fees payable by us are on normal commercial terms and are fair and reasonable and in the interest of our Company and the Shareholders as a whole.

Historical amounts

The vehicle insurance service fees paid by us to Union P&C in respect of each of the years ended December 31, 2022, 2023 and 2024 were RMB10.9 million, RMB6.0 million and RMB10.9 million, respectively. We started to engage Union P&C for the provision of vehicle insurance coverage only in late 2021. While the scope of our engagement extended to Foshan and Guangzhou in 2022, we engaged an Independent Third Party instead for Foshan in 2023, resulting in a decreased number of vehicles insured by Union P&C and therefore services fees paid to Union P&C decreased in 2023. In 2024, we also engaged in business collaborations in Guangzhou and Beijing, resulting in an increase in the number of vehicles insured by Union P&C and therefore services fees paid to Union P&C increased in 2024.

Annual caps

The following table sets forth the proposed annual caps for the insurance service fees payable by us to Union P&C under the Vehicle Insurance Service Framework Agreement:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
	(RMB in millions)		
Service fees to be paid by us to Union P&C	[40]	[50]	[50]

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The proposed annual caps have been estimated based on the following factors:

- (i) the historical transaction amounts during the Track Record Period and the existing vehicle insurance arrangements between us and Union P&C;
- (ii) the expected scale of business operations of our Group from 2025 to 2027; and
- (iii) the deepening cooperation between our Group and Union P&C for the insurance service, especially in terms of the scope of engagement. For example, while the engagement covered approximately 1,000 and 2,700 vehicles in Guangzhou and Beijing in 2023 and 2024 respectively, we expect the scope to cover all the approximately 4,000 vehicles in three cities in 2025, leading to a significant increase in service fees to be paid to Union P&C in 2025. In addition, we expect to extend our cooperation with Union P&C to additional cities, covering approximately 5,000 vehicles in total in each of 2026 and 2027, leading to further increases in the service fees paid to Union P&C.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Vehicle Insurance Service Framework Agreement for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 0.1%, but less than 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules.

4. Business and R&D Support Services Framework Agreement

Principal terms

On December 19, 2024, we entered into a business and R&D support services framework agreement (the “**Business and R&D Support Services Framework Agreement**”) with PBV Co pursuant to which other members of our Group will provide various business and research and development (“**R&D**”) support services, including, but not limited to, business support, marketing services, consulting services, technical consulting services and R&D services to PBV Co, and in return, PBV Co shall pay service fees to other members of our Group in accordance with the Business and R&D Support Services Framework Agreement.

The initial term of the Business and R&D Support Services Framework Agreement will commence on the [REDACTED] and end on December 31, 2027. Subject to compliance with Listing Rules and applicable laws and regulations, the Business and R&D Support Services Framework Agreement may be renewed upon mutual consent by the parties. Separate underlying agreements will be entered into which will set out the precise scope of services, the amount of the service fees, the terms of payment and other details of the service arrangement in the manner provided in the Business and R&D Support Services Framework Agreement.

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Reasons for the transaction

Since the establishment of PBV Co in January 2023, it has been increasingly involved in the design and development of purpose-built vehicles and taken charge of the sale and marketing of CaoCao 60 and future purpose-built vehicles under the CaoCao brand exclusively. The Directors consider that the provision of business and R&D support services by other members of our Group to PBV Co would benefit us for the following reasons:

- the provision of various services by experienced staff with a deep understanding of our Group’s business to PBV Co allows PBV Co to save recruitment-related time and costs and to operate more efficiently; and
- the provision of business and R&D support services by other members of our Group to PBV Co helps enhance utilization and benefit our Group as a whole.

Pricing policies

The business and R&D support service fees payable by PBV Co to other members of our Group are determined by various factors, including, but not limited to, the nature of services required, the frequency for providing such services and the costs of labor. The service fees will be calculated with reference to the aggregate costs of such services plus a reasonable profit margin of no more than 8%, which is determined with reference to the fees charged by Independent Third Parties for similar services.

Historical amounts

PBV Co was established in January 2023. It started to incur relevant business and R&D support service expenses from the second half of 2023. Accordingly, the business and R&D support service expenses paid by PBV Co to other members of the Group for each of the years ended December 31, 2022, 2023 and 2024 were nil, RMB21.2 million and RMB30.7 million.

Annual caps

The following table sets forth the proposed annual caps for the business and R&D support service fees payable by PBV Co to other members of our Group under the Business and R&D Support Services Framework Agreement:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
	(RMB in millions)		
Business and R&D support services payable by PBV Co to other members of our Group	[33]	[33]	[33]

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The proposed annual caps have been estimated based on the following factors:

- (i) the estimated need of business and R&D support services, including the type and frequency of services;
- (ii) the estimated costs for providing such business and R&D support services and the fees charged by Independent Third Parties for providing similar services; and
- (iii) our expectation that demand for our Group’s business and R&D support services from PBV Co will remain stable between 2025 and 2027 as the overall personnel expenditures for these services are expected to remain stable.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Business and R&D Support Services Framework Agreement for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 0.1%, but less than 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules.

5. Customer Referral Service Framework Agreement

Principal terms

On November 6, 2024, we entered into a customer referral service framework agreement (the “**Customer Referral Service Framework Agreement**”) with Zhejiang Zhihui Puhua Finance Lease Co., Ltd. (“**Zhejiang Zhihui Puhua**”), a subsidiary of Geely Holding, pursuant to which we agreed to (i) refer eligible purchasers of our CaoCao brand vehicles who have financing needs to Zhejiang Zhihui Puhua, (ii) help collect relevant information and documents (e.g., bank statements and property certificates), conduct identity verification and witness the signing of relevant documents in order to facilitate the credit assessments to be conducted by Zhejiang Zhihui Puhua, which as advised by our PRC Legal Advisor does not require our Group to obtain any license, and (iii) assist with, amongst others, the license plate application or registration in favor of Zhejiang Zhihui Puhua and purchase or renewal of insurance. In return, Zhejiang Zhihui Puhua will pay us a service fee.

We have agreed to be a party to the finance lease agreements between Zhejiang Zhihui Puhua as lessor and the purchasers as lessees to facilitate the finance lease arrangements. Pursuant to the terms of the finance lease agreements, we shall (i) review and verify the authenticity of the identification documents, driver licenses and other application documents of the lessees, (ii) witness the application, signing of agreements, delivery of the vehicles and other related actions by the lessees, and (iii) assist the lessor and lessees with, amongst others, settlement of vehicle purchase tax, application for license plates, registration of security

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interest of the lessor and delivery of the vehicles. In the event of provision of forged documents or fraud, the lessor is entitled to terminate the agreement and request repayment of the funds paid by the lessor to us on behalf of the lessees.

The initial term of the Customer Referral Service Framework Agreement will commence on the [REDACTED] and end on December 31, 2027. Subject to compliance with Listing Rules and applicable laws and regulations, the Customer Referral Service Framework Agreement may be renewed upon mutual consent by the parties. Separate underlying agreements will be entered into which will set out the precise scope of services, the calculation of the service fees, the terms of payment and other details of the service arrangement in the manner provided in the Customer Referral Service Framework Agreement.

Reasons for the transaction

As disclosed in the section headed “10. Vehicle Procurement Framework Agreements,” we began to sell CaoCao 60 vehicles to customers, such as our car partners, drivers and third parties in the shared mobility industry in June 2023. Zhejiang Zhihui Puhua has developed extensive expertise and experience in providing vehicle finance lease solutions since its establishment in 2013 and can offer high-quality services to our customers. The finance lease services offered by Zhejiang Zhihui Puhua allow purchasers with financing needs to purchase our CaoCao 60 vehicles at lower initial purchase costs, thereby boosting sales of our vehicles, building brand awareness of our CaoCao brand vehicles among the customers and allowing us to compete in the market for vehicles in the shared mobility industry. Therefore, the Directors consider that the provision of the foregoing services by Zhejiang Zhihui Puhua is in the interest of the Company.

Pricing policies

The service fees to be paid by Zhejiang Zhihui Puhua to us is approximately 2% to 3% of the purchase amounts of the CaoCao brand vehicles that are subject to finance lease, taking into account the specific finance lease arrangement, the amount of down payment by the purchaser to us, the number of installments and the principal amount of the loan. The Directors believe that the service fee is in line with prevailing market rates offered by Independent Third Parties and is on normal commercial terms, is fair and reasonable and in the interest of our Company and the Shareholders as a whole. In determining the prevailing market price, we collect relevant market information and review the service fees paid to several Independent Third Parties for providing comparable services.

Historical amounts

The service fees received from Zhejiang Zhihui Puhua in respect of the customer referral services for each of the years ended December 31, 2022, 2023 and 2024 were nil, RMB0.5 million and RMB1.5 million. As we only began to sell our vehicles to customers in June 2023 and our cooperation with Zhejiang Zhihui Puhua only commenced in July 2023, we did not receive any service fees in 2022.

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Annual caps

The following table sets forth the proposed annual caps for the service fees payable by Zhejiang Zhihui Puhua to us under the Customer Referral Service Framework Agreement:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
(RMB in millions)			
Service fees to be paid by Zhejiang Zhihui Puhua to us	[6.9]	[9.7]	[12.9]

The proposed annual caps have been estimated based on the following factors:

- (i) the purchase price of CaoCao 60 brand vehicles, which is approximately RMB120,000 per vehicle;
- (ii) the number of CaoCao 60 vehicles to be sold in each of the years ended December 31, 2025, 2026 and 2027, respectively; and
- (iii) the proportion of customers who need finance lease services for their purchases. Approximately 6% of CaoCao 60 customers required finance lease services for their purchases in the year ended December 31, 2024. We expect approximately 6% of our customers will need financing in each of the three years ended December 31, 2027. We expect the number of vehicles to be purchased with the finance lease services provided by Zhejiang Zhihui Puhua to be 1,920, 2,700 and 3,600 vehicles in 2025, 2026 and 2027 respectively.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Customer Referral Service Framework Agreement for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 0.1%, but less than 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules.

CONNECTED TRANSACTIONS

6. Vehicle Parts Procurement Framework Agreements

Principal terms

On September 10, 2024 and April 14, 2025, we entered into vehicle parts procurement framework agreements (the “**Vehicle Parts Procurement Framework Agreements**”), respectively, with Lingwu Automobile Technology (Chongqing) Co., Ltd. (“**Lingwu Automobile Technology**”), a subsidiary of Geely Holding, and Zhejiang Yizhen Automobile Co., Ltd. (“**Yizhen Automobile**”), a company ultimately controlled by Mr. Li, pursuant to which Lingwu Automobile Technology and Yizhen Automobile agreed to supply to us vehicle parts. In return, we shall pay Lingwu Automobile Technology and Yizhen Automobile purchase price for the vehicle parts procured.

