United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

April 30, 2019
Date of Report (Date of earliest event reported)

Kaixin Auto Holdings
(Exact Name of Registrant as Specified in its Charter)

Cayman Islands	**333-220510**	**N/A**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

5/F, North Wing **18 Jiuxianqiao Middle Road** **Chaoyang District, Beijing** **People's Republic of China**	**100016**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: +86 (10) 8448 1818

CM Seven Star Acquisition Corporation
Suite 1306, 13/F, AIA Central, 1 Connaught
Road, Central, Hong Kong
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into Material Definitive Agreement.

The disclosure in Item 2.01 of this Current Report on Form 8-K is incorporated by reference herein.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On April 30, 2019, our predecessor, CM Seven Star Acquisition Corp. ("CM Seven Star") consummated the transactions (the "Business Combination") contemplated by the Share Exchange Agreement (the "Share Exchange Agreement"), dated as of November 2, 2018, by and among CM Seven Star, Kaixin Auto Group ("Kaixin") and Renren Inc. ("Renren"), pursuant to which Kaixin Auto Holdings ("KAH," or "we") acquired 100% of the equity interests of Kaixin from Renren.

Kaixin is the largest premium used auto dealership group in China in terms of the number of cities and locations of its Dealerships, and the second largest based on revenues in 2017, according to iResearch. As of December 31, 2018, Kaixin had 14 Dealerships covering 14 cities in 12 provinces in China. On average, Kaixin's Dealership operators have over ten years of experience in the used car industry. Kaixin provides used car buyers in China with access to a wide selection of used vehicles across its network of Dealerships, with a focus on premium brands, such as Audi, BMW, Mercedes-Benz, Land Rover and Porsche. In addition to auto sales, for the convenience of its customers, Kaixin also provides financing channels to customers and other in-network dealers through its partnerships with several financial institutions, including Ping An Bank, Shanghai Branch. Furthermore, beginning in the third quarter of 2017, Kaixin started to offer value-added services to its customers, including insurance, extended warranties and after-sales services. Pursuant to the Business Combination, Kaixin has completed the transfer of the equity interest and assets of its Ji'nan Dealership to Renren in December 2018.

Upon the closing of the transactions contemplated in the Share Exchange Agreement (the "Transactions"), KAH acquired 100% of the issued and outstanding securities of Kaixin, in exchange for approximately 28.3 million ordinary shares of KAH, or one KAH share for approximately 4.85 outstanding shares of Kaixin. An additional 4.7 million shares of KAH were reserved for issuance under an equity incentive plan in exchange for outstanding options in Kaixin, which were cancelled at the closing of the Business Combination. Additionally, 19.5 million earnout shares are to be issued and held in escrow. Renren may be entitled to receive earnout shares as follows: (1) if the Company's gross revenue for the year ended December 31, 2019 is greater than or equal to RMB 5,000,000,000, Renren is entitled to receive 1,950,000 ordinary shares of KAH; (2) if the Company's adjusted EBITDA for the year ended December 31, 2019 is greater than or equal to RMB 150,000,000, Renren is entitled to receive 3,900,000 ordinary shares of KAH, increasing proportionally to 7,800,000 ordinary shares if Company's adjusted EBITDA is greater than or equal to RMB 200,000,000; and (3) if the Company's adjusted EBITDA for the year ended December 31, 2020 is greater than or equal to RMB 340,000,000, Renren is entitled to receive 4,875,000 ordinary shares of KAH, increasing proportionally to 9,750,000 ordinary shares if the Company's adjusted EBITDA is greater than or equal to RMB 480,000,000. By way of example, if the combined company's adjusted EBITDA is equal to RMB175,000,000 for the year ended December 31, 2019, Renren would receive 5,850,000 ordinary shares ((a) (i) 175,000,000 – 150,000,000, divided by (ii) 200,000,000 – 150,000,000 multiplied by (b) 7,800,000 – 3,900,000, plus (c) 3,900,000). Adjusted EBITDA represents net loss plus contingent consideration fair value change, share-based compensation expense, interest (income) expenses, income tax expenses, and depreciation.

Notwithstanding the Revenue and Adjusted EBITDA achieved by the post-transaction company for any period, Renren will receive the 2019 earnout shares if the stock price of KAH is higher than $13.00 for any sixty days in any period of ninety consecutive trading days during an fifteen month period following the closing, and will receive the 2019 earnout shares and the 2020 earnout shares if the stock price of KAH is higher than $13.50 for any sixty days in any period of ninety consecutive trading days during a thirty month period following the closing.

Immediately after the Business Combination, KAH's public shareholders own approximately 5.8% of KAH, KAH's former directors, officers and affiliates own approximately 1.8% of KAH, and Renren owns approximately 71.7% of KAH.

The Share Exchange Agreement is described more fully in the sections entitled "*The Business Combination Proposal*" and "*The Share Exchange Agreement*" beginning on pages 75 and 84, respectively, of the definitive proxy statement (the "Proxy Statement") filed with the Securities and Exchange Commission (the "Commission") on March 29, 2019 by KAH. The foregoing description of the terms of the Share Exchange Agreement is qualified in its entirety by reference to the provisions of the Share Exchange Agreement filed as Exhibit 10.23 to this Current Report on Form 8-K, which are incorporated herein by reference.

After giving effect to the Transactions and the issuance of securities described in Item 3.02 below, there are 39,445,127 shares of KAH common stock issued and outstanding.

In connection with the Acquisition:

- KAH and Renren entered into an Investor Rights Agreement with respect to certain lock-up arrangements in respect of Renren, registration rights granted by KAH in favor of Renren, certain voting arrangements relating to KAH and the issuance of awards to certain holders of awards under Kaixin's 2018 Equity Incentive Plan pursuant to such Investor Rights Agreement.

- KAH and Renren entered into a Master Transitional Agreement, Transitional Non-Competition Agreement and Transitional Services Agreement (collectively, the "Transitional Agreements"), pursuant to which Renren agreed to provide certain transitional services in connection with the Acquisition.

- KAH, Renren and an escrow agent, entered into an Escrow Agreement, pursuant to which KAH deposited 22.8 million of its ordinary shares as earnout shares and to secure the indemnification obligations of Renren as contemplated by the Share Exchange Agreement.

FORM 10 INFORMATION

Pursuant to Item 2.01(f) of Form 8-K, if the registrant was a shell company, as KAH was immediately before the Transactions, then the registrant must disclose the information that would be required if the registrant were filing registration statement on Form 10. Therefore, KAH is providing below the information that would be included in a Form 10 if it were to file a Form 10. Please note that the information provided below relates to the combined company after KAH's acquisition of Kaixin pursuant to the Transactions, unless otherwise specifically indicated or the context otherwise requires.

Business

The business of KAH is described in the Proxy Statement in the section entitled "*Kaixin Auto Group's Business*" beginning on page 144 and that information is incorporated herein by reference.

Risk Factors

The risks associated with KAH's business are described in the Proxy Statement in the section entitled "*Risk Factors*" beginning on page 18 and are incorporated herein by reference.

Financial Information

Reference is made to the disclosure set forth in Section 9.01 of this Current Report on Form 8-K.

SELECTED FINANCIAL DATA

The following table contains summary historical financial and other data for Kaixin as of and for the years ended December 31, 2016, 2017 and 2018 derived from Kaixin's audited consolidated financial statements for the years ended December 31, 2016, 2017 and 2018. Kaixin's consolidated financial statements are prepared and presented in accordance with U.S. GAAP.

Kaixin's historical results are not necessarily indicative of results to be expected for any future period for KAH. The information below is only a summary and should be read in conjunction with the information contained under the headings "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in Kaixin's audited financial statements and the related notes included elsewhere in this Current Report on Form 8-K and in the Proxy Statement.

Summary Consolidated Statements of Operations Data

	Years ended December 31,		
	2016	2017	2018
	US$	US$	US$
		(in thousands)	
Net revenues:			
Automobile sales	$ —	$ 88,227	$ 420,005
Financing income	20,778	26,426	2,317
Others	68	1,933	9,082
Total net revenues	20,846	116,586	431,404
Cost of revenues:			
Automobile sales	—	85,050	399,274
Cost of financing income	10,874	15,259	3,327
Provision for financing receivable	3,165	12,717	10,941
Others	32	32	429
Total cost of revenues	14,071	113,058	413,971
Gross profit	6,775	3,528	17,433
Operating expenses:			
Selling and marketing	7,999	10,698	24,077
Research and development	2,374	3,982	4,419
General and administrative	10,367	14,971	23,012
Total operating expenses	20,740	29,651	51,508
Loss from operations	(13,965)	(26,123)	(34,075)
Other (expenses) income	(339)	387	(812)
Fair value change of contingent consideration	—	(1,480)	(49,503)
Interest income	64	902	575
Interest expenses	(58)	(3,068)	(4,261)
Loss before provision of income tax and noncontrolling interest, net of tax	(14,298)	(29,382)	(88,076)
Income tax expenses	(1,690)	(1,158)	(862)
Loss from continuing operations	$ (15,988)	$ (30,540)	$ (88,938)
Discontinued operations:			
(Loss) income from discontinued operations, net of taxes of $nil, $nil and $nil for the years ended December 31, 2016, 2017 and 2018	(8,066)	1,845	(594)
Net loss	(24,054)	(28,695)	(89,532)
Net loss attributable to the noncontrolling interest	—	(76)	(317)
Net loss from continuing operations attributable to Kaixin Auto Group	(15,988)	(30,464)	(88,621)
Net (loss) income from discontinued operations attributable to Kaixin Auto Group	(8,066)	1,845	(594)
Net loss attributable to Kaixin Auto Group	$ (24,054)	$ (28,619)	$ (89,215)

Summary Consolidated Balance Sheet Data

	Years ended December 31,		
	2016	2017	2018
	US$	US$	US$
		(in thousands)	
Cash and cash equivalents	34,697	17,061	7,950
Restricted cash	288	47,253	5,818
Financing receivable	292,006	125,353	3,486
Inventory	—	78,701	57,950
Total current assets	349,343	318,303	115,398
Long-term financing receivable	54	8	—
Goodwill	—	64,222	75,021
Total non-current assets	163	91,792	75,834
Total assets	349,506	410,095	191,232
Total current liabilities	311,237	320,149	167,211
Total non-current liabilities	59,916	88,515	93,741
Total Liabilities	371,153	408,664	260,952
Total Kaixin Auto Group shareholders' deficit	(21,647)	(33,222)	(102,126)
Total (deficit) equity	(21,647)	1,431	(69,720)
Total liabilities and equity	349,506	410,095	191,232

Non-GAAP Measure

In evaluating its business, Kaixin considers and uses the following non-GAAP measures as supplemental measures to review and assess its operating performance:

	Years ended December 31,		
	2016	2017	2018
	US$	US$	US$
		(in thousands)	
Other Consolidated Financial Data			
Adjusted EBITDA[(1)]	(18,612)	(19,347)	(23,884)

(1) Adjusted EBITDA represents net loss *plus* contingent consideration fair value change, share-based compensation expense, interest (income) expenses, income tax expenses, and depreciation.

Kaixin uses Adjusted EBITDA, which is a non-GAAP financial measure in the evaluation of its operating results and in its financial and operational decision-making. Adjusted EBITDA represents net loss plus fair value change of contingent consideration, share-based compensation expense, interest (income) expense, income tax, and depreciation. Kaixin believes that Adjusted EBITDA helps it to identify underlying trends in its business that could otherwise be distorted by the effect of certain expenses and income that it includes in net loss. Kaixin believes that Adjusted EBITDA provides useful information about its operating results, enhances the overall understanding of its past performance and future prospects and allows for greater visibility with respect to key metrics used by Kaixin's management in its financial and operational decision-making.

Adjusted EBITDA should not be considered in isolation or construed as an alternative to net loss or any other measure of performance or as an indicator of our operating performance. Investors are encouraged to review the historical non-GAAP financial measure to the most directly comparable GAAP measure. Adjusted EBITDA presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to Kaixin's data. Investors and others are encouraged to review Kaixin's financial information in its entirety and not rely on a single financial measure.

The table below sets forth a reconciliation of our net loss to Adjusted EBITDA for the periods indicated:

	Years ended December 31,		
	2016	2017	2018
	US$	US$	US$
		(in thousands)	
Net loss	(24,054)	(28,695)	(89,532)
Add:			
Fair value change of contingent consideration	—	1,480	49,503
Share-based compensation expense	3,707	4,502	11,436
Interest (income) expenses	(6)	2,166	3,686
Income tax expenses	1,690	1,158	862
Depreciation	51	42	161
Adjusted EBITDA	(18,612)	(19,347)	(23,884)

Employees

The employees of KAH are described in the Proxy Statement in the section entitled "*Kaixin Auto Group's Business–Employees*" on page 159 and that information is incorporated herein by reference.

Properties

The facilities of KAH are described in the Proxy Statement in the section entitled "*Kaixin Auto Group's Business – Facilities*" on page 159 and are incorporated herein by reference.

Security Ownership of Certain Beneficial Owners and Management

The following tables sets forth information regarding the beneficial ownership of KAH's common stock as of April 30, 2019:

- each person known to KAH who will be the beneficial owner of more than 5% of any class of its stock immediately after the Business Combination;
- each of its officers and directors; and
- all of its officers and directors as a group.

Unless otherwise indicated, KAH believes that all persons named in the table will have, immediately after the consummation of the Business Combination, sole voting and investment power with respect to all KAH securities beneficially owned by them.

Beneficial ownership is determined in accordance with SEC rules and includes voting or investment power with respect to securities. Except as indicated by the footnotes below, KAH believes, based on the information furnished to it, that the persons and entities named in the table below will have, immediately after the consummation of the Business Combination, sole voting and investment power with respect to all stock that they beneficially own, subject to applicable community property laws. All KAH stock subject to options or warrants exercisable within 60 days of the consummation of the Acquisition are deemed to be outstanding and beneficially owned by the persons holding those options or warrants for the purpose of computing the number of shares beneficially owned and the percentage ownership of that person. They are not, however, deemed to be outstanding and beneficially owned for the purpose of computing the percentage ownership of any other person.

Subject to the paragraph above, percentage ownership of outstanding shares is based on 39,445,127 shares of KAH common stock outstanding upon consummation of the Transactions.

Name and Address of Beneficial Owner[1]	Amount and Nature of Beneficial Ownership of Ordinary Shares	Approximate Percentage of Outstanding Shares of Ordinary Shares
Chen Ji	365,413(3)	*
Thomas Jintao Ren	94,398(3)	*
Jun Ma	23,575(3)	*
Jinfeng Xie	248,847(3)	*
Xiaoguang Li	22,003(3)	*
Suli Cui	60,902(3)	*
Lin Zhu	5,501(3)	*
Joseph Chen	—	—
James Jian Liu	685,148(3)	1.71%
Tianruo Pu	393(3)	*
Lin Cong	393(3)	*
Sing Wang	393(3)	*
Shareholder Value Fund	5,199,572	13.18%
Renren, Inc.[2]	28,284,300	71.70%
All directors and officers as a group (12 individuals)	1,506,966(3)	3.68%

* Less than 1%

(1) Unless otherwise indicated, the business address of each of the individuals is c/o Kaixin Auto Holdings, 5F, North Wing, 18 Jiuxianqiao Middle Road, Beijing, 100016, People's Republic of China.

(2) The address of Renren is 5F, North Wing, 18 Jiuxianqiao Middle Road, Beijing, 100016, People's Republic of China. Renren is a reporting company under the Exchange Act which is listed on the New York Stock Exchange.

(3) Consists of shares of common stock issuable upon exercise of options to be granted subsequent to the date of this filing under the company's equity incentive plan.

Directors and Executive Officers

KAH's directors and executive officers upon the Closing are described in the Proxy Statement in the section entitled "*Directors, Executive Officers, Executive Compensation And Corporate Governance - Directors and Executive Officers after the Business Combination*" beginning on page 231 and that information is incorporated herein by reference. Updates to the biographies of KAH's directors are included below.

Mr. Tianruo Pu currently serves as an independent director and the chairman of the audit committee of Autohome (NYSE: ATHM), JMU (NASDAQ:JMU) and 3SBio (HKEX:1530), as well as the chairman of the audit committee of Renren Inc. (NYSE: RENN). Mr. Pu has more than twenty years of work experience in finance and accounting in both the United States and China, including chief financial officer positions with public companies. Mr. Pu received his MBA degree from Northwestern University's Kellogg School of Management and his Master of Science degree in accounting from the University of Illinois.

Lin Cong has served as the Vice President of 58.com Group since March 2017. Before joining 58.com, he was the co-founder and chief executive officer of Youche.com, an used car dealer chain in China. Mr. Cong took the VP positions of Finance and IT with 58.com before establishing Youche.com, where he served as CEO from February 2014 to March 2017. Mr. Cong also served as management consultant with Boston Consulting Group from August 2008 to August 2009 and as an auditor with PriceWaterhouseCoopers in China from August 2002 to May 2005. Mr. Cong holds a bachelor's degree in accounting from Tsinghua University and an M.B.A. degree from Stanford University. It is expected that Mr. Lin will be considered an independent director.

Executive Compensation

The executive compensation of KAH's, Kaixin's and KAH's executive officers and directors is described in the Proxy Statement in the section entitled "*Directors, Executive Officers, Executive Compensation And Corporate Governance – Compensation of Officers and Directors*" beginning on page 233 and that information is incorporated herein by reference.

Certain Relationships and Related Party Transactions

The certain relationships and related party transactions of KAH are described in the Proxy Statement in the section entitled "*Certain Transactions*" beginning on page 236 and are incorporated herein by reference.

Legal Proceedings

Reference is made to the disclosure regarding legal proceedings in the section of the Proxy Statement entitled "*Kaixin Auto Group's Business–Legal Proceedings*" beginning on page 165, which is incorporated herein by reference.

Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters

Information respecting KAH's common stock, warrants, rights and units and related stockholder matters are described in the Proxy Statement in the section entitled "*Price Range of Securities and Dividends*" on page 17 and such information is incorporated herein by reference.

Description of Registrant's Securities

The description of KAH's securities is contained in the Proxy Statement in the section entitled "*Description of CM Seven Star's Securities*" beginning on page 244 and is incorporated herein by reference.

Recent Sales of Unregistered Securities

Reference is made to the disclosure set forth under Item 3.02 of this Report, which is incorporated herein by reference.

Indemnification of Directors and Officers

Cayman Islands law does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Islands courts to be contrary to public policy, such as to provide indemnification against willful default, willful neglect, civil fraud or the consequences of committing a crime. Our memorandum and articles of association will provide for indemnification of our officers and directors to the maximum extent permitted by law, including for any liability incurred in their capacities as such, except through their own actual fraud, willful default or willful neglect.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is theretofore unenforceable.

Item 2.02. Results of Operations and Financial Condition.

Management's Discussion and Analysis of Financial Condition and Results of Operations for the year ended December 31, 2018 is set forth below. Additionally, certain annual and quarterly financial information regarding Kaixin was included in the Proxy Statement in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations of Kaixin Auto Group*" beginning on page 194, which is incorporated herein by reference.

Management's Discussion and Analysis of
Financial Condition and Results of Operations

Recent Developments

On May 23, 2018, Shareholder Value Fund ("SVF") loaned to CM Seven Star Acquisition Corporation ("CM Seven Star"), the predecessor to Kaixin Auto Holdings ("KAH"), $500,000 pursuant to a non-interest bearing promissory note, with the principal to be repaid promptly after a business combination. In the event that CM Seven Star is unable to consummate a business combination, the balance of such note will be forgiven and SVF will not be entitled to any payment thereunder. On January 24, 2019, CM Seven Star issued an unsecured non-interest bearing promissory note in the aggregate principal amount of up to $1,100,000 to SVF to pay for professional services fees related to a business combination. The principal amount of the promissory note has been fully drawn down on January 24, 2019 and matured upon the closing of the Business Combination. KAH is in the process of renegotiating the payment terms of the notes.

On January 24, 2019, SVF and Renren Inc. ("Renren") extended the time available to complete a business combination to April 30, 2019 by depositing $1,013,629 and $1,050,000 respectively, into the CM Seven Star's trust account. CM Seven Star issued unsecured promissory notes in the aggregate principal amount of $2,063,629 to SVF and Kaixin in exchange for those entities depositing such amount into CM Seven Star's trust account. The notes do not bear interest and mature upon closing of a business combination by CM Seven Star. In addition, the notes may be converted by the holder into units of CM Seven Star (identical to the units issued in CM Seven Star's initial public offering) at a price of $10.00 per unit. KAH is in the process of renegotiating the payment terms of the notes.

On April 30, 2019, KAH consummated the transactions contemplated by the Share Exchange Agreement, pursuant to which KAH acquired 100% of the equity interests of Kaixin from Renren.

On April 30, 2019, KAH executed an agreement (the "Waiver Agreement") with SVF pursuant to which Kaixin and Renren waived certain rights under the Share Exchange Agreement in exchange for SVF's commitment (i) to contribute $1.6 million to KAH within two weeks after the closing of the Transactions, (ii) to set a limit on the liabilities to be paid by cash (up to US$4.0 million) and noncash (up to US$2.6 million) consideration by KAH and (iii) to within one month use its best efforts to restructure the loans it has extended to KAH.

Upon the closing of the Transactions, KAH acquired 100% of the issued and outstanding securities of Kaixin, in exchange for approximately 28.3 million ordinary shares of KAH, or one KAH share for approximately 4.85 outstanding shares of Kaixin. An additional 4.7 million shares of KAH were reserved for issuance under an equity incentive plan in exchange for outstanding options in Kaixin, which were cancelled upon the closing of the Transactions. Additionally, 19.5 million earnout shares are to be issued and held in escrow. Renren may be entitled to receive earnout shares as follows: (1) if KAH's gross revenue for the year ended December 31, 2019 is greater than or equal to RMB 5,000,000,000, Renren is entitled to receive 1,950,000 ordinary shares of KAH; (2) if KAH's adjusted EBITDA for the year ended December 31, 2019 is greater than or equal to RMB 150,000,000, Renren is entitled to receive 3,900,000 ordinary shares of KAH, increasing proportionally to 7,800,000 ordinary shares if KAH's adjusted EBITDA is greater than or equal to RMB 200,000,000; and (3) if KAH's adjusted EBITDA for the year ended December 31, 2020 is greater than or equal to RMB 340,000,000, Renren is entitled to receive 4,875,000 ordinary shares of KAH, increasing proportionally to 9,750,000 ordinary shares if KAH's adjusted EBITDA is greater than or equal to RMB 480,000,000.

Notwithstanding the Revenue and Adjusted EBITDA achieved by the post-transaction company for any period, Renren will receive the 2019 earnout shares if the stock price of KAH is higher than $13.00 for any sixty days in any period of ninety consecutive trading days during an fifteen month period following the closing, and will receive the 2019 earnout shares and the 2020 earnout shares if the stock price of KAH is higher than $13.50 for any sixty days in any period of ninety consecutive trading days during a thirty month period following the closing.

Overview

Kaixin is the largest premium used auto dealership group in China in terms of the number of cities and locations of its Dealerships, and the second largest based on revenues in 2017, according to iResearch. As of December 31, 2018, Kaixin had 14 Dealerships covering 14 cities in 12 provinces in China. On average, Kaixin's Dealership operators have over ten years of experience in the used car industry. Kaixin provides used car buyers in China with access to a wide selection of used vehicles across its network of Dealerships, with a focus on premium brands, such as Audi, BMW, Mercedes-Benz, Land Rover and Porsche. In addition to its auto sales, for the convenience of its customers, Kaixin also provides financing channels to its customers and other in-network dealers through its partnership with several financial institutions, including Ping An Bank, Shanghai Branch. Furthermore, beginning in the third quarter of 2017, Kaixin started to offer value-added services to its customers, including insurance, extended warranties and after-sales services.

From the launch of its first Dealership market in mid-2017 to December 31, 2018, Kaixin sourced, reconditioned, marketed and sold approximately 8,590 used vehicles to customers across China. Kaixin's sales have grown as it has increased its penetration in existing markets, expanded its network into new markets and built its brand awareness.

Basis of Presentation

Kaixin's financial data presented herein as of December 31, 2017 and 2018 and for the years ended December 31, 2017 and 2018 have been derived from its audited consolidated financial statements, which were prepared in accordance with U.S. GAAP, and should be read in conjunction with those statements which are included elsewhere in this current report.

For accounting purposes, the acquisition has been accounted for as a reverse acquisition with KAH as the accounting acquirer. Since KAH had no operations prior to May 1, 2019, the historical financial statements of Kaixin are now the historical financial statements of KAH, and have been included in Item 9.01(a) of this report.

Key Factors Affecting Kaixin's Results of Operations

Kaixin believes that its results of operations are significantly affected by the following key factors.

Demand for Premium Passenger Vehicles in China

Kaixin generates the substantial majority of its revenues from the sales of premium passenger vehicles and the market demand for such passenger vehicles in China directly affects its revenues. Demand for premium passenger vehicles is affected by a variety of factors, including:

- macro-economic conditions in China, level of urbanization and household income;
- continued increase in the number of affluent individuals and consumer sentiment toward premium automobiles;
- continued improvement of road networks and infrastructure; and
- PRC laws and regulations with regard to passenger vehicles.

Overall, according to iResearch, the Chinese premium automobile market has experienced significant growth in recent years. According to iResearch, the Chinese automotive industry generated approximately RMB3.4 trillion (US$488.5 billion) in sales in 2017, with used car sales accounting for approximately RMB0.6 trillion (US$86.2 billion). These figures are expected to grow to RMB4.2 trillion (US$603.2 billion) and RMB1.6 trillion (US$229.8 billion) in 2022, respectively. Among used car sales, premium used car sales value is expected to grow rapidly at a CAGR of 23.2% from RMB206.3 billion in 2017 to RMB585.3 billion in 2022, as compared with low-end used car value, which is expected to grow at a CAGR of 15.5% from RMB237.1 billion in 2017 to RMB487.0 billion in 2022, according to iResearch.

Integration of Kaixin's Dealerships

Kaixin began to acquire majority control of used car dealers across China in the second half of 2017. Kaixin relies on its Dealerships to conduct significant aspects of its business. As of December 31, 2018, Kaixin had 14 Dealerships. Kaixin's Dealerships and their employees directly interact with consumers, other dealerships and other platform participants, and their performance directly impacts Kaixin's results of operations and financial condition. In addition, expansion of Kaixin's network of Dealerships may affect Kaixin's results of operations in the form of startup costs, acquisitions of new Dealership assets or capital injections.

Customer Engagement and Branding

Kaixin engages car buyers primarily through its network of Dealerships, its website and mobile apps, and advertising on third-party platforms. Kaixin's ability to expand its customer base depends on the scale and performance of the Dealerships as well as its ability to expand the Dealership network. Kaixin also collaborates with leading online automotive advertising platforms to tap into their large user base. Kaixin's success in such collaborations will affect its ability to broaden its prospective car buyer base through online channels in a cost-efficient manner.

Kaixin's growth depends on its ability to strengthen its brand through word of mouth and advertising. The goal of these endeavors is to increase the number of visitors to Kaixin's website, mobile apps and Dealership Outlets and increase the likelihood that visitors will purchase vehicles from Kaixin. In addition, Kaixin's performance will be enhanced by providing a superior customer experience, which drives its ability to generate customer referrals and repeat sales.

Competitive Landscape

Kaixin's operational model, which combines both online and offline channels to create a combination that it believes is superior to either online-only or offline-only channels, differentiates Kaixin from its competitors. Kaixin's ability to strengthen its market position as a leading premium used auto dealership group and continue to meet the needs of its customers will continue to affect its results of operations.

Kaixin's business is also subject to trends specific to its industry, including customer demand and the competitive landscape. The used car industry in China is highly fragmented, according to iResearch, and Kaixin sees a trend toward consolidation that will take hold in the future. In addition, Kaixin believes there are trends toward online technologies and growth of consumer auto financing in China. Competition affects not only Kaixin's day-to-day performance in terms of its ability to acquire customers and automobile inventory, but also its ability to adapt to these trends.

Service Offerings and Pricing

Kaixin provides a variety of services to meet the needs of its customers. Kaixin plans to continue to expand and enhance its service offerings. For instance, Kaixin continues to expand its value-added service offerings and may in the future directly offer financing services to customers. Growth in Kaixin's revenues and profitability also depends on its abilities to effectively price its solutions and services and monetize new business opportunities.

Each of Kaixin's service offerings may have different sources of revenues, cost structures and customer bases and may face different market conditions and pricing pressures. Therefore, the ability to adjust Kaixin's service offerings and pricing to adapt to changing market conditions may impact its results of operations.

Kaixin's consolidated results of operations may also be affected by the timing of the launch of new service offerings. Kaixin may incur start-up costs in the early stages. A certain amount of time may be needed until a new business operation matures or generates significant revenues or net income, and Kaixin may not have pricing power until much later after launch. The timing and trend in growth in Kaixin's revenues and profitability of new services may vary over time. Kaixin's ability to cross-sell various service offerings to existing and new customers will also affect its results of operations.

Technology

As a used car retailer with strong online and offline presence, Kaixin has made investments in developing its proprietary technology, including its customer mobile apps and website and its Dealer SaaS system, and Kaixin believes the continued enhancement of its technology platforms and integration of technology into its operations is important to its future success. From Kaixin's Renren parentage which gives it credibility, reputation and expertise, Kaixin believes it is well positioned to drive the implementation of new technologies in its industry to supplement its offline leadership.

Strategic Expansion and Acquisitions

Starting in the second half of 2017, Kaixin started to acquire used car dealers and had acquired 15 used car Dealerships across China and disposed of one, the Ji-nan Dealership. In 2018, Kaixin acquired two after-sales service centers. In connection with the Business Combination, Kaixin transferred its Ji'nan Dealership, which is primarily engaged in new car sales, to an affiliate of Renren, along with related assets. Kaixin intends to continue to expand its network of Dealerships to cover substantially all of Mainland China and also plan to acquire additional after-sales service centers. Kaixin may also selectively pursue acquisitions, investments, joint ventures and partnerships that it believes are strategic and complementary to its operations and technology. These acquisitions, investments, joint ventures and partnerships may affect Kaixin's results of operations.

Financing and Access to Capital

Kaixin has historically funded its operations and expansion with support from Renren, the issuance of ABSs and term loans. Kaixin and KAH had entered into two convertible loans in January 2019 and April 2019, respectively, pursuant to which Kaixin received $20.0 million and $1.0 million, respectively. These loans have since been converted into share units and shares of KAH. In addition, KAH had entered into a share subscription agreement in January 2019 with one accredited investor to sell 750,000 of its share units at a price of $10.00 per unit, which has since closed with the closing of the Transaction. KAH it believes that the future growth and expansion of its business will involve additional debt and/or equity financing. The availability of financing, and the terms on which it is available, are expected to affect KAH's future results of operations.

On April 30, 2019, Renren waived all the outstanding loans made to Kaixin and Kaixin's subsidiaries without recourse by Renren or any of Renren's subsidiaries, including the current liabilities of Kaixin's amount due to Renren.

Components of Results of Operations

Total Net Revenues

Kaixin's revenues are derived from financing income, automobile sales and others. The following table sets forth the breakdown of Kaixin's total net revenues, both in absolute amount and as a percentage of its total net revenues for the periods presented:

	Years Ended December 31,					
	2016		2017		2018	
	U.S.$	%	U.S.$	%	U.S.$	%
	(in thousands, except for percentages)					
Net revenues:						
Automobile sales	—	—	88,227	75.7	420,005	97.4
Used car financing	20,778	99.7	26,426	22.7	2,317	0.5
Others	68	0.3	1,933	1.6	9,082	2.1
Total net revenues	**20,846**	**100.0**	**116,586**	**100.0**	**431,404**	**100.0**

Automobile Sales

The substantial majority of Kaixin's automobile sales revenues are generated from the sale of used cars to customers completed through its Dealerships, with a smaller portion of its revenues generated from sales of new cars. In 2017 and 2018, respectively, Kaixin generated revenues of US$87.2 million and US$417.8 million from used car sales and revenues of US$1.0 million and US$2.2 million from new car sales.

Kaixin's automobile sales revenues are primarily driven by the number of automobiles sold, the volume of internet traffic on its mobile apps and website, its inventory selection, the effectiveness of its branding and marketing efforts, the quality of its customer services, its pricing and competition in its industry. Kaixin expects its automobile sales revenues to increase along with the growth of its automobile sales business and Dealership network.

Financing Income

Kaixin generates revenues from its floor financing business primarily through floor financing provided to used car dealers. Kaixin records financing income and service fees related to those services over the life of the underlying financing using the effective interest method on unpaid principal amounts. The service fees collected upfront, as well as the direct origination costs for the financing, are deferred and recognized as financing income as an adjustment to the yield on a straight line basis over the life of the portfolio financing.

Kaixin provides short-term floor financing services to used car dealers to fund the car dealers' cash needs for purchases of used cars. Kaixin's floor financing period is no more than six months and is secured by a pledge of the dealers' used cars with total value exceeding the principal of the financing. Kaixin charges an upfront service fee, as well as collect financing income on a monthly basis. During 2017, Kaixin provided these services to third-party used car dealers in addition to its Dealerships. Kaixin currently only extends new floor financing to its Dealerships, such that the intracompany loans and principal and interest payments are consolidated in its financial statements, while Kaixin pays interest at a group level to lenders when the funds involved in the loan are obtained from a third-party financing partner.

Others

Other revenues consist of fees paid to Kaixin by insurance companies and financial institutions for facilitation services provided for assisting customers to obtain related financing and insurance for their car purchases. Kaixin expects its other revenues to increase along with the growth of these service offerings.

