

Shanghai Dongzheng Automotive Finance Co., Ltd.*

(a joint stock company incorporated in the People's Republic of China with limited liability)

Work Rules for the Risk Management Committee of the Board of Directors

Chapter 1 General Provisions

- Article 1 In order to regulate matters related to corporate risk management of Shanghai Dongzheng Automotive Finance Co., Ltd.* (the “Company”), the risk management committee of the Board of Directors (the “Risk Management Committee” or the “Committee”) has been established mainly responsible for formulating risk management standards and procedures, carrying out risk management and making recommendations to the Board of Directors.
- Article 2 To ensure the Risk Management Committee to operate in a standard and efficient manner, these work rules for the Risk Management Committee (the “Rules”) are formulated by the Board of Directors in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the articles of association of Shanghai Dongzheng Automotive Finance Co., Ltd.* (the “Articles of Association”) and other relevant laws, regulations and regulatory documents, with reference to the Guidelines on Corporate Governance of Commercial Banks.
- Upon listed on the Main Board of The Stock Exchange of Hong Kong Limited and issuance of foreign shares (the “IPO”), these Rules shall also be subject to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) as amended from time to time and other applicable laws and regulations of the Hong Kong Special Administrative Region of the People’s Republic of China. In case of any inconsistency or conflict between any applicable laws, regulations, the Articles of Association or the Listing Rules and these Rules, the strictest provisions shall prevail according to the principle of strictness.
- Article 3 Resolutions adopted by the Risk Management Committee shall be in compliance with requirements of the Articles of Association, these Rules and other relevant laws, regulations and regulatory documents.

Chapter 2 Committee Composition

- Article 4 The Risk Management Committee shall consist of at least three directors.
- Article 5 Members of the Risk Management Committee shall be nominated by the Chairman of the Board of Directors, more than half of the independent non-executive directors or one-third or more of all directors, and shall be elected by the Board of Directors.
- The Risk Management Committee shall have one chairman who shall be an independent non-executive director appointed by the Board of Directors or shall be the Chairman of the Board of Directors.
- The meeting of the Risk Management Committee shall be convened and presided over by the chairman, or another member designated to act on his/her behalf if the chairman is unable or fails to perform his/her duties. If the chairman neither performs his/her duties nor designates another member to act on his/her behalf, any member of the Committee may report to the Board of Directors which shall designate a member to perform the duties of the chairman.
- Article 6 Members of the Risk Management Committee shall have a term of office in congruence with that of the same session of the Board of Directors, and may be re-elected and reappointed. A member shall not be dismissed without reason prior to expiry of his/her term of office, unless there arises any circumstance precluding his/her office as stipulated in the Company Law, the Articles of Association or these Rules, or he/she as an independent non-executive director ceases to have the independence required by the Articles of Association and the Listing Rules. A member no longer serving as a director of the Company during his/her term of office shall be automatically disqualified as a member of the Committee.
- Article 7 Where the number of members of the Risk Management Committee falls below two-thirds of the required headcount due to resignation, dismissal or other reasons, the Board of Directors shall promptly appoint new member(s) in accordance with the above provisions.
- The Risk Management Committee shall suspend the exercise of its functions and powers as provided herein until the number of members of the Risk Management Committee reaches two-thirds of the required headcount.
- Article 8 The provisions on obligations of directors as stipulated in the Company Law and the Articles of Association apply to members of the Risk Management Committee.

Chapter 3 Duties and Authorizations

Article 9 The Risk Management Committee is mainly responsible for assisting the Board of Directors in carrying out comprehensive risk management and strategic planning, formulating basic risk management standards, supervising comprehensive risk management practices of senior management, regularly evaluating the Company's risk policies, management performance and risk tolerance, and advising the Board of Directors on risk management and internal control improvements.

Article 10 Main duties and functions of the Risk Management Committee include:

- (1) Develop the comprehensive risk management strategy, and propose risk appetite and risk limit to the Board of Directors;
- (2) Prepare major risk management policies and procedures, and make recommendations to the Board of Directors;
- (3) Supervise senior management to carry out comprehensive risk management (including controls over credit risk, liquidity risk, market risk, interest rate risk, operational risk, compliance risk, legal risk, reputation risk, strategic risk, information technology risk and other risks), regularly evaluate the Company's risk policies, management performance and risk tolerance, and advise on risk management and internal control improvements;
- (4) Review the comprehensive risk management report as well as information disclosure of comprehensive risks and various important risks, and submit them to the Board of Directors for approval;
- (5) Establish an effective communication mechanism with other special committees of the Board of Directors such as the Audit Committee, the Nomination Committee and the Remuneration and Evaluation Committee, to ensure adequate information sharing and supports to risk management decision-making;

- (6) Prepare medium- and long-term information technology strategy; supervise the senior management to establish and improve the information technology system with sound organizational structure and mature technology, safe and stable operation, extensive and flexible applications, and rational and efficient management; regularly analyze and evaluate the information technology policies; ensure effective information technology support to the operation and risk control of the Company; and regularly report to the Board of Directors on implementation of strategic planning, budget and actual expenditure, and overall management performance of information technology; and
- (7) Other risk management matters authorized by the Board of Directors.