The initial term of the Vehicle Parts Procurement Framework Agreements will commence on the [REDACTED] and end on December 31, 2027. Subject to compliance with Listing Rules and applicable laws and regulations, the Vehicle Parts Procurement Framework Agreements may be renewed upon mutual consent by the parties. Separate underlying agreements will be entered into which will set out the relevant vehicle parts and purchase prices in the manner provided in the Vehicle Parts Procurement Framework Agreements.

Reasons for the transaction

Our Group owns and deploys a fleet of vehicles for our online ride hailing service, and routine maintenance of our vehicle fleet is critical to the safe operations and quality of the service. Accordingly, we procure vehicle parts for the maintenance of our vehicles. The Directors consider that the vehicle parts procurement arrangement with Lingwu Automobile Technology and Yizhen Automobile benefits us for the following reasons:

- As disclosed in the section headed “7. Technology Service Framework Agreement,” we have been procuring new energy vehicles and purpose-built vehicles from companies within the Geely Group since 2020 and 2022, respectively. As part of the Geely Group, Lingwu Automobile Technology and Yizhen Automobile have a better understanding of our procurement needs for vehicle parts (e.g. specifications and quality standards) and can in turn ensure the quality of our vehicle maintenance; and
- Lingwu Automobile Technology’s operations are significant in scale and encompass a wide range of vehicle parts. Cooperation with Lingwu Automobile Technology allows us to consolidate our procurement of vehicle parts rather than relying on a large number of OEM suppliers, which in turn reduces transaction and coordination costs and enhances the efficiency of our procurement operations.

CONNECTED TRANSACTIONS

Pricing policies

The purchase price payable by us to Lingwu Automobile Technology and Yizhen Automobile will be based on (i) the specific vehicle parts procured (e.g. the corresponding vehicle models of the parts) and (ii) the quantity of vehicle parts procured. In any event, the purchase price payable by us to Lingwu Automobile Technology and Yizhen Automobile shall be no less favorable to us and comparable with the price of the same vehicle parts offered by Lingwu Automobile Technology and Yizhen Automobile to Independent Third Parties.

Historical amounts

We began to procure vehicle parts from Lingwu Automobile Technology and Yizhen Automobile in 2023. The purchase amount paid by us to Lingwu Automobile Technology and Yizhen Automobile for each of the years ended December 31, 2022, 2023 and 2024 were nil, RMB4.0 million and RMB18.9 million.

Annual caps

The following table sets forth the proposed annual caps for the purchase amount payable by us to Lingwu Automobile Technology and Yizhen Automobile under the Vehicle Parts Procurement Framework Agreements:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
	(RMB in millions)		
Purchase amount to be paid by us to Lingwu Automobile Technology and Yizhen Automobile	[30]	[35]	[35]

The proposed annual caps have been estimated based on the following factors:

- (i) while our procurement cooperation with Lingwu Automobile Technology and Yizhen Automobile only began in 2023, such cooperation will continue and be gradually extended to all cities where we operate, leading to increased procurement from Lingwu Automobile Technology and Yizhen Automobile. The number of cities where we cooperated with Lingwu Automobile Technology in 2023 and 2024 was 27 and 29, respectively;
- (ii) we will consolidate gradually our procurement operations by shifting from individual OEM suppliers to Lingwu Automobile Technology and Yizhen Automobile from 2025 to 2027 as (a) Lingwu Automobile Technology has been increasing its product offerings such that we can procure more vehicle parts from

CONNECTED TRANSACTIONS

Lingwu Automobile Technology efficiently and at a more competitive price than sourcing from individual OEM suppliers, and (b) Yizhen Automobile is responsible for the manufacturing of LEVC vehicles, and, therefore Yizhen Automobile can sell vehicle parts that are compatible to our LEVC vehicles more efficiently and at a more competitive price than sourcing from individual OEM suppliers. We expect the purchase amount payable to Lingwu Automobile Technology and Yizhen Automobile to increase from 2025 to 2026 and become stable by 2027; and

- (iii) the warranty for an increasing number of our vehicles will expire during the period from 2025 to 2027, and accordingly we will increase our own procurement of vehicle parts for our maintenance operations during such period.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Vehicle Parts Procurement Framework Agreements for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 0.1%, but less than 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules.

7. Technology Service Framework Agreement

Principal terms

On April 30, 2025, we entered into a technology service framework agreement (the “**Technology Service Framework Agreement**”) with Chongqing Ruilan Automobile Research Institute Co., Ltd. (“**Chongqing Ruilan Research Institute**”), which is a subsidiary of Chongqing Ruilan Automobile Technology, pursuant to which Chongqing Ruilan Research Institute and its subsidiaries (collectively, the “**Chongqing Ruilan Research Institute Group**”) will provide technology services relating to vehicle optimization and associated technological support to us for the vehicles we deploy, including CaoCao 60 and other existing models (e.g. Maple 80V) as well as future models. Chongqing Ruilan Research Institute Group will also develop new vehicle models for us. In return, we shall pay service fees in accordance with the Technology Service Framework Agreement. Separate underlying agreements will be entered into which will set out the scope of technology services, price, method of payment and other details of the technology service arrangement in the manner provided in the Technology Service Framework Agreement.

The initial term of the Technology Service Framework Agreement will commence on the [REDACTED] and end on December 31, 2027. Subject to compliance with the Listing Rules and applicable laws and regulations, the Technology Service Framework Agreement may be renewed upon mutual consent by the parties.

CONNECTED TRANSACTIONS

Reasons for the transaction

Deploying purpose-built vehicles for our online ride hailing service is part of our Group’s long-term strategy to enhance user experience. Technology services, including optimization of our vehicles, associated technology support and development of future vehicle models, are important for maintaining our competitive advantage. Chongqing Ruilan Research Institute is a company specialized in vehicle technology services within the Geely Group. We have engaged Chongqing Ruilan Research Institute to assist with technology support and continuous optimization of our vehicles and to develop future vehicle models. The Directors consider that the provision of technology services by Chongqing Ruilan Research Institute Group would benefit us for the following reasons:

- Chongqing Ruilan Research Institute is specialized in the provision of technology services for new energy vehicles. By engaging Chongqing Ruilan Research Institute, we can gain access to market-leading technology and improve the functions of our vehicles and customer experience; and
- we have been procuring new energy vehicles from companies within the Geely Group since 2020. In particular, we have been engaged in the development of purpose-built new energy vehicles with, and have been procuring such vehicles from, Chongqing Ruilan Automobile Sales since 2022. Therefore, it has a better understanding of our needs for new energy vehicle-related technology services as compared to Independent Third Parties.

Pricing policies

The technology fees payable by us for the services provided by Chongqing Ruilan Research Institute will be determined by factors, including, but not limited to, (i) development costs, (ii) labor costs, (iii) service project management fee, and (iv) additional charge in relation to technology services as applicable, and shall be in line with service fees offered by Chongqing Ruilan Research Institute to Independent Third Parties for similar services.

Historical amounts

We started to engage Chongqing Ruilan Research Institute in the second half of 2022 to assist in the development of software in adjusting certain vehicle settings, including ventilation and cabin temperature, via CaoCao Mobility app, to improve user experience during ride hailing. In addition, we entered into an agreement with Chongqing Ruilan Research Institute in 2023 to research and develop a new vehicle model. Accordingly, the technology service fees paid by us to Chongqing Ruilan Research Institute for each of the years ended December 31, 2022, 2023 and 2024 were RMB0.5 million, RMB47.8 million and RMB8.5 million, respectively. The decrease in service fees paid by us in 2024 was primarily due to the engagement of Chongqing Ruilan Research Institute for a one-off vehicle development project in 2023 in the amount of approximately RMB37.9 million.

CONNECTED TRANSACTIONS

Annual caps

The following table sets forth the proposed annual caps for the service fees payable by us to Chongqing Ruilan Research Institute under the Technology Service Framework Agreement:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
	(RMB in millions)		
Service fees to be paid by us to			
Chongqing Ruilan Research Institute	[13]	[33]	[23]

The proposed annual caps have been estimated based on the following factors:

- (i) our expected demand for technology services for our purpose-built vehicles in the coming three years based on continuous user feedback and our commitment to improve user experience; and
- (ii) we expect to upgrade our CaoCao 60 and Maple 80V vehicles between 2025 and 2027. The total costs of research and development for such upgrade are estimated to be approximately RMB69 million, with service fees of approximately RMB13 million, RMB33 million and RMB23 million to be paid to Chongqing Ruilan Research Institute in 2025, 2026 and 2027, respectively.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Technology Service Framework Agreement for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 0.1%, but less than 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules.

8. Used Vehicle Sales Framework Agreements

Principal terms

On October 9, 2024 and September 14, 2024, we entered into used vehicle sales framework agreements (the “**Used Vehicle Sales Framework Agreements**”), respectively, with (i) Anhui Jifeng Recycling Technology Industry Co., Ltd. (“**Anhui Jifeng**”), a subsidiary of Zhejiang Jidi and (ii) Zhejiang Jixin Resource Recycling Technology Co., Ltd. (“**Zhejiang**”).

CONNECTED TRANSACTIONS

Jixin”), a subsidiary of Geely Holding, pursuant to which Anhui Jifeng and Zhejiang Jixin agree to procure from us certain used vehicles if we are unable to find suitable purchasers for such vehicles, and in return, Anhui Jifeng and Zhejiang Jixin shall pay us purchase price for the vehicles in accordance with the Used Vehicle Sales Framework Agreements.

The initial term of the Used Vehicle Sales Framework Agreements will commence on the [REDACTED] and end on December 31, 2027. Subject to compliance with the Listing Rules and applicable laws and regulations, the Used Vehicle Sales Framework Agreements may be renewed upon mutual consent by the parties. Separate underlying agreements will be entered into which will set out the precise terms of the sales, the amounts of the purchase price, the terms of payment and other details of the sales arrangement in the manner provided in the Used Vehicle Sales Framework Agreements.