In addition to revenues directly generated from the sales of used cars, Kaixin also collects fees for agency services in connection with the used car sales pursuant to profit-sharing terms in its arrangements with other used car dealers and Kaixin Affiliated Network Dealers. Kaixin has historically recognized limited other revenues from consignment sale arrangements with other used car dealers. Revenues in connection with used car sales pursuant to arrangements with Kaixin Affiliated Network Dealers were nil during 2017 as Kaixin only initiated operations under this model in 2018 and were US$2.1 million in 2018.

For a detailed discussion of how revenues are recognized in Kaixin's financial statements, see "— Critical Accounting Policies, Judgments and Estimates — Revenue Recognition."

Cost of Revenues

Cost of revenues consists of costs directly related to automobile sales, costs incurred related to financing operations and others. The following table sets forth the breakdown of Kaixin's cost of revenues, both in absolute amount and as a percentage of its total net revenues, for the periods presented:

	Years Ended December 31,					
	2016		2017		2018	
	U.S.$	%	U.S.$	%	U.S.$	%
	(in thousands, except for percentages)					
Cost of revenues:						
Automobile sales	—	—	85,050	75.2	399,274	96.4
Cost of financing income	10,874	77.3	15,259	13.5	3,327	0.8
Provision for financing receivable	3,165	22.5	12,717	11.3	10,941	2.7
Others	32	0.2	32	0.0	429	0.1
Total	**14,071**	**100.0**	**113,058**	**100.0**	**413,971**	**100.0**

Automobile Sales

Cost of revenues for automobile sales consists of costs directly related to automobile sales, including inventory acquisition, inspection and reconditioning. Kaixin expects its cost of revenues for automobile sales to increase in line with the growth of its automobile sales business.

Cost of Financing Income

Cost of revenues for Kaixin's floor finance business primarily includes interest expenses paid to investors, and interest paid on ABSs. Funds for Kaixin's floor finance business were historically provided by its issuance of ABSs collateralized by credit financing, and by other peer-to-peer platforms.

Provision for Financing Receivable

Provisions for financing receivables losses are also recognized as cost of revenues of Kaixin's floor financing business. Kaixin accrues provisions for financing receivables when it believes the future collection of principal is unlikely, based on the creditworthiness of customers, aging of the outstanding receivable and other circumstances.

Others

Other cost of revenues primarily includes costs of broadband network services. Kaixin expects its other cost of revenues to increase in line with the expansion of its after-sales services.

Operating Expenses

Kaixin's operating expenses consist of general and administrative expenses, selling and marketing expenses and research and development expenses. The following table sets forth Kaixin's operating expenses for continuing operations, both as absolute amounts and as percentages of its total net revenues for the periods indicated.

	Years Ended December 31,					
	2016		2017		2018	
	U.S.$	%	U.S.$	%	U.S.$	%
	(in thousands, except for percentages)					
Operating expenses:						
General and administrative	10,367	50.0	14,971	50.5	23,012	44.7
Selling and marketing	7,999	38.6	10,698	36.1	24,077	46.7
Research and development	2,374	11.4	3,982	13.4	4,419	8.6
Total operating expenses	**20,740**	**100.0**	**29,651**	**100.0**	**51,508**	**100.0**

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and benefits for Kaixin's general and administrative personnel and fees and expenses for third-party professional services. Kaixin's general and administrative expenses may increase in the future on an absolute basis as its business grows.

Selling and Marketing Expenses

Selling and marketing expenses consist primarily of salaries, benefits and commissions for Kaixin's selling and marketing personnel and advertising and promotion expenses. Kaixin's selling and marketing expenses may increase in the near term if it increases its promotion expenses for the Kaixin Auto brand or other services.

Research and Development Expenses

Research and development expenses consist primarily of salaries and benefits for Kaixin's research and development personnel. Kaixin's research and development expenses may increase in the near term on an absolute basis as it intends to hire additional research and development personnel to develop new features for its various services and further improve its technology infrastructure.

Share-Based Compensation

Kaixin's share-based compensation arises from share-based awards, including restricted share units and share options for the purchase of ordinary shares granted to employees and certain members of Renren's management who provide services to Kaixin. In 2017 and 2018, Kaixin recognized share-based compensation expense of US$4.5 million and US$2.4 million, respectively, reflecting expenses of Renren in respect of share-based compensation related to Kaixin's management and employees.

On January 31, 2018, Kaixin adopted a stock incentive plan, whereby 40,000,000 ordinary shares of Kaixin Auto Group were made available for future grants for employees or consultants of Kaixin either in the form of share options or restricted shares. The plan was amended and restated in May 2018 to include up to 140,000,000 ordinary shares being made available for granting as awards. For employee stock options, Kaixin recorded share-based compensation of $9.0 million for the year ended December 31, 2018.

Additionally, Kaixin is required to classify share options granted to its employees, directors and consultants as equity awards and recognize share-based compensation expense based on the fair value of such share options, with the share-based compensation expense recognized over the period in which the recipient is required to provide service in exchange for the equity award. All of Kaixin's options to purchase its ordinary shares were granted after December 31, 2017.

Taxation

Cayman Islands

Kaixin is an exempted company incorporated in the Cayman Islands. Under the current laws of the Cayman Islands, Kaixin is not subject to tax based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. In addition, upon payment of dividends by Kaixin to its shareholders, no Cayman Islands withholding tax will be imposed.

Hong Kong

Kaixin's subsidiary incorporated in Hong Kong is subject to Hong Kong profit tax. With effect from 1 April 2018, a two-tiered profits tax rates regime applies. The profits tax rate for the first HKD 2 million of corporate profits is 8.25%, while the standard profits tax rate of 16.5% remains for profits exceeding HKD 2 million. No Hong Kong profit tax has been levied as Kaixin did not have assessable profit that was earned in or derived from the Hong Kong subsidiary during the periods presented. Hong Kong does not impose a withholding tax on dividends. .

China

Generally, Kaixin's subsidiaries and consolidated variable interest entities in China are subject to enterprise income tax on their taxable income in China at a rate of 25%. The enterprise income tax is calculated based on the entity's global income as determined under PRC tax laws and accounting standards.

Kaixin is subject to value-added tax ("VAT"), at a rate of 6% on the services it provides to customers, less any deductible VAT it has already paid or borne. Kaixin is subject to VAT at a rate of 17% on the sales of new automobiles. Kaixin is also subject to surcharges on VAT payments in accordance with PRC law.

Dividends paid by Kaixin's wholly foreign-owned subsidiary in China to its intermediary holding company in Hong Kong will be subject to a withholding tax rate of 10%, unless the relevant Hong Kong entity satisfies all the requirements under the Arrangement between the PRC and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income and Capital in which case the dividends paid to the Hong Kong subsidiary would be subject to withholding tax at the standard rate of 5%.

If Kaixin's holding company in the Cayman Islands or any of Kaixin's subsidiaries outside of China were deemed to be a "resident enterprise" under the PRC Enterprise Income Tax Law, it would be subject to enterprise income tax on its worldwide income at a rate of 25%.

Discontinued Operations

In May 2016, Kaixin terminated its Renren Fenqi business, a financial platform providing credit financing to college students in China for making purchases on e-commerce platforms on an installment payment basis. Renren Fenqi was further transferred back to Renren in December 2017. Such disposal affected Kaixin's results of operations and was considered discontinued operations. Accordingly, assets, liabilities, revenue and expenses as well as cash flow related to the Renren Fenqi business have been reclassified in Kaixin's accompanying consolidated financial statements as discontinued operations for all periods presented.

In December 2018, Kaixin completed the transfer of its Ji'nan Dealership, which is primarily engaged in new car sales, to an affiliate of Renren, along with related assets. Such disposal affected Kaixin's results of operations and was considered discontinued operations. Accordingly, assets, liabilities, revenue and expenses as well as cash flow related to the Ji'nan Dealership have been reclassified in Kaixin's accompanying consolidated financial statements as discontinued operations for all periods presented.

Results of Operations

The following tables set forth a summary of Kaixin's consolidated results of operations for the periods presented. This information should be read together with Kaixin's consolidated financial statements and related notes included elsewhere in this Current Report on Form 8-K. The operating results in any period are not necessarily indicative of the results that may be expected for any future period.

	Years ended December 31,		
	2016	2017	2018
	US$	US$	US$
		(in thousands)	
Net revenues:			
Automobile sales	$ –	$ 88,227	$ 420,005
Financing income	20,778	26,426	2,317
Others	68	1,933	9,082
Total net revenues	20,846	116,586	431,404
Cost of revenues:			
Automobile sales	–	85,050	399,274
Cost of financing income	10,874	15,259	3,327
Provision for financing receivable	3,165	12,717	10,941
Others	32	32	429
Total cost of revenues	14,071	113,058	413,971
Gross profit	6,775	3,528	17,433
Operating expenses:			
Selling and marketing	7,999	10,698	24,077
Research and development	2,374	3,982	4,419
General and administrative	10,367	14,971	23,012
Total operating expenses	20,740	29,651	51,508
Loss from operations	(13,965)	(26,123)	(34,075)
Other (expenses) income	(339)	387	(812)
Fair value change of contingent consideration	–	(1,480)	(49,503)
Interest income	64	902	575
Interest expenses	(58)	(3,068)	(4,261)
Loss before provision of income tax and noncontrolling interest, net of tax	(14,298)	(29,382)	(88,076)
Income tax expenses	(1,690)	(1,158)	(862)
Loss from continuing operations	$ (15,988)	$ (30,540)	$ (88,938)
Discontinued operations:			
(Loss) income from discontinued operations, net of taxes of $nil, $nil and $nil for the years ended December 31, 2016, 2017 and 2018	(8,066)	1,845	(594)
Net loss	(24,054)	(28,695)	(89,532)
Net loss attributable to the noncontrolling interest	–	(76)	(317)
Net loss from continuing operations attributable to Kaixin Auto Group	(15,988)	(30,464)	(88,621)
Net (loss) income from discontinued operations attributable to Kaixin Auto Group	(8,066)	1,845	(594)
Net loss attributable to Kaixin Auto Group	$ (24,054)	$ (28,619)	$ (89,215)

Year Ended December 31, 2018 Compared to Year Ended December 31, 2017

Net Revenues.

Kaixin's total net revenues increased significantly from US$116.6 million in 2017 to US$431.4 million in 2018, primarily due to the substantial increase of its used car sales business which was launched in the second half of 2017, the related expansion of its Dealership network and the increase in the number of used cars sold.

Automobile Sales. Kaixin's revenues from automobile sales increased from US$88.2 million in 2017 consisting of US$87.2 million in used car sales and US$1.0 million in new car sales, to US$420.0 million in 2018, consisting of US$417.8 million in used car sales and US$2.2 million in new car sales. This was due to the launch of Kaixin's automobile sales business in the second half of 2017. The numbers of cars sold in 2017 and 2018 were 1,829 and 6,904 respectively, and the average sales price increased from US$48 thousand in 2017 to US$61 thousand in 2018.

Financing Income. Kaixin's financing income revenues decreased from US$26.4 million in 2017 to US$2.3 million in 2018. The decrease was primarily due to the shift in our business focus to used car sales as opposed to our third-party floor financing business, which led to a decline in loan volumes, which decreased from US$649.7 million in 2017 to US$13.2 million in 2018.

Other. Kaixin's other revenues increased significantly from US$1.9 million in 2017 to US$9.1 million in 2018, primarily due to revenues from value-added services related to its auto sales business and the expansion of its Dealership network.

Cost of revenues.

Kaixin's cost of revenues increased significantly from US$113.1 million in 2017 to US$414.0 million in 2018, primarily due to the increase in the cost of revenues associated with Kaixin's used car sales business which was launched in the second half of 2017.

Automobile Sales. Kaixin's cost of revenues for automobile sales increased significantly from US$85.1 million in 2017 to US$399.3 million in 2018. This was primarily due to the rapid growth of Kaixin's used car sales business and the expansion of its Dealership network, which was launched in the second half of 2017.

Cost of Financing Income. Kaixin's cost of revenues for its floor financing business decreased from US$15.3 million in 2017 to US$3.3 million in 2018, the decrease primarily due to the shift in our business focus to used car sales as opposed to our third-party floor financing business, which led to a decline in cost of financing income.

Provision for Financing Receivable. Kaixin's provision for financing receivable decreased from US$12.7 million in 2017 to US$10.9 million in the 2018, primarily due to Kaixin terminated the financing business in 2018. The provision recorded in 2018 related to the outstanding financing receivables generated from the financing business historically.

Other. Kaixin's other cost of revenues increased from US$0.03 million in 2017 to US$0.4 million in 2018. Kaixin expects that its other cost of revenues will increase going forward in connection with the expansion of its after-sales services.

Gross Profit.

Kaixin's gross profit increased from US$3.5 million in 2017 to US$17.4 million in 2018. The increase was primarily due to the significant increase in gross profit attributable to our automobile sales business, which increased from US$3.2 million in 2017 to US$20.7 million in 2018, and gross profit from other revenues increased from US$1.9 million in 2017 to US$8.7 million in 2018, partially offset by a decrease in gross profit attributable to our financing business, which decreased from negative US$1.5 million to negative US$12.0 million.

Operating Expenses.

Kaixin's total operating expenses increased from US$29.7 million in 2017 to US$51.5 million in 2018, primarily due to investments in the growth of its auto sales business and the expansion of its Dealership network, which resulted in increased operating expenses and personnel costs and an increase in share-based compensation expenses.

General and administrative expenses. Kaixin's general and administrative expenses increased from US$15.0 million 2017 to US$23.0 million in 2018, primarily due to the rapid growth of its auto sales business and the expansion of its Dealership network, which contributed to a US$0.6 million increase in personnel and other costs, and a US$ 5.3 million increase in share-based compensation expenses in 2018.

Selling and marketing expenses. Kaixin's selling and marketing expenses increased from US$10.7 million in 2017 to US$24.1 million in 2018. The increase was primarily due to the rapid growth of Kaixin's auto sales business and the expansion of its Dealership network, which resulted in increased personnel and other costs.

Research and development expenses. Kaixin's research and development expenses increased from US$4.0 million in 2017 to US$4.4 million in 2018, primarily due to the rapid growth of its auto sales business and the expansion of its Dealership network, which resulted in increased personnel and other costs, as well as the development of Kaixin's Dealer SaaS system, which also resulted in increased personnel costs.

Fair value change of contingent consideration

Fair value change of contingent consideration was US$1.5 million in 2017, as compared to US$49.5 million in 2018. This was related to certain non-cash fair value change in contingent consideration payable for acquisitions of Kaixin's Dealerships.

Other (expenses) income.

Other income was US$0.4 million in 2017, as compared to other expense of US$0.8 million in 2018.

Interest income.

Kaixin's interest income was US$0.9 million in 2017 and US$0.6 million in 2018.

Interest expenses.

Kaixin's interest expenses increased from US$3.1 million in 2017 to US$4.3 million in 2018. The increase primarily reflected interest on term loan agreements.

Income tax expense.

Kaixin's income tax expense was US$1.2 million in 2017 and US$0.9 million in 2018.

Loss from continuing operations.

As a result of the foregoing, Kaixin recorded a loss of US$30.5 million from continuing operations in 2017 and a loss of US$88.9 million from continuing operations in 2018.

Income (loss) from discontinued operations.

Kaixin recorded income from discontinued operations of US$1.8 million in 2017, reflecting the performance of the discontinued Renren Fenqi business. Loss from discontinued operating was US$0.6 in 2018, reflecting the performance of the discontinued Ji'nan Dealership.

Net loss.

As a result of the foregoing, Kaixin's net loss increased from US$28.7 million in 2017 to US$89.5 million in 2018.

Year Ended December 31, 2017 Compared to Year Ended December 31, 2016

Net Revenues.

Kaixin's total net revenues increased significantly from US$20.8 million in 2016 to US$116.6 million in 2017 primarily due to the revenues of its used car sales business which was launched in the second half of 2017, the related expansion of its Dealership network and the increase in the number of used cars sold.

Automobile Sales. Kaixin did not derive any revenues from automobile sales in 2016, while its revenues from automobile sales were US$88.2 million in 2017 consisting of US$87.2 million in used car sales and US$1.0 million in new car sales. This was due to the launch of Kaixin's automobile sales business in the second half of 2017.

Financing Income. Kaixin's financing income revenues increased from US$20.8 million in 2016 to US$26.4 million in 2017. The increase was primarily due to the continued growth of Kaixin's floor financing. The increase was primarily due to an increase in interest earned partially offset by a decline in loan volumes, which decreased from US$742.8 million in 2016 to US$649.7 million in 2017.

Other. Kaixin's other revenues increased significantly from US$0.1 million in 2016 to US$1.9 million in 2017, primarily due to revenues from value-added services related to its auto sales business and the expansion of its Dealership network, which was launched in the second half of 2017.

Cost of revenues.

Kaixin's cost of revenues increased significantly from US$14.1 million in 2016 to US$113.1 million in 2017, primarily due to the increase in the cost of revenues associated with Kaixin's used car sales business which was launched in the second half of 2017.

Automobile Sales. Kaixin's cost of revenues for automobile sales was US$85.1 million in 2017, while it did not incur such cost of revenues in 2016. This was primarily due to the rapid growth of Kaixin's used car sales business and the expansion of its Dealership network, which was launched in the second half of 2017.

Cost of Financing Income. Kaixin's cost of revenues for its floor financing business increased from US$10.9 million in 2016 to US$15.3 million in 2017, primarily due to increased cost of capital resulting from higher interest rates paid to investors in its floor financing business.

Provision for Financing Receivable. Kaixin's provision for financing receivable increased from US$3.2 million in 2016 to US$12.7 million in 2017, reflecting an increase in doubtful financing receivables due in part to regulatory pressures on the peer-to-peer financing environment in China as described under "— Six Months Ended June 30, 2018 Compared to Six Months Ended June 30, 2017 — Provision for Financing Receivable.", and related deterioration in credit performance of related assets which have continued to date. This resulted in an increase in Kaixin's financing receivable past due for which Kaixin recorded the foregoing provisions.

Other. Kaixin's other cost of revenues remained stable and insignificant in both 2016 and 2017. Kaixin expects that its other cost of revenues will increase going forward in connection with the expansion of its after-sales services.

Gross Profit.

Kaixin's gross profit decreased from US$6.8 million in 2016 to US$3.5 million in 2017. The increase was primarily due to the increase in gross profit attributable to our automobile sales business, which increased from US$nil in 2016 to US$3.2 million in 2017, partially offset by a decrease in gross profit attributable to our financing business, which decreased from US$6.7 million in 2016 to negative US$1.6 million in 2017. The decrease in gross profit attributable to our financing business was largely attributable to an increase in provision for financing receivable from US$3.2 million in 2016 to US$12.7 million in 2017.

Operating Expenses.

Kaixin's total operating expenses increased from US$20.7 million in 2016 to US$29.7 million in 2017, primarily due to investments in the growth of its auto sales business and the expansion of its Dealership network, which resulted in increased operating expenses and personnel costs.

General and administrative expenses. Kaixin's general and administrative expenses increased from US$10.4 million in 2016 to US$15.0 million in 2017, primarily due to the rapid growth of its auto sales business and the expansion of its Dealership network, which resulted in increased personnel and other costs.

Selling and marketing expenses. Kaixin's selling and marketing expenses increased from US$8.0 million in 2016 to US$10.7 million in 2017. The increase was primarily due to the rapid growth of Kaixin's auto sales business and the expansion of its Dealership network, which resulted in increased personnel and other costs.

Research and development expenses. Kaixin's research and development expenses increased from US$2.4 million in 2016 to US$4.0 million in 2017, primarily due to the rapid growth of its auto sales business and the expansion of its Dealership network, which resulted in increased personnel and other costs.

Other (expenses) income

Other expense was US$0.3 million in 2016, as compared to other income of US$0.4 million in 2017.

Fair value change of contingent consideration

Fair value change of contingent consideration was nil in 2016, as compared to US$1.5 million in 2017. This was related to certain non-cash fair value change in contingent consideration payable for acquisitions of Kaixin's Dealerships.

Interest income.

Kaixin's interest income increased from US$0.1 million in 2016 to US$0.9 million in 2017. The increase was primarily due to an increase in the amount of Kaixin's deposits at commercial banks, including restricted cash deposited with lenders in connection with its term loan agreements.

Interest expenses.

Kaixin's interest expenses increased from US$0.1 million in 2016 to US$3.1 million in 2017. The increase primarily reflected interest on term loan agreements.

Income tax expense.

Kaixin's income tax expense decreased from US$1.7 million in 2016 to US$1.2 million in 2017, primarily as a result of certain losses that were not deductible for tax purposes in 2016.

Loss from continuing operations.

As a result of the foregoing, Kaixin recorded a loss of US$16.0 million from continuing operations in 2016 and a loss of US$30.5 million from continuing operations in 2017.

Income (loss) from discontinued operations.

Kaixin recorded a loss from discontinued operations of US$8.1 million in 2016 and income from discontinued operations of US$1.8 million in 2017, reflecting the performance of the discontinued Renren Fenqi business and the discontinued Ji'nan Dealership.

Net loss.

As a result of the foregoing, Kaixin's net loss increased from US$24.1 million in 2016 to US$28.7 million in 2017.

Liquidity and Capital Resources

Cash Flows and Working Capital

Kaixin's primary sources of liquidity have been funding from Renren, proceeds from the transfer of creditors' rights to investors and proceeds from the issuance of ABSs, which have historically been sufficient to meet Kaixin's working capital and substantially all of its capital expenditure requirements.

In January 2016 and September 2016, Kaixin originated the issuance of two Shanghai Renren Finance Leasing Asset-Backed Special Plans (the "Plans") in the amount of approximately US$46.1 million (RMB299.8 million) and US$78.5 million (RMB510.6 million), respectively. The Plans are collateralized by certain financing receivables arising from Kaixin's used car financing business. The Plans expired in May 2018. The Plans consist of three tranches: AAA-rated senior securities (covering 68.0% and 70.5% of the total securities issued, respectively) and AA-rated senior securities (covering 10.5% and 11.0% of the total securities issued, respectively) which were purchased by external investors, and subordinate securities (covering 21.5% and 18.5% of the total securities issued, respectively) held by Kaixin. Kaixin also provided a guarantee to secure the full repayment of the principal and interest of the external investors in the Plans. The assets of the Plans are not available to Kaixin's creditors. In addition, the investors of the Plans have no recourse against Kaixin's assets. As of the date hereof, Kaixin did not have any amounts outstanding under the Plans, which were fully repaid in April 2018.

Through the peer-to-peer platforms and the Plans, Kaixin has from time to time identified individual investors to which it has transferred creditors' rights originated from the aforementioned financing services to the individual investors in exchange for cash. Kaixin offers different investment periods and interest rates to investors in connection with such transfers. The terms of the sales require Kaixin to repurchase those creditors' rights from investors prior to or upon the maturity of the investment period. As of December 31, 2017 and December 31, 2018, Kaixin had approximately US$137.0 million and nil, respectively, of payables to investors outstanding, which were classified as short-term payables to investors on its balance sheet as their term was less than one year. While Kaixin's business practices are subject to change based on commercial developments, Kaixin does not currently plan to engage in similar transfers in the future.

Kaixin has also entered into term loans with commercial banks in China from time to time. Kaixin does not have any outstanding term loans as of the date of this Current Report on Form 8-K. As of December 31, 2017 and December 31, 2018, Kaixin had outstanding loans in the amount of US$89.1 million and US$49.9 million, respectively, under term loan agreements.

On January 28, 2019, Kaixin, CM Seven Star and an investor entered into a convertible loan agreement pursuant to which the investor has agreed to invest US$23 million into Kaixin with interest payable at the loan interest rate as stipulated by the People's Bank of China. An additional penalty interest rate will apply for unremitted amounts in the event of a default. US$20 million of the loan was advanced to Kaixin on January 28, 2019, and the remaining US$3 million is to be advanced to Kaixin on January 31, 2020. Upon completion of the business combination, amounts outstanding under the convertible loan was converted into units of KAH at a conversion price of US$10.00 per unit, and subsequent amounts payable under the loan will immediately convert into units of KAH at a conversion price of US$10.00 per unit.

On April 25, 2019, Kaixin, CM Seven Star and an investor had entered into a convertible loan agreement pursuant to which the investor invested US$1.0 million into Kaixin with interest payable at the loan interest rate as stipulated by the People's Bank of China. An additional penalty interest rate will apply for unremitted amounts in the event of a default. Upon completion of the business combination, amounts outstanding under the convertible loan was converted into shares of KAH at a conversion price of US$10.00 per share.

On May 6, 2019, Kaixin obtained a letter of financial support from Renren, pursuant to which Renren agreed to provide continuing financial support to enable Kaixin to meet in full its financial obligations as they come due for a period of twelve months beginning May 6, 2019.

Kaixin believes that its anticipated cash flows from operating activities will be sufficient to meet its anticipated working capital requirements and capital expenditures in the ordinary course of business for the next 12 months. Kaixin may, however, need additional cash resources in the future if it experiences changes in business conditions or other developments, or if it finds and wishes to pursue opportunities for investment, acquisition, capital expenditure or similar actions. If Kaixin determines that its cash requirements exceed the amount of cash and cash equivalents it has on hand at the time, it may seek to issue equity or debt securities or obtain credit facilities. The incurrence of indebtedness would result in increased fixed obligations and could result in operating covenants that would restrict Kaixin's operations. There can be no assurance that financing will be available in amounts or on terms acceptable to Kaixin, if at all.

Although Kaixin consolidates the results of Shanghai Jieying and Qianxiang Changda, its access to cash balances or future earnings of these entities is only through its contractual arrangements with Shanghai Jieying and Qianxiang Changda and their respective shareholders and subsidiaries

Net cash used in operating activities of US$73.7 million in 2017 and US$9.7 million in 2018.

Kaixin had cash and cash equivalents and restricted cash of approximately US$64.4 million as of December 31, 2017. Cash and cash equivalents and restricted cash were approximately US$13.8 million as of December 31, 2018.

The following table sets forth a summary of Kaixin's cash flows for the periods presented:

	Years Ended December 31,		
	2016	2017	2018
	US$	US$ (in thousands)	US$
Summary Consolidated Cash Flow Data:			
Net cash used in operating activities	(8,537)	(73,684)	(9,749)
Net cash (used in) provided by investing activities	(172,642)	162,411	98,982
Net cash provided by (used in) financing activities	205,863	(59,734)	(138,637)
Cash and cash equivalents and restricted cash at beginning of period	8,011	34,985	64,447
Cash and cash equivalents and restricted cash at end of period	34,985	64,447	13,768

Operating Activities

Net cash used in operating activities was US$73.7 million and US$9.7 million in 2017 and 2018, respectively.

Net cash used in operating activities was US$73.7 million in 2017. The principal items accounting for the difference between Kaixin's net loss and net cash used in operating activities in 2017 were purchases of inventory of US$67.2 million in connection with the growth of its used car sales business, an increase in prepaid expenses and other current assets of US$20.0 million primarily due to an increase of advance to third party dealerships and a decrease in payable to investors of US$4.0 million relating to Kaixin's ABSs. These items were partially offset by an increase in accounts payable of US$13.6 million, provision for financing receivable losses of US$12.7 million due to an increase of Kaixin's financing receivable past due, an increase in advances from customers of US$6.4 million due to cash received from customers of automobile sales prior to delivery, and share-based compensation provided by Renren to Kaixin's employees of US$4.5 million.

Net cash used in operating activities was US$9.7 million in 2018, compared with net cash used in operating activities of US$73.7 million in 2017. The principal items accounting for the difference between Kaixin's net loss and its net cash provided by operating activities in 2018 were an decrease in inventory of US$30.2 million and an decrease in accounts payable of US$2.4 million These items were partially offset by an increase in amounts due to related parties of US$4.9 million, an increase in prepaid expenses and other current assets of US$23.0 million, write-offs for advance to supplier related to Ji'nan Dearlership of US$16.8 million, and share-based compensation of US$11.4 million.

Investing Activities

Net cash used in investing activities was US$162.4 million in 2017, compared to net cash provided by investing activities of US$99.0 million in 2018.

Net cash used in investing activities was US$162.4 million in 2017, which was mostly attributable to repayments from customers of financing provided of Kaixin's floor financing business of US$925.7 million. This was partially offset by payments of cash related to financing provided to used car dealerships customers of Kaixin's floor financing business of US$748.5 million.

Net cash provided by investing activities was US$99.0 million in 2018, which was mostly attributable to repayments from customers of financing provided of Kaixin's floor financing business of US$109.7 million.

Financing Activities

Net cash provided by financing activities was US$59.7 million 2017, compared with net cash used in financing activities of US$138.6 million in 2018.

Net cash used in financing activities was US$59.7 million 2017, which was primarily attributable to payment to investors of US$1,680.9 million, partially offset by proceeds from investors of US$1,568.9 million, proceeds from borrowings of US$92.5 million offset by repayment of borrowings of US$14.1 million, primarily from Kaixin's term loan financing arrangements.

Net cash used in financing activities was US$138.6 million in 2018, which was primarily attributable to principal payment to investors mainly related to Kaixin's floor financing business of US$187.9 million, partially offset by proceeds from investors mainly related to Kaixin's floor financing business of US$57.8 million.

Capital Expenditures

Kaixin made capital expenditures of US$21 thousand and US$764 thousand in 2017 and 2018, respectively. In these periods, Kaixin's capital expenditures were mainly used to purchase servers, computers and other equipment for its business. Kaixin will continue to make capital expenditures to meet the expected growth of its business and expect to incur greater capital expenditures in 2018 for equipment used in its after-sales service centers.

Commitments and Contractual Obligations

The following table presents the Company's material contractual obligations as of December 31, 2018:

Contractual Obligations (unaudited)	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
			US$ (in thousands)		
Loan Obligations[(1)]	50,930	50,930	—	—	—
Operating Lease Obligations	8,699	3,018	3,706	984	991

(1) Loan obligations include our obligations under both our long-term and short-term debt agreements as well as the interest on those debts. Refer to note 10 to our consolidated financial statements.

Off-balance Sheet Arrangements

Kaixin is not a party to any off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risk

Foreign Exchange Risk

Substantially all of Kaixin's revenues and substantially all of its expenses are denominated in Renminbi. The functional currency of Kaixin's company is the U.S. dollar. The functional currency of Kaixin's subsidiary in the PRC, the VIE and the VIE's subsidiaries is the Renminbi, and the functional currency of Kaixin's Hong Kong subsidiaries is the Hong Kong Dollar. Kaixin uses the U.S. dollar as its reporting currency. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at the rates of exchange ruling at the balance sheet date. Transactions in currencies other than the functional currency during the year are converted into functional currency at the applicable rates of exchange prevailing when the transactions occurred. Transaction gains and losses are recognized in the statements of operations. Due to foreign currency translation adjustments, Kaixin had a foreign exchange gain, net, of US$3.6 million in 2017 and a foreign exchange gain, net, of US$0.4 million in 2018.

To date, Kaixin has not entered into any hedging transactions in an effort to reduce its exposure to foreign currency exchange risk. Although Kaixin's exposure to foreign exchange risks is generally limited, the value of Kaixin's ordinary shares will be affected by the exchange rate between the U.S. dollar and the RMB because the value of Kaixin's business is effectively denominated in RMB, while our ordinary shares will be traded in U.S. dollars.

The conversion of Renminbi into foreign currencies, including U.S. dollars, is based on rates set by the People's Bank of China, or the PBOC. The PRC government allowed the Renminbi to appreciate by more than 20% against the U.S. dollar between July 2005 and July 2008. Between July 2008 and June 2010, the exchange rate between the Renminbi and the U.S. dollar had been stable and traded within a narrow band. Since June 2010, the PRC government has allowed the RMB to appreciate slowly against the U.S. dollar, though there have been periods when the Renminbi has depreciated against the U.S. dollar. In particular, on August 11, 2015, the PBOC allowed the Renminbi to depreciate by approximately 2% against the U.S. dollar. Since then and until the end of 2017, the Renminbi has depreciated against the U.S. dollar by approximately 2.83%. It is difficult to predict how long the current situation may last and when and how the relationship between the Renminbi and the U.S. dollar may change again.

To the extent that Kaixin needs to convert U.S. dollars into Renminbi for its operations, appreciation of the Renminbi against the U.S. dollar would have an adverse effect on the Renminbi amount Kaixin receives from the conversion. Conversely, if Kaixin decides to convert Renminbi into U.S. dollars for the purpose of making payments for dividends on its ordinary shares or for other business purposes, appreciation of the U.S. dollar against the Renminbi would have a negative effect on the U.S. dollar amounts available to Kaixin.

Interest Rate Risk

Kaixin have not been exposed to material risks due to changes in market interest rates, and it has not used any derivative financial instruments to manage Kaixin's interest risk exposure. However, Kaixin cannot provide assurance that it will not be exposed to material risks due to changes in market interest rate in the future.

Investments in both fixed rate and floating rate interest earning instruments carry a degree of interest rate risk. Fixed rate securities may have their fair market value adversely impacted due to a rise in interest rates, while floating rate securities may produce less income than expected if interest rates fall.

Inflation

Since inception, inflation in China has not materially affected Kaixin's results of operations. According to the National Bureau of Statistics of China, the year-over-year percent changes in the consumer price index for December 2016 was an increase of 1.9%. Although Kaixin has not been materially affected by inflation in the past, it may be affected if China experiences higher rates of inflation in the future.