Article 11 The Risk Management Committee shall report and submit proposals to the Board of Directors for consideration and approval.

Article 12 At the invitation of the Chairman of the Board of Directors, the Risk Management Committee shall designate its chairman or, in his/her absence, another member or his/her authorized representative to attend and answer inquiries at the annual general meeting.

Article 13 The Risk Management Committee should be provided with sufficient resources to discharge its duties, including but not limited to, if necessary, the Risk Management Committee may engage intermediaries to provide professional advice for its decision at the cost of the Company.

Chapter 4 Convening and Rules of Procedure of Meetings

- Article 14 Meetings of the Risk Management Committee include regular meetings and extraordinary meetings.
- Regular meetings shall be held at least twice a year. An extraordinary meeting may be convened by the Chairman of the Board of Directors or the chairman of the Risk Management Committee, or jointly by two or more committee members.
- Article 15 A meeting of the Risk Management Committee may be held on-site or by circulation of written proposals. Members can attend a meeting of the Risk Management Committee via telephone, video or other means of communication. Members who attend a meeting through the aforesaid means are deemed to having attended a meeting. Members who attend a meeting via telephone, video or other means of communication should ensure that they can communicate clearly with other members of the meeting.
- Article 16 Notice of meeting of the Risk Management Committee shall be given 7 days (excluding the date of meeting) prior to a regular meeting. If an extraordinary meeting needs to be convened as soon as possible in case of emergencies, the meeting can be convened without the foregoing limitation on notice period, provided that the chairman of the Risk Management Committee shall give explanation at the meeting.
- Article 17 The quorum of the meetings of the Risk Management Committee shall be two-thirds or more of all its members.
- Article 18 A member may attend a meeting in person, or appoint other member to attend and vote thereat provided that a power of attorney shall be submitted to the chair of the meeting. The name of the proxy, matters appointed and scope of authorization shall be specified in the power of attorney which shall be signed or sealed by the principal. The power of attorney shall be submitted to the chair of the meeting no later than the start of voting process.
- Article 19 A member who neither attends a meeting of the Risk Management Committee in person nor appoints a proxy to attend on his/her behalf shall be deemed absent from the meeting.

- Article 20 Meetings of the Risk Management Committee may be attended by the secretary to the Board, and by directors other than members of the Risk Management Committee upon request. The Risk Management Committee may, if thought necessary, request other personnel related to proposals of the meeting to attend the meeting, make presentation or express opinions, provided that a participant other than members of the Risk Management Committee shall have no right to vote on the proposals.
- Article 21 The voting may be made by a show of hands or by poll at the meetings of the Risk Management Committee.
- Each member of the Risk Management Committee shall have one ballot for voting. Resolutions passed at the meeting shall be approved by more than half of all members (including those absent from the meeting).
- Article 22 Resolutions and voting result of a meeting of the Risk Management Committee shall be submitted in writing to the Board of Directors for review.
- Article 23 The office of the Board of Directors is responsible for the preparation work for the Risk Management Committee's decision-making, including but not limited to, collection of meeting materials, daily work liaison and the organizing of meetings. Relevant departments of the Company should actively cooperate with the office of the Board of Directors on this.
- Article 24 Minutes shall be made for the meetings of the Risk Management Committee, and shall contain full details of the matters considered thereat. Draft and final versions of minutes of the meetings shall be delivered to all members of the Committee for their comment and records within twenty-one days after the meeting. All members who have attended the meetings shall sign on the minutes of the relevant meetings, and the minutes of meetings shall be kept by the secretary of the Board of the Company.
- Article 25 Members of the Risk Management Committee who have the access to corporate information are liable for confidentiality before it is made public.

Chapter 5 Supplementary Provisions

- Article 26 For the purpose of these Rules, “directors” shall include Chairman, Vice Chairman and directors (including independent directors) serving in the Company; and senior management shall include general manager, deputy general managers, the secretary to the Board, assistant to general manager and chief financial officer and other personnel identified as senior management officers by the Board of Directors.
- The expression “or more” herein for the numbers includes the underlying number indicated while “exceed” or “below” excludes the underlying number.
- Article 27 Subject to adoption as resolved by the Board of Directors, these Rules shall come into effect and be implemented on the date when the Company’s overseas listed foreign shares (H shares) are issued and listed.
- Article 28 These Rules shall be published on websites of the Company and The Stock Exchange of Hong Kong Limited as required by the Listing Rules.
- Article 29 Matters not covered by these Rules shall be governed by relevant laws, regulations of the PRC, the Listing Rules and the Articles of Association. In the event that these Rules conflict with applicable laws, regulations of the PRC, the Listing Rules and the Articles of Association validly amended, the latter shall prevail and these Rules shall be revised immediately and adopted after considered and approved by the Board of Directors.
- Article 30 These Rules shall be interpreted by the Board of Directors.

* *For identification purposes only*