Reasons for the transaction

Our Group owns and deploys a fleet of vehicles for our online ride hailing service. To accommodate our business needs and cater to evolving market preferences, we routinely dispose of some used vehicles. We also intend to fully replace our vehicles without battery swap capability with vehicles with battery swap capability by 2026. Anhui Jifeng and Zhejiang Jixin specialize in buying and selling used vehicles. The Directors consider that the sale of used vehicle to Anhui Jifeng and Zhejiang Jixin would benefit us for the following reasons:

- Anhui Jifeng and Zhejiang Jixin specialize in dealing in used vehicles through resale;
- as we intend to fully replace our vehicles without battery swap capability with vehicles with battery swap capability, we are able to dispose of our idle assets in an efficient manner by selling our used vehicles in bulk to Anhui Jifeng and Zhejiang Jixin; and
- sale of used vehicles allows us to realize the residual value of these vehicles and provides us with an additional source of cashflow for our business operations.

Pricing policies

The purchase price will be determined with reference to a number of factors, including, but not limited to, the vehicle’s model, condition of the vehicle and year of manufacture. The purchase price payable by Anhui Jifeng and Zhejiang Jixin to us shall be comparable with the price payable by Independent Third Parties to us for similar used vehicles.

Historical amounts

We sold used vehicles to our connected persons, including Anhui Jifeng, Zhejiang Jixin and Linyi Lingji Jianhua Automobile Sales Service Co., Ltd. (“**Linyi**”), a subsidiary of Geely Holding, during the period from 2022 to 2024. The purchase amount paid by Anhui Jifeng,

CONNECTED TRANSACTIONS

Linyi and Zhejiang Jixin to us in respect of the sale of used vehicles for each of the years ended December 31, 2022, 2023 and 2024 were RMB12.0 million, RMB84.6 million and RMB80.3 million, respectively. As part of our business strategy to replace vehicles without battery swap capability with vehicles with battery swap capability for the provision of online ride hailing services, we have substantially increased the procurement of vehicles with battery swap capability in 2022 and 2023, and disposed of a large number of vehicles without battery swap capability in 2022, 2023 and 2024. All of the vehicles sold by us to Anhui Jifeng, Linyi and Zhejiang Jixin during the Track Record Period were vehicles without battery swap capability. As we plan to complete most of the replacement from 2023 to 2026, the number of vehicles without battery swap capability disposed of by us in 2023 increased, leading to the increase in purchase amount paid by Anhui Jifeng for the year ended December 31, 2023. Anhui Jifeng and Zhejiang Jixin also prepaid RMB51.9 million to us for the sale of vehicles during the year ended December 31, 2024. The decrease in purchase amount paid for the year ended December 31, 2024 is due to normal fluctuation in business demand.

Annual caps

The following table sets forth the proposed annual caps for the purchase amount payable by Anhui Jifeng and Zhejiang Jixin to us under the Used Vehicle Sales Framework Agreements:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
	(RMB in millions)		
Purchase amount to be paid by Anhui Jifeng and Zhejiang Jixin to us	[126]	[126]	[126]

The proposed annual caps have been estimated based on the following factors:

- (i) the historical transaction amounts during the Track Record Period and the existing used vehicle sales arrangements between us and Anhui Jifeng and Zhejiang Jixin;
- (ii) as of December 31, 2024, the number of vehicles without battery swap capability our Group owned was approximately 16,135. We intend to dispose of approximately 8,000 vehicles without battery swap capability in 2025 and 2026, respectively, so as to fully replace these vehicles with vehicles with battery swap capability by 2026. Out of the 16,135 vehicles to be replaced, based on the commercial negotiations with the relevant parties in 2025, we expect to dispose of approximately 4,500 vehicles in each of 2025 and 2026 at the estimated price of approximately RMB28,000 per vehicle depending on their model, respectively, to Anhui Jifeng and Zhejiang Jixin. The foregoing estimated price was determined based on the current average selling price of such used vehicles of the Company. The remaining vehicles will be disposed of to Independent Third Parties by 2026; and

CONNECTED TRANSACTIONS

- (iii) we also expect to start disposing of our vehicles with battery swap capability, which have a value-generating life of approximately five years, in 2027. In 2027, approximately 8000 vehicles with battery swap capability are expected to become obsolete. Based on the commercial negotiations with the relevant parties in 2025, we expect to dispose of approximately 4,500 vehicles with battery swap capability to Anhui Jifeng and Zhejiang Jixin in 2027 at the estimated price of approximately RMB28,000 per vehicle depending on their model and condition. The estimated price was determined based on the residual value and market price of such used vehicles.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Used Vehicle Sales Framework Agreements for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 0.1%, but less than 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules.

9. Battery Sales Framework Agreement

Principal terms

On March 13, 2025, we entered into a battery sales framework agreement (the “**Battery Sales Framework Agreement**”) with Hangzhou Yineng Battery Management Technology Co., Ltd. (“**Hangzhou Yineng**”), a subsidiary of Geely Holding, pursuant to which we will sell batteries for vehicles with battery swap capability to Hangzhou Yineng, and in return, Hangzhou Yineng shall pay purchase price for the batteries purchased in accordance with the Battery Sales Framework Agreement. Hangzhou Yineng may enter into finance lease agreements to finance their purchases of the batteries, in which case we agree to be a party to such agreements where needed to facilitate the finance lease arrangements.

The initial term of the Battery Sales Framework Agreement will commence on the [REDACTED] and end on December 31, 2027, subject to renewal upon mutual consent by the parties. Separate agreements will be entered into which will set out the precise terms, price of the sales of batteries, method of payment and other details of the procurement arrangement (including any finance lease arrangement) in the manner provided in the Battery Sales Framework Agreement.

CONNECTED TRANSACTIONS

Reasons for the transaction

As disclosed in the section headed “10. Vehicle Procurement Framework Agreements” below, we started to deploy purpose-built vehicles with battery swap capability in April 2022 and CaoCao 60 in June 2023. PBV Co is responsible for the operation of the vehicles under the CaoCao brand and all such vehicles procured by PBV Co from Chongqing Ruilan Automobile Sales are in-built with batteries. CaoCao brand vehicles sold to car partners, drivers and other third parties in the shared mobility industry are in-built with batteries. In contrast, most vehicles to be deployed as part of our Group’s car fleet are procured without batteries to reduce the initial purchase costs. The batteries are removed from such vehicles and sold by PBV Co to Hangzhou Yineng, and Hangzhou Yineng will subsequently provide battery service to us. The purchase and sales of such batteries are recognized on a net basis. No battery inventories nor revenue are recognized under such transactions. The battery service fees are recognized as cost of sales and the corresponding unpaid balances for battery services fees are recorded as trade and notes payables. For further details, please see the sections headed “Background for the procurement arrangement of vehicles” and “12. Battery Services Framework Agreements” below. From time to time, we may also sell batteries of our other purpose-built vehicles with battery swap capability to reduce the initial purchase costs. As Geely Group is responsible for manufacturing our purpose-built vehicles and has an established network of battery swap stations across China, batteries that are compatible with our purpose-built vehicles can be swapped at the battery swap stations of Geely Group. The Directors consider that the above arrangement is in the interest of our Company as the low initial purchase costs of the vehicles will facilitate the expansion of our Company’s business operation.

Pricing policies

The selling price of batteries to Hangzhou Yineng will be charged based on the purchase costs of the batteries of the purpose-built vehicles with battery swap capability.

Historical amounts

PBV Co was established in January 2023 and we significantly increased sales of batteries to Yiyi Internet Technology Co., Ltd. (“**Yiyi Internet**”) and Hangzhou Yineng in 2023 to reduce our initial purchase costs of the purpose-built vehicles where batteries will then be leased to us for our operations. We sold approximately nil, 11,000 and nil batteries to Yiyi Internet and Hangzhou Yineng in each of the years ended December 31, 2022, 2023 and 2024, and the purchase amount paid by Yiyi Internet and Hangzhou Yineng to us for the same period were nil, RMB437.1 million and nil, respectively. We did not sell any batteries to Yiyi Internet or Hangzhou Yineng in 2024 as the built-in batteries together with vehicles had been used by ourselves in our operation. Due to the adjustment in operation of Yiyi Internet in July 2024, batteries previously sold to Yiyi Internet were transferred to Hangzhou Yineng, and we no longer sell batteries to Yiyi Internet since July 2024.

CONNECTED TRANSACTIONS

Annual caps

The following table sets forth the proposed annual caps for the purchase amount payable by Hangzhou Yineng to us under the Battery Sales Framework Agreement:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
(RMB in millions)			
Purchase amount to be paid by Hangzhou Yineng to us	[116.8]	[116.8]	[116.8]

The proposed annual caps have been estimated based on the following factors:

- (i) the estimated prices of batteries for vehicles under the CaoCao brand; and
- (ii) the expected portion of vehicles from which PBV Co will remove the batteries for subsequent sale to Hangzhou Yineng. We expect the number of CaoCao brand vehicles we procure for our operations, and accordingly the number of batteries out of the portion of vehicles to be sold to Hangzhou Yineng, to remain stable in the coming three years. Specifically, we expect to sell approximately 4,000 batteries to Hangzhou Yineng in each of 2025, 2026 and 2027.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Battery Sales Framework Agreement for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 0.1%, but less than 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules.

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Background for the procurement arrangement of Vehicles

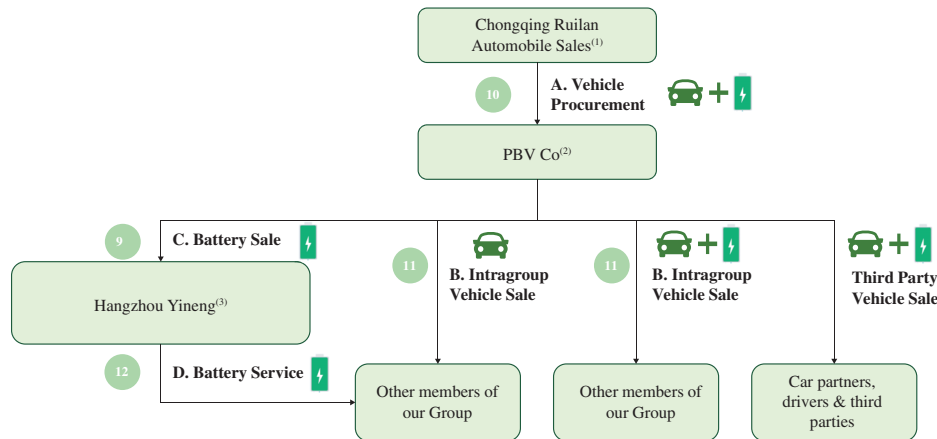
Geely Group is one of the largest automotive groups in the world and has established a BEV ecosystem spanning from the research and development, manufacturing and sale of BEVs to the operation of a network of battery swap stations and leasing of batteries for BEVs.