Internal Control Over Financial Reporting

In 2018, Kaixin has been a subsidiary of a listed company with limited accounting personnel and other resources with which to address its internal control and procedures over financial reporting. In the course of preparing Kaixin's consolidated financial statements for the year ended December 31, 2018, Kaixin identified one material weakness in Kaixin's internal control over financial reporting as of December 31, 2018. A "material weakness" is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of Kaixin's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

The material weakness identified relates to having inadequate controls designed over the accounting of significant and complex transactions to ensure that those transactions are properly accounted for in accordance with U.S. GAAP. Specifically, Kaixin's management concluded that it lacked sufficient accounting and financial reporting personnel with appropriate knowledge of U.S. GAAP and SEC reporting requirements to properly address the complex accounting issues involved in the application of purchase accounting principles in connection with the acquisition of used car dealerships as described in note 5 of the accompanying financial statements. Neither Kaixin nor its independent registered public accounting firm undertook a comprehensive assessment of Kaixin's internal control under the Sarbanes-Oxley Act for purposes of identifying and reporting any weakness in Kaixin's internal control over financial reporting. Kaixin is required to do so only after Kaixin becomes a public company. Had Kaixin performed a formal assessment of its internal control over financial reporting or had its independent registered public accounting firm performed an audit of Kaixin's internal control over financial reporting, additional control deficiencies may have been identified.

To remedy Kaixin's identified material weakness, it has started adopting measures to improve its internal control over financial reporting, including, among others: (i) hiring additional financial professionals with relevant experience, skills and knowledge in accounting and disclosure for complex transactions under the requirements of U.S. GAAP and SEC reporting requirements, including disclosure requirements for complex transactions under U.S. GAAP, to provide the necessary level of leadership to Kaixin's finance and accounting function and increasing the number of qualified financial reporting personnel, (ii) improving the capabilities of existing financial reporting personnel through training and education in the accounting and reporting requirements under U.S. GAAP, SEC rules and regulations and the Sarbanes-Oxley Act, (iii) engaging an independent third-party consultant to assist in establishing processes and oversight measures to comply with the requirements under the Sarbanes- Oxley Act, and (iv) designing and implementing robust financial reporting and management controls over future acquisitions of additional Dealerships.

Critical Accounting Policies, Judgments and Estimates

Kaixin prepares its financial statements in accordance with U.S. GAAP, which requires its management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the balance sheet dates and the reported amounts of revenues and expenses during the reporting periods. Kaixin continually evaluate these judgments and estimates based on its own historical experience, knowledge and assessment of current business and other conditions, its expectations regarding the future based on available information and assumptions that it believes to be reasonable, which together form its basis for making judgments about matters that are not readily apparent from other sources. Since the use of estimates is an integral component of the financial reporting process, Kaixin's actual results could differ from those estimates. Some of Kaixin's accounting policies require a higher degree of judgment than others in their application.

The selection of critical accounting policies, the judgments and other uncertainties affecting application of those policies and the sensitivity of reported results to changes in conditions and assumptions are factors that should be considered when reviewing Kaixin's financial statements. Kaixin believes the following accounting policies involve the most significant judgments and estimates used in the preparation of its financial statements. You should read the following description of critical accounting policies, judgments and estimates in conjunction with Kaixin's consolidated financial statements and other disclosures included in this Current Report on Form 8-K.

Revenue recognition

Kaixin's revenue mostly includes revenue from its automobile sales and financing income generated from its used car dealership finance services. Under FASB Revenue Recognition (Topic 605), Kaixin recognized revenues when a persuasive evidence of an arrangement exists, delivery has occurred, the sales price is fixed or determinable, and collectability is reasonably assured.

Kaixin adopted the Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers ("ASC 606") on January 1, 2018, using the modified retrospective method. ASC 606 prescribes a five-step model that includes: (1) identify the contract; (2) identify the performance obligations; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations; and (5) recognize revenue when (or as) performance obligations are satisfied. Based on the manner in which Kaixin historically recognized revenue, the adoption of ASC 606 did not have a material impact on the amount or timing of its revenue recognition and Kaixin recorded no cumulative effect adjustment upon adoption. Additionally, Kaixin concluded that revenue generated from used car financing services is excluded from the scope of the new revenue standard as it represents revenue within the scope of ASC 310, Receivables, which is explicitly excluded from the scope of ASC 606.

Automobile sales

Kaixin purchases automobiles from unrelated individuals, third party dealerships or manufacturers and suppliers and sells them directly to its customers through its local dealer shops. The prices of used vehicles are set forth in the customer contracts at stand-alone selling prices to which are agreed prior to delivery. Kaixin satisfies its performance obligation for used vehicle sales upon delivery when the transfer of title, risks and awards of ownership and control pass to the owner. Kaixin recognizes revenue at the agreed upon purchase price stated in the contract, including any delivery charges. When cash is received from customers prior to delivery of the vehicle, Kaixin records such cash as advance from customers in its consolidated balance sheet, which is immaterial as of December 31, 2018.

Financing

Kaixin generates revenue from its financing services business primarily through financing provided to used automobile dealers. Specifically, Kaixin provides short-term financing services to used car dealers to fund the car dealers' cash needs for used car purchasing. The financing period is no more than six months and is secured by a pledge of the dealers' used car with total value exceeding the principal of the financing. Kaixin charges an upfront service fee as well as financing income on a monthly basis. Kaixin records financing income and service fees related to those services over the life of the underlying financing using the effective interest method on the unpaid principal amounts. The service fees collected upfront, as well as the direct origination costs of the financing, are deferred and recognized as financing income as an adjustment to the yield on a straight line basis over the life of the used car financing.

Other revenues

Kaixin's other revenues mainly include revenue generated from agency fees in connection with arrangement with third party dealers whereas Kaixin facilitates sales of their cars. Kaixin does not control the ownership of the automobiles, but rather is acting as an agent for the third party dealers. Revenue is recognized for the net amount of commission Kaixin entitles to retain in exchange for the agency service. The revenue recognized in the year 2018 is immaterial. Other revenues also includes commissions received by Kaixin from insurance companies and banks for its facilitation services provided to assist customers obtaining related insurance and financing for their automobile purchases. Revenue recognized related to those services are immaterial to the periods presented.

Inventory

Inventory consists of the purchased used and new automobiles. Inventory is stated at the lower of cost or net realizable value. Inventory cost is determined by specific identification. Net realizable value is the estimated selling price less costs to complete, dispose and transport the vehicles. Selling prices are derived from historical data and trends, such as sales price and inventory turn times of similar vehicles, as well as independent, market resources. Each reporting period, Kaixin recognizes any necessary adjustments to reflectvehicle inventory at the lower of cost or net realizable value through cost of sales in the accompanying consolidated statements of operations.

Inventory write-downs are established based on management's review on a vehicle-by-vehicle basis for slow moving and obsolete items. On a quarterly basis, the management examines an inventory report. The vehicle is considered slow moving if it has not been sold within a 90 days period since procurement, in light of Kaixin's average inventory turnover days during the years ended December 31, 2017 and 2018, were 80 days and 63 days, respectively. In estimating the level of inventory write-downs for slow moving vehicles, Kaixin considers historical data and forecasted customer demand, such as sales price and inventory turn times of similar vehicles with similar mileage and condition, as well as independent, market information. This valuation process requires management to make judgements, based on currently available information, and assumptions about future demand and market conditions, which are inherently uncertain. To the extent that there are significant changes to estimated vehicle selling prices or decreases in demand for used vehicles, there could be significant adjustment to reflect inventory at net realizable value.

Consolidation of variable interest entity

PRC laws and regulations currently prohibit direct foreign ownership of business entities in certain industries in the PRC where certain licenses are required for the provision of such services. To comply with the PRC laws and regulations, Kaixin conducts substantially all of its business through its variable interest entities and their subsidiaries. Kaixin has, through one of its wholly owned subsidiaries in the PRC, entered into contractual arrangements with Qianxiang Changda and Shanghai Jieying such that Qianxiang Changda and Shanghai Jieying and their subsidiaries are considered as Kaixin's variable interest entities for which Kaixin is considered their primary beneficiary. Kaixin believes it has substantive kick-out rights per the terms of the equity option agreements, which gives it the power to control the shareholder of these entities. More specifically, Kaixin believes that the terms of the exclusive equity option agreements are currently exercisable and legally enforceable under PRC laws and regulations.

Therefore, Kaixin believes this gives it the power to direct the activities that most significantly impact the economic performance of these entities and their subsidiaries. Kaixin believes that its ability to exercise effective control, together with the service agreements and the equity interest pledge agreements, give Kaixin the rights to receive substantially all of the economic benefits from these entities and their subsidiaries in consideration for the services provided by Kaixin's wholly owned subsidiaries in China. Accordingly, as the primary beneficiary of these entities and in accordance with U.S. GAAP, Kaixin consolidates their financial results and assets and liabilities in its consolidated financial statements.

According to TransAsia Lawyers, Kaixin's PRC legal counsel, based on its understanding of the relevant laws and regulations Kaixin's corporate structure in China complies with all existing PRC laws and regulations. However, Kaixin's PRC legal counsel has also advised Kaixin that as there are substantial uncertainties regarding the interpretation and application of PRC laws and regulations, it cannot assure you that the PRC government would agree that Kaixin's corporate structure or any of the above contractual arrangements comply with current or future PRC laws or regulations. PRC laws and regulations governing the validity of these contractual arrangements are uncertain and the relevant government authorities have broad discretion in interpreting these laws and regulations.

In January 2016 and September 2016, Kaixin also originated the issuance of two Shanghai Renren Finance Leasing Asset-Backed Special Plans, approximating RMB 299.8 million (US$46.1 million) and RMB 510.6 million (US$78.5 million), respectively. The plans are collateralized by certain financing receivables arising from Kaixin's used automobile financing business.

The plans consist of three tranches: AAA-rated senior securities (covering 68.0% and 70.5% of the total securities issued, respectively) and AA-rated senior securities (covering 10.5% and 11.0% of the total securities issued, respectively) which were purchased by external investors, and subordinate securities (covering 21.5% and 18.5% of the total securities issued, respectively) held by Kaixin. Kaixin also provided a guarantee to secure the full repayment of the principal and interest of the external investors in the plans.

Kaixin holds significant variable interests in the plans through holding the subordinate securities and the guarantee provided, from which it has the right to receive benefits from the plans that could potentially be significant to the plans. Kaixin also has power to direct the activities of the plans that most significantly impact the economic performance of the plans by making revolving purchases of underlying financing receivables and providing payment collection services from the underlying financing receivables.

Accordingly, Kaixin is considered the primary beneficiary of the plans and have consolidated the plans' assets, liabilities, results of operations and cash flows in the accompanying consolidated financial statements.

The assets of the plans are not available to Kaixin's creditors. In addition, the investors of the plans have no recourse against Kaixin's assets.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of identifiable net assets acquired in business combinations.

Goodwill is not amortized, but tested for impairment upon first adoption and annually, or more frequently if event and circumstances indicate that they might be impaired. Kaixin has an option to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. In the qualitative assessment, Kaixin considers primary factors such as industry and market considerations, overall financial performance of the reporting unit, and other specific information related to the operations. Based on the qualitative assessment, if it is more likely than not that the fair value of each reporting unit is less than the carrying amount, the quantitative impairment test is performed.

Application of the goodwill impairment test requires judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, assignment of goodwill to reporting units, and determination of the fair value of each reporting unit. The fair value of each reporting unit is estimated using a discounted cash flow methodology. This analysis requires significant judgments, including estimation of future cash flows, which is dependent on internal forecasts, and assumptions that are consistent with the plans and estimates being used to manage Kaixin's business, estimation of the long-term rate of growth for its business, estimation of the useful life over which cash flows will occur, and determination of its weighted average cost of capital. The estimates used to calculate the fair value of a reporting unit change from year to year based on operating results and market conditions. Changes in these estimates and assumptions could materially affect the determination of fair value and goodwill impairment for the reporting unit.

In performing the two-step quantitative impairment test, the first step is to compare the fair values of each reporting unit to its carrying amount, including goodwill. If the fair value of a reporting unit exceeds its carrying amount, goodwill is not considered impaired and the second step will not be required. If the carrying amount of a reporting unit exceeds its fair value, the second step compares the implied fair value of the affected reporting unit's goodwill to the carrying value of that goodwill. The implied fair value of goodwill is determined in a manner similar to accounting for a business combination with the allocation of the assessed fair value determined in the first step to the assets and liabilities of the reporting unit. The fair value of the reporting units is estimated using discounted cash flow methodologies, as well as considering third party market value indicators. The Company's use of a discounted cash flow methodology includes estimates of future revenue based upon budget projections and growth rates. The Company also develops estimates for future levels of gross and operating profits and projected capital expenditures. The Company's methodology also includes the use of estimated discount rates based upon industry and competitor analysis as well as other factors. The estimates that the Company uses in its discounted cash flow methodology involves many assumptions by management that are based upon future growth projections. Calculating the fair value of the reporting units requires significant estimates and assumptions by management. Should the estimates and assumptions regarding the fair value of the reporting units prove to be incorrect, the Company may be required to record impairments to its goodwill in future periods and such impairments could be material. The excess of the fair value of the reporting unit over the amounts assigned to the assets and liabilities is the implied fair value of goodwill. This allocation process is only performed for purposes of evaluating goodwill impairment and does not result in an entry to adjust the value of any assets or liabilities. An impairment loss is recognized for any excess in the carrying value of goodwill over the implied fair value of goodwill. In estimating the fair value of each reporting unit Kaixin estimates the future cash flows of each reporting unit, it has taken into consideration the overall and industry economic conditions and trends, market risk and historical information. Based on Kaixin's annual tests of goodwill, the fair values of each reporting unit substantially exceeded its carrying values, as such, Kaixin did not record impairment charges of goodwill for the years ended December 31, 2017 and 2018.

Income Taxes

Please refer to Note 2 of Kaixin's consolidated financial statements for discussion of the accounting polices related to income taxes. Also, please refer to note 13 for a discussion of the methods, assumptions and estimates related to Kaixin's recognition of income taxes.

Value added taxes

Value-added tax ("VAT") is reported as a deduction to revenue when incurred and amounted to $1,845, $7,831 and $10,757 for the years ended December 31, 2016, 2017 and 2018, respectively. Entities that are VAT general taxpayers are allowed to offset qualified input VAT paid to suppliers against their output VAT liabilities. Net VAT balance between input VAT and output VAT is recorded in accrued expense and other current liabilities on the consolidated balance sheet.

In 2018, Kaixin entered into a series of ancillary agreements to facilitate its sale of used cars for value-added tax optimization purposes. Under these ancillary agreements, when Kaixin sources a used car, the legal title of the car is transferred to a Jieying Executive, and the registration is transferred to the name of one of the Dealership's employees. Kaixin viewed itself as a service provider in the used car transactions, and therefore is only subject to value-added tax on the difference between the original purchase price and the retail price of the used cars.

Cost Allocation

Kaixin's consolidated statements of operations comprise all the related costs of its operations, which include, its direct expenses as well as an allocation of certain general and administrative expenses, research and development, selling and marketing expenses and cost of revenues paid by Renren and not directly related to Kaixin's used car and used car financing business. These allocated expenses consist primarily of share-based compensation expenses of senior management and shared marketing and management expenses including accounting, administrative, marketing, internal control, legal support services and other expenses to provide operating support to Kaixin's business. These allocations were made using a proportional cost allocation method and were based on revenues, headcount as well as estimates of time spent on the provision of services attributable to Kaixin.

Kaixin believes the basis and amounts of the allocations are reasonable. While the expenses allocated to Kaixin are not necessarily indicative of the expenses that would have been incurred if Kaixin had been a separate, stand-alone entity, Kaixin does not believe that there is any significant difference between the nature and amounts of these allocated expenses and the expenses that would have been incurred if Kaixin had been a separate, stand-alone entity.

Pursuant to an agreement between Kaixin and Renren, share-based compensation expense and the shared marketing and management expenses incurred by Renren have been waived. Accordingly, Kaixin recognizes those as capital contributions from Renren when the expenses were incurred.

Fair Value of Ordinary Shares

Kaixin is a private company with no quoted market prices for its ordinary shares. It therefore needed to make estimates of the fair value of its ordinary shares for the purpose of determining the fair value of its ordinary shares at the date of the grant of share-based compensation awards to its employees to determine the grant date fair value of the award.

The following table sets forth the fair value of Kaixin's ordinary shares estimated at the grant date with the assistance from an independent valuation firm:

Date	Class of Shares	Fair Value per Share	DLOM	Discount Rate	Purpose of Valuation
March 15, 2018 and July 1, 2018	Ordinary Shares	$ 0.75	10%	25.50%	To determine the fair value of share option grant

The valuation of its ordinary shares was performed using methodologies, approaches and assumptions consistent with the American Institute of Certified Public Accountants Audit and Accounting Practice Aid Series: Valuation of Privately-Held-Company Equity Securities Issued as Compensation, or the AICPA Practice Guide. The determination of the fair value of Kaixin's ordinary shares requires complex and subjective judgments to be made regarding Kaixin's projected financial and operating results, its unique business risks, the liquidity of its shares and its operating history and prospects at the time of valuation.

In determining Kaixin's equity value, the Company applied the discounted cash flow analysis based on its projected cash flow using its best estimate of the valuation date. The major assumptions used in calculating the fair value of the equity include:

● *Discount rate.* The discount rate listed out in the table above was based on the weighted average cost of capital, which was determined based on a number of factors including risk-free rate, comparative industry risk, equity risk premium, company size and non-systemic risk factors.

● *Comparable Companies.* In deriving the weighted average cost of capital used as the discount rate under the income approach, six publicly traded companies were selected for reference as Kaixin's guideline companies. The guideline companies were selected based on the following criteira: (i) Companies operate in the automobile trading industry and (ii) their shares are publicly traded in mainland China, Hong Kong and the United States.

● *Discount for Lack of Marketability, or DLOM.* The Company applied DLOM to reflect the fact that there is no ready market for shares in a closely-held company. When determining the DLOM, the Black-Scholes option pricing model was used. Under this option-pricing method, the cost of the put option, which can hedge the price change before the privately held shares can be sold, was considered as a basis to determine the discount for lack of marketability. This option pricing method was used because it takes into account certain company-specific factors, including the timing of the expected initial offering and the volatility of the share price of the guideline companies engaged in the same industry.

Share-Based Compensation Expense

In 2018 a portion of, and in 2016 and 2017 all of, Kaixin's share-based compensation expense related to Renren's allocation to Kaixin of share-based compensation expenses of their senior management.

On January 31, 2018, Kaixin adopted a stock incentive plan, whereby 40,000,000 ordinary shares of Kaixin are made available for future grant for employees or consultants of Kaixin either in the form of incentive share options or restricted shares. The plan was amended and restated in May 2018 that up to 140,000,000 ordinary shares will be made available for granting as awards. On March 15, 2018 and July 1, 2018, Kaixin issued an aggregate of 36,461,500 options to purchase Kaixin's ordinary shares to certain of its directors, officers and employees to compensate their services. Kaixin measures the cost of the share options based on grant date fair value of the award and recognizes compensation cost over the period during which an employee is required to provide services in exchange for the award, which generally is the vesting period.

Dates	Number of Options Granted Shares	Exercise price per option (USD)	Weighted Average Fair Value per Option at the Grant date price per option	Intrinsic Value per Option at the Grant Date	Type of Valuation
March 15, 2018 and July 1, 2018	36,461,500	$ 0.30	$ 0.52	$ 0.45	Contemporaneous

In determining the value of share options, the Company used the binomial option pricing model, with assistance from an independent third-party valuation firm. Under this option pricing model, certain assumptions, including the risk-free rare, the expected dividends on the underlying ordinary shares, and the expected volatility of the price of the underlying shares for the contractual term of the options are required in order to determine the fair value of the options.

The fair value of the option award is estimated based on the date of grant using the binomial option pricing model that uses the following assumptions:

	For the year ended December 31, 2018
	Using binomial model
Risk-free interest rate [1]	2.82%
Volatility[2]	28%-55%
Expected term (in years) [3]	10
Exercise price[4]	$ 0.3
Dividend yield[5]	—
Fair value of underlying ordinary share[6]	$ 0.75

(1) *Risk-free interest rate*
Risk-free interest rate was estimated based on the yield to maturity of treasury bonds of the United States with a maturity period close to the expected life of the options.

(2) *Volatility*
The volatility of the underlying ordinary shares during the life of the options was estimated based on the historical stock price volatility of listed comparable companies over a period comparable to the expected term of the options.

(3) *Expected term*
For the options granted to employees, Kaixin estimated the expected term based on the vesting and contractual terms and employee demographics. For the options granted to non-employees, Kaixin estimated the expected term as the original contractual term.

(4) *Exercise price*
The exercise price of the options was determined by Kaixin.'s board of directors.

(5) *Dividend yield*
The dividend yield was estimated by Kaixin based on its expected dividend policy over the expected term of the options.

(6) *Fair value of underlying ordinary shares*
The estimated fair value of the ordinary shares underlying the options as of the valuation date was determined based on a contemporaneous valuation. When estimating the fair value of the ordinary shares on the valuation dates, management has considered a number of factors, including the result of a third party appraisal of Kaixin, while taking into account standard valuation methods and the achievement of certain events. The fair value of the ordinary shares in connection with the option grants on the valuation date was determined with the assistance of an independent third party appraiser.

Financing receivable

Financing receivable mainly represents receivables derived from Kaixin's used car financing business. Financing receivable is recorded at amortized cost, reduced by a valuation allowance estimated as of the balance sheet dates. The amortized cost of a financing receivable is equal to the unpaid principal balance, plus net deferred origination costs. Net deferred origination costs are comprised of certain direct origination costs, net of origination fees received. Origination fees include fees charged to the individuals or companies that increase the financing's effective yield. Direct origination costs in excess of origination fees received are included in the financing receivable and amortized over the financing term using the effective interest method. Financing origination costs are limited to direct costs attributable to originating the financing, including commissions and personnel costs directly related to the time spent by those individuals performing activities related to the origination.

Allowance for financing receivable

An allowance for financing receivable is established through periodic charges to the provision for financing receivable losses when Kaixin believes that the future collection of principal is unlikely.

Subsequent recoveries, if any, are recorded as credits against the allowance. Kaixin evaluates the creditworthiness of its portfolio based on a pooled basis due to the composition of homogeneous financing with similar size and general credit risk characteristics for similar financing businesses. Kaixin considers the creditworthiness of the companies receiving financing, aging of the outstanding financing receivable and other specific circumstances related to the financing when determining the allowance for financing receivable. The allowance is subjective as it requires material estimates including such factors as known and inherent risks in the financing portfolio, adverse situation that may affect the ability of the individuals and the companies receiving financing to repay and current economic conditions. Recovery of the carrying value of financing receivable is dependent to a great extent on conditions that are beyond Kaixin's control.

Nonaccrual financing receivable

Financing income is calculated based on the contractual rate of the financing and recorded as financing income over the life of the financing using the effective interest method. Financing receivables are placed on non-accrual status upon reaching 90 days past due, or when reasonable doubt exists as to the full, timely collection of the financing receivable. When a financing receivable is placed on non-accrual status, Kaixin stops accruing financing income. The financing receivable is returned to accrual status if the related individual or company has performed in accordance with the contractual terms for a reasonable period of time and, in Kaixin's judgment, will continue to make period principal and financing income payments as scheduled. Kaixin writes off its nonaccrual financing receivable by considering factors including, but not limited to the overdue days, the collection condition replied by third party collectors and the repayment willingness of the debtor.

Transfer of financial instruments

Sales and transfers of financial instruments are accounted under authoritative guidance for the transfers and servicing of financial assets and extinguishment of liabilities.

Through Kaixin's peer-to-peer platforms and its plans, Kaixin identified individual investors and transfers creditors' rights originated from the aforementioned financing services to the individual investors. Kaixin further offered different investment periods to investors with various annual interest rates while those credit rights are held by the investors. The terms of the sales require Kaixin to repurchase those creditors' rights from investors prior to or upon the maturity of the investment period. As a result, the sales of those creditors' rights are not accounted for as a sale and remain on Kaixin's consolidated balance sheet and are recorded as payable to investors in Kaixin's consolidated balance sheet.

Business combinations

Business combinations are recorded using the acquisition method of accounting. Kaixin elected to early adopt ASU 2017-01 *"Business Combination (Topic 805): Clarifying the Definition of a Business"* on January 1, 2017 and applied the new definition of a business prospectively for acquisitions made during the year ended December 31, 2017. The purchase price of the acquisition is allocated to the tangible assets, liabilities, identifiable intangible assets acquired and non-controlling interest, if any, based on their estimated fair values as of the acquisition date. The excess of the purchase price over those fair values is recorded as goodwill. Acquisition-related expenses and restructuring costs are expensed as incurred.

Where the consideration in an acquisition includes contingent consideration and the payment of which depends on the achievement of certain specified conditions post-acquisition, the contingent consideration is recognized and measured at its fair value at the acquisition date and if recorded as a liability, it is subsequently carried at fair value with changes in fair value reflected in earnings. As of December 31, 2017 and 2018, contingent consideration liability related to the used car dealers acquired during 2017 and 2018 amounted to US$46.5 million and US$105.7 million, respectively, and have been recorded as contingent consideration liability and long-term contingent consideration liability on Kaixin's consolidated balance sheet. Kaixin estimated the fair value of its contingent consideration by using a discounted cash flow method which incorporates significant unobservable inputs, including the projected future operating results, planned initial public offering date, discount rates, and probability of completion of an initial public offering as of December 31, 2018.

Accounting Pronouncements Newly Adopted

Newly adopted accounting pronouncements that are relevant to Kaixin are included in note 2 to Kaixin's audited consolidated financial statements, which are included in this Current Report on Form 8-K.

Recent Accounting Pronouncements Not Yet Adopted

Not yet adopted accounting pronouncements that are relevant to Kaixin are included in note 2 to Kaixin's audited consolidated financial statements, which are included in this Current Report on Form 8-K.

Item 3.02. Unregistered Sales of Equity Securities.

Upon the closing of Transactions, KAH acquired 100% of the issued and outstanding securities of Kaixin in exchange for approximately 28.3 million ordinary shares of KAH. An additional 4.7 million shares of KAH were reserved for issuance under an equity incentive plan in exchange for outstanding options in Kaixin, as described in Item 2.01, above. or The securities were issued pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, as the transactions did not involve a public offering.

On January 28, 2019, Kaixin, KAH and an investor entered into a convertible loan agreement pursuant to which the investor has agreed to invest US$23 million into Kaixin with interest payable at the loan interest rate as stipulated by the People's Bank of China. An additional penalty interest rate will apply for unremitted amounts in the event of a default. US$20 million of the loan was advanced to Kaixin on January 28, 2019, and the remaining US$3 million is to be advanced to Kaixin on January 31, 2020. Upon completion of the Transactions, the loan was converted into 2,000,000 units, each unit consisting of one and one tenths ordinary shares and one half of a redeemable warrant. The securities were issued pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, as the transactions did not involve a public offering.

On January 29, 2019, KAH entered into a subscription agreement with one accredited investor to sell 750,000 of its units (each unit having the same underlying securities as were issued in KAH's initial public offering) at a price of $10.00 per unit. The closing took place at the closing of the Transactions. The investor received certain demand and piggyback registration rights pursuant to the terms of the subscription agreement. The securities were issued pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, as the transactions did not involve a public offering.

On April 25, 2019, Kaixin, KAH and an investor entered into a convertible loan agreement pursuant to which the investor has agreed to invest US$1 million into Kaixin with interest payable at the loan interest rate as stipulated by the People's Bank of China. Upon completion of the Transactions, the loan was converted into 100,000 ordinary shares. The securities were issued pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, as the transactions did not involve a public offering.

Item 5.01. Changes in Control of Registrant.

Reference is made to the sections entitled "*The Business Combination Proposal*" and "*The Share Exchange Agreement*" beginning on pages 75 and 84, respectively, of the definitive proxy statement (the "Proxy Statement") filed with the Securities and Exchange Commission (the "Commission") on March 29, 2019 by KAH. The disclosure contained in Item 2.01 of this Current Report on Form 8-K is incorporated by Reference herein.

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

Reference is made to the sections entitled "*Directors, Executive Officers, Executive Compensation And Corporate Governance – Current Directors and Executive Officers*" and "*Directors, Executive Officers, Executive Compensation And Corporate Governance - Directors and Executive Officers after the Business Combination*" beginning on pages 228 and 231, respectively, of the Proxy Statement, and that information is incorporated herein by reference.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

In connection with the Transactions and to better reflect KAH's ongoing operations subsequent to the Transactions, KAH adopted a Second Amended and Restated Memorandum and Articles on April 24, 2019. See the sections of the Proxy Statement entitled "*The Amendment Proposal"* on page 89.

Item 5.06. Change in Shell Company Status.

As a result of the Transactions, KAH ceased being a shell company. Reference is made to the sections entitled "*The Business Combination Proposal*" and "*The Share Exchange Agreement*" beginning on pages 75 and 84, respectively, of the definitive proxy statement (the "Proxy Statement") filed with the Securities and Exchange Commission (the "Commission") on March 29, 2019 by KAH. Further reference is made to the information contained in Item 2.01 of this Form 8-K.

Item 8.01. Other Events.

On May 1, 2019, KAH issued a press release announcing the completion of the Transactions, a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01. Financial Statement and Exhibits.

(a)-(b) Financial Statements.

Information responsive to Item 9.01(a) and (b) of Form 8-K is set forth in the financial statements included in the Proxy Statement beginning on page F-1, which information is incorporated herein by reference. In addition, KAH is filing herewith the audited financial statements of Kaixin as of December 31, 2018 as Exhibit 99.2 and updated unaudited pro forma condensed combined financial information as of December 31, 2018 as Exhibits 99.3. The updated unaudited pro forma condensed combined financial information as of December 31, 2018 used historical financial information of CM Seven Star derived from the audited financial statements of CM Seven Star for the year ended December 31, 2018, which is included on Form 10-K for the year ended December 31, 2018, filed with the Commission, as amended, on April 15, 2019.

Exhibits. The following exhibits have been filed as part of this Current Report on Form 8-K:

Exhibit No.	Description
3.1	Second Amended and Restated Memorandum and Articles of Association of Kaixin Auto Holdings, as adopted by a special resolution on April 24, 2019
10.1	Form of Indemnification Agreement between Kaixin Auto Holdings and its directors and executive officers
10.2	Loan Agreement between Shanghai Renren Automobile Technology Company Limited, James Jian Liu and Yang Jing (English Translation)
10.3	Loan Agreement between Shanghai Renren Automobile Technology Company Limited, Yi Rui and Thomas Jintao Ren, dated August 18, 2017 (English Translation)
10.4	Exclusive Technology Support and Technology Services Agreement between Shanghai Renren Automobile Technology Company Limited and Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd., dated August 18, 2017 (English Translation)
10.5	Exclusive Technology Support and Technology Services Agreement between Shanghai Renren Automobile Technology Company Limited and Shanghai Jieying Automobile Sales Co., Ltd., dated August 18, 2017 (English Translation)
10.6	Equity Pledge Agreement concerning Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd among Shanghai Renren Automobile Technology Company Limited, James Jian Liu and Yang Jing, dated August 18, 2017 (English Translation)
10.7	Equity Pledge Agreement concerning Shanghai Jieying Automobile Sales Co., Ltd. among Shanghai Renren Automobile Technology Company Limited, Yi Rui and Thomas Jintao Ren, dated August 18, 2017 (English Translation)
10.8	Intellectual Property Right License Agreement between Shanghai Renren Automobile Technology Company Limited and Shanghai Qianxiang Changda Internet Information (English Translation) Technology Development Co., Ltd., dated August 18, 2017 (English Translation)
10.9	Intellectual Property Right License Agreement between Shanghai Renren Automobile Technology Company Limited and Shanghai Jieying Automobile Sales Co., Ltd., dated August 18, 2017 (English Translation)
10.10	Business Operations Agreement among Shanghai Renren Automobile Technology Company Limited, Yi Rui, Thomas Jintao Ren and Shanghai Jieying Automobile Sales Co., Ltd., dated August 18, 2017 (English Translation)

10.11	Business Operations Agreement among Shanghai Renren Automobile Technology Company Limited, James Jian Liu, Yang Jing and Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd., dated August 18, 2017 (English Translation)
10.12	Equity Option Agreement concerning Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd among Shanghai Renren Automobile Technology Company Limited, James Jian Liu and Yang Jing, dated August 18, 2017 (English Translation)
10.13	Equity Option Agreement concerning Shanghai Jieying Automobile Sales Co., Ltd. among Shanghai Renren Automobile Technology Company Limited, Yi Rui and Thomas Jintao Ren, dated August 18, 2017 (English Translation)
10.14	Automobile Consumer Loan Cooperation (Framework) Agreement between Ping An Bank Co., Ltd. Shanghai Branch and Shanghai Jieying Automobile Sales Co., Ltd., dated April 17, 2017 (English Translation)
10.15	Supplementary Agreement of Auto Consumer Loan Cooperation (Framework) Agreement between Ping An Bank Co., Ltd. Shanghai Branch and Shanghai Jieying Automobile Sales Co., Ltd., dated June 1, 2017 (English Translation)
10.16	Form of Equity Purchase Agreement (English Translation)
10.17	Form of Supplement to Equity Purchase Agreement (English Translation)
10.18	Form of Used Vehicle Purchase Agreement (English Translation)
10.19	Form of Used Vehicle Agency Services Agreement (English Translation)
10.20	Form of Vehicle Consignment Agreement (English Translation)
10.21	Form of Loan and Service Agreement (English Translation)
10.22	Form of Used Vehicle Sales Agreement (English Translation)
10.23	Share Exchange Agreement among CM Seven Star Acquisition Corporation , Kaixin Auto Group and Renren Inc., dated November 2, 2018
10.24	Master Transaction Agreement among Renren Inc. CM Seven Star Acquisition Corporation and Kaixin Auto Group, dated April 30, 2018
10.25	Non-Competition Agreement between Renren Inc. and Kaixin Auto Group, dated April 30, 2018
10.26	Transitional Services Agreement between Renren Inc. and Kaixin Auto Group, dated April 30, 2018
10.27	Investor Rights Agreement among CM Seven Star Acquisition Corporation, Shareholder Value Fund and Renren Inc., dated April 30, 2018
10.28	Escrow Agreement concerning earnout shares among Renren Inc., CM Seven Star Acquisition Corporation and Vistra Corporate Services (HK) Limited, an escrow agent, dated April 30, 2018
10.29	2018 Kaixin Auto Group Equity Incentive Plan
10.30	2019 Kaixin Auto Holdings Equity Incentive Plan
99.1	Press Release dated May 1, 2019
99.2	Audited Financial Statements of Kaixin Auto Group for the year ended December 31, 2018
99.3	Pro-Forma Financial Information for the year ended December 31, 2018

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: May 6, 2019

KAIXIN AUTO HOLDINGS

By: /s/ Thomas Jintao Ren
Name: Thomas Jintao Ren
Title: Chief Financial Officer

Exhibit 3.1

THE COMPANIES LAW (2018 REVISION)

OF THE CAYMAN ISLANDS

COMPANY LIMITED BY SHARES

SECOND AMENDED AND RESTATED ARTICLES OF ASSOCIATION

OF

CM SEVEN STAR ACQUISITION CORPORATION

(Adopted by a Special Resolution passed on 24 April 2019 and effective immediately prior to the completion of the Company's acquisition of Kaixin Auto Group)

TABLE A

The regulations contained or incorporated in Table 'A' in the First Schedule of the Companies Law shall not apply to the Company and the following Articles shall comprise the Articles of Association of the Company.

INTERPRETATION

1. In these Articles the following defined terms will have the meanings ascribed to them, if not inconsistent with the subject or context:

"ADS"	an American Depositary Share representing Ordinary Shares;
"Affiliate"	with respect to any specified Person, any other Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control, with such specified Person; For purposes of these Articles, except as otherwise expressly provided herein, when used with respect to any Person, "control" means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "affiliated", "controlling" and "controlled" have meanings correlative to the foregoing;
"applicable law"	includes the Law and Statutes, the rules and regulations of the Designated Stock Exchange, and any rules and regulations of the United States Securities and Exchange Commission that may apply to the Company by virtue of its trading on the Designated Stock Exchange, or of any other jurisdiction in which the Company is offering securities;
"Articles"	these Amended and Restated Articles of Association of the Company as amended from time to time;
"Business Day"	a day (excluding Saturdays or Sundays), on which banks in Hong Kong, Beijing, Shanghai and New York are open for general banking business throughout their normal business hours;

"capital"	the share capital from time to time of the Company;
"Chairman"	the chairman of the Board of Directors;
"Change of Control Event"	with respect to a Person, the occurrence of any of the following, whether in a single transaction or in a series of related transactions: (A) an amalgamation, arrangement, merger, consolidation, scheme of arrangement or similar transaction (i) in which such Person is not the surviving entity, except for a transaction the principal purpose of which is to change the jurisdiction in which such Person is incorporated or (ii) as result of which the holders of the voting securities of such Person do not hold more than 50% of the combined voting power of the voting securities of the surviving entity, or (B) sale, transfer or other disposition of all or substantially all of the assets of such Person (including without limitation in a liquidation, dissolution or similar proceeding);
"clearing house"	a clearing house recognised by the laws of the jurisdiction in which the shares of the Company (or depositary receipts therefor) are listed or quoted on a stock exchange or interdealer quotation system in such jurisdiction;
"Commission"	Securities and Exchange Commission of the United States of America or any other federal agency for the time being administering the Securities Act;
"Companies Law" and **"Law"**	the Companies Law (2018 Revision) of the Cayman Islands and any statutory amendment or re-enactment thereof. Where any provision of the Companies Law is referred to, the reference is to that provision as amended by any law for the time being in force;
"Company"	CM Seven Star Acquisition Corporation, a Cayman Islands exempted company limited by shares;
"Company's website"	the website of the Company, the address or domain name of which has been notified to Members;
"debenture" and **"debenture holder"**	a debenture and debenture holder(s) respectively, as those terms are defined in the rules of the Designated Stock Exchange;
"Designated Stock Exchange"	the Nasdaq Stock Market or any other stock exchange on which the Company's Ordinary Shares are listed for trading;
"Directors", "Board of Directors" and **"Board"**	the directors of the Company for the time being, or as the case may be, the Directors assembled as a Board or as a committee thereof;
"Dividend"	shall include bonus issues of shares or other securities of the Company and distributions permitted by the Law to be categorised as dividends;

"Effective Date"	the date of the closing of the Company's acquisition of Kaixin Auto Group, pursuant to the Exchange Agreement
"electronic"	the meaning given to it in the Electronic Transactions Law (2003 Revision) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force;
"electronic communication"	electronic posting to the Company's Website, transmission to any number, address or internet website or other electronic delivery methods as otherwise decided and approved by not less than two-thirds of the vote of the Board;
"Exchange Agreement"	that certain share exchange agreement dated November 2, 2018; among the Company, Renren and Kaixin Auto Group
"Foreign Private Issuer"	a "foreign private issuer" as defined in Rule 3b-4 under the Securities Exchange Act;
"in writing"	includes writing, printing, lithograph, photograph, type-writing and every other mode of representing words or figures in a legible and non-transitory form and, only where used in connection with a notice served by the Company on Members or other persons entitled to receive notices hereunder, shall also include a record maintained in an electronic medium which is accessible in visible form so as to be useable for subsequent reference;
"Member"	has the meaning given to it in the Companies Law;
"Memorandum of Association"	the Memorandum of Association of the Company, as amended from time to time;
"month"	a calendar month;
"Ordinary Resolution"	a resolution: (a) passed by a simple majority of votes cast by such Members as, being entitled to do so, vote in person or, in the case of any Member being an organization, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of the Company; or (b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments if more than one, is executed;
"Ordinary Share"	an Ordinary Share of a par value of US$0.0001 in the share capital of the Company;
"ordinary shares"	the Ordinary Shares, collectively or any of them;

"paid up"	paid up as to the par value and any premium payable in respect of the issue of any shares and includes credited as paid up;
"Percentage Ownership"	with respect to a Person's ownership in another Person, the lesser of (a) the voting rights that such Person directly or indirectly holds in such other Person as a percentage of all of the outstanding voting rights in such other Person and (b) the equity interests that such Person directly or indirectly (through wholly-owned subsidiaries) holds in such other Person as a percentage of all of the outstanding equity interests in such other Person;
"Person"	any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires;
"Register of Members"	the register kept by the Company in accordance with the Companies Law;
"Renren"	Renren Inc., a company incorporated under the laws of the Cayman Islands;
"Renren Base Holding"	[●] Ordinary Share
"Renren Parties"	as of the time specified or, if no time is specified, from time to time, collectively (i) Renren and (ii) each Affiliate of Renren whose financial statements are required under generally accepted accounting principles to be reported by Renren on a consolidated basis;
"Seal"	the Common Seal of the Company (if adopted) including any facsimile thereof;
"secretary"	the person appointed as company secretary by the Board from time to time;
"Securities Act"	the Securities Act of 1933 of the United States of America, as amended, or any similar federal statute and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time;
"Securities Exchange Act"	the Securities Exchange Act of 1934 of the United States of America, as amended, or any similar federal statute and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time;
"share"	any share in the capital of the Company, without regard to class and includes a fraction of a share;
"signed"	includes a signature or representation of a signature affixed by mechanical means or an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication;

"Special Resolution"	a resolution passed at a general meeting (or, if so specified, a meeting of Members holding a class of shares) of the Company by a majority of not less than two-thirds (2/3) of the votes cast (save that with respect to the matters referred to in Article 9(d)(ii)(b) and (g) in respect of the Company, the resolution shall be passed by a majority of not less than two-thirds (2/3) of the votes cast which must include the affirmative vote of Renren), or a written resolution passed by unanimous consent of all Members entitled to vote.
"Statutes"	the Companies Law and every other law and regulation of the legislature of the Cayman Islands for the time being in force concerning companies and affecting the Company, its Memorandum of Association and/or these Articles;
"Subsidiaries"	with respect to any Person, any or all corporations, partnerships, limited liability companies, joint ventures, associations and other entities controlled by such person directly or indirectly through one or more intermediaries;
"SVF"	Shareholder Value Fund, a company incorporated under the laws of the Cayman Islands;
"Transfer"	any sale, transfer or other disposition, whether or not for value;
"United States Dollars," or **"US$"**	dollars, the legal currency of the United States of America; and
"year"	a calendar year.

2. In these Articles, save where the context requires otherwise:

(a) words importing the singular number shall include the plural number and vice versa;

(b) words importing the masculine gender only shall include the feminine gender;

(c) words importing persons only shall include companies or associations or bodies of persons, whether corporate or not;

(d) "may" shall be construed as permissive and "shall" shall be construed as imperative;

(e) references to a statutory enactment shall include reference to any amendment or re-enactment thereof for the time being in force;

(f) any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and

(g) Section 8 and 19(3) of the Electronic Transactions Law (2003 Revision) shall not apply.

3. Subject to the last two preceding Articles, any words defined in the Companies Law shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

PRELIMINARY

4. Subject to the Statutes, the business of the Company may be conducted as the Directors see fit.

5. The registered office of the Company shall be at such address in the Cayman Islands as the Directors shall from time to time determine. The Company may in addition establish and maintain such other offices and places of business and agencies in such places as the Directors may from time to time determine.

ISSUE OF SHARES

6. Subject to these Articles, all Shares for the time being unissued shall be under the control of the Directors who may, in their absolute discretion and without the approval of the Members, cause the Company to:

   (a) issue, allot and dispose of Shares (including, without limitation, preferred shares) (whether in certificated form or non-certificated form) to such Persons, in such manner, on such terms and having such rights and being subject to such restrictions as they may from time to time determine;

   (b) grant rights over Shares or other securities to be issued in one or more classes or series as they deem necessary or appropriate and determine the designations, powers, preferences, privileges and other rights attaching to such Shares or securities, including dividend rights, voting rights, conversion rights, terms of redemption and liquidation preferences, any or all of which may be greater than the powers, preferences, privileges and rights associated with the then issued and outstanding Shares, at such times and on such other terms as they think proper; and

   (c) grant options with respect to Shares and issue warrants or similar instruments with respect thereto.

7. The Directors may provide, out of the unissued shares, for series of preferred shares. Before any preferred shares of any such series are issued, the Directors shall fix, by resolution or resolutions, the following provisions of the preferred shares thereof:

   (a) the designation of such series, the number of preferred shares to constitute such series and the subscription price thereof if different from the par value thereof;

   (b) whether the preferred shares of such series shall have voting rights, in addition to any voting rights provided by law, and, if so, the terms of such voting rights, which may be general or limited;

   (c) the dividends, if any, payable on such series, whether any such dividends shall be cumulative, and, if so, from what dates, the conditions and dates upon which such dividends shall be payable, the preference or relation which such dividends shall bear to the dividends payable on any shares of any other class or any other series of preferred shares;

   (d) whether the preferred shares of such series shall be subject to redemption by the Company, and, if so, the times, prices and other conditions of such redemption;

(e) the amount or amounts payable upon preferred shares of such series upon, and the rights of the holders of such series in, a voluntary or involuntary liquidation, dissolution or winding up, or upon any distribution of the assets, of the Company;

(f) whether the preferred shares of such series shall be subject to the operation of a retirement or sinking fund and, if so, the extent to and manner in which any such retirement or sinking fund shall be applied to the purchase or redemption of the preferred shares of such series for retirement or other corporate purposes and the terms and provisions relative to the operation thereof;

(g) whether the preferred shares of such series shall be convertible into, or exchangeable for, shares of any other class or any other series of preferred shares or any other securities and, if so, the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same, and any other terms and conditions of conversion or exchange;

(h) the limitations and restrictions, if any, to be effective while any preferred shares of such series are outstanding upon the payment of dividends or the making of other distributions on, and upon the purchase, redemption or other acquisition by the Company of, the existing Shares or shares of any other class of shares or any other series of preferred shares;

(i) the conditions or restrictions, if any, upon the creation of indebtedness of the Company or upon the issue of any additional shares, including additional shares of such series or of any other class of shares or any other series of preferred shares; and

(j) any other powers, preferences and relative, participating, optional and other special rights, and any qualifications, limitations and restrictions thereof.

Without limiting the foregoing and subject to the Articles, the voting powers of any series of preferred shares may include the right, in the circumstances specified in the resolution or resolutions providing for the issuance of such preferred shares, to elect one or more Directors who shall serve for such term and have such voting powers as shall be stated in the resolution or resolutions providing for the issuance of such preferred shares.

8. The powers, preferences and relative, participating, optional and other special rights of each series of preferred shares, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding. All shares of any one series of preferred shares shall be identical in all respects with all other shares of such series, except that shares of any one series issued at different times may differ as to the dates from which dividends thereon shall be cumulative.

RIGHTS AND RESTRICTIONS ATTACHING TO ORDINARY SHARES

9. Each Ordinary Share shall have the same rights, including economic and income rights, in all circumstances. The rights and restrictions attaching to the ordinary shares are as follows:

(a) Income

Holders of Ordinary Shares shall be entitled to such dividends as the Directors may in their absolute discretion lawfully declare from time to time.

(b) Capital

Holders of Ordinary Shares shall be entitled to a return of capital on liquidation, dissolution or winding-up of the Company (other than on a conversion, redemption or purchase of shares, or an equity financing or series of financings that do not constitute the sale of all or substantially all of the shares of the Company).

(c) Change of Control Event

Each Ordinary Share shall have the same rights upon a Change of Control Event with respect to their rights and interests in the Company, including without limitation receiving the same consideration on a per share basis.

(d) Attendance at General Meetings and Voting

Holders of ordinary shares have the right to receive notice of, attend, speak and vote at general meetings of the Company. Holders of Ordinary Shares shall at all times vote together as one class on all matters submitted to a vote by Members, and, where a poll is requested, each Ordinary Share shall be entitled to one vote on all matters subject to a vote at general meetings of the Company.

Notwithstanding any provision of these Articles to the contrary:

(i) the following matters are subject to the approval by Renren and, for a period of twenty-four (24) months from the Effective Date, SVF:

a) any action that authorizes, creates or issues any securities or class of securities of the Company and its Subsidiaries other than (i) pursuant to a duly adopted equity-based incentive plan of the Company or a Subsidiary approved by the Board in accordance with this Article (excluding, for the avoidance of doubt, the equity incentive plan adopted on the Effective Date in accordance with the terms of the Exchange Agreement);

b) any establishment of or amendment to any equity-based incentive plan of the Company or any of its Subsidiaries, including any equity appreciation, phantom equity, equity plans or similar rights with respect to the Company or any of its Subsidiaries;

c) the selection of underwriters and the exchange on which any equity interests of the Company (including the Ordinary Shares), or any equity securities of a Subsidiary will be listed,

d) the declaration, set aside, or payment of any scrip dividend on, or other distribution that is deemed to be a dilutive event with respect to, any equity interests of the Company or any of its Subsidiaries;

(ii) the following matters are subject to the approval by Renren for so long as Renren Parties continue to collectively hold at least the Renren Base Holding:

a) election of Director(s) to the Board at an annual general meeting of the Company;

b) any amendment of the Memorandum or the Articles or the constitutional documents of any of the Company's Subsidiaries, including without limitation any amendment or change of the rights, preferences, privileges or powers, or other terms of, or the restrictions provided for the benefit of any securities of the Company and its Subsidiaries;

c) any action to nominate, appoint, suspend or remove any executive officer or other member of management of the Company and its Subsidiaries, or the adoption of any employment or personnel policies of the Company or its Subsidiaries;

d) any related party transaction between a member of the senior management of the Company or its Subsidiaries or any of such management member's respective Affiliates, on the one hand, and any of the Company or its Subsidiaries, on the other hand, including any amendment or termination of such related party transaction other than pursuant to its terms, other than (i) loans to employees of the Company or its Subsidiaries in an aggregate amount outstanding at any given time not exceeding RMB[●], so long as the details of such loans are promptly disclosed in writing to Renren; or (ii) transactions that do not exceed US$[●] in the aggregate in any 12-month period, whether based on payments made or the value of the subject matter of such transactions, so long as such transactions are promptly disclosed in writing to Renren;

e) any Change of Control Event;

f) any acquisition of material assets or any equity interests of any other Person;

g) the liquidation, dissolution or winding-up of the Company or any of its Subsidiaries;

h) the declaration, set aside, or payment of any dividend on, or other distribution with respect to, any equity interests of the Company or its Subsidiaries (save for scrip dividends and similar dilutive events whereby SVF consent and approval is also required pursuant to Article 9(d)(i));

i) the appointment or removal of the auditors of the Company or any change in accounting policies of the Company or its Subsidiaries;

j) the granting of exclusivity to any third party with respect to any rights, assets or opportunities of, or rights or opportunities to do business with, the Company or its Subsidiaries;

k) the incurrence of any material indebtedness or guarantees, or the grant or creation of any material security interest, mortgage, charge, pledge, lien or other encumbrance on any assets of the Company or its Subsidiaries in connection with the incurrence of such material indebtedness or guarantees (other than transactions involving such incurrences or such grants or creations in connection therewith that, in each case, arise in the ordinary course of business consistent with past practice);

l) any sale, transfer, disposition, licensing, assignment or pledge of, or grant or creation of any security interest, mortgage, charge, pledge, lien or other encumbrance on, any material assets of the Company or any of its Subsidiaries, including any technology or intellectual property of the Company or any of its Subsidiaries (other than the non-exclusive licensing of technology or intellectual property in the ordinary course of business consistent with past practice);

m) any purchase or redemption of any equity interests of the Company or its Subsidiaries by the Company or its Subsidiaries other than the repurchases of equity interests of the Company or its Subsidiaries from its employees or consultants pursuant to a duly adopted equity-based incentive plan approved by the Board and approved in accordance with this Article 9(d)(ii) at a price equal to the lower of (i) the fair market value thereof or (ii) the original cost thereof;

n) the formation by Company or its Subsidiaries of any material joint ventures or partnerships (including any material strategic alliances or cooperation arrangements);

o) any material amendments to any contractual arrangements with respect to the ownership, voting rights, economic rights or control of any variable interest entity;

p) any registration by way of continuation as a body corporate under the laws of any jurisdiction outside the Cayman Islands or deregistration in the Cayman Islands;

q) any agreement or commitment to do any of the foregoing; and

r) any delegation of authority in respect of any of the foregoing matters to any committee of the Board or any other person.

REGISTER OF MEMBERS AND SHARE CERTIFICATES

10. The Company shall maintain a Register of Members and a Member shall only be entitled to a share certificate if the Directors resolve that share certificates shall be issued. Share certificates (if any) shall specify the share or shares held by that person and the amount paid up thereon, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all. All certificates for shares shall be delivered personally or sent through the post addressed to the Member entitled thereto at the Member's registered address as appearing in the register.

11. All share certificates shall bear legends required under the applicable laws, including the Securities Act.

12. Any two or more certificates representing shares of any one class held by any Member may at the Member's request be cancelled and a single new certificate for such shares issued in lieu on payment (if the Directors shall so require) of US$1.00 or such smaller sum as the Directors shall determine.

13. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the relevant Member upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.

14. In the event that shares are held jointly by several persons, any request may be made by any one of the joint holders and if so made shall be binding on all of the joint holders.

TRANSFER OF SHARES

15. Shares of the Company are transferable; provided that the Board may, in its sole discretion, decline to register any transfer of any share which is not fully paid up or on which the Company has a lien.

(a) The Directors may also decline to register any transfer of any share unless:

(i) the instrument of transfer is lodged with the Company, accompanied by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;

(ii) the shares to be transferred are free of any lien in favor of the Company;

(iii) the instrument of transfer is in respect of only one Class of Shares;

(iv) the instrument of transfer is properly stamped, if required; and

(v) in the case of a transfer to joint holders, the number of joint holders to whom the Share is to be transferred does not exceed four; a fee of such maximum sum as the Designated Stock Exchange may determine to be payable, or such lesser sum as the Board may from time to time require, is paid to the Company in respect thereof.

(b) If the Directors refuse to register a transfer they shall, within two months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.

16. The registration of transfers may, on 14 days' notice being given by advertisement in one or more newspapers or by electronic means, be suspended and the register closed at such times and for such periods as the Board may from time to time determine.

17. The instrument of transfer of any share shall be in writing and executed by or on behalf of the transferor (and if the Directors so require, signed by the transferee). Without prejudice to the last preceding Article, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members.

18. All instruments of transfer registered shall be retained by the Company.

REDEMPTION AND PURCHASE OF OWN SHARES

19. Subject to the provisions of the Statutes and these Articles, the Company may:

(a) issue shares on terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the Member and the redemption of shares shall be effected on such terms and in such manner as the Board may, before the issue of such shares, determine;

(b) purchase its own shares (including any redeemable shares) on such terms and in such manner as have been approved by the Board or by the Members by Ordinary Resolution (provided that no such purchase may be made contrary to the terms or manner recommended by the Board), or are otherwise authorized by these Articles; and

(c) the Company may make a payment in respect of the redemption or purchase of its own shares in any manner permitted by the Statutes, including out of capital.

20. Purchase of shares listed on the Designated Stock Exchange: the Company is authorised to purchase any share listed on the Designated Stock Exchange in accordance with the following manner of purchase:

(a) the maximum number of shares that may be repurchased shall be equal to the number of issued and outstanding shares less one share; and

(b) the repurchase shall be at such time, at such price and on such other terms as determined and agreed by the Board in their sole discretion; provided, however, that:

(i) such repurchase transactions shall be in accordance with the relevant code, rules and regulations applicable to the listing of the shares on the Designated Stock Exchange; and

(ii) at the time of the repurchase, the Company is able to pay its debts as they fall due in the ordinary course of its business.

20A. Purchase of shares not listed on the Designated Stock Exchange: the Company is authorised to purchase any shares not listed on the Designated Stock Exchange in accordance with the following manner of purchase:

(a) the Company shall serve a repurchase notice in a form approved by the Board on the Member from whom the shares are to be repurchased at least two Business Days prior to the date specified in the notice as being the repurchase date;

(b) the price for the shares being repurchased shall be such price agreed between the Board and the applicable Member;

(c) the date of repurchase shall be the date specified in the repurchase notice; and

(d) the repurchase shall be on such other terms as specified in the repurchase notice as determined and agreed by the Board and the applicable Member in their sole discretion.

21. The redemption or purchase of any share shall not be deemed to give rise to the redemption or purchase of any other share and the Company is not obligated to purchase any other share other than as may be required pursuant to applicable law and any other contractual obligations of the Company.

22. The holder of the shares being purchased shall be bound to deliver up to the Company the certificate(s) (if any) thereof for cancellation and thereupon the Company shall pay to him the purchase or redemption monies or consideration in respect thereof.

VARIATION OF RIGHTS ATTACHING TO SHARES

23. If at any time the share capital is divided into different classes or series of shares, the rights attaching to any class or series (unless otherwise provided by the terms of issue of the shares of that class or series) may, subject to these Articles, be varied or abrogated with the consent in writing of the holders of a majority of the issued shares of that class or series or with the sanction of a Special Resolution passed at a general meeting of the holders of the shares of that class or series.

24. The provisions of these Articles relating to general meetings shall apply to every such general meeting of the holders of one class or series of shares except the following:

(a) separate general meetings of the holders of a class or series of shares may be called only by (i) the Chairman of the Board, or (ii) a majority of the entire Board of Directors (unless otherwise specifically provided by the terms of issue of the shares of such class or series). Nothing in this Article 24 shall be deemed to give any Member or Members the right to call a class or series meeting.

(b) the necessary quorum shall be one or more persons holding or representing by proxy at least one-third of the issued shares of the class or series and any holder of shares of the class or series present in person or by proxy may demand a poll.

25. The rights conferred upon the holders of the shares of any class or series issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or series, be deemed to be varied by the creation or issue of further shares ranking in priority thereto or *pari passu* therewith.

COMMISSION ON SALE OF SHARES

26. The Company may in so far as the Statutes from time to time permit make any payment of a commission to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any shares of the Company. Such commissions may be satisfied by the payment of cash or the lodgement of fully or partly paid-up shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage fees as may be lawful.

NON-RECOGNITION OF TRUSTS

27. No person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future, or partial interest in any share, or any interest in any fractional part of a share, or (except only as is otherwise provided by these Articles or the Statutes) any other rights in respect of any share except an absolute right to the entirety thereof vested in the registered holder.

LIEN ON SHARES

28. The Company shall have a first and paramount lien and charge on all shares (whether fully paid-up or not) registered in the name of a Member (whether solely or jointly with others) for all debts, liabilities or engagements to or with the Company (whether presently payable or not) by such Member or his estate, either alone or jointly with any other person, whether a Member or not, but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The registration of a transfer of any such share shall operate as a waiver of the Company's lien (if any) thereon. The Company's lien (if any) on a share shall extend to all dividends or other monies payable in respect thereof.

29. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 calendar days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the persons entitled thereto by reason of his death or bankruptcy.

30. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

31. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

32. Subject to the terms of allotment, the Directors may from time to time make calls upon the Members in respect of any money unpaid on their shares, and each Member shall (subject to receiving at least 14 calendar days' notice specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on his shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

33. The joint holders of a share shall be jointly and severally liable to pay calls in respect thereof.

34. The provisions of these Articles as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

35. The Directors may make arrangements on the issue of shares for a difference between the Members, or the particular shares, in the amount of calls to be paid and in the times of payment.

36. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him as may be agreed upon between the Member paying the sum in advance and the Directors. No such sum paid in advance of calls shall entitle the Member paying such sum to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.

FORFEITURE OF SHARES

37. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of such much of the call or instalment as is unpaid.

38. The notice shall name a further day (not earlier than the expiration of 14 calendar days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.

39. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by notice has been made, be forfeited by a resolution of the Directors to that effect.

40. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.

41. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all monies which at the date of forfeiture were payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company receives payment in full of the fully paid up amount of the shares.

42. A certificate in writing under the hand of a Director of the Company, which certifies that a share has been forfeited on a date stated in the certificate, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share or any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

43. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes due and payable, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSMISSION OF SHARES

44. The legal personal representative of a deceased sole holder of a share shall be the only person recognised by the Company as having any title to the share. In the case of a share registered in the name of two or more holders, the survivors or survivor, or the legal personal representatives of the deceased survivor, shall be the only person recognised by the Company as having any title to the share.

45. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall upon such evidence being produced as may from time to time be properly required by the Directors, have the right either to be registered as a Member in respect of the share or, instead of being registered himself, to make such transfer of the share as the deceased or bankrupt person could have made. If the person so becoming entitled shall elect to be registered himself as holder he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

46. A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company, provided however, that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 90 calendar days, the Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.

ALTERATION OF CAPITAL

47. Subject to Article 9(d), the Company may by Ordinary Resolution:

(a) increase its share capital by such sum, to be divided into shares of such classes and amount, as the resolution shall prescribe;

(b) consolidate and divide all or any of its share capital into shares of larger par value than its existing shares;

(c) sub-divide its existing shares or any of them into shares of a smaller par value than is fixed by the Company's Memorandum of Association (subject, nevertheless, to the Law) provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived; and

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

48. Subject to the provisions of the Statutes and these Articles as regards to the matters to be dealt with by Ordinary Resolution, the Company may by Special Resolution reduce its share capital and any capital redemption reserve in any manner authorised by law.

49. All new shares created hereunder shall be subject to the same provisions with reference to the payment of calls, liens, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.

CLOSING REGISTER OF MEMBERS AND FIXING RECORD DATE

50. For the purpose of determining those Members that are entitled to receive notice of, attend or vote at any meeting of Members or any adjournment thereof, or those Members that are entitled to receive payment of any dividend, or in order to make a determination as to who is a Member for any other purpose, the Directors may provide that the Register of Members shall be closed for transfers for a stated period but not to exceed in any case 30 calendar days. If the Register of Members shall be so closed for the purpose of determining those Members that are entitled to receive notice of, attend or vote at a meeting of Members such register shall be so closed for at least 10 calendar days immediately preceding such meeting and the record date for such determination shall be the date of the closure of the Register of Members.

51. In lieu of or apart from closing the Register of Members, the Directors may fix in advance a date as the record date for any such determination of those Members that are entitled to receive notice of, attend or vote at a meeting of the Members and for the purpose of determining those Members that are entitled to receive payment of any dividend, the Directors may, at or within 30 calendar days prior to the date of declaration of such dividend fix a subsequent date as the record date of such determination.

52. If the Register of Members is not so closed and no record date is fixed for the determination of those Members entitled to receive notice of, attend or vote at a meeting of Members or those Members that are entitled to receive payment of a dividend, the date on which notice of the meeting is posted or the date on which the resolution of the Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of those Members that are entitled to receive notice of, attend or vote at a meeting of Members has been made as provided in this Article, such determination shall apply to any adjournment thereof.

GENERAL MEETINGS

53. All general meetings of the Company other than annual general meetings shall be called extraordinary general meetings.

54. The Company may hold an annual general meeting and shall specify the meeting as such in the notices calling it. The annual general meeting shall be held at such time and place as the Directors shall determine.

(a) At these meetings the report of the Directors (if any) shall be presented.

(b) If the Company is exempted as defined in the Statute, it may but shall not be obliged to hold an annual general meeting.

55. [Any Director]/[The Chairman or a majority of the Directors] may, and the Directors shall on the requisition of Members of the Company holding as at the date of the deposit of the requisition not less than one-fifth of such of the aggregate voting power of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, proceed to convene a general meeting of the Company.

(a) The requisition must state the objects of the meeting and must be signed by the requisitionists and be deposited at the registered office of the Company and may consist of several documents in like form each signed by one or more requisitionists.

(b) If there are no Directors as at the date of deposit of the Members' requisition or if the Directors do not within twenty-one (21) days from the date of the deposit of the requisition duly proceed to convene a general meeting, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a general meeting, but any meeting so convened shall not be held after the expiration of three months after the expiration of the said twenty-one (21) days.

(c) A general meeting convened as aforesaid by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by Directors.

(d) Any resolutions passed on the extraordinary general meetings convened pursuant to sub-Article (a) above should be by Special Resolutions.

NOTICE OF GENERAL MEETINGS

56. At least seven calendar days' notice shall be given for any general meeting. Every notice shall be exclusive of the day on which it is given or deemed to be given and of the day for which it is given and shall specify the place, the day and the hour of the meeting and the general nature of the business and shall be given in the manner hereinafter mentioned or in such other manner if any as may be prescribed by the Company, provided that a general meeting of the Company shall, whether or not the notice specified in this Article has been given and whether or not the provisions of these Articles regarding general meetings have been complied with, be deemed to have been duly convened if it is so agreed:

(a) in the case of an annual general meeting by all the Members (or their proxies) entitled to attend and vote thereat; and

(b) in the case of an extraordinary general meeting by a majority in number of the Members (or their proxies) having a right to attend and vote at the meeting, being a majority together holding not less than ninety five percent in par value of the shares giving that right.

56A. The accidental omission to give notice of a meeting to or the non-receipt of a notice of a meeting by any Member shall not invalidate the proceedings at any meeting.

PROCEEDINGS AT GENERAL MEETINGS

57. No business except for the appointment of a chairman for the meeting shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. At least one Member, and not less than an aggregate of one-third of all voting power of the Company share capital in issue, shall be present in person or by proxy and entitled to vote shall be a quorum for all purposes.

58. If determined by the Board of Directors and specified in the notice of a general meeting, a person may participate in a general meeting by conference telephone or other communications equipment by means of which all the persons participating in the meeting can communicate with each other. Participation by a person in a general meeting in this manner is treated as presence in person at that meeting.

59. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved.

60. The Chairman shall preside as chairman at every general meeting of the Company, except as provided in Article 61 below.

61. If there is no such Chairman, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect one of their members to be the chairman of the meeting, or, if no Director is so elected and willing to be the chairman of the meeting, the Members present shall choose a chairman of the meeting.

62. The chairman of a general meeting may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn a meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 10 calendar days or more, not less than 7 Business Days' notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

63. Subject to Article 9(d), at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by one or more Members present in person or by proxy entitled to vote and who together hold not less than one tenth of the paid up voting share capital of the Company or by the chairman of the meeting, and unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.

64. If a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

65. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

66. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.

66A. A resolution (including a Special Resolution) in writing (in one or more counterparts) signed by or on behalf of all of the Members for the time being entitled to receive notice of and to attend and vote at general meetings (or, in the case of corporations or other non-natural persons, signed by their duly authorised representatives) shall be as valid and effective as if the resolution had been passed at a general meeting of the Company duly convened and held.

VOTES OF MEMBERS

67. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

68. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, or other person in the nature of a committee appointed by that court, and any such committee or other person, may on a poll, vote by proxy.

69. No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

70. On a poll, votes may be given either personally or by proxy.

71. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy need not be a Member of the Company.

72. An instrument appointing a proxy may be in any usual or common form or such other form as the Directors may approve. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

73. The instrument appointing a proxy shall be deposited at the registered office or at such other place as is specified for that purpose in the notice convening the meeting, or in any instrument of proxy sent out by the Company:

(a) not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

(b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

(c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any Director;

provided that the Directors may in the notice convening the meeting, or in an instrument of proxy sent out by the Company, direct that the instrument appointing a proxy may be deposited (no later than the time for holding the meeting or adjourned meeting) at the registered office or at such other place as is specified for that purpose in the notice convening the meeting, or in any instrument of proxy sent out by the Company. The Chairman may in any event at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited. An instrument of proxy that is not deposited in the manner permitted shall be invalid.