CONNECTED TRANSACTIONS

We purchase vehicles, including purpose-built vehicles, from sellers of vehicles in the BEV ecosystem of Geely Group. In order to reduce the initial purchase costs, we also entered into battery sale and lease transactions with Hangzhou Yineng, a member of the Geely Group which primarily engages in the business of battery service.

To give effect to the procurement arrangement, we entered into several continuing connected transactions. For further details, see “9. Battery Sales Framework Agreement”, “10. Vehicle Procurement Framework Agreements,” “11. PBV Vehicle Procurement Framework Agreement,” and “12. Battery Services Framework Agreements”.

Set out below is a flowchart illustrating the typical arrangement in relation to (i) the sale and purchase of CaoCao 60 purpose-built vehicles, and (ii) the battery sale and battery service arrangement in relation to CaoCao 60 purpose-built vehicles:



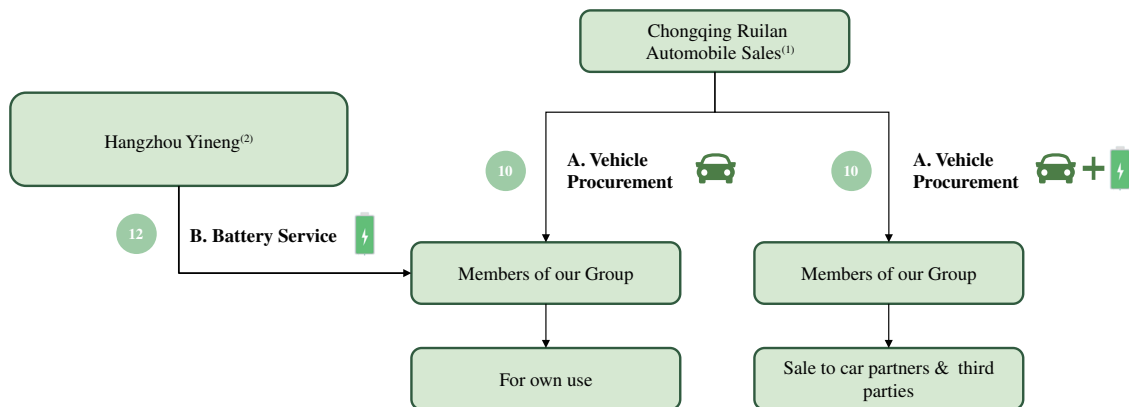
Notes:

- (1) Chongqing Ruilan Automobile Sales is a subsidiary of Chongqing Ruilan Automobile Technology, a company controlled by Mr. Li.
 - (2) PBV Co is a connected subsidiary of the Company, which is owned as to 55% by Suzhou Youxing, a wholly-owned subsidiary of the Company, and 45% by Chongqing Ruilan Automobile Technology, a company controlled by Mr. Li.
 - (3) Hangzhou Yineng is a subsidiary of Geely Holding.
- A. **Vehicle Procurement:** Geely Group is responsible for manufacturing the vehicles, which PBV Co procures CaoCao 60 vehicles from Chongqing Ruilan Automobile Sales. PBV Co directly sells CaoCao 60 vehicles internally for our Group’s operations and to our Group’s customers, including car partners, drivers and third parties in the shared mobility industry. For further details, see “10. Vehicle Procurement Framework Agreements” in this section.
- B. **Intragroup Vehicle Sale:** PBV Co will sell CaoCao 60 vehicles managed by it exclusively to other members of our Group, and in return, other members of our Group shall pay PBV Co purchase price for the vehicles purchased. For further details, see “11. PBV Vehicle Procurement Framework Agreement” in this section.

CONNECTED TRANSACTIONS

- C. **Battery Sale:** In order to reduce the initial purchase costs, PBV Co procures CaoCao 60 vehicles with built-in batteries and sells the built-in batteries of most vehicles with battery swap capability to Hangzhou Yineng, and sells the vehicles to other members of our Group. For further details, see “9. Battery Sales Framework Agreement” in this section.
- D. **Battery Service:** In order to lower the initial purchase price of CaoCao brand purpose-built vehicles and to facilitate the swapping of batteries of our CaoCao 60 vehicles at the battery swap station of Geely Group, our Group has purchased battery services from Hangzhou Yineng. Depleted batteries of our CaoCao 60 vehicles are changed with fully charged batteries at battery swap stations of Geely Group and the depleted batteries are then charged for subsequent battery swaps. For further details, see “12. Battery Services Framework Agreements” in this section.

Set out below is a flowchart illustrating the typical arrangement in relation to (i) the purchase of Maple 80V purpose-built vehicles, and (ii) the battery service arrangement in relation to Maple 80V purpose-built vehicles:

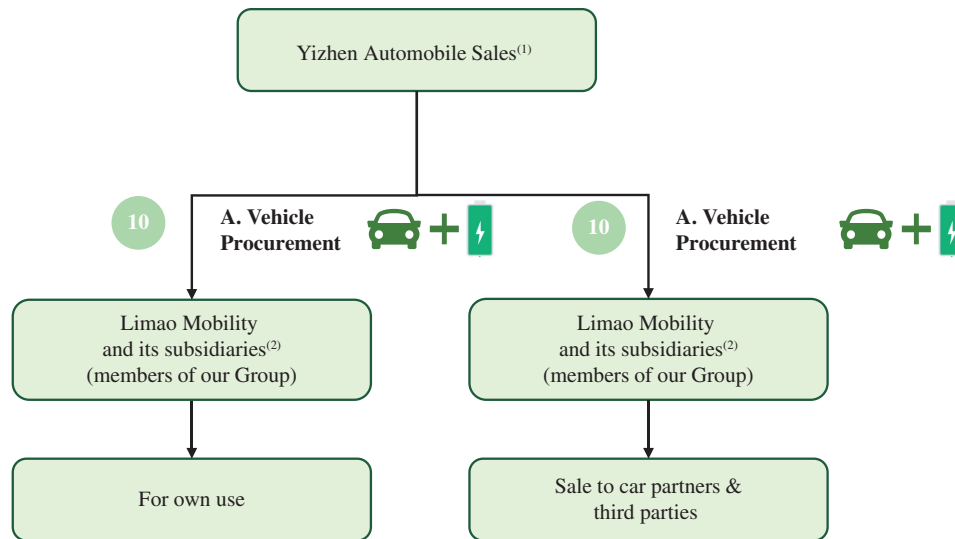


Notes:

- (1) Chongqing Ruilan Automobile Sales is a subsidiary of Chongqing Ruilan Automobile Technology, a company controlled by Mr. Li.
- (2) Hangzhou Yineng is a subsidiary of Geely Holding.
- A. **Vehicle Procurement:** Chongqing Ruilan Automobile Sales sells Maple 80V vehicles to our Group, and in return, we pay Chongqing Ruilan Automobile Sales purchase price for the vehicles purchased. Maple 80V vehicles our Group procured for its own use are typically without batteries and Maple 80V vehicles with batteries will be sold to third parties. For further details, see “10. Vehicle Procurement Framework Agreements” in this section.
- B. **Battery Service:** In order to lower the initial purchase price of Maple brand purpose-built vehicles and to facilitate the swapping of batteries of our Group’s Maple 80V vehicles at the battery swap station of Geely Group, our Group has purchased battery services from Hangzhou Yineng. Depleted batteries of our Group’s Maple 80V vehicles are changed with fully charged batteries at battery swap stations of Geely Group and the depleted batteries are then charged for subsequent battery swaps. For further details, see “12. Battery Services Framework Agreements” in this section.

CONNECTED TRANSACTIONS

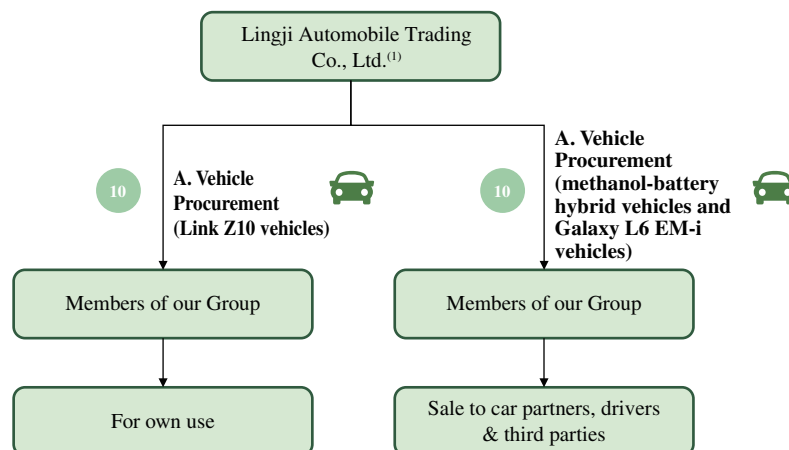
Set out below is a flowchart illustrating the typical arrangement in relation to the purchase of LEVC TX5 vehicles:



Notes:

- (1) Yizhen Automobile Sales is a wholly-owned subsidiary of Yizhen Automobile, which is owned as to 92.1% by Zhejiang Yizhen New Energy Automobile Co., Ltd., which in turn is owned as to 50% and 50% by Geely Ningbo and Geely Holding, respectively.
 - (2) Limaο Mobility and its subsidiaries are wholly owned subsidiaries of our Group.
- A. **Vehicle Procurement:** Yizhen Automobile Sales sells us LEVC TX5 vehicles, and in return, our Group pays Yizhen Automobile Sales purchase price for the vehicles purchased. For further details, see “10. Vehicle Procurement Framework Agreements” in this section.

Set out below is a flowchart illustrating the typical arrangement in relation to the purchase of methanol-battery hybrid vehicles, Galaxy L6 EM-i vehicles and Link Z10 vehicles:



CONNECTED TRANSACTIONS

Notes:

- (1) Lingji Automobile Trading Co., Ltd. is a subsidiary of Geely Holding.
- A. **Vehicle Procurement:** We plan to procure methanol-battery hybrid vehicles from Lingji Automobile Trading Co., Ltd. as an exclusive distributor for Harbin region in China. We also intend to purchase Galaxy L6 EM-i vehicles, being hybrid electric vehicles, and Link Z10 vehicles from Lingji Automobile. And in return, our Group pays Lingji Automobile Trading Co., Ltd. purchase price for the vehicles purchased. For further details, see “10. Vehicle Procurement Framework Agreements” in this section.