74. Votes given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given unless notice in writing of such death, insanity, revocation or transfer was received by the Company before the commencement of the general meeting, or adjourned meeting at which it is sought to use the proxy.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETING

75. Any corporation which is a Member or a Director may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member.

CLEARING HOUSES

76. If a clearing house (or its nominee) is a Member of the Company it may, by resolution of its directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its representative or representatives at any general meeting of the Company or at any general meeting of any class of Members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorized. A person so authorised pursuant to this provision shall be entitled to exercise the same powers on behalf of the clearing house (or its nominee) which he represents as that clearing house (or its nominee) could exercise if it were an individual Member of the Company holding the number and class of shares specified in such authorization, including the right to vote individually on a show of hands.

DIRECTORS

77. The Board shall consist of not less than three (3) Directors and no more than nine (9) Directors (exclusive of alternate Directors), provided that (subject to Article 9(d)) the Company may from time to time by Special Resolution increase or decrease the number of Directors on the Board. For so long as the Shares are listed on the Designated Stock Exchange, the Directors shall include such number of independent directors as applicable law, rules or regulations or the Designated Stock Exchange Rules require, unless the Board resolves to follow any available exceptions or exemptions.

(a) For so long as Renren Parties continue to collectively hold at least the Renren Base Holding, Renren will have the right to appoint or remove (Y) when the Company is not a Foreign Private Issuer, four (4) Directors, and (Z) when the Company is a Foreign Private Issuer, six (6) Directors, or such greater number of Directors as required in order to allow Renren to appoint the majority of the Directors (each a "**Renren Director**"), by delivering a written notice to the Company.

(b) Each Director shall hold office until the expiration of his term and until his successor shall have been elected and qualified. The Board of Directors shall have a Chairman elected and appointed by a majority of the Directors then in office. The Directors may also elect a Co-Chairman or a Vice-Chairman of the Board of Directors (the "**Co-Chairman**"). The Chairman shall preside as chairman at every meeting of the Board of Directors. To the extent the Chairman is not present at a meeting of the Board of Directors within sixty minutes after the time appointed for holding the same, the Co-Chairman, or in his absence, the attending Directors may choose one Director to be the chairman of the meeting. Other than as provided in Article 101, the Chairman's voting right as to the matters to be decided by the Board of Directors shall be the same as other Directors.

(c) Subject to these Articles and the Companies Law, the Company may by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. The Directors by the affirmative vote of a simple majority of the remaining Directors present and voting at a Board meeting, or the sole remaining Director, shall have the power from time to time and at any time to appoint any person as a Director to fill a casual vacancy on the Board or as an addition to the existing Board, subject to the Company's compliance with the director nomination procedures required under the applicable corporate governance rules of the Designated Stock Exchange' as long as the Company's Ordinary Shares (or any ADSs representing the Ordinary Shares) are trading on the Designated Stock Exchange.

(d) A Director may be removed from office by Special Resolution at any time before the expiration of his term notwithstanding any agreement between the Company and such Director (but without prejudice to any claim for damages under such agreement).

(e) A vacancy on the Board created due to any reason may be filled by the election or appointment by Ordinary Resolution at the meeting at which a Director is removed or by the affirmative vote of a simple majority of the remaining Directors present and voting at a duly called and constituted Board meeting. Notwithstanding anything to the contrary in these Articles, any persons entitled to designate any individual to be elected as a Director pursuant to (a) above shall have the exclusive right to remove any such Director occupying such position and to fill any vacancy caused by the death, disability, retirement, resignation or removal of any Director occupying such position during the periods specified in (b) above.

78. The Board may, from time to time, and except as required by applicable law or the listing rules of the Designated Stock Exchange, adopt, institute, amend, modify or revoke the corporate governance policies or initiatives, which shall be intended to set forth the policies of the Company and the Board on various corporate governance related matters as the Board shall determine by resolution from time to time.

79. A Director shall not be required to hold any shares in the Company by way of qualification. A Director who is not a Member of the Company shall nevertheless be entitled to receive notice of and to attend and speak at general meetings of the Company and all classes of shares of the Company.

DIRECTORS' FEES AND EXPENSES

80. The Directors may receive such remuneration as the Board may from time to time determine. The Directors shall be entitled to be repaid all traveling, hotel and incidental expenses reasonably incurred or expected to be incurred by them in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director or to receive such fixed allowance in respect thereof as may be determined by the Directors from time to time, or a combination partly of one such method and partly the other.

ALTERNATE DIRECTOR

81. Any Director may in writing appoint another Person to be his alternate and, save to the extent provided otherwise in the form of appointment, such alternate shall have authority to sign written resolutions on behalf of the appointing Director, but shall not be required to sign such written resolutions where they have been signed by the appointing director, and to act in such Director's place at any meeting of the Directors at which the appointing Director is unable to be present. Every such alternate shall be entitled to attend and vote at meetings of the Directors as a Director when the Director appointing him is not personally present and where he is a Director to have a separate vote on behalf of the Director he is representing in addition to his own vote. A Director may at any time in writing revoke the appointment of an alternate appointed by him. Such alternate shall be deemed for all purposes to be a Director of the Company and shall not be deemed to be the agent of the Director appointing him. The remuneration of such alternate shall be payable out of the remuneration of the Director appointing him and the proportion thereof shall be agreed between them.

82. Any Director may appoint any person, whether or not a Director, to be the proxy of that Director to attend and vote on his behalf, in accordance with instructions given by that Director, or in the absence of such instructions at the discretion of the proxy, at a meeting or meetings of the Directors which that Director is unable to attend personally. The instrument appointing the proxy shall be in writing under the hand of the appointing Director and shall be in any usual or common form or such other form as the Directors may approve, and must be lodged with the chairman of the meeting at which such proxy is to be used, or first used, prior to the commencement of the meeting.

POWERS AND DUTIES OF DIRECTORS

83. Subject to the provisions of the Companies Law, these Articles and to any resolutions made in a general meeting, the business of the Company shall be managed by the Directors, who may pay all expenses incurred in setting up and registering the Company and may exercise all powers of the Company. No resolution made by the Company in a general meeting shall invalidate any prior act of the Directors that would have been valid if that resolution had not been made.

84. Subject to these Articles, the Directors may from time to time appoint any person, whether or not a Director of the Company, to hold such office in the Company as the Directors may think necessary for the administration of the Company, including without prejudice to the foregoing generality, the office of Chief Executive Officer, Chief Operating Officer, Chief Financial Officer or Chief Technology Officer, and for such term and at such remuneration (whether by way of salary or commission or participation in profits or partly in one way and partly in another), and with such powers and duties as the Directors may think fit. The Directors may also appoint one or more members of their body (but not an alternate Director) to the office of Managing Director upon like terms, but any such appointment shall ipso facto determine if any Managing Director ceases from any cause to be a Director, or if the Company by Ordinary Resolution resolves that his tenure of office be terminated.

85. The Directors may appoint any natural person or corporation to be a Secretary (and if need be an assistant Secretary or assistant Secretaries) who shall hold office for such term, at such remuneration and upon such conditions and with such powers as they think fit. Any Secretary or assistant Secretary so appointed by the Directors may be removed by the Directors or by the Company by Ordinary Resolution.

86. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.

87. The Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to delegate all or any of the powers, authorities and discretion vested in him.

88. The Directors may from time to time provide for the management of the affairs of the Company in such manner as they shall think fit and the provisions contained in the following paragraphs shall be without prejudice to the general powers conferred by this paragraph.

89. The Directors from time to time and at any time may establish any committees, local boards or agencies for managing any of the affairs of the Company and may appoint any persons to be members of such committees or local boards and may appoint any managers or agents of the Company and may fix the remuneration of any of the aforesaid.

90. The Directors from time to time and at any time may delegate to any such committee, local board, manager or agent any of the powers, authorities and discretions for the time being vested in the Directors and may authorise the members for the time being of any such local board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit and the Directors may at any time remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

91. Any such delegates as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities, and discretions for the time being vested to them.

BORROWING POWERS OF DIRECTORS

92. The Directors may exercise all the powers of the Company to raise or borrow money and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof, to issue debentures, debenture stock, bonds and other securities, whether outright or as collateral or as security for any debt, liability or obligation of the Company or of any third party.

DISQUALIFICATION OF DIRECTORS

93. Notwithstanding anything in these Articles, the office of a Director shall be vacated, if the Director:

(a) dies, becomes bankrupt or makes any arrangement or composition with his creditors;

(b) is found to be or becomes of unsound mind;

(c) resigns his office by notice in writing to the Company;

(d) without special leave of absence from the Board, is absent from meetings of the Board for three consecutive meetings and the Board resolves that his office be vacated; or

(e) shall be removed from office pursuant to Article 77(d) or the Statutes.

PROCEEDINGS OF DIRECTORS

94. The Directors may meet together (whether within or outside the Cayman Islands) for the dispatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit.

95. The Chairman or at least a majority of the Directors then in office may at any time summon a meeting of the Directors, provided every other Director and alternate Director has been provided at least 48 hours' prior notice of the date, time, venue and the proposed agenda of the proposed meeting of the Directors.

96. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director verbally (in person or by telephone) or otherwise communicated or sent to such Director by post, cable, telex, telecopier, facsimile, electronic mail or other mode of representing words in a legible form at such Director's last known address or any other address given by such Director to the Company for this purpose.

97. A Director or Directors may participate in any meeting of the Board of Directors, or of any committee appointed by the Board of Directors of which such Director or Directors are members, by means of conference telephone, video conference or similar communication equipment by way of which all persons participating in such meeting can hear each other and such participation shall be deemed to constitute presence in person at the meeting.

98. The quorum necessary for the transaction of the business of the Directors shall be a majority of the Directors then in office, including the Chairman and at least two Renren Directors, provided that a Director and his appointed alternate Director shall be considered only one person for this purpose. A meeting of the Directors at which a quorum is present when the meeting proceeds to business shall be competent to exercise all powers and discretions for the time being exercisable by the Directors. A meeting of the Directors may be held by means of telephone or teleconferencing or any other telecommunications facility provided that all participants are thereby able to communicate immediately by voice with all other participants.

99. If a quorum is not present at a Board meeting within thirty (30) minutes following the time appointed for such board meeting, the relevant meeting shall be adjourned for a period of at least three (3) Business Days and the presence of any three (3) directors shall constitute a quorum at such adjourned meeting. A meeting of the Directors at which a quorum is present when the meeting proceeds to business shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

100. Questions arising at any meeting of the Directors shall be decided by a majority of votes and each Director shall be entitled to one (1) vote in deciding matters deliberated at any meeting of the Directors.

101. In case of equality of votes, the Chairman shall have a second or casting vote.

102. Except as required by the Company's corporate governance policies, a Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors. A general notice given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may thereafter be made with that company or firm shall be deemed a sufficient declaration of interest in regard to any contract so made. A Director may vote in respect of any contract or proposed contract or arrangement notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of the Directors at which any such contract or proposed contract or arrangement shall come before the meeting for consideration.

103. A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established. A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged and he may vote on any such appointment or arrangement.

104. Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.

105. The Directors shall cause minutes to be made in books or loose-leaf folders provided for the purpose of recording:

(a) all appointments of officers made by the Directors;

(b) the names of the Directors present at each meeting of the Directors and of any committee of the Directors; and

(c) all resolutions and proceedings at all meetings of the Company, and of the Directors and of committees of Directors.

106. When the chairman of a meeting of the Directors signs the minutes of such meeting the same shall be deemed to have been duly held notwithstanding that all the Directors have not actually come together or that there may have been a technical defect in the proceedings.

107. A resolution signed by all the Directors or all the members of a committee of Directors entitled to receive notice of a meeting of Directors or committee of Directors, as the case may be (an alternate Director, subject as provided otherwise in the terms of appointment of the alternate Director, being entitled to sign such a resolution on behalf of his appointer), shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted and when signed, a resolution may consist of several documents each signed by one or more of the Directors.

108. The continuing Directors may act, notwithstanding any vacancy in their body, but if their number is reduced below the number fixed pursuant to these Articles as the necessary quorum of Directors, then the continuing Directors may act only to increase the number or to summon a general meeting of the Company, but for no other purpose.

109. The Board may delegate any of its powers, authorities and discretions to committees, consisting of such Director or Directors and other persons as it thinks fit, and they may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board. A committee appointed by the Directors may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.

110. A committee appointed by the Directors may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the committee members present and in case of an equality of votes the chairman shall have a second or casting vote.

111. All acts done by any meeting of the Directors or of a committee of Directors, or by any person acting as a Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

PRESUMPTION OF ASSENT

112. A Director who is present at a meeting of the Board of Directors at which action on any Company matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent from such action with the person acting as the chairman or secretary of the meeting before the adjournment thereof or shall forward such dissent by registered post to such person immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favour of such action.

DIVIDENDS, DISTRIBUTIONS AND RESERVE

113. Subject to any rights and restrictions for the time being attached to any class or classes of shares and these Articles, the Directors may from time to time declare dividends (including interim dividends) and other distributions on shares in issue and authorise payment of the same out of the funds of the Company lawfully available therefor. At any and every time the Directors declare dividends, Ordinary Shares shall have identical rights in the dividends so declared.

114. Subject to any rights and restrictions for the time being attached to any class or classes of shares and these Articles, the Company by Ordinary Resolution may declare dividends, but no dividend shall exceed the amount recommended by the Directors.

115. The Directors may, before recommending or declaring any dividend, set aside out of the funds legally available for distribution such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for equalising dividends or for any other purpose to which those funds may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors may from time to time think fit.

116. Any dividend may be paid by cheque or wire transfer to the registered address of the Member or person entitled thereto, or in the case of joint holders, to any one of such joint holders at his registered address or to such person and such address as the Member or person entitled, or such joint holders as the case may be, may direct. Every such cheque shall be made payable to the order of the person to whom it is sent or to the order of such other person as the Member or person entitled, or such joint holders as the case may be, may direct.

117. The Directors when paying dividends to the Members in accordance with the foregoing provisions may make such payment either in cash or in specie.

118. Dividends may be declared and paid out of profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. Dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Companies Law.

119. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as fully paid on the shares, but if and so long as nothing is paid up on any of the shares in the Company dividends may be declared and paid according to the amounts of the shares. No amount paid on a share in advance of calls shall, while carrying interest, be treated for the purposes of this Article as paid on the share.

120. If several persons are registered as joint holders of any share, any of them may give effectual receipts for any dividend or other monies payable on or in respect of the share.

121. No dividend shall bear interest against the Company.

122. Any dividend unclaimed after a period of six calendar years from the date of declaration of such dividend may be forfeited by the Board of Directors and, if so forfeited, shall revert to the Company.

BOOK OF ACCOUNTS

123. The books of account relating to the Company's affairs shall be kept in such manner as may be determined from time to time by the Directors.

124. The books of account shall be kept at such place or places as the Directors think fit, and shall always be open to the inspection of the Directors.

125. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors or by the Company by Ordinary Resolution.

126. Subject to the requirements of applicable law and the applicable rules of the Designated Stock Exchange, the accounts relating to the Company's affairs shall be audited in such manner and with such financial year end as may be determined from time to time by the Company by Ordinary Resolution or failing any such determination by the Directors or failing any determination as aforesaid shall not be audited.

ANNUAL RETURNS AND FILINGS

127. The Board shall make the requisite annual returns and any other requisite filings in accordance with the Companies Law.

AUDIT

128. The Directors may appoint an Auditor of the Company who shall hold office until removed from office by a resolution of the Directors and may fix his or their remuneration.

129. Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanation as may be necessary for the performance of the duties of the auditors.

130. Auditors shall, if so required by the Directors, make a report on the accounts of the Company during their tenure of office at the next annual general meeting following their appointment in the case of a company which is registered with the Registrar of Companies as an ordinary company, and at the next special meeting following their appointment in the case of a company which is registered with the Registrar of Companies as an exempted company, and at any time during their term of office, upon request of the Directors at any general meeting of the Members.

THE SEAL

131. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors provided always that such authority may be given prior to or after the affixing of the Seal and if given after may be in general form confirming a number of affixings of the Seal. The Seal shall be affixed in the presence of a Director or a Secretary (or an assistant Secretary) or in the presence of any one or more persons as the Directors may appoint for the purpose and every person as aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

132. The Company may maintain a facsimile of its Seal in such countries or places as the Directors may appoint and such facsimile Seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors provided always that such authority may be given prior to or after the affixing of such facsimile Seal and if given after may be in general form confirming a number of affixings of such facsimile Seal. The facsimile Seal shall be affixed in the presence of such person or persons as the Directors shall for this purpose appoint and such person or persons as aforesaid shall sign every instrument to which the facsimile Seal of the Company is so affixed in their presence.

133. Notwithstanding the foregoing, a Director shall have the authority to affix the Seal, or the facsimile Seal, to any instrument for the purposes of attesting authenticity of the matter contained therein but which does not create any obligation binding on the Company.

CAPITALISATION OF PROFITS

134. Subject to the Statutes and these Articles, the Board may, with the authority of an Ordinary Resolution:

(a) resolve to capitalise an amount standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution;

(b) appropriate the sum resolved to be capitalised to the Members in proportion to the nominal amount of shares (whether or not fully paid) held by them respectively and apply that sum on their behalf in or towards:

(i) paying up the amounts (if any) for the time being unpaid on shares held by them respectively; or

(ii) paying up in full unissued shares or debentures of a nominal amount equal to that sum,

and allot the shares or debentures, credited as fully paid, to the Members (or as they may direct) in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve and profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to Members credited as fully paid;

(c) make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, where shares or debentures become distributable in fractions the Board may deal with the fractions as it thinks fit;

(d) authorise a person to enter (on behalf of all the Members concerned) an agreement with the Company providing for either:

(i) the allotment to the Members respectively, credited as fully paid, of shares or debentures to which they may be entitled on the capitalisation, or

(ii) the payment by the Company on behalf of the Members (by the application of their respective operations of the reserves resolved to be capitalised) of the amounts or part of the amounts remaining unpaid on their existing shares, an agreement made under the authority being effective and binding on all those Members; and

(e) generally do all acts and things required to give effect to the resolution.

135. Notwithstanding any provisions in these Articles, the Directors may resolve to capitalise an amount standing to the credit of reserves (including the share premium account, capital redemption reserve and profit and loss account) or otherwise available for distribution by applying such sum in paying up in full unissued Shares to be allotted and issued to:

(a) employees (including Directors) or service providers of the Company or its Affiliates upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Directors or the Members;

(b) any trustee of any trust or administrator of any share incentive scheme or employee benefit scheme to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Directors or Members; or

(c) any depositary of the Company for the purposes of the issue, allotment and delivery by any depositary to employees (including Directors) or service providers of the Company or its Affiliates upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Directors or the Members.

NOTICES

136. Except as otherwise provided in these Articles, any notice or document may be served by the Company or by the person entitled to give notice to any Member either personally, by facsimile or by sending it through the post in a prepaid letter or via a recognised courier service, fees prepaid, addressed to the Member at his address as appears in the Register of Members or, to the extent permitted by all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the Member to the Company or by placing it on the Company's Website. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.

137. Notices posted to addresses outside the Cayman Islands shall be forwarded by prepaid airmail.

138. Any Member present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

139. Any notice or other document, if served by:

(a) post, shall be deemed to have been served five calendar days after the time when the letter containing the same is posted (in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and duly posted to the courier);

(b) facsimile, shall be deemed to have been served upon confirmation of receipt;

(c) recognised courier service, shall be deemed to have been served 48 hours after the time when the letter containing the same is delivered to the courier service and in proving such service it shall be sufficient to prove that the letter containing the notice or documents was properly addressed and duly delivered to the courier; or

(d) electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by any applicable laws or regulations.

140. Any notice or document delivered or sent to any Member in accordance with the terms of these Articles shall notwithstanding that such Member be then dead or bankrupt or being wound-up, and whether or not the Company has notice of his death or bankruptcy or winding-up, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder, unless his name shall at the time of the service of the notice or document, have been removed from the Register of Members as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

141. Notice of every general meeting shall be given to:

(a) all Members who have supplied to the Company an address for the giving of notices to them;

(b) every person entitled to a share in consequence of the death or bankruptcy of a Member, who but for his death or bankruptcy would be entitled to receive notice of the meeting; and

(c) each Director and alternate Director.

No other person shall be entitled to receive notices of general meetings.

INFORMATION

142. No Member shall be entitled to require discovery of any information in respect of any detail of the Company's trading or any information which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which, in the opinion of the Board would not be in the interests of the Members of the Company to communicate to the public.

143. The Board shall be entitled to release or disclose any information in its possession, custody or control regarding the Company or its affairs to any of its members including, without limitation, information contained in the Register of Members and transfer books of the Company and as applicable by Statute.

INDEMNITY

144. Every Director (including for the purposes of this Article any alternate Director appointed pursuant to the provisions of these Articles), Secretary, assistant Secretary, or other officer for the time being and from time to time of the Company (but not including the Company's auditors) and the personal representatives of the same (each an "Indemnified Person") shall be indemnified and secured harmless against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by such Indemnified Person, other than by reason of such Indemnified Person's own dishonesty, willful default or fraud, in or about the conduct of the Company's business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by such Indemnified Person in defending (whether successfully or otherwise) any civil proceedings concerning the Company or its affairs in any court whether in the Cayman Islands or elsewhere.

145. No Indemnified Person shall be liable:

(a) for the acts, receipts, neglects, defaults or omissions of any other Director or officer or agent of the Company; or

(b) for any loss on account of defect of title to any property of the Company; or

(c) on account of the insufficiency of any security in or upon which any money of the Company shall be invested; or

(d) for any loss incurred through any bank, broker or other similar Person; or

(e) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgement or oversight on such Indemnified Person's part; or

(f) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of such Indemnified Person's office or in relation thereto;

unless the same shall happen through such Indemnified Person's own dishonesty, willful default or fraud.

FINANCIAL YEAR

146. Unless the Directors otherwise prescribe, the financial year of the Company shall end on December 31st in each year and shall begin on January 1st in each year.

WINDING UP

147. Subject to these Articles, if the Company shall be wound up the liquidator may, with the sanction of an Ordinary Resolution of the Company, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

148. If the Company shall be wound up, and the assets available for distribution amongst the Members shall be insufficient to repay the whole of the share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the par value of the Shares held by them. If in a winding up the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst the Members in proportion to the par value of the Shares held by them at the commencement of the winding up subject to a deduction from those Shares in respect of which there are monies due, of all monies payable to the Company for unpaid calls or otherwise. This Article is without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

AMENDMENT OF MEMORANDUM AND ARTICLES OF ASSOCIATION AND NAME OF COMPANY

149. Subject to Article 9(d), the Company may at any time and from time to time by Special Resolution alter or amend these Articles or the Memorandum of Association of the Company, in whole or in part, or change the name of the Company.

REGISTRATION BY WAY OF CONTINUATION

150. Subject to Article 9(d), the Company may by Ordinary Resolution resolve to be registered by way of continuation in a jurisdiction outside the Cayman Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing. In furtherance of a resolution adopted pursuant to this Article, the Directors may cause an application to be made to the Registrar of Companies to deregister the Company in the Cayman Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing and may cause all such further steps as they consider appropriate to be taken to effect the transfer by way of continuation of the Company.

DISCLOSURE

151. The Directors, or any service providers (including the officers, the Secretary and the registered office agent of the Company) specifically authorised by the Directors, shall be entitled to disclose to any regulatory or judicial authority any information regarding the affairs of the Company including without limitation information contained in the Register and books of the Company.

Exhibit 10.1

FORM OF INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (this "**Agreement**") dated as of _____, 2019, by and between Kaixin Auto Holdings, an exempted Cayman Islands company (the "**Company**") and _____, a [director and/or executive officer] of the Company (the "**Indemnitee**").

WHEREAS, it is essential to the Company that it be able to retain and attract the most capable persons available as directors and officers;

WHEREAS, increased corporate litigation has subjected directors and officers to litigation risks and expenses, and the limitations on the availability of directors and officers liability insurance have made it increasingly difficult for the Company to attract and retain such persons;

WHEREAS, the Company's governing documents require it to indemnify its directors and officers to the fullest extent permitted by law and permit it to make other indemnification arrangements and agreements; and

WHEREAS, the Company desires to provide the Indemnitee with specific contractual assurance of the Indemnitee's rights to full indemnification against litigation risks and expenses (regardless of any amendment to or revocation of the Company's governing documents or any change in the ownership of the Company or the composition of its Board of Directors).

NOW, THEREFORE, in consideration of the promises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

1. Indemnification.

(a) Indemnification of Expenses.

(i) Third-Party Claims. Subject to Section 8 below, the Company shall indemnify and hold harmless the Indemnitee to the fullest extent permitted by law if the Indemnitee was or is or becomes a party to or witness in, or is threatened to be made a party to or witness in, any threatened, pending or completed action, suit, proceeding or alternative dispute resolution mechanism, or any hearing, inquiry or investigation that such Indemnitee reasonably believes might lead to the institution of any such action, suit, proceeding or alternative dispute resolution mechanism, whether civil, criminal, administrative, investigative or other (hereinafter a "**Claim**") (other than an action by right of the Company) by reason of the fact that the Indemnitee is or was a director or officer of the Company, or any subsidiary or affiliated entity of the Company, or is or was serving at the request of the Company as a director or officer of another corporation, partnership, limited liability company, joint venture, trust or other enterprise, or by reason of any action or inaction on the part of the Indemnitee while serving in such capacity (hereinafter, an "**Agent**") or as a direct or indirect result of any Claim made by any shareholder of the Company against the Indemnitee and arising out of or related to any round of financing of the Company (including but not limited to Claims regarding non-participation, or non-pro rata participation, in such round by such shareholder), or made by a third party against the Indemnitee based on any misstatement or omission of a material fact by the Company in violation of any duty of disclosure imposed on the Company by securities or common laws (hereinafter an "**Indemnification Event**") against any and all expenses (including attorneys' fees and all other costs, expenses and obligations), judgments, fines, penalties and amounts paid in settlement (if, and only if, such settlement is approved in advance by the Company, which approval shall not be unreasonably withheld) (the "**Expenses**") actually and reasonably incurred by the Indemnitee in connection with investigating, attempting to amicably resolve, preparing for, defending or participating in (including on appeal) such Claim if the Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

(ii) Derivative Actions. If the Indemnitee is a person who was or is a party or is threatened to be made a party to any Claim by or in the right of the Company to procure a judgment in its favor by reason of the fact that he or she is or was an Agent of the Company, or by reason of anything done or not done by him or her in any such capacity, the Company shall indemnify the Indemnitee against any amounts paid in settlement of any such Claim and all Expenses actually and reasonably incurred by him or her in connection with investigating, attempting to amicably resolve, preparing for, defending, settling or appealing such Claim if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Company; except that no indemnification under this subsection shall be made in respect of any claim, issue or matter as to which such person shall have been finally adjudged to be liable to the Company by a court of competent jurisdiction due to willful misconduct or gross negligence in the performance of his or her duty to the Company, unless and only to the extent that the court in which such proceeding was brought shall determine upon application that, despite the adjudication of liability and in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such amounts the court may deem proper.

(b) Reviewing Party. Notwithstanding the foregoing, (i) the obligations of the Company under Section 1(a) shall be subject to the condition that the Reviewing Party (as defined in Section 10(e) hereof) shall not have determined that the Indemnitee would not be permitted to be indemnified under applicable law or pursuant to Section 8 hereof, and (ii) the Indemnitee acknowledges and agrees that the obligation of the Company to make an advance payment of Expenses to the Indemnitee pursuant to Section 2(a) (an "**Expense Advance**") shall be subject to the condition that, if, when and to the extent that the Reviewing Party determines that the Indemnitee would not be permitted to be so indemnified under applicable law or Section 8 hereof, the Company shall be entitled to be reimbursed by the Indemnitee (who hereby agrees to promptly reimburse the Company) for all such amounts theretofore paid; provided, however, that if the Indemnitee has commenced or thereafter commences legal proceedings in a court of competent jurisdiction to secure a determination that the Indemnitee should be indemnified under applicable law or Section 8 hereof, any determination made by the Reviewing Party that the Indemnitee would not be permitted to be indemnified under applicable law shall not be binding and the Indemnitee shall not be required to reimburse the Company for any Expense Advance until a final judicial determination is made with respect thereto (as to which all rights of appeal therefrom have been exhausted or lapsed). The Indemnitee's obligation to reimburse the Company for any Expense Advance shall be unsecured and no interest shall be charged thereon. If there has not been a Change in Control (as defined in Section 10(c) hereof), the Reviewing Party shall be selected by a majority of the Board of Directors (excluding the Indemnitee who is a director), and if there has been such a Change in Control (other than a Change in Control which has been approved by a majority of the Company's Board of Directors (other than the Indemnitee who is a director) who were directors immediately prior to such Change in Control), the Reviewing Party shall be the Independent Legal Counsel referred to in Section 1(e) hereof. If there has been no determination by the Reviewing Party or if the Reviewing Party determines that the Indemnitee substantively would not be permitted to be indemnified in whole or in part under applicable law or Section 8 hereof, the Indemnitee shall have the right to commence litigation seeking an initial determination by the court or challenging any such determination by the Reviewing Party or any aspect thereof, including the legal or factual bases therefor, and the Company hereby consents to service of process and to appear in any such proceeding. Any determination by the Reviewing Party otherwise shall be conclusive and binding on the Company and the Indemnitee.

(c) Contribution. If the indemnification provided for in Section 1(a) above is, for any reason other than the statutory limitations of applicable law or as provided in Section 8, held by a court of competent jurisdiction to be unavailable to the Indemnitee in respect of any losses, claims, damages, expenses or liabilities in which the Company is jointly liable with the Indemnitee, as the case may be (or would be jointly liable if joined), then the Company, in lieu of indemnifying the Indemnitee thereunder, shall contribute to the amount actually and reasonably incurred and paid or payable by the Indemnitee as a result of such losses, claims, damages, expenses or liabilities in such proportion as is appropriate to reflect (i) the relative benefits received by the Company and the Indemnitee, and (ii) the relative fault of the Company and the Indemnitee in connection with the action or inaction that resulted in such losses, claims, damages, expenses or liabilities, as well as any other relevant equitable considerations. The relative fault of the Company and the Indemnitee shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Indemnitee and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such losses, claims, damages, expenses or liabilities.

The Company and the Indemnitee agree that it would not be just and equitable if contribution pursuant to this Section 1(c) were determined by pro rata or per capita allocation or by any other method of allocation which does not take into account the equitable considerations referred to in the immediately preceding paragraph. No person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the U.S. Securities Act of 1933, as amended (the "**Securities Act**")) shall be entitled to contribution from any person who was not found guilty of such fraudulent misrepresentation.

(d) Survival Regardless of Investigation. The indemnification and contribution provided for in this Section 1 will remain in full force and effect regardless of any investigation made by or on behalf of the Indemnitee.

(e) Change in Control. The Company agrees that if there is a Change in Control of the Company (other than a Change in Control which has been approved by a majority of the Company's Board of Directors who were directors immediately prior to such Change in Control) then, with respect to all matters thereafter arising concerning the rights of Indemnitee to payments of Expenses under this Agreement, any other agreement or under the Company's Memorandum and Articles of Association, as amended (the "**M&A**"), Independent Legal Counsel (as defined in Section 10(d) hereof) shall be selected by the Indemnitee and approved by the Company (which approval shall not be unreasonably withheld). The Company agrees to abide by the determination of the Independent Legal Counsel and to pay the reasonable fees of the Independent Legal Counsel referred to above and to fully indemnify such counsel against any and all expenses (including attorneys' fees), claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(f) Mandatory Payment of Expenses. Notwithstanding any other provision of this Agreement, to the extent the Indemnitee has been successful on the merits or otherwise, in the defense of any Claim referred to in Section 1(a) hereof or in the defense of any claim, issue or matter therein, the Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by the Indemnitee in connection herewith.

2. Expenses; Indemnification Procedure.

(a) Advancement of Expenses. Subject to Section 8 and except as prohibited by applicable law, the Company shall advance all Expenses incurred by the Indemnitee in connection with investigating, attempting to amicably resolve, preparing for, defending, settling or appealing any Claim to which the Indemnitee is a party or is threatened to be made a party by reason of the fact that the Indemnitee is or was an Agent of the Company or by reason of anything done or not done by him or her in any such capacity. The Indemnitee hereby undertakes to promptly repay such amounts advanced only if, and to the extent that, it shall ultimately be determined that the Indemnitee is not entitled to be indemnified by the Company under the provisions of this Agreement, the M&A, applicable law or otherwise. The advances to be made hereunder shall be paid by the Company to the Indemnitee as soon as practicable but in any event no later than thirty (30) days after written demand by the Indemnitee therefor to the Company.

(b) Notice/Cooperation by Indemnitee. The Indemnitee shall give the Company notice in writing promptly after receipt of notice of commencement of any Claim, or the threat of the commencement of any Claim, made against the Indemnitee for which indemnification will or could be sought under this Agreement. Notice to the Company shall be directed to the Chief Executive Officer of the Company at the address shown on the signature page of this Agreement (or such other person and/or address as the Company shall designate in writing to the Indemnitee).

(c) No Presumptions; Burden of Proof. For purposes of this Agreement, the termination of any Claim by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere, or its equivalent, shall not create a presumption that the Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law. In addition, neither the failure of the Reviewing Party to have made a determination as to whether the Indemnitee has met any particular standard of conduct or had any particular belief, nor an actual determination by the Reviewing Party that Indemnitee had not met such standard of conduct or did not have such belief, prior to the commencement of legal proceedings by the Indemnitee to secure a judicial determination that the Indemnitee should be indemnified under applicable law, shall be a defense to the Indemnitee's claim or create a presumption that the Indemnitee had not met any particular standard of conduct or did not have any particular belief. In connection with any determination by the Reviewing Party or otherwise as to whether the Indemnitee is entitled to be indemnified hereunder, the burden of proof shall be on the Company to establish that the Indemnitee is not so entitled.

(d) Notice to Insurers. If, at the time of the receipt by the Company of a notice of a Claim pursuant to Section 2(b) hereof, the Company has liability insurance in effect which may cover such Claim, the Company shall give prompt written notice of the commencement of such Claim to the insurers in accordance with the procedures set forth in each of the policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such action, suit, proceeding, inquiry or investigation in accordance with the terms of such policies.

(e) Selection of Counsel. In the event the Company shall be obligated hereunder to pay the Expenses of any Claim, the Company shall be entitled to assume the defense of such Claim, with legal counsel reasonably approved by the Indemnitee, upon the delivery to the Indemnitee of written notice of its election to do so. After delivery of such notice, approval of such legal counsel by the Indemnitee and the retention of such legal counsel by the Company, the Company will not be liable to the Indemnitee under this Agreement for any fees of counsel subsequently incurred by the Indemnitee with respect to the same Claim; provided that, (i) the Indemnitee shall have the right to employ the Indemnitee's legal counsel in any such Claim at the Indemnitee's expense; (ii) the Indemnitee shall have the right to employ its own legal counsel in connection with any such proceeding, at the expense of the Company, if such legal counsel serves in a review, observer, advice and counseling capacity and does not otherwise materially control or participate in the defense of such proceeding; and (iii) if (A) the employment of legal counsel by the Indemnitee has been previously authorized by the Company, (B) the Indemnitee shall have reasonably concluded that there is a conflict of interest between the Company and the Indemnitee in the conduct of any such defense, or (C) the Company shall not in fact continue to retain such legal counsel to defend such Claim, then the fees and expenses of the Indemnitee's legal counsel shall be at the expense of the Company.

3. Additional Indemnification Rights; Nonexclusively.

(a) Scope. The Company hereby agrees to indemnify the Indemnitee to the fullest extent permitted by law (except as provided in Section 8) with respect to Claims for Indemnification Events, even if such indemnification is not specifically authorized by the other provisions of this Agreement or any other agreement, the M&A, or by statute. In the event of any change after the date of this Agreement in any applicable law, statute or rule which expands the right of a Cayman Islands company to indemnify a member of its Board of Directors or an officer, it is the intent of the parties hereto that the Indemnitee shall enjoy by this Agreement the greater benefits afforded by such change. In the event of any change in any applicable law, statute or rule which narrows the right of a Cayman Islands company to indemnify a member of its Board of Directors or an officer, such change, to the extent not otherwise required by such law, statute or rule to be applied to this Agreement, shall have no effect on this Agreement or the parties' rights and obligations hereunder except as set forth in Section 8 hereof.

(b) Nonexclusively. Notwithstanding anything in this Agreement, the indemnification provided by this Agreement shall be in addition to any rights to which the Indemnitee may be entitled under the M&A, any agreement, any vote of shareholders or disinterested directors, the laws of the Cayman Islands, or otherwise. Notwithstanding anything in this Agreement, the indemnification provided under this Agreement shall continue as to the Indemnitee for any action the Indemnitee took or did not take while serving in an indemnified capacity even though such Indemnitee may have ceased to serve in such capacity and such indemnification shall inure to the benefit of the Indemnitee from and after the Indemnitee's first day of service as a director or officer with the Company.

4. No Duplication of Payments. The Company shall not be liable under this Agreement to make any payment in connection with any Claim made against the Indemnitee to the extent the Indemnitee has otherwise actually received payment (under any insurance policy, M&A or otherwise) of the amounts otherwise indemnifiable hereunder.

5. Partial Indemnification. If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for any portion of Expenses incurred in connection with any Claim, but not, however, for all of the total amount thereof, the Company shall nevertheless indemnify the Indemnitee for the portion of such Expenses to which the Indemnitee is entitled.

6. Mutual Acknowledgement. The Company and the Indemnitee acknowledge that in certain instances, applicable law or public policy may prohibit the Company from indemnifying its directors, officers, employees, controlling persons, agents or fiduciaries under this Agreement or otherwise.

7. Liability Insurance. To the extent the Company maintains liability insurance applicable to directors and officers, the Company shall use commercially reasonable efforts to provide that the Indemnitee shall be covered by such policies in such a manner as to provide the Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Company's directors and officers.

8. Exceptions. Any other provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement:

(a) Claims Under Section 16(b). To indemnify the Indemnitee for expenses and the payment of profits or an accounting thereof arising from the purchase and sale by the Indemnitee of securities in violation of the provisions of Section 16(b) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or any similar provisions of any international, federal, state or local statutory law;

(b) Unauthorized Settlements. To indemnify the Indemnitee hereunder for any amounts paid in settlement of a proceeding unless the Company consents in advance in writing to such settlement, which consent shall not be unreasonably withheld;

(c) Unlawful Indemnification. To indemnify the Indemnitee if a final decision by a court having jurisdiction in the matter shall determine that such indemnification is not lawful. In this respect, the Company and the Indemnitee have been advised that the U.S. Securities and Exchange Commission takes the position that indemnification for liabilities arising under securities laws is against public policy and is, therefore, unenforceable and that claims for indemnification should be submitted to appropriate courts for adjudication;

(d) Fraud. To indemnify the Indemnitee if a final decision by a court having jurisdiction in the matter shall determine that the Indemnitee has committed fraud on the Company;

(e) Insurance. To indemnify the Indemnitee for which payment is actually and fully made to the Indemnitee under a valid and collectible insurance policy; or

(f) Company Contracts. To indemnify the Indemnitee with respect to any Claim related to any dispute or breach arising under any contract or similar obligation between the Company and the Indemnitee.

9. Period of Limitations. No legal action shall be brought and no cause of action shall be asserted by or in the right of the Company against the Indemnitee, the Indemnitee's estate, spouse, heirs, executors or personal or legal representatives after the expiration of five (5) years from the date of accrual of such cause of action, and any claim or cause of action of the Company shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such five (5) year period; provided, however, that if any shorter period of limitations is otherwise applicable to any such cause of action, such shorter period shall govern.

10. Construction of Certain Phrases.

(a) For purposes of this Agreement, references to the "**Company**" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors and officers, so that if the Indemnitee is or was or may be deemed a director or officer of such constituent corporation, or is or was or may be deemed to be serving at the request of such constituent corporation as a director or officer of another corporation, partnership, joint venture, employee benefit plan, trust or other enterprise, the Indemnitee shall stand in the same position under the provisions of this Agreement with respect to the resulting or surviving corporation as the Indemnitee would have with respect to such constituent corporation if its separate existence had continued.

(b) For purposes of this Agreement, references to "**other enterprises**" shall include employee benefit plans; references to "**fines**" shall include any excise taxes assessed on the Indemnitee with respect to an employee benefit plan; and references to "**serving at the request of the Company**" shall include any service as a director or officer of the Company which imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan, its participants or its beneficiaries; and if the Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan, the Indemnitee shall be deemed to have acted in a manner "**not opposed to the best interests of the Company**" as referred to in this Agreement.

(c) For purposes of this Agreement a "**Change in Control**" shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned directly or indirectly by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company, becomes the "**beneficial owner**" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than thirty percent (30%) of the total voting power represented by the Company's then outstanding Voting Securities, (ii) during any period of two (2) consecutive years, individuals who at the beginning of such period constitute the Board of Directors of the Company and any new director whose election by the Board of Directors or nomination for election by the Company's shareholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, or (iii) the shareholders of the Company approve a merger or consolidation of the Company with any other corporation other than a merger or consolidation which would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least two-thirds (2/3) of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or (iv) the shareholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of (in one transaction or a series of transactions) all or substantially all of the Company's assets; provided that in no event shall a Change in Control be deemed to include (A) a merger, consolidation or reorganization of the Company for the purpose of changing the Company's state of incorporation and in which there is no substantial change in the shareholders of the Company or its successor (as the case may be), or (B) the Company's first firm commitment underwritten public offering of any of its securities to the general public pursuant to (x) a registration statement filed under the Securities Act, or (y) the securities laws applicable to an offering of securities in another jurisdiction pursuant to which such securities will be listed on an internationally recognized securities exchange (the "**IPO**").

(d) For purposes of this Agreement, "**Independent Legal Counsel**" shall mean an attorney or firm of attorneys, selected in accordance with the provisions of Section 1(e) hereof, who shall not have otherwise performed services for the Company or the Indemnitee within the last two (2) years (other than with respect to matters concerning the right of the Indemnitee under this Agreement).

(e) For purposes of this Agreement, a "**Reviewing Party**" shall mean any appropriate person or body consisting of a member or members of the Company's Board of Directors (other than the Indemnitee who is a director) or any other person or body appointed by the Board of Directors who is not a named party to the particular Claim for which Indemnitee is seeking indemnification, or Independent Legal Counsel.

(f) For purposes of this Agreement, "**Voting Securities**" shall mean any securities of the Company that vote generally in the election of directors.

11. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original.

12. Binding Effect; Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors, assigns, including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company, spouses, heirs, and personal and legal representatives. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all, or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance reasonably satisfactory to the Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. This Agreement shall continue in effect with respect to Claims relating to Indemnifiable Events regardless of whether the Indemnitee continues to serve as a director or officer of the Company or of any other enterprise, including subsidiaries of the Company, at the Company's request.

13. Attorneys' Fees. Subject to Section 8 and except as prohibited by applicable law, in the event that any action is instituted by the Indemnitee under this Agreement or under any liability insurance policies maintained by the Company to enforce or interpret any of the terms hereof or thereof, the Indemnitee shall be entitled to be paid all Expenses actually and reasonably incurred by the Indemnitee with respect to such action if the Indemnitee is ultimately successful in such action. In the event of an action instituted by or in the name of the Company under this Agreement to enforce or interpret any of the terms of this Agreement, the Indemnitee shall be entitled to be paid Expenses actually and reasonably incurred by the Indemnitee in defense of such action (including costs and expenses incurred with respect to the Indemnitee counterclaims and cross-claims made in such action), and shall be entitled to the advancement of Expenses with respect to such action, in each case only to the extent that the Indemnitee is ultimately successful in such action.

14. Notice. All notices and other communications required or permitted hereunder shall be in writing, shall be effective when given, and shall in any event be deemed to be given (a) five (5) days after deposit with the U.S. Postal Service or other applicable postal service, if delivered by first class mail, postage prepaid, (b) upon delivery, if delivered by hand, (c) one (1) business day after the business day of deposit with Federal Express or similar overnight courier, freight prepaid, or (d) one (1) day after the business day of delivery by facsimile transmission, with a copy thereof delivered by first class mail, postage prepaid. Any mail shall be directed, if addressed to the Indemnitee, at his or her address as set forth beneath his or her signature to this Agreement and, if to the Company, at the address of its principal corporate offices (attention: Chief Executive Officer), or at such other address as such party may designate by ten (10) days' advance written notice to the other party hereto.

15. Severability. The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law. Furthermore, to the fullest extent possible, the provisions of this Agreement (including, without limitations, each portion of this Agreement containing any provision held to be invalid, void or otherwise unenforceable, that is not itself invalid, void or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

16. Choice of Law. This Agreement shall be governed by and its provisions construed and enforced in accordance with the laws of the State of New York, as applied to contracts between California residents entered into and to be performed entirely within the State of New York, without regard to the conflict of laws principles thereof.

17. Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee who shall execute all documents required and shall do all acts that may be necessary to secure such rights and to enable the Company effectively to bring suit to enforce such rights.

18. Amendment and Termination. No amendment, modification, termination or cancellation of this Agreement shall be effective unless it is in writing signed by the parties to be bound thereby. Notice of same shall be provided to all parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

19. No Construction as Employment Agreement. Nothing contained in this Agreement shall be construed as giving the Indemnitee any right to be retained in the employment or service of the Company or any of its subsidiaries or affiliated entities.

20. Corporate Authority. The Board of Directors of the Company and its shareholders in accordance with Cayman Islands law have approved the terms of this Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Indemnification Agreement on and as of the day and year first above written.

COMPANY:

Kaixin Auto Holdings
a Cayman Islands exempted company

By: _____
Name:
Title:

INDEMNITEE:

_____

Name:

Address:

Exhibit 10.2

LOAN AGREEMENT

This Loan Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for purposes of this agreement) as of August 18 of 2017.

by and between the following parties:

(1) **LENDER: Shanghai Renren Automobile Technology Company Limited**
Registered Address: Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China
Legal Representative: Liu Jian

and

(2) **BORROWER**: **Yang Jing**
PRC Identification Card No: 532721197005100025
Address: Room 202, Unit 1, No 275, Ninger Main Street, Simao District, Puer City, Yunnan, PRC

(individually, a "**Party**" and collectively, the "**Parties**")

WHEREAS:

Borrower desires to borrow from the Lender, and the Lender desires to lend to the Borrower, an aggregate principal amount of Renminbi Forty-nine million, Five hundred thousand Yuan(RMB 49,500,000), pursuant to the terms and conditions set forth herein.

THEREFORE, the Parties, through friendly negotiation based on equal and mutual benefit, agree as follows:

1. Principal Amount of the Loan

Subject to the terms and conditions set forth in this Agreement, Lender has agreed to lend to the Borrower, the principal amount of RMB 49,500,000 (the "**Loan**"). Such Loan shall be interest-free throughout the term of the Loan.

2. Loan Terms

2.1 The term for such Loan will be ten (10) years, calculated from the date when the Borrower actually draws the Loan. The term under this Agreement shall be automatically extended for another ten years unless written notice to the contrary is given by the Lender three months prior to the expiration of this Agreement.

2.2 The Lender and the Borrower jointly agree and confirm that the Borrower shall not repay the Loan in advance except with the Lender's prior written approval or the expiration of this Agreement. The Borrower shall repay the Loan by using all the funds obtained by him from transferring all of the Borrower's equity in Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd. ("Qianxiang Changda"), a company incorporated under the laws of the People's Republic of China to Lender or to any other third party designated by the Lender. In case the funds received by the Borrower from transferring the aforesaid equity is subject to any tax or administrative expenses, the Borrower shall only be obliged to repay the net portion of such funds (after deducting any applicable tax and expenses) to the Lender. When all of such Borrower's equity in Qianxiang Changda is transferred as stipulated above and if all the fund thereof is repaid to the Lender by the Borrower, all the outstanding Loan hereunder shall be regarded as repaid.

2.3 The Lender and the Borrower agree and confirm that the Borrower shall immediately repay the Loan in case any one of the following occurs:

2.3.1 The Borrower dies or becomes a person with no or limited capacity for civil rights;

2.3.2 The Borrower commits crime or is involved in crime;

2.3.3 Any third party claims debt of the Borrower exceeding RMB 10,000,000 (RMB 10,000,000) which the Borrower is not able to repay;

2.3.4 There are no legal restrictions for foreign investors to directly

invest in the value-added telecommunication business under PRC law; or

2.3.5 the Lender issues a written notice to the Borrower for repayment of the Loan.

3. <u>Conditions Precedent to the Disbursement of the Loan</u>

3.1 The Lender shall not be obliged to make any disbursement of the Loan unless all of the following conditions have been satisfied or waived by the Lender:

3.1.1 All the representations and warranties made by the Borrower are correct, accurate, complete and not misleading.

3.1.2 The Borrower is not in breach of the covenants and undertakings made by such Borrower in Section 5 hereof.

3.1.3 The Parties have executed an Equity Option Agreement ("**Option Agreement**"), pursuant to which the Borrower grants to the Lender or its designated person (legal or natural) an exclusive option to purchase all of the Borrower's equity interest in Qianxiang Changda, to the extent permitted under PRC laws.

3.1.4 The Parties have executed an Equity Interest Pledge Agreement ("**Pledge Agreement**"), pursuant to which the Borrower pledges all of his equity interest in Qianxiang Changda to the Lender, to the extent permitted under PRC laws.

4. Representations and Warranties

4.1 The Borrower makes the following representations and warranties to the Lender, and confirms that the Lender executes and performs this Agreement in reliance of such representations and warranties:

4.1.1 The Borrower has the full capacity and power to enter into this Agreement;

4.1.2 The execution of this Agreement of the Borrower will not violate any law or binding obligations of the Borrower;

4.1.3 This Agreement shall constitute a binding obligation of the Borrower, enforceable against him in accordance with its terms upon its execution;

4.1.4 The Borrower neither commits criminal behaviors nor is involved in criminal activity;

4.1.5 Except for the option under the Option Agreement and the pledge under the Pledge Agreement, without the prior consent of the Lender, the Borrower shall not create any pledge over part or whole of the Borrower's right in Qianxiang Changda or any priority for any third party where the beneficiary is neither the Lender nor its subsidiaries or affiliates;

4.2 The Lender makes the following representations and warranties to the Borrower:

4.2.1 The Lender is a company registered and validly existing under the laws of PRC;

4.2.2 The execution and performance of this Agreement by the Lender is in compliance with the power of the Lender. The Lender has taken proper measures and has gained authorizations and approvals from all third parties and governmental departments or agencies, to execute and perform its obligations under this Agreement in accordance with the limitations of the laws and contracts which are binding or bear influences over the Lender; and

4.2.3 This Agreement shall constitute the legal, valid and binding obligations of the Lender, enforceable against the Lender in accordance with its terms upon its execution.

5. <u>Covenants and Undertakings of Borrower</u>

5.1 The Borrower, as a shareholder of Qianxiang Changda, hereby undertakes to, and shall cause Qianxiang Changda, to observe the following terms with all efforts during the term of this Agreement:

5.1.1 It shall not modify in any way its articles of association or alter its shareholding structure without the prior written consent of the Lender;

5.1.2 It shall not transfer or dispose of any material asset, or create any other security interest neither for the Lender nor for its subsidiaries / affiliates over the same without the prior written consent of the Lender;

5.1.3 It shall not provide any warranty or assume any debt for any third party which is beyond its normal daily business scope without the prior written consent of the Lender;

5.1.4 It shall not enter into any material contracts without the prior written consent of the Lender, except those entered into in the ordinary course of business (for the purpose of this paragraph, any contract with a value exceeding RMB 100,000 shall be deemed to be a material contract);

5.1.5 It shall not extend any loan or credit to any party without the prior written consent of the Lender;

5.1.6 It shall not merge with or invest in any third party without the prior written consent of the Lender;

5.1.7 It shall not declare in any way any bonus or dividends for its shareholders without the prior written consent of the Lender;

5.1.8 It shall not conduct any business that is beyond the normal course of business;

5.1.9 It shall not change or dismiss an executive director or to dismiss and replace any senior management members;

5.1.10 It shall not make significant adjustment to its business operation model, marketing strategy, operation policy or client relationship; and

5.1.11 It shall not have any of its subsidiaries do any of the foregoing.

5.2 The Borrower further commits to the Lender, during the term of this Agreement, as follows:

5.2.1 he shall take all the measures to guarantee and maintain his identification and status as a shareholder of Qianxiang Changda;

5.2.2 he shall not transfer or dispose of any of his equity interest or other rights or powers pertinent to his equity interest in Qianxiang Changda;

5.2.3 he shall procure that the shareholders' meeting of Qianxiang Changda shall not pass any decision about its merger with or investment in any third party without the prior written consent of the Lender;

5.2.4 he shall not carry out any action bearing material influences on the assets, business, obligations or liabilities of Qianxiang Changda without prior written consent of the Lender;

5.2.5 he shall immediately and unconditionally transfer all or part of his equity interest in Qianxiang Changda to the Lender or any third party designated by the Lender in accordance with PRC laws and, where applicable, procure all the other shareholders of Qianxiang Changda waive any prior right over purchasing such shares, as required by the Lender;

5.2.6 he shall strictly observe his commitments and guarantees under this Agreement and other related agreements.

5.3 The Borrower hereby covenants and undertakes that upon the signing of this Agreement, the Borrower shall:

5.3.1 pledge all equity interest in Qianxiang Changda held by the Borrower for the benefit of Lender to guarantee the due repayment of the Loan hereunder, and enter into the Pledge Agreement with Lender;

5.3.2 deliver a power of attorney to appoint and authorize individuals designated by the Lender to exercise the rights and powers pertinent to the equity interest in Qianxiang Changda held by the Borrower;

5.3.3 confirm and agree that the Lender shall have the right to acquire or to designate any third party of its choice to acquire from time to time part or all of the equity interest of Qianxiang Changda from the Borrower at an agreed price pursuant to the Option Agreement.

6. Default

If the Borrower fails to perform his repayment obligation pursuant to this Agreement, an overdue interest at the rate of 0.01% per day upon the outstanding amount of the Loan shall be payable to the Lender.

7. Confidentiality

7.1 The Parties acknowledge and confirm to take all possible measures to keep confidential all the confidential materials and information (the "**Confidential Information**") they get to know by this Agreement. The Parties shall not disclose, provide or transfer such Confidential Information to any third party without the prior written consent of the other Party. In case of the termination of this Agreement, the receiving party of the Confidential Information shall return or destroy all the files, materials or software as required by the disclosing party, and delete any of the Confidential Information from any memory equipments and discontinue using such Confidential Information.

7.2 The Parties agree that this Section 7 shall survive the modification and termination of this Agreement.

8. Notices

Unless a written notice of change of address is issued, all correspondence relating to this Agreement shall be delivered in person, or by registered or prepaid mail, or by recognized express services or facsimile to the addresses appointed by the other party from time to time.

9. Governing Law and Dispute Settlement

9.1 The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

9.2 The Parties shall strive to settle any dispute arising from the interpretation or performance through friendly consultation. In case no settlement can be reached through consultation, either party may submit such matter to China International Economic and Trade Arbitration Commission ("**CIETAC**") Beijing headquarter for arbitration. The arbitration shall follow the then current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the Parties. This article shall not be affected by the termination or elimination of this Agreement.

9.3 In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

10. Force Majeure

10.1 Force Majeure refers to any accident which is beyond a Party's control and is inevitable with the reasonable care of the other Party who shall be influenced, including but not limited to governmental activity, natural force, fire, explosion, storm, flood, earthquake, tide, lightening or war. However, the credit, capital or shortage of financing shall not be deemed as the matters beyond one Party's reasonable control. The Party influenced by the Force Majeure and seeking for exemption hereunder shall notify the other Party as soon as possible and inform the other Party of the measures to take in order to accomplish the performance of this Agreement.

10.2 In case the performance of this Agreement is delayed or cumbered by the above-referenced Force Majeure, the Party who is influenced by the Force Majeure shall not bear any liability within the scope of delay and cumbrance, and shall take all the proper measures to reduce or eliminate the influence of Force Majeure, and shall make efforts to renew the performance of its obligations hereunder which has been delayed or cumbered by the Force Majeure. Each Party shall try its best to restore the performance of this Agreement once the Force Majeure is eliminated.

11. Effective Date

This Agreement shall be effective upon its being signed by the Parties hereunder. Notwithstanding the foregoing, the Lender and the Borrower confirm that the Loan was duly and fully extended by the Lender prior to the execution of this Agreement.

12. Miscellaneous

12.1 Any modification, termination or waiver of this Agreement shall not take effect without the written consent of each party.

12.2 Any appendix attached hereto shall be of the same effect as this Agreement.

12.3 The Borrower shall not transfer his rights and obligations hereunder to any third party without the prior written consent of the Lender.

12.4 In case any terms and stipulations in this Agreement is regarded as illegal or cannot be performed in accordance with the applicable law, it shall be deemed to be deleted from this Agreement and lose its effect and this Agreement shall remain its effect and be treated as without it from the very beginning. Each Party shall replace the deleted stipulations with those lawful and effective ones, which are acceptable to the Lender, through mutual negotiation.

[The space below is intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

LENDER:
Shanghai Renren Automobile Technology Company Limited

(Company Seal)

By: _____
Authorized Representative: Liu Jian

BORROWER: Yang Jing

By: _____

[**SIGNATURE PAGE TO LOAN AGREEMENT]**

LOAN AGREEMENT

This Loan Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for purposes of this agreement) as of August 18 of 2017.

by and between the following parties:

(1) **LENDER: Shanghia Renren Automobile Technology Company Limited**
Registered Address: Room 917-918,No 328 Road,, Jiading District, Shanghai, China
Legal Representative: Liu Jian

and

(2) **BORROWER**: **Jian Liu**
PRC Identification Card No: 310102197211124453
Address: Room 1054, No 2, Lane 138, Nandan Road, Xuhui District, Shanghai, China

(individually, a "**Party**" and collectively, the "**Parties**")

WHEREAS:

Borrower desires to borrow from the Lender, and the Lender desires to lend to the Borrower, an aggregate principal amount of Renminbi Five Hundred thousand Yuan (RMB 500,000), pursuant to the terms and conditions set forth herein.

THEREFORE, the Parties, through friendly negotiation based on equal and mutual benefit, agree as follows:

1. Principal Amount of the Loan

Subject to the terms and conditions set forth in this Agreement, Lender has agreed to lend to the Borrower, the principal amount of RMB 500,000 (the "**Loan**"). Such Loan shall be interest-free throughout the term of the Loan.

2. Loan Terms

2.1 The term for such Loan will be ten (10) years, calculated from the date when the Borrower actually draws the Loan. The term under this Agreement shall be automatically extended for another ten years unless written notice to the contrary is given by the Lender three months prior to the expiration of this Agreement.

2.2 The Lender and the Borrower jointly agree and confirm that the Borrower shall not repay the Loan in advance except with the Lender's prior written approval or the expiration of this Agreement. The Borrower shall repay the Loan by using all the funds obtained by him from transferring all of the Borrower's equity in Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd. ("Qianxiang Changda"), a company incorporated under the laws of the People's Republic of China to Lender or to any other third party designated by the Lender. In case the funds received by the Borrower from transferring the aforesaid equity is subject to any tax or administrative expenses, the Borrower shall only be obliged to repay the net portion of such funds (after deducting any applicable tax and expenses) to the Lender. When all of such Borrower's equity in Qianxiang Changda is transferred as stipulated above and if all the fund thereof is repaid to the Lender by the Borrower, all the outstanding Loan hereunder shall be regarded as repaid.

2.3 The Lender and the Borrower agree and confirm that the Borrower shall immediately repay the Loan in case any one of the following occurs:

2.3.1 The Borrower dies or becomes a person with no or limited capacity for civil rights;

2.3.2 The Borrower commits crime or is involved in crime;

2.3.3 Any third party claims debt of the Borrower exceeding RMB 10,000,000 (RMB 10,000,000) which the Borrower is not able to repay;

2.3.4 There are no legal restrictions for foreign investors to directly invest in the value-added telecommunication business under PRC law; or

2.3.5 the Lender issues a written notice to the Borrower for repayment of the Loan.

3. <u>Conditions Precedent to the Disbursement of the Loan</u>

3.1 The Lender shall not be obliged to make any disbursement of the Loan unless all of the following conditions have been satisfied or waived by the Lender:

3.1.1 All the representations and warranties made by the Borrower are correct, accurate, complete and not misleading.

3.1.2 The Borrower is not in breach of the covenants and undertakings made by such Borrower in Section 5 hereof.

3.1.3 The Parties have executed an Equity Option Agreement ("**Option Agreement**"), pursuant to which the Borrower grants to the Lender or its designated person (legal or natural) an exclusive option to purchase all of the Borrower's equity interest in Qianxiang Changda, to the extent permitted under PRC laws.

3.1.4 The Parties have executed an Equity Interest Pledge Agreement ("**Pledge Agreement**"), pursuant to which the Borrower pledges all of his equity interest in Qianxiang Changda to the Lender, to the extent permitted under PRC laws.

4. Representations and Warranties

4.1 The Borrower makes the following representations and warranties to the Lender, and confirms that the Lender executes and performs this Agreement in reliance of such representations and warranties:

4.1.1 The Borrower has the full capacity and power to enter into this Agreement;

4.1.2 The execution of this Agreement of the Borrower will not violate any law or binding obligations of the Borrower;

4.1.3 This Agreement shall constitute a binding obligation of the Borrower, enforceable against him in accordance with its terms upon its execution;

4.1.4 The Borrower neither commits criminal behaviors nor is involved in criminal activity;

4.1.5 Except for the option under the Option Agreement and the pledge under the Pledge Agreement, without the prior consent of the Lender, the Borrower shall not create any pledge over part or whole of the Borrower's right in Qianxiang Changda or any priority for any third party where the beneficiary is neither the Lender nor its subsidiaries or affiliates;

4.2 The Lender makes the following representations and warranties to the Borrower:

4.2.1 The Lender is a company registered and validly existing under the laws of PRC;

4.2.2 The execution and performance of this Agreement by the Lender is in compliance with the power of the Lender. The Lender has taken proper measures and has gained authorizations and approvals from all third parties and governmental departments or agencies, to execute and perform its obligations under this Agreement in accordance with the limitations of the laws and contracts which are binding or bear influences over the Lender; and

4.2.3 This Agreement shall constitute the legal, valid and binding obligations of the Lender, enforceable against the Lender in accordance with its terms upon its execution.

5. <u>Covenants and Undertakings of Borrower</u>

5.1 The Borrower, as a shareholder of Qianxiang Changda, hereby undertakes to, and shall cause Qianxiang Changda, to observe the following terms with all efforts during the term of this Agreement:

5.1.1 It shall not modify in any way its articles of association or alter its shareholding structure without the prior written consent of the Lender;

5.1.2 It shall not transfer or dispose of any material asset, or create any other security interest neither for the Lender nor for its subsidiaries / affiliates over the same without the prior written consent of the Lender;

5.1.3 It shall not provide any warranty or assume any debt for any third party which is beyond its normal daily business scope without the prior written consent of the Lender;

5.1.4 It shall not enter into any material contracts without the prior written consent of the Lender, except those entered into in the ordinary course of business (for the purpose of this paragraph, any contract with a value exceeding RMB 100,000 shall be deemed to be a material contract);

5.1.5 It shall not extend any loan or credit to any party without the prior written consent of the Lender;

5.1.6 It shall not merge with or invest in any third party without the prior written consent of the Lender;

5.1.7 It shall not declare in any way any bonus or dividends for its shareholders without the prior written consent of the Lender;

5.1.8 It shall not conduct any business that is beyond the normal course of business;

5.1.9 It shall not change or dismiss an executive director or to dismiss and replace any senior management members;

5.1.10 It shall not make significant adjustment to its business operation model, marketing strategy, operation policy or client relationship; and

5.1.11 It shall not have any of its subsidiaries do any of the foregoing.

5.2 The Borrower further commits to the Lender, during the term of this Agreement, as follows:

5.2.1 he shall take all the measures to guarantee and maintain his identification and status as a shareholder of Qianxiang Changda;

5.2.2 he shall not transfer or dispose of any of his equity interest or other rights or powers pertinent to his equity interest in Qianxiang Changda;

5.2.3 he shall procure that the shareholders' meeting of Qianxiang Changda shall not pass any decision about its merger with or investment in any third party without the prior written consent of the Lender;

5.2.4 he shall not carry out any action bearing material influences on the assets, business, obligations or liabilities of Qianxiang Changda without prior written consent of the Lender;

5.2.5 he shall immediately and unconditionally transfer all or part of his equity interest in Qianxiang Changda to the Lender or any third party designated by the Lender in accordance with PRC laws and, where applicable, procure all the other shareholders of Qianxiang Changda waive any prior right over purchasing such shares, as required by the Lender;

5.2.6 he shall strictly observe his commitments and guarantees under this Agreement and other related agreements.

5.3 The Borrower hereby covenants and undertakes that upon the signing of this Agreement, the Borrower shall:

5.3.1 pledge all equity interest in Qianxiang Changda held by the Borrower for the benefit of Lender to guarantee the due repayment of the Loan hereunder, and enter into the Pledge Agreement with Lender;

5.3.2 deliver a power of attorney to appoint and authorize individuals designated by the Lender to exercise the rights and powers pertinent to the equity interest in Qianxiang Changda held by the Borrower;

5.3.3 confirm and agree that the Lender shall have the right to acquire or to designate any third party of its choice to acquire from time to time part or all of the equity interest of Qianxiang Changda from the Borrower at an agreed price pursuant to the Option Agreement.

6. Default

If the Borrower fails to perform his repayment obligation pursuant to this Agreement, an overdue interest at the rate of 0.01% per day upon the outstanding amount of the Loan shall be payable to the Lender.

7. Confidentiality

7.1 The Parties acknowledge and confirm to take all possible measures to keep confidential all the confidential materials and information (the "**Confidential Information**") they get to know by this Agreement. The Parties shall not disclose, provide or transfer such Confidential Information to any third party without the prior written consent of the other Party. In case of the termination of this Agreement, the receiving party of the Confidential Information shall return or destroy all the files, materials or software as required by the disclosing party, and delete any of the Confidential Information from any memory equipments and discontinue using such Confidential Information.

7.2 The Parties agree that this Section 7 shall survive the modification and termination of this Agreement.

8. Notices

Unless a written notice of change of address is issued, all correspondence relating to this Agreement shall be delivered in person, or by registered or prepaid mail, or by recognized express services or facsimile to the addresses appointed by the other party from time to time.