10. Vehicle Procurement Framework Agreements

Principal terms

On April 30, 2025, April 14, 2025 and May 22, 2025, we entered into vehicle procurement framework agreements (the “**Procurement Framework Agreements**”), respectively, with Chongqing Ruilan Automobile Sales Co., Ltd. (“**Chongqing Ruilan Automobile Sales**”), Zhejiang Yizhen Automobile Sales Co., Ltd. (“**Yizhen Automobile Sales**”) and Lingji Automobile Trading Co., Ltd. (“**Lingji Automobile**”), pursuant to which (i) Chongqing Ruilan Automobile Sales will sell to us purpose-built vehicles and Robotaxi vehicles, (ii) Yizhen Automobile Sales will sell us vehicles under the LEVC brand and (iii) Lingji Automobile will sell us methanol-battery hybrid vehicles, Link Z10 vehicles, Galaxy L6 EM-i vehicles and other vehicles as may be procured by us based on the needs of our business operation, and in return, we shall pay Chongqing Ruilan Automobile Sales, Yizhen Automobile Sales and Lingji Automobile purchase price for the vehicles purchased.

The initial term of the Vehicle Procurement Framework Agreements will commence on the [REDACTED] and end on December 31, 2027. Subject to compliance with the Listing Rules and applicable laws and regulations, the Vehicle Procurement Framework Agreements may be renewed upon mutual consent by the parties. Separate underlying agreements will be entered into, which will set out the specifications, price and quantity of the vehicles, method of payment and other details of the procurement arrangement in the manner provided in the Vehicle Procurement Framework Agreements.

Reasons for the transaction

Under our business model, we deploy our own fleet of vehicles for the provision of our online ride hailing service. Since April 2022, we have been deploying purpose-built vehicles with battery swap capability. Chongqing Ruilan Automobile Sales has been selling Maple 80V, generally with built-in batteries removed, to us during the Track Record Period. We will continue to purchase Maple 80V from Chongqing Ruilan Automobile Sales after [REDACTED].

During the Track Record Period, we procured purpose-built vehicles from members of Geely Holding Group and Zhejiang Jidi Group. In particular, we procured the purpose-built vehicles primarily through Chongqing Ruilan Automobile Sales. During the procurement process, significant time and effort was spent on discussing the design and specifications of the vehicles. In addition, as we have accumulated significant valuable ride hailing data and user

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feedback on vehicles and ride hailing experience, we intend to strengthen our engagement in the vehicle design and sale processes and share the profits from the sales, while continuing to leverage the vehicle manufacturing capabilities of Geely Group. Accordingly, we consider it desirable to form a joint venture with Geely Group to align the interests of both parties. In January 2023, we established PBV Co jointly with Chongqing Ruilan Automobile Technology. PBV Co operates the CaoCao brand independently as one dedicated to shared mobility and distinguished from other brand names that sell private-use vehicles, which could increase our brand recognition. With the establishment of PBV Co in January 2023, we strengthened our engagement in the design and development of purpose-built vehicles and assumed full responsibility for the sales and marketing of CaoCao 60 and future purpose-built vehicles under the CaoCao brand. Geely Group is responsible for manufacturing the vehicles, which we then procure from Chongqing Ruilan Automobile Sales. PBV Co directly sells our purpose-built vehicles internally for our operations and to our customers, including our car partners, drivers and third parties in the shared mobility industry.

In addition, Limao Mobility also provides online ride hailing services under the “Limao Mobility (禮帽出行)” brand with LEVC brand vehicles to provide users with a consistent travel experience. Limao Mobility has been procuring LEVC brand vehicles from Yizhen Automobile Sales during the Track Record Period. We will continue to purchase LEVC TX5 from Yizhen Automobile Sales after [REDACTED].

Further, as the northern region of China experiences extremely cold temperatures from time to time, particularly during winter, the performance of electric vehicles is reduced by low temperatures due to the reduction in battery efficiency, leading to reduced range and longer charging times. This in turn reduces drivers’ efficiency in delivering ride-hailing services. Accordingly, based on the needs of our car partners, we have strived for and were granted the exclusive right in June 2024 by Lingji Automobile to distribute methanol-battery hybrid vehicles in Harbin region in China. We also intend to purchase Galaxy L6 EM-i vehicles, being hybrid electric vehicles, from Lingji Automobile. As hybrid vehicles are less susceptible to the impacts due to cold weather, this ensures consistent operational capabilities and is crucial for ride-hailing drivers who need to maximize their service hours and trip frequency. Accordingly, we will procure methanol-battery hybrid vehicles from Lingji Automobile as the exclusive distributor for Harbin region in China and will also procure Galaxy L6 EM-i vehicles from Lingji Automobile, and distribute to our customers, including our car partners, drivers and third parties in the shared mobility industry.

We intend to procure Link Z10 and Robotaxi vehicles to support our autonomous driving project. Link Z10 is a model of fully electric sedan pre-installed with autonomous driving components and applications, containing certain extent of autonomous driving capabilities suitable for pilot operations at the early stage of the project. We intend to first procure a small number of Link Z10 vehicles from Lingji Automobile at the initial phase for pilot operations in approved regions of Hangzhou, Suzhou, and Guangzhou. Then, at a later stage of the project, we intend to procure Robotaxi vehicles from Chongqing Ruilan Automobile Sales, which are to be developed as a more advanced and intelligent autonomous driving model. Upon reaching matured enhancement of Robotaxi vehicles, we will expand our Robotaxi vehicles coverage on a broader scale for commercial operations.

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The Directors consider that the purchase of vehicles from Chongqing Ruilan Automobile Sales, Yizhen Automobile Sales and Lingji Automobile would benefit us for the following reasons:

- Geely Group is specialized in vehicle manufacturing and is able to sell vehicles, including purpose-built vehicles, to us through Chongqing Ruilan Automobile Sales, Yizhen Automobile Sales and Lingji Automobile at a competitive rate;
- owing to the different local requirements on the specifications of vehicles used for providing online ride hailing services, Geely Group is able to develop vehicles based on our specific requirements and in compliance with local requirements;
- CaoCao brand purpose-built vehicles are developed to improve user experience with larger interior space and smart features, and to improve driver productivity and experience. By developing purpose-built vehicles, our Group can provide standardized and high-quality services to users;
- LEVC brand wheelchair-accessible vehicles are also specifically developed for ride-hailing scenarios, especially for marginalized groups such as wheelchair users and those with impaired vision or hearing given its various accessibility features (e.g. foldable direct access ramp for wheelchairs and built-in wheelchair restraints). In addition, LEVC TX5 is a spacious vehicle that optimizes user ride experience for family travel, group travel, travel with large luggage and business travel. The LEVC TX5 model also adopts a unique sloped pedal design that makes travelling with baby strollers, wheelchairs, and large luggage easier; and
- The procurement of methanol-battery hybrid vehicles and Galaxy L6 EM-i vehicles is pursued based on the needs of our car partners in optimising operational efficiency in carrying out ride hailing services under cold temperature. Given the reduced performance of electric vehicles in the northern region of China due to cold temperature, it is beneficial to the Group to procure methanol-battery hybrid vehicles and Galaxy L6 EM-i vehicles for the distribution to our customers, including our car partners, drivers and third parties in the shared mobility industry to enhance their efficiency in delivering ride-hailing services.
- The procurement of Link Z10 vehicles and Robotaxi vehicles enables the Group to develop in the field of autonomous driving, realize a large-scale commercialization of autonomous driving services and provide autonomous driving experience to our customers after the development is matured.
- Chongqing Ruilan Automobile Sales, Yizhen Automobile Sales and Lingji Automobile, are capable of satisfying our evolving business needs efficiently and reliably with a stable supply of high-quality vehicles.

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Pricing policies

The purchase price payable by our Group for the purchase of Maple 80V from Chongqing Ruilan Automobile Sales and LEVC TX5 from Yizhen Automobile Sales will be based on (i) the model and specifications of the vehicles procured, (ii) the hardware to be installed in the vehicles, and (iii) number of vehicles ordered. The purchase price payable by our Group to Chongqing Ruilan Automobile Sales and Yizhen Automobile Sales shall be on normal commercial terms or better to us than the price offered by Chongqing Ruilan Automobile Sales and Yizhen Automobile Sales to Independent Third Parties for vehicles with similar specifications taking into account bulk purchase discounts, our contribution to the design and development of purpose-built vehicles where applicable, as well as promoting their vehicles by placing them on our platform.

The purchase price payable by our Group for the purchase of methanol-battery hybrid vehicles, Galaxy L6 EM-i vehicles and any other vehicles we may procure based on the needs of our business operation from Lingji Automobile will be based on (i) the model and specifications of the vehicles procured and (ii) number of vehicles ordered. The purchase price payable by our Group to Lingji Automobile shall be on normal commercial terms or better to us than the price offered by Lingji Automobile to corporate customers who are Independent Third Parties for vehicles with similar specifications taking into account bulk purchase discounts.

The purchase price payable by our Group for the purchase of Link Z10 vehicles from Lingji Automobile and Robotaxi vehicles from Chongqing Ruilan Automobile Sales will be based on (i) the model and specifications of the vehicles procured, (ii) the hardware to be installed in the vehicles and (iii) number of vehicles ordered. The purchase price payable by our Group to Lingji Automobile and Chongqing Ruilan Automobile Sales shall be on normal commercial terms or better to us than the price offered by Lingji Automobile and Chongqing Ruilan Automobile Sales to corporate customers who are Independent Third Parties for vehicles with similar specifications taking into account bulk purchase discounts and our contribution to the development of product strategy and future operation of Link Z10 and Robotaxi vehicles.

Design, branding, maintenance and distribution of a vehicle brand involves significant costs. Since we are engaged in the design and development of, and assume full responsibility for the sales and marketing of, vehicles under the CaoCao brand, a different pricing policy applies to the procurement of vehicles under the CaoCao brand from Chongqing Ruilan Automobile Sales by PBV Co. The purchase price payable by PBV Co to Chongqing Ruilan Automobile Sales for the purchase of vehicles under the CaoCao brand (including CaoCao 60) shall be determined by cost plus a reasonable profit margin of no more than 5%. Geely Group is responsible for manufacturing the vehicles. The cost will be calculated with reference to the prices of raw materials, labor costs, the amortization to the production plant and equipment and other costs incurred by Geely Group. The profit margin will be determined taking into account the profit margin of the sale of vehicles under similar arrangements by the Independent Third Parties. In any event, the purchase price of vehicles under the CaoCao brand payable by PBV

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Co to Chongqing Ruilan Automobile Sales shall be no less favorable to our Group and comparable with the price of similar vehicles offered by Independent Third Parties. We will make market inquiries and refer to the market prices of at least two leading commercial vehicles in terms of sales volume of comparable vehicle size, having regard to the cost of producing the CaoCao 60 vehicles.

Historical amounts

The purchase amount paid by us (including Limao Mobility) to Geely Holding Group, Zhejiang Jidi Group and Yizhen Automobile Sales in respect of the procurement of vehicles, including purpose-built vehicles, for each of the years ended December 31, 2022, 2023 and 2024 were RMB1,322.7 million, RMB1,770.1 million and RMB1,177.7 million, respectively.

We have procured (a) approximately 15,767, 1,000 and 35 Maple 80V vehicles for our own operations, (b) approximately nil, 13,828 and 13,015 CaoCao 60 vehicles, out of which nil, 12,707, and 3,422 CaoCao 60 vehicles were procured for our own operations, and nil, 1,121 and 9,593 CaoCao 60 vehicles were procured for external sales, (c) approximately 495, 342 and 75 LEVC vehicles, out of which 470, 324 and 10 LEVC vehicles were procured for our own operations, and 25, 18, 65 LEVC vehicles were procured for external sales, and (d) approximately 52, 4, and nil other vehicles for our own operations in 2022, 2023 and 2024, respectively. We have procured approximately 3,509 Maple 60S vehicles without built-in batteries and 1,934 Maple 60S vehicles with built-in batteries for our own operations in 2022 and for external sale 2023.

In 2022, Maple 80V was modified and built based on our needs for purposes of online ride hailing business, and has been deployed for our premier mobility services since April 2022. As a result, we increased our procurement and as of December 31, 2022, we had approximately 17,200 Maple 80V as part of our car fleet. We also started to procure CaoCao 60 from Chongqing Ruilan Automobile Sales since June 2023 and had a total of approximately 18,300 Maple 80V vehicles and 12,707 CaoCao 60 vehicles as part of our car fleet as of December 31, 2023. We also procured approximately 3,000 vehicles with battery swap capability (including 1,100 CaoCao 60) vehicles for external sale for the year ended December 31, 2023. During the year ended December 31, 2024, we only procured (i) approximately 35 Maple 80V vehicles and 3,422 CaoCao 60 vehicles as part of our car fleet, and (ii) approximately 9,593 CaoCao 60 vehicles for external sale. As of December 31, 2024, we had approximately 18,323 Maple 80V vehicles and 16,120 CaoCao 60 vehicles as part of our car fleet. The decrease in purchase amount paid by us to Chongqing Ruilan Automobile Sales in 2024 is primarily due to the decrease in the procurement of CaoCao 60 as part of our car fleet from approximately 12,700 in 2023 to 3,422 in 2024, as we increased our procurement to replace the majority of our existing vehicles in 2023, and we only replaced a small portion of our existing vehicles in accordance with their useful lives in 2024.

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Since its establishment in January 2021, Limao Mobility has been providing online ride hailing services and offline taxi hailing services. All rides of Limao Mobility are powered by the LEVC TX 5 model. As of December 31, 2022, 2023 and 2024, Limao Mobility operated approximately 630, 1,060 and 1,060 LEVC TX 5 vehicles, respectively.

Since June 2024, we have been authorized by Lingji Automobile to procure and sell methanol-battery hybrid vehicles as the exclusive distributor for Harbin region. We had procured 25 methanol-battery hybrid vehicles for external sales during the year ended December 31, 2024.

Annual caps

The following table sets forth the proposed annual caps for the purchase amount payable by us (including PBV Co and other members of our Group) to Chongqing Ruilan Automobile Sales, Yizhen Automobile Sales and Lingji Automobile under the Vehicle Procurement Framework Agreements:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
	(RMB in millions)		
Purchase amount to be paid by our Group (including PBV Co) to Chongqing Ruilan Automobile Sales, Yizhen Automobile Sales and Lingji Automobile	[3,746.7]	[5,060.6]	[6,867.8]

The proposed annual caps have been estimated based on the following factors:

- (i) the historical transaction amounts and vehicle procurement arrangements between us, Geely Group, Zhejiang Jidi Group, Yizhen Automobile Sales and Zhejiang Yizhen Automobile Co., Ltd. during the Track Record Period;
- (ii) the manufacturing costs of each type of vehicle, the cost of batteries procured from third parties and the purchase price of the vehicles;
- (iii) we expect to procure (a) approximately 165, nil and nil Maple 80V vehicles for our own operations, (b) approximately 40,000, 53,000 and 68,000 CaoCao 60 vehicles, out of which 8,000, 8,000 and 8,000 CaoCao 60 vehicles will be procured for our own operations, and 32,000, 45,000 and 60,000 CaoCao 60 vehicles will be procured for external sales, (c) approximately 250, 500 and 500 LEVC vehicles for our own operations, (d) approximately 2,000, 2,000, and 2,000 methanol-battery hybrid vehicles for external sales, (e) approximately nil, 1,000 and 5,000 Robotaxi vehicles

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for our own operations, (f) approximately 30, nil and nil Link Z10 vehicles for our own operations, and (g) approximately 1,000, 1,500, and 1,500 Galaxy L6 EM-i vehicles for external sales in 2025, 2026 and 2027, respectively. The number and types of vehicles to be procured are based on our current estimate of operational demands, which are subject to adjustments to accommodate future needs, provided that in any event the aggregate transaction amounts are expected to remain within the proposed annual caps;

- (iv) as disclosed above, PBV Co also procures vehicles under the CaoCao brand from Chongqing Ruilan Automobile Sales to be sold to our customers, including our car partners, drivers and third parties in the shared mobility industry. Most of the CaoCao 60 vehicles we procured from Chongqing Ruilan Automobile Sales in 2023 were deployed for our operations. We began to sell CaoCao 60 vehicles externally in June 2023 and PBV Co has sold approximately 1,100 and 7,914 vehicles to our customers in 2023 and 2024, respectively. Based on the increase in sales of CaoCao 60 in 2024, the gradual recognition of CaoCao 60 by car partners and drivers, and the accumulation of sales experience by our employees, we expect that the number of vehicles to be sold externally will continue to increase in the next three years. We expect to sell approximately 15,000 to 32,000, 25,000 to 45,000 and 40,000 to 60,000 CaoCao 60 vehicles to our customers in 2025, 2026 and 2027, respectively, which will lead to a significant increase in the purchase amount to be paid to Chongqing Ruilan Automobile Sales in the coming three years as compared to that in 2024; and
- (v) as disclosed above, we also plan to procure methanol-battery hybrid vehicles and Galaxy L6 EM-i vehicles from Lingji Automobile to be sold to our customers, including our car partners, drivers and third parties in the shared mobility industry. We expect to sell approximately 2,500 to 3,500 methanol-battery hybrid vehicles and Galaxy L6 EM-i vehicles to our customers in each of 2025, 2026 and 2027.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Vehicle Procurement Framework Agreements for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions under the Listing Rules subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules, the announcement requirement under Rule 14A.35 of the Listing Rules, and the independent shareholders’ approval requirement under Rule 14A.36 of the Listing Rules.

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11. PBV Vehicle Procurement Framework Agreement

Principal terms

On December 19, 2024, we entered into a vehicle procurement framework agreement (the “**PBV Vehicle Procurement Framework Agreement**”) with PBV Co, pursuant to which PBV Co will sell CaoCao brand purpose-built vehicles managed by it exclusively to other members of our Group, and in return, we shall pay PBV Co purchase price for the vehicles purchased.

The initial term of the PBV Vehicle Procurement Framework Agreement will commence on the [REDACTED] and end on December 31, 2027. Subject to compliance with Listing Rules and applicable laws and regulations, the PBV Vehicle Procurement Framework Agreement may be renewed upon mutual consent by the parties. Separate underlying agreements will be entered into which will set out the specifications, price and quantity of vehicles under the CaoCao brand, method of payment and other details of the procurement arrangement in the manner provided in the PBV Vehicle Procurement Framework Agreement.

Reasons for the transaction

As PBV Co is a brand operation entity which is primarily responsible for the design, branding, sales and marketing of vehicles under the CaoCao brand, other members of our Group will purchase such vehicles from PBV Co to carry out online ride hailing services. See the section headed “10. Vehicle Procurement Framework Agreements” above for the reasons and benefits for the establishment of PBV Co and the arrangements for the procurement and sale of vehicles under the CaoCao brand. In order to reduce the initial purchase costs, PBV Co procures purpose-built vehicles under the CaoCao brand with built-in batteries and sells the built-in batteries of most vehicles to Hangzhou Yineng prior to the sale of the vehicles to other members of our Group, and Hangzhou Yineng will then lease the batteries to our Group for the operations of our car fleet. See the sections headed “9. Battery Sales Framework Agreement” and “12. Battery Services Framework Agreements” for the reasons and benefits for battery sales and battery services arrangements.

Pricing policies

The purchase price payable by other members of our Group for the purchase of vehicles under the CaoCao brand from PBV Co will be based on (i) the purchase price of such vehicles paid by PBV Co to Chongqing Ruilan Automobile Sales, (ii) whether the vehicles purchased from PBV Co have built-in batteries, (iii) the expenses of PBV Co spent on the design, development and marketing of the purpose-built vehicles, (iv) the expenses for the operation of the CaoCao brand, (v) the number of vehicles to be procured; and (vi) a profit margin of no more than 10%, which will be determined taking into account the profit margins of vehicle brand operators with similar specifications and the overall average profit margin of the relevant industry. In any event, the purchase price payable by the other members of our Group to PBV Co shall be no less favorable to such members and comparable with the price of the same vehicles offered by PBV Co to Independent Third Parties.

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Historical amounts

PBV Co started to sell CaoCao 60 vehicles to other members of our Group for our own operations in May 2023. The purchase amount paid by other members of our Group to PBV Co in respect of the procurement of CaoCao brand purpose-built vehicles for each of the years ended December 31, 2022, 2023 and 2024 were nil, RMB864.4 million and RMB307.5 million, respectively.

The decrease in purchase amount paid by other members of our Group to PBV Co in 2024 is due to the decrease in the number of CaoCao 60 vehicles procured by us in 2024, which amounted to approximately 3,422 CaoCao 60 vehicles with built-in batteries, as compared to 12,707 CaoCao 60 vehicles without built-in batteries procured in 2023, as we have increased our procurement in 2023 to replace the majority of our existing vehicles, and we only replaced a small portion of our existing vehicles in accordance with their useful lives in 2024.