9. Governing Law and Dispute Settlement

9.1 The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

9.2 The Parties shall strive to settle any dispute arising from the interpretation or performance through friendly consultation. In case no settlement can be reached through consultation, either party may submit such matter to China International Economic and Trade Arbitration Commission ("**CIETAC**") Beijing headquarter for arbitration. The arbitration shall follow the then current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the Parties. This article shall not be affected by the termination or elimination of this Agreement.

9.3 In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

10. Force Majeure

10.1 Force Majeure refers to any accident which is beyond a Party's control and is inevitable with the reasonable care of the other Party who shall be influenced, including but not limited to governmental activity, natural force, fire, explosion, storm, flood, earthquake, tide, lightening or war. However, the credit, capital or shortage of financing shall not be deemed as the matters beyond one Party's reasonable control. The Party influenced by the Force Majeure and seeking for exemption hereunder shall notify the other Party as soon as possible and inform the other Party of the measures to take in order to accomplish the performance of this Agreement.

10.2 In case the performance of this Agreement is delayed or cumbered by the above-referenced Force Majeure, the Party who is influenced by the Force Majeure shall not bear any liability within the scope of delay and cumbrance, and shall take all the proper measures to reduce or eliminate the influence of Force Majeure, and shall make efforts to renew the performance of its obligations hereunder which has been delayed or cumbered by the Force Majeure. Each Party shall try its best to restore the performance of this Agreement once the Force Majeure is eliminated.

11. Effective Date

This Agreement shall be effective upon its being signed by the Parties hereunder. Notwithstanding the foregoing, the Lender and the Borrower confirm that the Loan was duly and fully extended by the Lender prior to the execution of this Agreement.

12. Miscellaneous

12.1 Any modification, termination or waiver of this Agreement shall not take effect without the written consent of each party.

12.2 Any appendix attached hereto shall be of the same effect as this Agreement.

12.3 The Borrower shall not transfer his rights and obligations hereunder to any third party without the prior written consent of the Lender.

12.4 In case any terms and stipulations in this Agreement is regarded as illegal or cannot be performed in accordance with the applicable law, it shall be deemed to be deleted from this Agreement and lose its effect and this Agreement shall remain its effect and be treated as without it from the very beginning. Each Party shall replace the deleted stipulations with those lawful and effective ones, which are acceptable to the Lender, through mutual negotiation.

[The space below is intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

LENDER: Shanghai Renren Automobile Technology Company Limited
(Company Seal)

By: _____
Authorized Representative: Liu Jian

BORROWER: Liu Jian

By: _____

[**SIGNATURE PAGE TO LOAN AGREEMENT**]

Exhibit 10.3

LOAN AGREEMENT

This Loan Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for purposes of this agreement) as of August 18 of 2017.

by and between the following parties:

(1) **LENDER: Shanghai Renren Automobile Technology Company Limited.**
Registered Address: Room 917-918 „No328 , Jiajian Road Jiading District,
Shanghai, China
Legal Representative: Liu Jian

and

(2) **BORROWER**: **Yi Rui**
PRC Identification Card No: 110105196905084166
Address: No.604 of Third Floor, No.22 of Beiwaxili, Haidian District, Beijing, China

(individually, a "**Party**" and collectively, the "**Parties**")

WHEREAS:

Borrower desires to borrow from the Lender, and the Lender desires to lend to the Borrower, an aggregate principal amount of Renminbi Five Hundred thousand Yuan (RMB 500,000), pursuant to the terms and conditions set forth herein.

THEREFORE, the Parties, through friendly negotiation based on equal and mutual benefit, agree as follows:

1. Principal Amount of the Loan

Subject to the terms and conditions set forth in this Agreement, Lender has agreed to lend to the Borrower, the principal amount of RMB 500,000 (the "**Loan**"). Such Loan shall be interest-free throughout the term of the Loan.

2. Loan Terms

2.1 The term for such Loan will be ten (10) years, calculated from the date when the Borrower actually draws the Loan. The term under this Agreement shall be automatically extended for another ten years unless written notice to the contrary is given by the Lender three months prior to the expiration of this Agreement.

2.2 The Lender and the Borrower jointly agree and confirm that the Borrower shall not repay the Loan in advance except with the Lender's prior written approval or the expiration of this Agreement. The Borrower shall repay the Loan by using all the funds obtained by him from transferring all of the Borrower's equity in Shanghai Renren Automobile Technology Company Limited. ("Renren Automobile"), a company incorporated under the laws of the People's Republic of China to Lender or to any other third party designated by the Lender. In case the funds received by the Borrower from transferring the aforesaid equity is subject to any tax or administrative expenses, the Borrower shall only be obliged to repay the net portion of such funds (after deducting any applicable tax and expenses) to the Lender. When all of such Borrower's equity in Renren Automobile is transferred as stipulated above and if all the fund thereof is repaid to the Lender by the Borrower, all the outstanding Loan hereunder shall be regarded as repaid.

2.3 The Lender and the Borrower agree and confirm that the Borrower shall immediately repay the Loan in case any one of the following occurs:

2.3.1 The Borrower dies or becomes a person with no or limited capacity for civil rights;

2.3.2 The Borrower commits crime or is involved in crime;

2.3.3 Any third party claims debt of the Borrower exceeding RMB 10,000,000 (RMB 10,000,000) which the Borrower is not able to repay;

2.3.4 There are no legal restrictions for foreign investors to directly invest in the value-added telecommunication business under PRC law; or

2.3.5 the Lender issues a written notice to the Borrower for repayment of the Loan.

3. <u>Conditions Precedent to the Disbursement of the Loan</u>

3.1 The Lender shall not be obliged to make any disbursement of the Loan unless all of the following conditions have been satisfied or waived by the Lender:

3.1.1 All the representations and warranties made by the Borrower are correct, accurate, complete and not misleading.

3.1.2 The Borrower is not in breach of the covenants and undertakings made by such Borrower in Section 5 hereof.

3.1.3 The Parties have executed an Equity Option Agreement ("**Option Agreement**"), pursuant to which the Borrower grants to the Lender or its designated person (legal or natural) an exclusive option to purchase all of the Borrower's equity interest in Renren Automobile, to the extent permitted under PRC laws.

3.1.4 The Parties have executed an Equity Interest Pledge Agreement ("**Pledge Agreement**"), pursuant to which the Borrower pledges all of his equity interest in Renren Automobile to the Lender, to the extent permitted under PRC laws.

4. Representations and Warranties

4.1 The Borrower makes the following representations and warranties to the Lender, and confirms that the Lender executes and performs this Agreement in reliance of such representations and warranties:

4.1.1 The Borrower has the full capacity and power to enter into this Agreement;

4.1.2 The execution of this Agreement of the Borrower will not violate any law or binding obligations of the Borrower;

4.1.3 This Agreement shall constitute a binding obligation of the Borrower, enforceable against him in accordance with its terms upon its execution;

4.1.4 The Borrower neither commits criminal behaviors nor is involved in criminal activity;

4.1.5 Except for the option under the Option Agreement and the pledge under the Pledge Agreement, without the prior consent of the Lender, the Borrower shall not create any pledge over part or whole of the Borrower's right in Renren Automobile or any priority for any third party where the beneficiary is neither the Lender nor its subsidiaries or affiliates;

4.2 The Lender makes the following representations and warranties to the Borrower:

4.2.1 The Lender is a company registered and validly existing under the laws of PRC;

4.2.2 The execution and performance of this Agreement by the Lender is in compliance with the power of the Lender. The Lender has taken proper measures and has gained authorizations and approvals from all third parties and governmental departments or agencies, to execute and perform its obligations under this Agreement in accordance with the limitations of the laws and contracts which are binding or bear influences over the Lender; and

4.2.3 This Agreement shall constitute the legal, valid and binding obligations of the Lender, enforceable against the Lender in accordance with its terms upon its execution.

5. Covenants and Undertakings of Borrower

5.1 The Borrower, as a shareholder of Renren Automobile, hereby undertakes to, and shall cause Renren Automobile, to observe the following terms with all efforts during the term of this Agreement:

5.1.1 It shall not modify in any way its articles of association or alter its shareholding structure without the prior written consent of the Lender;

5.1.2 It shall not transfer or dispose of any material asset, or create any other security interest neither for the Lender nor for its subsidiaries / affiliates over the same without the prior written consent of the Lender;

5.1.3 It shall not provide any warranty or assume any debt for any third party which is beyond its normal daily business scope without the prior written consent of the Lender;

5.1.4 It shall not enter into any material contracts without the prior written consent of the Lender, except those entered into in the ordinary course of business (for the purpose of this paragraph, any contract with a value exceeding RMB 100,000 shall be deemed to be a material contract);

5.1.5 It shall not extend any loan or credit to any party without the prior written consent of the Lender;

5.1.6 It shall not merge with or invest in any third party without the prior written consent of the Lender;

5.1.7 It shall not declare in any way any bonus or dividends for its shareholders without the prior written consent of the Lender;

5.1.8 It shall not conduct any business that is beyond the normal course of business;

5.1.9 It shall not change or dismiss an executive director or to dismiss and replace any senior management members;

5.1.10 It shall not make significant adjustment to its business operation model, marketing strategy, operation policy or client relationship; and

5.1.11 It shall not have any of its subsidiaries do any of the foregoing.

5.2 The Borrower further commits to the Lender, during the term of this Agreement, as follows:

5.2.1 he shall take all the measures to guarantee and maintain his identification and status as a shareholder of Renren Automobile;

5.2.2 he shall not transfer or dispose of any of his equity interest or other rights or powers pertinent to his equity interest in Renren Automobile;

5.2.3 he shall procure that the shareholders' meeting of Renren Automobile shall not pass any decision about its merger with or investment in any third party without the prior written consent of the Lender;

5.2.4 he shall not carry out any action bearing material influences on the assets, business, obligations or liabilities of Renren Automobile without prior written consent of the Lender;

5.2.5 he shall immediately and unconditionally transfer all or part of his equity interest in Renren Automobile to the Lender or any third party designated by the Lender in accordance with PRC laws and, where applicable, procure all the other shareholders of Renren Automobile waive any prior right over purchasing such shares, as required by the Lender;

5.2.6 he shall strictly observe his commitments and guarantees under this Agreement and other related agreements.

5.3 The Borrower hereby covenants and undertakes that upon the signing of this Agreement, the Borrower shall:

5.3.1 pledge all equity interest in Renren Automobile held by the Borrower for the benefit of Lender to guarantee the due repayment of the Loan hereunder, and enter into the Pledge Agreement with Lender;

5.3.2 deliver a power of attorney to appoint and authorize individuals designated by the Lender to exercise the rights and powers pertinent to the equity interest in Renren Automobile held by the Borrower;

5.3.3 confirm and agree that the Lender shall have the right to acquire or to designate any third party of its choice to acquire from time to time part or all of the equity interest of Renren Automobile from the Borrower at an agreed price pursuant to the Option Agreement.

6. Default

If the Borrower fails to perform his repayment obligation pursuant to this Agreement, an overdue interest at the rate of 0.01% per day upon the outstanding amount of the Loan shall be payable to the Lender.

7. Confidentiality

7.1 The Parties acknowledge and confirm to take all possible measures to keep confidential all the confidential materials and information (the "**Confidential Information**") they get to know by this Agreement. The Parties shall not disclose, provide or transfer such Confidential Information to any third party without the prior written consent of the other Party. In case of the termination of this Agreement, the receiving party of the Confidential Information shall return or destroy all the files, materials or software as required by the disclosing party, and delete any of the Confidential Information from any memory equipments and discontinue using such Confidential Information.

7.2 The Parties agree that this Section 7 shall survive the modification and termination of this Agreement.

8. Notices

Unless a written notice of change of address is issued, all correspondence relating to this Agreement shall be delivered in person, or by registered or prepaid mail, or by recognized express services or facsimile to the addresses appointed by the other party from time to time.

9. Governing Law and Dispute Settlement

9.1 The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

9.2 The Parties shall strive to settle any dispute arising from the interpretation or performance through friendly consultation. In case no settlement can be reached through consultation, either party may submit such matter to China International Economic and Trade Arbitration Commission ("**CIETAC**") Beijing headquarter for arbitration. The arbitration shall follow the then current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the Parties. This article shall not be affected by the termination or elimination of this Agreement.

9.3 In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

10. Force Majeure

10.1 Force Majeure refers to any accident which is beyond a Party's control and is inevitable with the reasonable care of the other Party who shall be influenced, including but not limited to governmental activity, natural force, fire, explosion, storm, flood, earthquake, tide, lightening or war. However, the credit, capital or shortage of financing shall not be deemed as the matters beyond one Party's reasonable control. The Party influenced by the Force Majeure and seeking for exemption hereunder shall notify the other Party as soon as possible and inform the other Party of the measures to take in order to accomplish the performance of this Agreement.

10.2 In case the performance of this Agreement is delayed or cumbered by the above-referenced Force Majeure, the Party who is influenced by the Force Majeure shall not bear any liability within the scope of delay and cumbrance, and shall take all the proper measures to reduce or eliminate the influence of Force Majeure, and shall make efforts to renew the performance of its obligations hereunder which has been delayed or cumbered by the Force Majeure. Each Party shall try its best to restore the performance of this Agreement once the Force Majeure is eliminated.

11. Effective Date

This Agreement shall be effective upon its being signed by the Parties hereunder. Notwithstanding the foregoing, the Lender and the Borrower confirm that the Loan was duly and fully extended by the Lender prior to the execution of this Agreement.

12. Miscellaneous

12.1 Any modification, termination or waiver of this Agreement shall not take effect without the written consent of each party.

12.2 Any appendix attached hereto shall be of the same effect as this Agreement.

12.3 The Borrower shall not transfer his rights and obligations hereunder to any third party without the prior written consent of the Lender.

12.4 In case any terms and stipulations in this Agreement is regarded as illegal or cannot be performed in accordance with the applicable law, it shall be deemed to be deleted from this Agreement and lose its effect and this Agreement shall remain its effect and be treated as without it from the very beginning. Each Party shall replace the deleted stipulations with those lawful and effective ones, which are acceptable to the Lender, through mutual negotiation.

[The space below is intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

LENDER: Shanghai Renren Automobile Technology Company Limited.
(Company Seal)

By: _____
Authorized Representative: Liu Jian

BORROWER: Yi Rui

By: _____

[**SIGNATURE PAGE TO LOAN AGREEMENT]**

LOAN AGREEMENT

This Loan Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for purposes of this agreement) as of August 18 of 2017.

by and between the following parties:

(1) **LENDER: Shanghai Renren Automobile Technology Company Limited.**
Registered Address: Room 917-918 , ,No328 , Jiajian Road Jiading District, Shanghai, China
Legal Representative: Liu Jian

and

(2) **BORROWER**: **Ren Jintao**
PRC Identification Card No: 110102197805152331
Address: No.222 of Third Floor, No.33 of Beiwaxili, Haidian District, Beijing, China

(individually, a "**Party**" and collectively, the "**Parties**")

WHEREAS:

Borrower desires to borrow from the Lender, and the Lender desires to lend to the Borrower, an aggregate principal amount of Renminbi Forty-nine million, Five Hundred thousand Yun(RMB 49,500,000), pursuant to the terms and conditions set forth herein.

THEREFORE, the Parties, through friendly negotiation based on equal and mutual benefit, agree as follows:

1. Principal Amount of the Loan

Subject to the terms and conditions set forth in this Agreement, Lender has agreed to lend to the Borrower, the principal amount of RMB 49,500,000 (the "**Loan**"). Such Loan shall be interest-free throughout the term of the Loan.

2. Loan Terms

2.1 The term for such Loan will be ten (10) years, calculated from the date when the Borrower actually draws the Loan. The term under this Agreement shall be automatically extended for another ten years unless written notice to the contrary is given by the Lender three months prior to the expiration of this Agreement.

2.2 The Lender and the Borrower jointly agree and confirm that the Borrower shall not repay the Loan in advance except with the Lender's prior written approval or the expiration of this Agreement. The Borrower shall repay the Loan by using all the funds obtained by him from transferring all of the Borrower's equity in Shanghai Renren Automobile Technology Company Limited ("Renren Automobile"), a company incorporated under the laws of the People's Republic of China to Lender or to any other third party designated by the Lender. In case the funds received by the Borrower from transferring the aforesaid equity is subject to any tax or administrative expenses, the Borrower shall only be obliged to repay the net portion of such funds (after deducting any applicable tax and expenses) to the Lender. When all of such Borrower's equity in Renren Automobile is transferred as stipulated above and if all the fund thereof is repaid to the Lender by the Borrower, all the outstanding Loan hereunder shall be regarded as repaid.

2.3 The Lender and the Borrower agree and confirm that the Borrower shall immediately repay the Loan in case any one of the following occurs:

2.3.1 The Borrower dies or becomes a person with no or limited capacity for civil rights;

2.3.2 The Borrower commits crime or is involved in crime;

2.3.3 Any third party claims debt of the Borrower exceeding RMB 10,000,000 (RMB 10,000,000) which the Borrower is not able to repay;

2.3.4 There are no legal restrictions for foreign investors to directly invest in the value-added telecommunication business under PRC law; or

2.3.5 the Lender issues a written notice to the Borrower for repayment of the Loan.

3. <u>Conditions Precedent to the Disbursement of the Loan</u>

3.1 The Lender shall not be obliged to make any disbursement of the Loan unless all of the following conditions have been satisfied or waived by the Lender:

3.1.1 All the representations and warranties made by the Borrower are correct, accurate, complete and not misleading.

3.1.2 The Borrower is not in breach of the covenants and undertakings made by such Borrower in Section 5 hereof.

3.1.3 The Parties have executed an Equity Option Agreement ("**Option Agreement**"), pursuant to which the Borrower grants to the Lender or its designated person (legal or natural) an exclusive option to purchase all of the Borrower's equity interest in Renren Automobile, to the extent permitted under PRC laws.

3.1.4 The Parties have executed an Equity Interest Pledge Agreement ("**Pledge Agreement**"), pursuant to which the Borrower pledges all of his equity interest in Renren Automobile to the Lender, to the extent permitted under PRC laws.

4. Representations and Warranties

4.1 The Borrower makes the following representations and warranties to the Lender, and confirms that the Lender executes and performs this Agreement in reliance of such representations and warranties:

4.1.1 The Borrower has the full capacity and power to enter into this Agreement;

4.1.2 The execution of this Agreement of the Borrower will not violate any law or binding obligations of the Borrower;

4.1.3 This Agreement shall constitute a binding obligation of the Borrower, enforceable against him in accordance with its terms upon its execution;

4.1.4 The Borrower neither commits criminal behaviors nor is involved in criminal activity;

4.1.5 Except for the option under the Option Agreement and the pledge under the Pledge Agreement, without the prior consent of the Lender, the Borrower shall not create any pledge over part or whole of the Borrower's right in Renren Automobile or any priority for any third party where the beneficiary is neither the Lender nor its subsidiaries or affiliates;

4.2 The Lender makes the following representations and warranties to the Borrower:

4.2.1 The Lender is a company registered and validly existing under the laws of PRC;

4.2.2 The execution and performance of this Agreement by the Lender is in compliance with the power of the Lender. The Lender has taken proper measures and has gained authorizations and approvals from all third parties and governmental departments or agencies, to execute and perform its obligations under this Agreement in accordance with the limitations of the laws and contracts which are binding or bear influences over the Lender; and

4.2.3 This Agreement shall constitute the legal, valid and binding obligations of the Lender, enforceable against the Lender in accordance with its terms upon its execution.

5. Covenants and Undertakings of Borrower

5.1 The Borrower, as a shareholder of Renren Automobile, hereby undertakes to, and shall cause Renren Automobile, to observe the following terms with all efforts during the term of this Agreement:

5.1.1 It shall not modify in any way its articles of association or alter its shareholding structure without the prior written consent of the Lender;

5.1.2 It shall not transfer or dispose of any material asset, or create any other security interest neither for the Lender nor for its subsidiaries / affiliates over the same without the prior written consent of the Lender;

5.1.3 It shall not provide any warranty or assume any debt for any third party which is beyond its normal daily business scope without the prior written consent of the Lender;

5.1.4 It shall not enter into any material contracts without the prior written consent of the Lender, except those entered into in the ordinary course of business (for the purpose of this paragraph, any contract with a value exceeding RMB 100,000 shall be deemed to be a material contract);

5.1.5 It shall not extend any loan or credit to any party without the prior written consent of the Lender;

5.1.6 It shall not merge with or invest in any third party without the prior written consent of the Lender;

5.1.7 It shall not declare in any way any bonus or dividends for its shareholders without the prior written consent of the Lender;

5.1.8 It shall not conduct any business that is beyond the normal course of business;

5.1.9 It shall not change or dismiss an executive director or to dismiss and replace any senior management members;

5.1.10 It shall not make significant adjustment to its business operation model, marketing strategy, operation policy or client relationship; and

5.1.11 It shall not have any of its subsidiaries do any of the foregoing.

5.2 The Borrower further commits to the Lender, during the term of this Agreement, as follows:

5.2.1 he shall take all the measures to guarantee and maintain his identification and status as a shareholder of Renren Automobile;

5.2.2 he shall not transfer or dispose of any of his equity interest or other rights or powers pertinent to his equity interest in Renren Automobile;

5.2.3 he shall procure that the shareholders' meeting of Renren Automobile shall not pass any decision about its merger with or investment in any third party without the prior written consent of the Lender;

5.2.4 he shall not carry out any action bearing material influences on the assets, business, obligations or liabilities of Renren Automobile without prior written consent of the Lender;

5.2.5 he shall immediately and unconditionally transfer all or part of his equity interest in Renren Automobile to the Lender or any third party designated by the Lender in accordance with PRC laws and, where applicable, procure all the other shareholders of Renren Automobile waive any prior right over purchasing such shares, as required by the Lender;

5.2.6 he shall strictly observe his commitments and guarantees under this Agreement and other related agreements.

5.3 The Borrower hereby covenants and undertakes that upon the signing of this Agreement, the Borrower shall:

5.3.1 pledge all equity interest in Renren Automobile held by the Borrower for the benefit of Lender to guarantee the due repayment of the Loan hereunder, and enter into the Pledge Agreement with Lender;

5.3.2 deliver a power of attorney to appoint and authorize individuals designated by the Lender to exercise the rights and powers pertinent to the equity interest in Renren Automobile held by the Borrower;

5.3.3 confirm and agree that the Lender shall have the right to acquire or to designate any third party of its choice to acquire from time to time part or all of the equity interest of Renren Automobile from the Borrower at an agreed price pursuant to the Option Agreement.

6. Default

If the Borrower fails to perform his repayment obligation pursuant to this Agreement, an overdue interest at the rate of 0.01% per day upon the outstanding amount of the Loan shall be payable to the Lender.

7. Confidentiality

7.1 The Parties acknowledge and confirm to take all possible measures to keep confidential all the confidential materials and information (the "**Confidential Information**") they get to know by this Agreement. The Parties shall not disclose, provide or transfer such Confidential Information to any third party without the prior written consent of the other Party. In case of the termination of this Agreement, the receiving party of the Confidential Information shall return or destroy all the files, materials or software as required by the disclosing party, and delete any of the Confidential Information from any memory equipments and discontinue using such Confidential Information.

7.2 The Parties agree that this Section 7 shall survive the modification and termination of this Agreement.

8. Notices

Unless a written notice of change of address is issued, all correspondence relating to this Agreement shall be delivered in person, or by registered or prepaid mail, or by recognized express services or facsimile to the addresses appointed by the other party from time to time.

9. Governing Law and Dispute Settlement

9.1 The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

9.2 The Parties shall strive to settle any dispute arising from the interpretation or performance through friendly consultation. In case no settlement can be reached through consultation, either party may submit such matter to China International Economic and Trade Arbitration Commission ("**CIETAC**") Beijing headquarter for arbitration. The arbitration shall follow the then current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the Parties. This article shall not be affected by the termination or elimination of this Agreement.

9.3 In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

10. Force Majeure

10.1 Force Majeure refers to any accident which is beyond a Party's control and is inevitable with the reasonable care of the other Party who shall be influenced, including but not limited to governmental activity, natural force, fire, explosion, storm, flood, earthquake, tide, lightening or war. However, the credit, capital or shortage of financing shall not be deemed as the matters beyond one Party's reasonable control. The Party influenced by the Force Majeure and seeking for exemption hereunder shall notify the other Party as soon as possible and inform the other Party of the measures to take in order to accomplish the performance of this Agreement.

10.2 In case the performance of this Agreement is delayed or cumbered by the above-referenced Force Majeure, the Party who is influenced by the Force Majeure shall not bear any liability within the scope of delay and cumbrance, and shall take all the proper measures to reduce or eliminate the influence of Force Majeure, and shall make efforts to renew the performance of its obligations hereunder which has been delayed or cumbered by the Force Majeure. Each Party shall try its best to restore the performance of this Agreement once the Force Majeure is eliminated.

11. Effective Date

This Agreement shall be effective upon its being signed by the Parties hereunder. Notwithstanding the foregoing, the Lender and the Borrower confirm that the Loan was duly and fully extended by the Lender prior to the execution of this Agreement.

12. Miscellaneous

12.1 Any modification, termination or waiver of this Agreement shall not take effect without the written consent of each party.

12.2 Any appendix attached hereto shall be of the same effect as this Agreement.

12.3 The Borrower shall not transfer his rights and obligations hereunder to any third party without the prior written consent of the Lender.

12.4 In case any terms and stipulations in this Agreement is regarded as illegal or cannot be performed in accordance with the applicable law, it shall be deemed to be deleted from this Agreement and lose its effect and this Agreement shall remain its effect and be treated as without it from the very beginning. Each Party shall replace the deleted stipulations with those lawful and effective ones, which are acceptable to the Lender, through mutual negotiation.

[The space below is intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

LENDER: Shanghai Renren Automobile Technology Company Limited.
(Company Seal)

By: _____
Authorized Representative: Liu Jian

BORROWER: Ren Jintao

By: _____

[**SIGNATURE PAGE TO LOAN AGREEMENT]**

Exhibit 10.4

EXCLUSIVE TECHNOLOGY SUPPORT AND TECHNOLOGY SERVICES AGREEMENT

This Exclusive Technology Support and Technology Services Agreement (the "Agreement") is dated as of August 18 of 2017 (the "**Effective Date**") by and between:

Party A: **Shanghai Renren Automobile Technology Company Limited.**
Address: Room 917-918,No 328,Jiajian Road,Jiading District, Shanghai, China

Party B: **Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd.**
Address: Room 275E, No.668 of Shangda Road, Baoshan District, Shanghai, China

Each of Party A and Party B shall be referred to individually as a "**Party**" and collectively, the "**Parties**."

WHEREAS, Party A is a duly registered and established wholly foreign owned enterprise and desires to provide certain technology support and technology services necessary for Party B to operates its online sales business in China; and

WHEREAS, Party B is a limited liability company incorporated in the PRC; and

WHEREAS, Party A has agreed to provide Party B, and Party B has agreed to accept, certain technology support and technology services to support Party B's online sales operations.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties for themselves, their successors and permitted assigns, hereby agree as follows:

ARTICLE I
TECHNOLOGY SUPPORT AND TECHNOLOGY SERVICES

Section 1.1. Technology Support and Technology Services. Party A agrees to provide to Party B, and Party B agrees to accept from Party A, technology support and technology services with respect to the development, maintenance and support of and for server and computer software, hardware and systems relating to Party B's online sales business (collectively, the "**Support and Services**"). Specifically, such Support and Services may include any or all of the following services:

(a) research and development of relevant software and technologies in accordance with the business and operational needs;

(b) daily maintenance, supervision, testing and debugging for Party B's computer network equipment, technology products and software; and

(c) other relevant technology support and services as may reasonably be requested from time to time by Party B.

Section 1.2. Cooperation from Party B. Party B agrees to provide Party A with the necessary support and services, including without limitation, relevant data, technology specifications and instructions, to assist Party B in fulfilling its obligations under this Agreement.

Section 1.3. Exclusivity. Party B agrees that Party A shall be the exclusive provider to Party B of the Support and Services, and that Party B shall not accept any technology support or services for its business operations, including any support or services similar to the Support and Services, from any third party without the prior written consent of Party A.

Section 1.4. Ownership of Intellectual Property. Party A shall have sole and exclusive rights to and interests in any rights, ownership, interests and all intellectual property, including but not limited to copyrights, patents, technology secrets, commercial secrets and others, arising from the performance by Party A of its obligations under this Agreement, whether developed by either Party. The parties agree that this article survives the modification, termination or expiration of this Agreement.

ARTICLE II
FEES

Section 2.1. Fees. The Parties agree that in consideration for the services to be performed by Party A as set forth in Article I hereto, Party B set shall pay a service fee to Party A in accordance with Annex A hereto (collectively, the "**Service Fees**"). The Parties agree to meet on at least an annual basis to review and discuss an amendment to such service fees. The Annex may be amended by the Parties based on such negotiations and in accordance with the terms of Section 8.1 of this Agreement.

Section 2.2. Out-of-Pocket Expenses. Party B shall reimburse Party A for any out-of-pocket expenses incurred by Party A in fulfilling its obligations hereunder.

Section 2.3. Late Payment. An additional penalty of 5% per annum (as calculated on a daily basis) shall accrue with respect to any late fees and payments in the event that Party B fails to pay the Service Fees in accordance with the terms of this Agreement.

Section 2.4.Taxes. Each Party shall be responsible for any taxes that may be due and payable under applicable laws in connection with the performance of such Party's obligations under this Agreement.

ARTICLE III
CONFIDENTIALITY

Section 3.1. Confidential Information. Each Party acknowledges that it may have in its possession, and, in connection with the performance of its obligations under this Agreement, may receive, confidential information of the other Party (including information in the possession of such other party relating to its clients or customers) ("**Confidential Information**" and the Party disclosing such Confidential Information, the "**Disclosing Party**"). Each Party shall hold and shall cause its directors, officers, employees, agents, consultants and advisors (collectively, the "**Representatives**") to hold in strict confidence and not to use except as permitted by this Agreement all such Confidential Information concerning the other Party unless (i) such Party or any of its Representatives is compelled to disclose such Confidential Information by judicial or administrative process or by other requirements of applicable law or (ii) such Confidential Information can be shown to have been (A) in the public domain through no fault of such party or any of its Representatives, (B) lawfully acquired after the Effective Date on a non-confidential basis from other sources not known by such party to be under any legal obligation to keep such information confidential or (C) developed by such Party or any of its Representatives without the use of any Confidential Information of the other Party. Notwithstanding the foregoing, such Party may disclose such Confidential Information to its Representatives so long as such Representatives are informed by such Party of the confidential nature of such Confidential Information and are directed by such party to treat such information confidentially.

Section 3.2. Return of Confidential Information. Upon the termination of this Agreement, Party A shall return or destroy, in accordance with Party B's requirements, any documents, materials or software that contain Confidential Information, and delete any Confidential Information from any and all devices, personal computers or servers, and refrain from further using such Confidential Information.

ARTICLE IV
INDEMNIFICATION

Section 4.1. In the event that either Party hereto breaches any terms of this Agreement hereunder (the "**Breaching Party**"), the Party alleging such breach (the "**Non-breaching Party**") may notify the Breaching Party to correct its breaches within ten (10) days upon receipt of such notice in writing. In case of any damages, the Breaching Party shall indemnify the Non-breaching Party, so that the Non-breaching Party obtains all rights and benefits as if this Agreement would have been performed.

Section 4.2. The Breaching Party shall indemnify and hold the Non-breaching Party harmless against and from any expenses, liabilities or losses (including but not limited to the company's profit losses), lost interests and attorney's fees that may be sustained by the Non-breaching Party arising from or in relation to its breaches. The total compensation paid by the Breaching Party to the Non-breaching Party shall equal the losses arising from any such breaches, and any compensation shall include the benefits that would have been obtained by the Non-breaching Party as if this Agreement would have been performed; provided, however, that such compensation shall not be more than the benefits that the Non-breaching Party would have reasonably anticipated.

Section 4.3. The waiver of any breach may only be made in an instrument executed by each Party. Any writing to be effective. No failure or delay by any Non-breach Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

ARTICLE V
FORCE MAJEURE

Section 5.1. As used in this Agreement, a "force majeure" shall mean any war, fire, earthquake, flood, rainstorm, snowstorm and any other natural disaster, or any event that cannot be foreseen, overcome or avoided by the Parties as of the Effective Date.

Section 5.2. If a Party cannot perform or delay to perform all or part of its obligations under this Agreement due to a force majeure, such Party shall be released from relevant liabilities, but shall continue to perform after the effect of such force majeure is eliminated. If a Party cannot perform its obligations under this Agreement as a result of such force majeure, the Parties shall negotiate in good faith to seek an alternative resolution.

ARTICLE VI
TERM OF AGREEMENT

Section 6.1. Term. The initial term of this Agreement is ten (10) years commencing from the Effective Date.

Section 6.2. Option. The Parties agree that Party A shall have the right in its sole discretion to extend the term of this Agreement an additional ten (10) years by notifying Party B at least three (3) months prior to the end of each such ten year term.

Section 6.3. Survival. Article III, Article IV, Article VII and Section shall survive the termination of this Agreement.

ARTICLE VII
GOVERNING LAW; DISPUTE RESOLUTION

Section 7.1. Governing Law. The execution, effectiveness, interpretation, performance, amendment, termination and dispute resolution of this Agreement shall be governed by the laws of the People's Republic of China.