Annual caps

The following table sets forth the proposed annual caps for the purchase price payable by other members of our Group to PBV Co under the PBV Vehicle Procurement Framework Agreement:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
	(RMB in millions)		
Purchase price to be paid by other members of our Group to PBV Co	[1,388.5]	[1,044.7]	[1,184.1]

The proposed annual caps have been estimated based on the following factors:

- (i) the estimated price of vehicles under the CaoCao brand;
- (ii) the expected number of vehicles under the CaoCao brand to be purchased to support the continuous development of our online ride hailing services and external sale for the coming three years, which is expected to be approximately 16,200, 12,500, and 14,000 CaoCao 60 vehicles, out of which 8,000, 8,000 and 8,000 CaoCao 60 vehicles will be procured for our own operations and 8,200, 4,500 and 6,000 CaoCao 60 vehicles will be procured for external sales, in each of 2025, 2026 and 2027. For further details, see “Business—Our Strategies”;
- (iii) the estimated number of vehicles with built-in batteries to be sold by PBV Co to other members of the Group in the coming three years, in particular in cities where Hangzhou Yineng does not operate battery swap stations and accordingly are unable

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to provide battery services to our Group. The built-in batteries of such vehicles are not removed and sold to Hangzhou Yineng, and such batteries are sold together with the vehicles to other members of our Group instead; and

- (iv) we expect to maintain a fleet size of 53,874 vehicles throughout the year of 2025, 2026 and 2027 and a fleet size of 53,904, 54,904, and 59,904 vehicles including Robotaxi in 2025, 2026 and 2027. Once the use life of vehicles in the Company’s self-owned fleet ends, such vehicles will be replaced by new vehicles procured.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the PBV Vehicle Procurement Framework Agreement for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions under the Listing Rules subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules, the announcement requirement under Rule 14A.35 of the Listing Rules, and the independent shareholders’ approval requirement under Rule 14A.36 of the Listing Rules.

12. Battery Services Framework Agreements

Principal terms

On March 13, 2025 and April 30, 2025, we entered into battery services framework agreements with Hangzhou Yineng and Chongqing Ruilan Automobile Sales (the “**Battery Services Framework Agreements**”), respectively, pursuant to which Hangzhou Yineng and Chongqing Ruilan Automobile Sales will provide battery and ancillary services whereby batteries are leased to us, and in return, we shall pay service fees in accordance with the Battery Services Framework Agreements.

The initial term of the Battery Services Framework Agreements will commence on the [REDACTED] and end on December 31, 2027, subject to renewal upon mutual consent by the parties. Separate agreements will be entered into which will set out the precise scope of services, service fees calculation, method of payment and other details of the service arrangement in the manner provided in the Battery Services Framework Agreements.

Reasons for the transaction

As disclosed in the section headed “10. Vehicle Procurement Framework Agreements” above, we have been deploying purpose-built vehicles with battery swap capability (namely Maple 80V) since April 2022. In order to lower the initial purchase price of our purpose-built vehicles and to facilitate the swapping of batteries of our purpose-built vehicles at the battery swap station of Geely Group, we have leased batteries from Hangzhou Yineng since 2022. Depleted batteries of our purpose-built vehicles are changed with fully charged

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batteries at battery swap stations of Geely Group and the depleted batteries are then charged for subsequent battery swaps. In cities where Hangzhou Yineng does not operate battery swap stations, we may procure purpose-built vehicles without batteries and lease batteries from Chongqing Ruilan Automobile Sales directly at the same rate. The Directors consider that the provision of battery services by Hangzhou Yineng and Chongqing Ruilan Automobile Sales would benefit us for the following reasons:

- as Geely Group manufactures our purpose-built vehicles, companies within the Geely Group can provide batteries that are compatible with our purpose-built vehicles;
- the arrangement can comprehensively meet our need for battery leasing services. Hangzhou Yineng operates an established network of battery swap stations for battery swapping which can support our online ride hailing services. Where Hangzhou Yineng does not operate battery swap stations, we can lease batteries from Chongqing Ruilan Automobile Sales directly at the same rate to reduce the initial cost of procurement of batteries; and
- the battery leasing arrangement saves the upfront payment by our Group for the purchase of batteries, which provides more cashflow for our Group’s operations.

Pricing policies

The battery service fees payable by us for the battery services provided by Hangzhou Yineng and Chongqing Ruilan Automobile Sales will be charged based on the prevailing market rates and shall be in line with service fees offered by Hangzhou Yineng and Chongqing Ruilan Automobile Sales to Independent Third Parties for the leasing of batteries with similar capacity and output. A discount on the battery service fees will be applied for bulk orders.

We will make inquiries on the service fees charged by Independent Third Parties for battery services in order to assess the prevailing market rates for comparison to ensure that the service fees payable by us are on normal commercial terms and are fair and reasonable and in the interest of our Company and the Shareholders as a whole.

Historical amounts

The total battery service fees paid by us to Yiyi Internet, Hangzhou Yineng and Chongqing Ruilan Automobile Sales for each of the years ended December 31, 2022, 2023 and 2024 were RMB39.5 million, RMB152.6 million and RMB226.1 million, respectively. Due to the adjustment in operation of Yiyi Internet in July 2024, batteries previously sold to Yiyi Internet were transferred to Hangzhou Yineng, and we no longer receive battery services from Yiyi Internet since July 2024.

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Annual caps

The following table sets forth the proposed annual caps for service fees payable by us to Hangzhou Yineng and Chongqing Ruilan Automobile Sales under the Battery Services Framework Agreements:

	Proposed Annual Cap for the Year Ending December 31,		
	2025	2026	2027
(RMB in millions)			
Service fees to be paid by us to Hangzhou Yineng and Chongqing Ruilan Automobile Sales	[293.4]	[324]	[351.7]

The proposed annual caps have been estimated based on the following factors:

- (i) as disclosed in the sections headed “10. Vehicle Procurement Framework Agreements” and “11. PBV Vehicle Procurement Framework Agreement” above, it is expected that we will continue to procure new purpose-built vehicles with battery swap capability from Chongqing Ruilan Automobile Sales and/or PBV Co for our business operations, specifically approximately 8,000 vehicles in each of 2025, 2026 and 2027, which in turn will increase the total number of vehicles with battery swap capability we hold for our operations and our demand for battery services for the coming three years; and
- (ii) the expected rate of service fees, taking into account the prevailing market rates offered by Hangzhou Yineng and Chongqing Ruilan Automobile Sales to Independent Third Parties for the leasing of batteries with similar capacity and output and the historical trend.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Battery Services Framework Agreements for each of the three years ending December 31, 2027 calculated for the purposes of Chapter 14A of the Listing Rules is expected to exceed 5% on an annual basis, such transactions will, upon [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules, the announcement requirement under Rule 14A.35 of the Listing Rules, and the independent shareholders’ approval requirement under Rule 14A.36 of the Listing Rules.

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13. CONTRACTUAL ARRANGEMENTS

Background

As disclosed in the section headed “Contractual Arrangements” in this document, due to regulatory restrictions on foreign ownership in the PRC, we conduct certain business through the Consolidated Affiliated Entities in the PRC. We do not hold any equity interests in the Consolidated Affiliated Entities. The Contractual Arrangements among Hangzhou Youxing, the WFOE and its registered shareholders, including Geely Holding and Zhejiang Jidi, enable us to (i) receive substantially all of the economic benefits from the Consolidated Affiliated Entities in consideration of the services provided by the WFOE to Hangzhou Youxing; (ii) exercise effective control over the Consolidated Affiliated Entities through Hangzhou Youxing; and (iii) hold an exclusive option to purchase all or part of the equity interests and/or assets in Hangzhou Youxing when and to the extent permitted by PRC laws. See the section headed “Contractual Arrangements” for further details.

See the section headed “Contractual Arrangements” for detailed terms of the Contractual Arrangements.

Listing Rules implications

The transactions contemplated under the Contractual Arrangements constitute continuing connected transactions of our Company under the Listing Rules upon [REDACTED] as Geely Holding and Zhejiang Jidi are connected persons of our Group.

The Directors (including the independent non-executive Directors) are of the view that (i) the Contractual Arrangements and the transactions contemplated thereunder are fundamental to our Group’s legal structure and business; and (ii) such transactions have been and will be entered into in the ordinary and usual course of business of our Group on normal commercial terms and are fair and reasonable and in the interests of our Company and the Shareholders as a whole. Accordingly, notwithstanding that the transactions contemplated under the Contractual Arrangements and any new transactions, contracts and agreements or renewal of existing transactions, contracts and agreements to be entered into, among others, by the Consolidated Affiliated Entities and any member of our Group technically constitute continuing connected transactions under Chapter 14A of the Listing Rules, the Directors consider that, given that our Group is placed in a special situation in relation to the connected transactions rules under the Contractual Arrangements, it would be unduly burdensome and impracticable, and would add unnecessary administrative costs to our Company if such transactions are subject to strict compliance with the requirements under Chapter 14A of the Listing Rules, including, among others, the announcement, circular and independent shareholders’ approval requirements.

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INTERNAL CONTROL PROCEDURES

In order to ensure that the terms under the relevant framework agreements for the continuing connected transactions are fair and reasonable, and no less favorable to us and comparable with terms available to or from Independent Third Parties, and the connected transactions are carried out under normal commercial terms, we have adopted the following internal control procedures:

- we have adopted and implemented a management system on connected transactions. Under such system, the audit committee is responsible for the review on compliance with relevant laws, regulations, our Company’s policies and the Listing Rules in respect of the continuing connected transactions. In addition, the audit committee, our Board and various internal departments of our Company (including but not limited to the finance department and legal department) are jointly responsible for evaluating the terms under the framework agreements for the continuing connected transactions, in particular, the fairness of the pricing policies and annual caps under each transaction;
- the audit committee, our Board and various internal departments of our Company also regularly monitor the fulfillment status and the transaction updates under the framework agreements. In addition, the management of the Company also regularly reviews the pricing policies of the framework agreements;
- our independent non-executive Directors and auditors will conduct annual review of the continuing connected transactions under the framework agreements and provide annual confirmation to ensure that, in accordance with the Listing Rules, the transactions are conducted in accordance with the terms of the agreements, on normal commercial terms and in accordance with the applicable pricing policies; and
- when considering the fees payable to us by the connected persons or fees payable by us to the connected persons, our Company will continue to regularly research prevailing market conditions and practices and make reference to the pricing and terms between our Company and Independent Third Parties for similar transactions, to ensure that the pricing and terms offered by or to the connected persons are fair, reasonable and are no less favorable to us and comparable with those offered by or to Independent Third Parties.

CONNECTED TRANSACTIONS

WAIVER APPLICATION

Travel Agency Services Framework Agreement, Online Ride Hailing Services Framework Agreements, Vehicle Insurance Service Framework Agreement and Business, R&D Support Services Framework Agreement, Customer Referral Service Framework Agreement, Vehicle Parts Procurement Framework Agreements, Technology Service Framework Agreement, Used Vehicle Sales Framework Agreements and Battery Sales Framework Agreement

In respect of the Travel Agency Services Framework Agreement, the Online Ride Hailing Services Framework Agreements, Vehicle Insurance Service Framework Agreement and Business, R&D Support Services Framework Agreement, Customer Referral Service Framework Agreement, Vehicle Parts Procurement Framework Agreements, Technology Service Framework Agreement, Used Vehicle Sales Framework Agreements and Battery Sales Framework Agreement, since the highest applicable percentage ratio calculated for the purposes of Chapter 14A of the Listing Rules for each of the three years ending December 31, 2027 is expected to exceed 0.1%, but less than 5% on an annual basis, the transactions contemplated thereunder are exempt from the circular and the independent shareholders’ approval requirements, but are subject to the announcement requirements under Rule 14A.35 of the Listing Rules and the annual reporting requirements under Rules 14A.49 and 14A.71 of the Listing Rules.

We have applied to the Stock Exchange for, and the Stock Exchange [has granted] a waiver to us under Rule 14A.105 of the Listing Rules from strict compliance with the announcement requirement under Rule 14A.35 of the Listing Rules in respect of these transactions, provided that the total values of these transactions for each of the three years ending December 31, 2027 will not exceed the relevant proposed annual caps above.

Vehicle Procurement Framework Agreements, PBV Vehicle Procurement Framework Agreement and Battery Services Framework Agreements

In respect of the Vehicle Procurement Framework Agreements, the PBV Vehicle Procurement Framework Agreement and Battery Services Framework Agreements, since the highest applicable percentage ratios calculated for the purposes of Chapter 14A of the Listing Rules for each of the three years ending December 31, 2027 are expected to be exceed 5% on an annual basis, the transactions contemplated thereunder are subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules, the announcement requirement under Rule 14A.35 of the Listing Rules and the independent Shareholders’ approval requirement under Rule 14A.36 of the Listing Rules.

CONNECTED TRANSACTIONS

We have applied to the Stock Exchange for, and the Stock Exchange [has granted] a waiver to us under Rule 14A.105 of the Listing Rules from strict compliance with the announcement, circular and independent Shareholders’ approval requirements under the Listing Rules in respect of these transactions, provided that the total amount of transactions for each of the three years ending December 31, 2027 will not exceed the relevant proposed annual caps as set out above. The independent non-executive Directors and auditors of our Company will review whether the transactions under the above continuing connected transactions have been entered into pursuant to the principal terms and pricing policies under the relevant agreements as disclosed in this section. The confirmation from our independent non-executive Directors and our auditors will be disclosed annually according to the requirements of the Listing Rules.

Contractual Arrangements

In relation to the Contractual Arrangements, our Directors (including the independent non-executive Directors) are of the view that the Contractual Arrangements and the transactions contemplated thereunder are fundamental to our legal structure and business operations. Our Directors also believe that our structure, whereby the financial results of our Consolidated Affiliated Entities are consolidated into our financial statements as if they were our Company’s wholly owned subsidiaries, and all the economic benefits of their business flows to our Group, places our Group in a special position in relation to the connected transactions rules. Accordingly, notwithstanding that the transactions contemplated under the Contractual Arrangements and any new transactions, contracts and agreements or renewal of existing transactions, contracts and agreements to be entered into, among others, by our Consolidated Affiliated Entities and any member of our Group from time to time (including our Consolidated Affiliated Entities) (the “**New Intergroup Agreements**”) technically constitute continuing connected transactions under Chapter 14A of the Listing Rules, our Directors consider that it would be unduly burdensome and impracticable, and would add unnecessary administrative costs to our Company, for all such transactions to be subject to strict compliance with the requirements set out under Chapter 14A of the Listing Rules, including, among other things, the announcement and independent shareholders’ approval requirements.

In respect of the Contractual Arrangements and the New Intergroup Agreements, we have applied for, and the Stock Exchange [has granted] us, waivers from strict compliance with (i) the announcement, circular and independent shareholders’ approval requirements pursuant to Rule 14A.105 of the Listing Rules, (ii) the requirement to limit the term to three years or less under Rule 14A.52 of the Listing Rules, and (iii) the requirement to set annual caps under Rule 14A.53 of the Listing Rules, for so long as our Shares are [REDACTED] on the Stock Exchange subject to the following conditions.

No change without independent non-executive Directors’ approval

Save as described below, no change to the Contractual Arrangements (including with respect to any fees payable to the WFOE thereunder) will be made without the approval of our independent non-executive Directors.

CONNECTED TRANSACTIONS

No change without independent Shareholders’ approval

Save as described below, no change to the agreements governing the Contractual Arrangements will be made without the approval of our independent Shareholders. Once independent Shareholders’ approval of any change has been obtained, no further announcement or approval of the independent Shareholders will be required under Chapter 14A of the Listing Rules unless and until further changes are proposed. The periodic reporting requirement regarding the Contractual Arrangements in the annual reports of our Company will however continue to be applicable.

Economic benefits and flexibility

The Contractual Arrangements shall continue to enable our Group to receive the economic benefits derived by the Consolidated Affiliated Entities through (i) our Group’s options (if and when so allowed under applicable PRC laws) to acquire, all or part of the equity interests in the Consolidated Affiliated Entities for nil consideration or the minimum amount of consideration permitted by applicable PRC laws and regulations, (ii) the business structure under which the profit generated by the Consolidated Affiliated Entities is substantially retained by our Group, such that no annual cap shall be set on the amount of service fees payable to the WFOE by our Consolidated Affiliated Entities under the Contractual Arrangements, and (iii) our Group’s right to control the management and operation of, as well as, in substance, a substantial portion of the voting rights of the Consolidated Affiliated Entities.

Renewal and reproduction

On the basis that the Contractual Arrangements provide an acceptable framework for the relationship between, on the one hand, our Company and the subsidiaries in which our Company has direct shareholding and, on the other hand, the Consolidated Affiliated Entities, this framework may be renewed and/or reproduced without an announcement, circular, or obtaining the approval of our Shareholders (i) upon the expiry of the existing arrangements, (ii) in connection with any changes to the shareholders or directors of, or of their shareholdings in, the Consolidated Affiliated Entities, or (iii) in relation to any existing, new or acquired wholly foreign-owned enterprise or operating company (including branch company) engaging in a business similar or relating to those of our Group.

The directors, chief executive or substantial shareholders of any existing, new or acquired wholly foreign-owned enterprise or operating company (including branch company) engaging in a business similar or relating to those of our Group will, upon renewal and/or reproduction of the Contractual Arrangements, be treated as connected persons of our Group and transactions between these connected persons and our Group other than those under similar Contractual Arrangements shall comply with Chapter 14A of the Listing Rules.

This condition is subject to relevant PRC laws, regulations and approvals. Any such renewed or reproduced agreements will be on substantially the same terms and conditions as the existing Contractual Arrangements.

CONNECTED TRANSACTIONS

Ongoing reporting and approvals

We will disclose details relating to the Contractual Arrangements on an ongoing basis:

- the Contractual Arrangements in place during each financial period will be disclosed in our Company’s annual report and accounts in accordance with the relevant provisions of the Listing Rules;
- our independent non-executive Directors will review the Contractual Arrangements annually and confirm in our Company’s annual report that for the relevant year (i) the transactions carried out during such year have been entered into in accordance with the relevant provisions of the Contractual Arrangements, (ii) no dividends or other distributions have been made by our Consolidated Affiliated Entities to the holders of its equity interests which are not otherwise subsequently assigned or transferred to our Group, and (iii) any new contracts entered into, renewed or reproduced between our Group and the Consolidated Affiliated Entities are fair and reasonable, or advantageous, so far as our Group is concerned and in the interests of our Shareholders as a whole;
- our Company’s auditors will carry out review procedures annually on the transactions carried out pursuant to the Contractual Arrangements and will provide a letter to our Directors with a copy to the Stock Exchange, confirming that the transactions have been approved by our Board, have been entered into in accordance with the relevant Contractual Arrangements and that no dividends or other distributions have been made by our Consolidated Affiliated Entities to the holders of its equity interests which are not otherwise subsequently assigned or transferred to our Group;
- for the purposes of Chapter 14A of the Listing Rules, and in particular the definition of “connected person,” our Consolidated Affiliated Entities will be treated as our Company’s subsidiaries, but at the same time, the directors, chief executives or substantial shareholders of the Consolidated Affiliated Entities and their associates will be treated as connected persons of our Company as applicable under the Listing Rules (excluding for this purpose, the Consolidated Affiliated Entities themselves), and therefore transactions between these connected persons and our Group (including for this purpose, the Consolidated Affiliated Entities), other than those under the Contractual Arrangements, will be subject to requirements under Chapter 14A of the Listing Rules; and
- our Consolidated Affiliated Entities will, for so long as our Shares are [REDACTED] on the Stock Exchange, provide our Group’s management and our Company’s auditors with full access to their relevant records for the purpose of reporting on the connected transactions.

CONNECTED TRANSACTIONS

DIRECTORS’ CONFIRMATION

Our Directors (including independent non-executive Directors) are of the view that: (i) the continuing connected transactions set out above have been and will be entered into in our ordinary and usual course of business on normal commercial terms or better, on terms that are fair and reasonable, and in the interests of our Company and our Shareholders as a whole, (ii) the proposed annual caps for these transactions are fair and reasonable and in the interests of our Company and the Shareholders as a whole, and (iii) it is normal business practice for the Contractual Arrangements to be of a term greater than three years.

JOINT SPONSORS’ CONFIRMATION

The Joint Sponsors have (i) reviewed the relevant documents and information provided by our Company in relation to the above continuing connected transactions; (ii) obtained necessary representations and confirmations from our Company and the Directors, and (iii) participated in the due diligence and discussions with the management of our Group.

Based on the above, the Joint Sponsors are of the view that the aforesaid non-exempt continuing connected transactions, for which waivers have been sought, have been entered into in the ordinary and usual course of our business on normal commercial terms, are fair and reasonable and in the interests of our Company and our Shareholders as a whole, and that the proposed annual caps in respect of these non-exempt continuing connected transactions are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

With respect to the term of the relevant agreements underlying the Contractual Arrangements which is of a duration longer than three years, the Joint Sponsors are of the view that it is a justifiable and normal business practice to ensure that (i) policies of the Consolidated Affiliated Entities can be effectively controlled by the WFOE, (ii) the WFOE can obtain the economic benefits derived from our Consolidated Affiliated Entities, and (iii) any possible leakages of assets and values of our Consolidated Affiliated Entities can be prevented on an uninterrupted basis.