Section 7.2. Arbitration. The Parties shall seek to settle any disputes arising from the interpretation or performance of this Agreement through good faith negotiations. In the event that the Parties are unable to reach a settlement through negotiation within thirty (30) days after a Party issues a notice to the other Party regarding an alleged breach of or a dispute regarding an interpretation of a provision of this Agreement, either Party may submit such matter to the Beijing headquarters of the China International Economic and Trade Arbitration Commission (the "**CIETAC**"). The arbitration shall follow the current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese. The arbitration award shall be final and binding upon the Parties and shall be enforceable in accordance with its terms. Pending the resolution of any dispute in accordance with the terms of this Section 7.2, the Parties shall continue to perform their respective obligations in good faith in accordance with this Agreement.

ARTICLE VIII
MISCELLANEOUS

Section 8.1. Entire Agreement. This Agreement, including any Annexes, exhibits or schedules, constitutes the entire agreement and understanding among the Parties in respect of the subject matter hereof and supersedes all prior discussions, negotiations and agreements among them. This Agreement shall only be amended by a written instrument signed by all of the Parties.

Section 8.2. Notice. Unless otherwise designated by the other Party, any notices or other correspondences among the Parties shall be delivered in person, by express mail, or registered mail to the following correspondence addresses:

Party A: Beijing Shanghai Renren Automobile Technology Company Limited.
Address: Room 917-918,No 328,Jiajian Road,Jiading District, Shanghai, China
Tel:86-10-84481818

Party B: Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd.
Address: Room 275E, No.668 of Shangda Road, Baoshan District, Shanghai, China
Tel:86-10-84481818

Section 8.3. Binding Effect. This Agreement, upon being signed by the parties or their duly authorized representatives, shall be binding on the parties and their successors and assigns.

Section 8.4. Headings. The headings contained herein are inserted for reference purposes only and shall not affect the meaning or interpretation of any part of this Agreement.

Section 8.5. Severability. In the event that any provision hereof becomes invalid or unenforceable because such provision conflicts with the laws, such provision shall be held invalid or unenforceable to the extent required by the governing laws, and shall not affect the validity of the remaining provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to enter into this Agreement on the date first written above.

Party A: Shanghai Renren Automobile Technology Company Limited
(Seal)

By: _____

Name: Liu Jian
Title: Authorized Representative

Party B: Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd.
(seal)

By: _____

Name: Liu Jian
Title: Authorized Representative

ANNEX A

During the term of this Agreement, the Fee payable by Party B to Party A for the services rendered according to this Agreement shall be based on the specific Fee rate provided by Party A.

Notwithstanding the forgoing, Party A shall have the right to adjust at any time the specific Fee rate based on the quantity, scope and nature, among other factors, of the Services provided by it to Party B and and calculate the Fee payable by Party B based on this rate. Unless there is an obvious fault or material mistake in the rate, the Fee calculated based on this rate shall be the final amount; Party A shall issue the bill to Party B in accordance with this amount and Party B shall pay the bill within three days upon receipt of the bill.

During the term of this Agreement, Party A shall have the right to waive the Fee(s) under any bill(s) at its sole discretion without the consent of Party B.

Exhibit 10.5

EXCLUSIVE TECHNOLOGY SUPPORT AND TECHNOLOGY SERVICES AGREEMENT

This Exclusive Technology Support and Technology Services Agreement (the "Agreement") is dated as of August 18 of 2017 (the "**Effective Date**") by and between:

Party A: **Shanghai Renren Automobile Technology Company Limited.**
Address: Room 917-918, ,No328, Jiajian Road Jiading District, Shanghai, China

Party B: **Shanghai Jieying Automobile Sales Co., Ltd.**
Address: Room 105, First Floor of Lane 2, No.333 of Fengrao Road, Jiading District, Shanghai, China

Each of Party A and Party B shall be referred to individually as a "**Party**" and collectively, the "**Parties**."

WHEREAS, Party A is a duly registered and established wholly foreign owned enterprise and desires to provide certain technology support and technology services necessary for Party B to operates its online games business in China; and

WHEREAS, Party B is a limited liability company incorporated in the PRC; and

WHEREAS, Party A has agreed to provide Party B, and Party B has agreed to accept, certain technology support and technology services to support Party B's online games operations.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties for themselves, their successors and permitted assigns, hereby agree as follows:

ARTICLE I
TECHNOLOGY SUPPORT AND TECHNOLOGY SERVICES

Section 1.1. Technology Support and Technology Services. Party A agrees to provide to Party B, and Party B agrees to accept from Party A, technology support and technology services with respect to the development, maintenance and support of and for server and computer software, hardware and systems relating to Party B's online games business (collectively, the "**Support and Services**"). Specifically, such Support and Services may include any or all of the following services:

(a) research and development of relevant software and technologies in accordance with the business and operational needs;

(b) daily maintenance, supervision, testing and debugging for Party B's computer network equipment, technology products and software; and

(c) other relevant technology support and services as may reasonably be requested from time to time by Party B.

Section 1.2. Cooperation from Party B. Party B agrees to provide Party A with the necessary support and services, including without limitation, relevant data, technology specifications and instructions, to assist Party B in fulfilling its obligations under this Agreement.

Section 1.3. Exclusivity. Party B agrees that Party A shall be the exclusive provider to Party B of the Support and Services, and that Party B shall not accept any technology support or services for its business operations, including any support or services similar to the Support and Services, from any third party without the prior written consent of Party A.

Section 1.4. Ownership of Intellectual Property. Party A shall have sole and exclusive rights to and interests in any rights, ownership, interests and all intellectual property, including but not limited to copyrights, patents, technology secrets, commercial secrets and others, arising from the performance by Party A of its obligations under this Agreement, whether developed by either Party. The parties agree that this article survives the modification, termination or expiration of this Agreement.

ARTICLE II
FEES

Section 2.1. Fees. The Parties agree that in consideration for the services to be performed by Party A as set forth in Article I hereto, Party B set shall pay a service fee to Party A in accordance with Annex A hereto (collectively, the "**Service Fees**"). The Parties agree to meet on at least an annual basis to review and discuss an amendment to such service fees. The Annex may be amended by the Parties based on such negotiations and in accordance with the terms of Section 8.1 of this Agreement.

Section 2.2. Out-of-Pocket Expenses. Party B shall reimburse Party A for any out-of-pocket expenses incurred by Party A in fulfilling its obligations hereunder.

Section 2.3. Late Payment. An additional penalty of 5% per annum (as calculated on a daily basis) shall accrue with respect to any late fees and payments in the event that Party B fails to pay the Service Fees in accordance with the terms of this Agreement.

Section 2.4.Taxes. Each Party shall be responsible for any taxes that may be due and payable under applicable laws in connection with the performance of such Party's obligations under this Agreement.

ARTICLE III
CONFIDENTIALITY

Section 3.1. Confidential Information. Each Party acknowledges that it may have in its possession, and, in connection with the performance of its obligations under this Agreement, may receive, confidential information of the other Party (including information in the possession of such other party relating to its clients or customers) ("**Confidential Information**" and the Party disclosing such Confidential Information, the "**Disclosing Party**"). Each Party shall hold and shall cause its directors, officers, employees, agents, consultants and advisors (collectively, the "**Representatives**") to hold in strict confidence and not to use except as permitted by this Agreement all such Confidential Information concerning the other Party unless (i) such Party or any of its Representatives is compelled to disclose such Confidential Information by judicial or administrative process or by other requirements of applicable law or (ii) such Confidential Information can be shown to have been (A) in the public domain through no fault of such party or any of its Representatives, (B) lawfully acquired after the Effective Date on a non-confidential basis from other sources not known by such party to be under any legal obligation to keep such information confidential or (C) developed by such Party or any of its Representatives without the use of any Confidential Information of the other Party. Notwithstanding the foregoing, such Party may disclose such Confidential Information to its Representatives so long as such Representatives are informed by such Party of the confidential nature of such Confidential Information and are directed by such party to treat such information confidentially.

Section 3.2. Return of Confidential Information. Upon the termination of this Agreement, Party A shall return or destroy, in accordance with Party B's requirements, any documents, materials or software that contain Confidential Information, and delete any Confidential Information from any and all devices, personal computers or servers, and refrain from further using such Confidential Information.

ARTICLE IV
INDEMNIFICATION

Section 4.1. In the event that either Party hereto breaches any terms of this Agreement hereunder (the "**Breaching Party**"), the Party alleging such breach (the "**Non-breaching Party**") may notify the Breaching Party to correct its breaches within ten (10) days upon receipt of such notice in writing. In case of any damages, the Breaching Party shall indemnify the Non-breaching Party, so that the Non-breaching Party obtains all rights and benefits as if this Agreement would have been performed.

Section 4.2. The Breaching Party shall indemnify and hold the Non-breaching Party harmless against and from any expenses, liabilities or losses (including but not limited to the company's profit losses), lost interests and attorney's fees that may be sustained by the Non-breaching Party arising from or in relation to its breaches. The total compensation paid by the Breaching Party to the Non-breaching Party shall equal the losses arising from any such breaches, and any compensation shall include the benefits that would have been obtained by the Non-breaching Party as if this Agreement would have been performed; provided, however, that such compensation shall not be more than the benefits that the Non-breaching Party would have reasonably anticipated.

Section 4.3. The waiver of any breach may only be made in an instrument executed by each Party. Any writing to be effective. No failure or delay by any Non-breach Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

ARTICLE V
FORCE MAJEURE

Section 5.1. As used in this Agreement, a "force majeure" shall mean any war, fire, earthquake, flood, rainstorm, snowstorm and any other natural disaster, or any event that cannot be foreseen, overcome or avoided by the Parties as of the Effective Date.

Section 5.2. If a Party cannot perform or delay to perform all or part of its obligations under this Agreement due to a force majeure, such Party shall be released from relevant liabilities, but shall continue to perform after the effect of such force majeure is eliminated. If a Party cannot perform its obligations under this Agreement as a result of such force majeure, the Parties shall negotiate in good faith to seek an alternative resolution.

ARTICLE VI
TERM OF AGREEMENT

Section 6.1. Term. The initial term of this Agreement is ten (10) years commencing from the Effective Date.

Section 6.2. Option. The Parties agree that Party A shall have the right in its sole discretion to extend the term of this Agreement an additional ten (10) years by notifying Party B at least three (3) months prior to the end of each such ten year term.

Section 6.3. Survival. Article III, Article IV, Article VII and Section shall survive the termination of this Agreement.

ARTICLE VII
GOVERNING LAW; DISPUTE RESOLUTION

Section 7.1. Governing Law. The execution, effectiveness, interpretation, performance, amendment, termination and dispute resolution of this Agreement shall be governed by the laws of the People's Republic of China.

Section 7.2. Arbitration. The Parties shall seek to settle any disputes arising from the interpretation or performance of this Agreement through good faith negotiations. In the event that the Parties are unable to reach a settlement through negotiation within thirty (30) days after a Party issues a notice to the other Party regarding an alleged breach of or a dispute regarding an interpretation of a provision of this Agreement, either Party may submit such matter to the Beijing headquarters of the China International Economic and Trade Arbitration Commission (the "**CIETAC**"). The arbitration shall follow the current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese. The arbitration award shall be final and binding upon the Parties and shall be enforceable in accordance with its terms. Pending the resolution of any dispute in accordance with the terms of this Section 7.2, the Parties shall continue to perform their respective obligations in good faith in accordance with this Agreement.

ARTICLE VIII
MISCELLANEOUS

Section 8.1. Entire Agreement. This Agreement, including any Annexes, exhibits or schedules, constitutes the entire agreement and understanding among the Parties in respect of the subject matter hereof and supersedes all prior discussions, negotiations and agreements among them. This Agreement shall only be amended by a written instrument signed by all of the Parties.

Section 8.2. Notice. Unless otherwise designated by the other Party, any notices or other correspondences among the Parties shall be delivered in person, by express mail, or registered mail to the following correspondence addresses:

Party A: Shanghai Renren Automobile Technology Company Limited.
Address: Room 917-918No 328,Jiajian Road, Jiading District, Shanghai, China
Tel:86-10-84481818

Party B: Shanghai Jieying Automobile Sales Co., Ltd.
Address: Room 105, First Floor of Lane 2, No.333 of Fengrao Road, Jiading District, Shanghai, China
Tel:86-10-84481818

Section 8.3. Binding Effect. This Agreement, upon being signed by the parties or their duly authorized representatives, shall be binding on the parties and their successors and assigns.

Section 8.4. Headings. The headings contained herein are inserted for reference purposes only and shall not affect the meaning or interpretation of any part of this Agreement.

Section 8.5. Severability. In the event that any provision hereof becomes invalid or unenforceable because such provision conflicts with the laws, such provision shall be held invalid or unenforceable to the extent required by the governing laws, and shall not affect the validity of the remaining provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to enter into this Agreement on the date first written above.

Party A: Shanghai Renren Automobile Technology Company Limited.
(Seal)

By: _____

Name: Liu Jian
Title: Authorized Representative

Party B: Shanghai Jieying Automobile Sales Co., Ltd.
(seal)

By: _____

Name: Wang Mingli
Title: Authorized Representative

ANNEX A

During the term of this Agreement, the Fee payable by Party B to Party A for the services rendered according to this Agreement shall be based on the specific Fee rate provided by Party A.

Notwithstanding the forgoing, Party A shall have the right to adjust at any time the specific Fee rate based on the quantity, scope and nature, among other factors, of the Services provided by it to Party B and and calculate the Fee payable by Party B based on this rate. Unless there is an obvious fault or material mistake in the rate, the Fee calculated based on this rate shall be the final amount; Party A shall issue the bill to Party B in accordance with this amount and Party B shall pay the bill within three days upon receipt of the bill.

During the term of this Agreement, Party A shall have the right to waive the Fee(s) under any bill(s) at its sole discretion without the consent of Party B.

Exhibit 10.6

EQUITY INTEREST PLEDGE AGREEMENT

This Equity Interest Pledge Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement) and dated August 18, 2017 by and between the following parties:

(1) **PLEDGEE: Shanghai Renren Automobile Technology Co., Ltd.**
Registered Address: Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China Representative: Liu Jian

and

(2) **PLEDGOR: Liu Jian**
PRC Identification Card No: 310102197211124453
Residential Address: Room 1504, No. 2 of Lane 138, Nandan Road, Xuhui District, Shanghai

(individually a "**Party**" and collectively the "**Parties**")

WHEREAS:

A. Liu Jian is a PRC citizen, and owns 1% equity interest in Qianxiang Changda Internet Information Technology Development Co. Ltd (□□□□□□□□□□□□□□□□□□) ("**PRC Company**").

B. PRC company is a company registered in Shanghai engaging in the business of provision of Internet information services.

C. The Pledgor and the Pledgee entered into a Loan Agreement on August 18, 2017, pursuant to which the Pledgee extended a loan in the amount of RMB 500,000(the "**Loan**") to the Pledgor (the "**Loan Agreement**").

D. The Pledgee, a wholly foreign-owned company registered in Shanghai, PRC, has been licensed by the PRC relevant government authority to carry out the business of automotive technology, Internet Information Technology, etc.

E. Simultaneous with the execution of this Agreement, the Pledgor has also entered into an Equity Option Agreement with the Pledgee, pursuant to which the Pledgor grants to the Pledgee an exclusive right to purchase the Equity Interest (as defined below) at any time upon satisfaction of various requirements under the PRC law (the "**Option Agreement**").

F. In order to ensure that (i) the Pledgor repays the Loan under the Loan Agreement; (ii) the Pledgee collects Service Fees under the Service Agreement and License Fees under the License Agreement from PRC Company, (iii) the Pledgor's other obligations under the Option Agreement is fulfilled, and (iv) all other debts, monetary liabilities or other payment obligations owed to the Pledgee by the Pledgor and/or PRC Company, arising under or in relation to the Service Agreement or the Loan Agreement, or the License Agreement including, but not limited to, any obligation to pay damages for a breach of any obligation of the Pledgor or PRC Company under the Loan Agreement or the Service Agreement or the License Agreement (as applicable), are paid, the Pledgor is willing to pledge all the Equity Interest (as defined below) in PRC Company to the Pledgee as security for the above-mentioned obligations of the Pledgor and PRC Company (collectively, the "**Secured Obligations**").

In order to set forth each Party's rights and obligations, the Pledgee and the Pledgor through mutual negotiations hereby enter into this Agreement based upon the following terms:

1. Definitions

Unless otherwise provided in this Agreement, the following terms shall have the following meanings:

1.1 "**Pledge"** means the full content of Section 2 hereunder.

1.2 "**Equity Interest"** means all the equity interest in PRC Company held by the Pledgor (including all present and future rights and benefits based on such equity interests), and any additional equity interests in PRC Company acquired by the Pledgor subsequent to the date hereof. For the avoidance of any doubt, on the date hereof, the Pledgor holds a 1% equity interests (amounting to RMB 500,000) in PRC Company.

1.3 "**Event of Default"** means any event in accordance with Section 6 hereunder.

1.4 "**Notice of Default"** means the notice of default issued by the Pledgee in accordance with this Agreement.

2. Pledge

2.1 The Pledgor hereby pledges, and if required, transfers and assigns all his rights, titles and interests in the Equity Interest in PRC Company to the Pledgee as security for all of the Secured Obligations (the "**Pledge**") of an amount up to the Maximum Amount (as defined below), and grant a first priority security interest in all rights, titles and interests that he has or may at any time hereafter acquire in and to the Equity Interest, together with all equity or other ownership interests representing a dividend on the Equity Interest, a distribution or return of capital upon or in respect of such Equity Interest, any subscription, first refusal, pre-emptive or other purchase rights with respect to or arising from such Equity Interest, any voting rights with respect to such Equity Interest or any other interest in PRC Company which, by reason of notice or lapse of time or the occurrence of other events, may be converted into a direct equity interest in PRC Company, and all proceeds of the foregoing (collectively, the "**Pledged Collateral**").

2.1.1 The Parties understand and agree that the monetary valuation arising from, relating to or in connection with the Secured Obligations shall be a variable and floating valuation until the Settlement Date (as defined below). Therefore, based on the reasonable assessment and evaluation by the Pledgor and the Pledgee of the Secured Obligations and the Pledged Collateral, the Pledgor and the Pledgee mutually acknowledge and agree that the Pledge shall aggregately secure the Secured Obligations for a maximum amount of RMB 500,000 (the "**Maximum Amount**") prior to the Settlement Date.

The Pledgor and the Pledgee may, taking into account the fluctuation in the monetary value of the Secured Obligations and the Pledged Collateral, adjust the Maximum Amount based on mutual agreement by amending and supplementing this Agreement, from time to time, prior to the Settlement Date.

2.1.2 Upon the occurrence of any of the events below (each an "**Event of Settlement**"), the Secured Obligations shall be fixed at a value of the sum of all Secured Obligations that are due, outstanding and payable to the Pledgee on or immediately prior to the date of such occurrence (the "**Fixed Obligations**"):

(a) any or all of the Loan Agreement, Service Agreement, License Agreement or the Option Agreement expires or is terminated pursuant to the stipulations thereunder;

(b) the occurrence of an Event of Default pursuant to Section 6 that is not resolved, which results in the Pledgee serving a Notice of Default to the Pledgor pursuant to Section 6.3;

(c) the Pledgee reasonably determines (having made due enquiries) that the Pledgor and/or PRC Company is insolvent or could potentially be made insolvent; or

(d) any other event that requires the settlement of the Secured Obligations in accordance with relevant laws of the PRC.

2.2 For the avoidance of doubt, the day of the occurrence of an Event of Settlement shall be the settlement date (the "**Settlement Date**"). On or after the Settlement Date, the Pledgee shall be entitled, at the election of the Pledgee, to enforce the Pledge in accordance with Section 7.

2.3 The Pledgee is entitled to collect dividends or other distributions, if any, arising from the Equity Interest during the Term of the Pledge (as defined below).

3. Effectiveness, Scope and Term of Pledge

3.1 The Pledgor shall, promptly after the execution of this Agreement, but in no event later than 20 days from the date of this Agreement, register this Agreement and the Pledge hereunder with the State Administration for Industry and Commerce of the PRC or its competent local counterpart (the "**AIC**"). The Pledgor shall deliver to the Pledgee a copy of the registration or filing certificate from the AIC within 7 days from the date of submission of the application for registration of this Agreement and Pledge with the AIC.

3.2 The Pledge shall be effective upon the registration of the Pledge with the AIC in accordance with Section 3.1 above. The term of the Pledge shall commence on the date when the Pledge is registered with the AIC and shall expire on the earlier of (1) the date on which all outstanding Secured Obligations are paid in full or otherwise satisfied (as applicable); (2) the Pledgee enforces the Pledge pursuant to the terms and conditions hereof, to satisfy its rights under the Secured Obligations and Pledged Collateral in full; or (3) the Pledgor completes his transfer of all Equity Interest to a third party (individual or legal entity) pursuant to the Option Agreement and no longer holds any Equity Interest in PRC Company (the "**Term of the Pledge**").

4. Representations and Warranties of the Pledgor

The Pledgor hereby makes the following representations and warranties to the Pledgee and confirms that the Pledgee executes this Agreement in reliance on such representations and warranties:

4.1 The Pledgor is the legal owner of the Equity Interest that has been registered in his name, and is entitled to create a pledge on such Equity Interest.

4.2 None of the Pledged Collateral or the Pledge will be interfered with by any other pledgee at any time once the Pledgee exercises the rights of the Pledge in accordance with this Agreement.

4.3 The Pledgee shall be entitled to dispose or assign the Pledge in accordance with the relevant laws and this Agreement.

4.4 All necessary authorizations have been obtained for the execution and performance of this Agreement by the Pledgor and the execution and performance of this Agreement by the Pledgor does not violate any applicable laws or regulations. The execution of this Agreement by the Pledgor represents that he/she is entitled to acquire the legal authorization.

4.5 The Pledgor warrants that there is no on-going civil, administrative or criminal litigation or administrative punishment or arbitration related to the Equity Interest and is not aware of any such action pending or likely to be pending in the future as of the date of this Agreement.

4.6 There are no outstanding taxes, fees or undecided legal procedures related to the Equity Interest as of the date of this Agreement.

4.7 Each stipulation hereunder is the expression of each Party's true intention and shall be binding upon all the Parties.

5. <u>Covenants of the Pledgor</u>

5.1 The Pledgor covenants to the Pledgee that he shall:

5.1.1 not transfer or assign the Equity Interest, or create or permit to be created any pledge, lien, charge, mortgage, encumbrance, option, security or other interest in or over the Equity Interest that has been registered in his name, other than the Pledge created hereunder and the option granted under the Option Agreement, without the prior written consent from the Pledgee;

5.1.2 comply with and implement laws and regulations with respect to the pledge of rights, present to the Pledgee the notices, orders or suggestions with respect to the Pledge issued or made by the competent authority within 5 days upon receiving such notices, orders or suggestions and take actions in accordance with the reasonable instructions of the Pledgee; and

5.1.3 timely notify the Pledgee of any events or any received notices (i) which may affect the Equity Interest or any part of the Pledgee's rights, (ii) which may change the Pledgor's guarantees, covenants or obligations under this Agreement or (iii) which may affect the Pledgor's performance of his obligations under this Agreement, and take actions in accordance with the reasonable instructions of the Pledgee.

5.2 The Pledgor agrees that the Pledgee's right of exercising the Pledge under this Agreement shall not be suspended or hampered by the Pledgor or any successors of the Pledgor or any person authorized by the Pledgor.

5.3 The Pledgor covenants to the Pledgee that in order to protect or perfect the security over the Secured Obligations, the Pledgor shall (i) execute in good faith and cause other parties who have interests in the Pledge to execute all the forms, instruments, agreements (including those required for the registration and de-registration of the Pledge with the AIC), and/or (ii) take actions and cause other parties who have interests in the Pledge to take actions as required by the Pledgee and (iii) allow the Pledgee to exercise the rights and authorization vested in the Pledgee under this Agreement.

5.4 The Pledgor agrees to promptly make or cause to be made any filings or records, give or cause to be given any notices and take or cause to be taken any other actions as may be necessary under the laws of the PRC, to perfect the Pledge of the Pledged Collateral, including the registration with the AIC set forth in Section 3.1.

5.5 The Pledgor covenants to the Pledgee that he will comply with and perform all the guarantees, covenants, agreements, representations and conditions for the benefits of the Pledgee. The Pledgor shall compensate for all the losses suffered by the Pledgee for such Pledgor's failure to perform or fully perform his guarantees, covenants, agreements, representations or conditions.

6. <u>Events of Default</u>

6.1 Each of the following shall constitute an Event of Default:

6.1.1 PRC Company or the Pledgor fails to make full and timely payment of any amounts due under the Secured Obligations as required under the Service Agreement, License Agreement, Loan Agreement or Option Agreement, or an event of default (as defined and stipulated in those agreements) has occurred and is continuing;

6.1.2 the Pledgor makes or has made any misleading or untrue representations or warranties under Section 4, or is in violation of any of the representations and warranties under Section 4;

6.1.3 the Pledgor breaches any of the covenants under Section 5;

6.1.4 the Pledgor breaches any other covenants, undertakings or obligations of the Pledgor sets forth herein;

6.1.5 the Pledgor is unable to perform his obligations under this Agreement due to the separation or merger of PRC Company with other third parties or for any other reason;

6.1.6 the Pledgor relinquishes all or any part of the Pledged Collateral or transfers or assigns all or any part of the Pledged Collateral without the prior written consent of the Pledgee (except the transfers or assigns permitted under the Option Agreement);

6.1.7 any indebtedness, guarantee or other obligation of the Pledgor, whether pursuant to a contract or otherwise, (i) is accelerated as a result of a default thereunder and is required to be repaid or performed prior to the due date; or (ii) has become due and is not repaid or performed when due which, in the Pledgee's reasonable view, has materially adversely affected the Pledgor's ability to perform his obligations under this Agreement;

6.1.8 this Agreement is illegal as a result of any applicable laws or the Pledgor is restricted from continuing to perform his obligations under this Agreement;

6.1.9 any approval, permit, license or authorization from any applicable governmental entity (or registration or filing procedure) required for PRC Company to provide Internet games, culture activities in the PRC is withdrawn, suspended, invalidated or materially amended;

6.1.10 any approval, permit, license or authorization from any applicable government authority required to perform this Agreement or make this Agreement enforceable, legal and valid is withdrawn, suspended, invalidated or materially amended; or

6.1.11 any property owned by the Pledgor is altered or damaged which, in the Pledgee's reasonable view, has materially adversely affected the Pledgor's ability to perform his obligations under this Agreement.

6.2 The Pledgor shall immediately give a written notice to the Pledgee if the Pledgor is aware or finds that any event set forth in Section 6.1 or any events that may result in the foregoing events have occurred or are occurring.

6.3 Unless an Event of Default set forth in Section 6.1 has been rectified to the Pledgee's satisfaction, the Pledgee, at any time the event of default occurs or thereafter, may give a written notice of default to the Pledgor, and require such Pledgor, at the discretion of the Pledgee, to immediately make full payment of the outstanding amounts payable under the Loan Agreements, Service Agreement, License Agreement, and/or Option Agreements, and other payables, or dispose of the Pledge in accordance with Section 7 herein.

7. Exercise of the Rights of the Pledge

7.1 The Pledgor shall not transfer or assign the Pledged Collateral without prior written approval from the Pledgee prior to the full settlement and fulfillment of the Secured Obligations.

7.2 The Pledgee shall give a notice of exercise relating to the Pledge to the Pledgor and dispose of the Pledge at any time after the occurrence of Event of Settlement.

7.3 Subject to Section 6.3, the Pledgee may exercise the right to dispose of the Pledge at any time when the Pledgee gives a notice of exercise in accordance with Section 6.3 or thereafter.

7.4 The Pledgee is entitled to have priority in receiving payment by the evaluation or proceeds from the auction or sale of whole or part of the Pledged Collateral in accordance with legal procedures until the outstanding Secured Obligation or other monetary obligations payable by the Pledgor and/or PRC Company is fully paid, repaid or otherwise settled.

7.5 The Pledgor shall not hinder the Pledgee from disposing the Pledge in accordance with this Agreement and shall give necessary assistance so that the Pledgee could realize its Pledge.

8. Transfer or Assignment

8.1 The Pledgor shall not donate or transfer his rights and obligations herein to any third party without prior written consent from the Pledgee.

8.2 This Agreement shall be binding upon the Pledgor and his successors and be effective to the Pledgee and each of its successor and assignee.

8.3 The Pledgee may transfer all Secured Obligations and his right to the Pledge to any third party at any time. In this case, the assignee shall enjoy and undertake the same rights and obligations herein of the Pledgee as if the assignee is a party hereto. When the Pledgee transfers or assigns the Secured Obligations and its rights to the Pledge, at the request of the Pledgee, the Pledgor shall execute the relevant agreements and/or documents with respect to such transfer or assignment.

8.4 After a change to the Pledgee resulting from a transfer or assignment, the new parties to the pledge shall re-execute a pledge contract.

9. Term and Termination

This Agreement shall be effective upon its being signed by the Parties hereunder. Notwithstanding the foregoing, the Pledge (as defined in Section 2.1) shall only come into effect in accordance with Section 3 of this Agreement.

This Agreement shall not be terminated until the Term of the Pledge expires pursuant to Section 3 herein.

10. Force Majeure

10.1 If this Agreement is delayed in or prevented from performing in the Event of Force Majeure, only within the limitation of such delay or prevention, the affected Party is absolved from any liability under this Agreement. Force Majeure, which includes acts of governments, acts of nature, fire, explosion, geographic change, flood, earthquake, tide, lightning, war, means any unforeseen events beyond the prevented Party's reasonable control and cannot be prevented with reasonable care. However, any shortage of credit, capital or finance shall not be regarded as an event beyond a Party's reasonable control. The Party affected by Force Majeure who claims for exemption from performing any obligations under this Agreement or under any Section herein shall notify the other party of such exemption promptly and advise him of the steps to be taken for completion of the performance.

10.2 The Party affected by Force Majeure shall not assume any liability under this Agreement. However, subject to the Party affected by Force Majeure having taken its reasonable and practicable efforts to perform this Agreement, the Party claiming for exemption of the liabilities may only be exempted from performing such liability as within limitation of the part performance delayed or prevented by Force Majeure. Once causes for such exemption of liabilities are rectified and remedied, both parties agree to resume performance of this Agreement with their best efforts.

11. Applicable Law and Dispute Resolution

11.1 The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

11.2 The Parties shall strive to settle any dispute arising from the interpretation or performance through friendly consultation. In case no settlement can be reached through consultation, each Party can submit such matter to China International Economic and Trade Arbitration Commission for arbitration. The arbitration shall follow the then current rules of the commission, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the Parties. This article shall not be affected by the termination or elimination of this Agreement.

11.3 In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each Party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

12. Notice

Any notice or correspondence, which is given by the Party as stipulated hereunder, shall be in Chinese and English writing and shall be delivered in person or by registered or prepaid mail or recognized express service, or be transmitted by telex or facsimile to the following addresses:

PLEDGEE : Shanghai Renren Automobile Technology Co., Ltd.
Address : Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China
Fax : 86-10-664362600
Tele : 86-10-84481818
Addressee : Liu Jian

PLEDGOR: Liu Jian

Address : Room 1504, No. 2 of Lane 138, Nandan Road, Xuhui District, Shanghai
Fax : 86-10-64362600
Tele : 86-10-84481818

13. Appendices

The appendices to this Agreement constitute an integral part of this Agreement.

14. Waiver

The Pledgee's non-exercise or delay in exercise of any rights, remedies, power or privileges hereunder shall not be deemed as the waiver of such rights, remedies, power or privileges. Any single or partial exercise of the rights, remedies, power and privileges shall not exclude the Pledgee from exercising any other rights, remedies, power and privileges. The rights, remedies, power and privileges hereunder are accumulative and shall not exclude the application of any other rights, remedies, power and privileges stipulated by laws.

15. Miscellaneous

15.1 Any amendments, modifications or supplements to this Agreement shall be in writing and come into effect upon being executed and sealed by the Parties hereto.

15.2 In case any terms and stipulations in this Agreement are regarded as illegal or cannot be performed in accordance with the applicable law, such terms and stipulations shall be deemed to ineffective and not enforceable within the scope governed by the applicable law, and the remaining stipulations will remain effective.

[The space below is intentionally left blank.]

(This page is a signature page of this Equity Interest Pledge Agreement)

PLEDGEE: Shanghai Renren Automobile Technology Co., Ltd.
(Company Seal)

By: /s/ Liu Jian
Authorized Representative: Liu Jian

PLEDGOR: Liu Jian

By: /s/ Liu Jian

EQUITY INTEREST PLEDGE AGREEMENT

This Equity Interest Pledge Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement) and dated August 18, 2017 by and between the following parties:

(1) **PLEDGEE: Shanghai Renren Automobile Technology Co., Ltd.**
Registered Address: Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China Representative: Liu Jian

and

(2) **PLEDGOR: Yang Jing**
PRC Identification Card No: 532721197005100025
Residential Address: Room 202, Unit 1, Block 9, No.275 of Ninger Road, Simao District, Puer, Yunnan Province

(individually a "**Party**" and collectively the "**Parties**")

WHEREAS:

A. Yang Jing is a PRC citizen, and owns 99% equity interest in Qianxiang Changda Internet Information Technology Development Co. Ltd (□□□□□□□□□□□□□□□□□□) ("**PRC Company**").

B. PRC company is a company registered in Shanghai engaging in the business of provision of Internet information services.

C. The Pledgor and the Pledgee entered into a Loan Agreement on August 18, 2017, pursuant to which the Pledgee extended a loan in the amount of RMB 49,500,000(the "**Loan**") to the Pledgor (the "**Loan Agreement**").

D. The Pledgee, a wholly foreign-owned company registered in Shanghai, PRC, has been licensed by the PRC relevant government authority to carry out the business of automotive technology, Internet Information Technology, etc.

E. Simultaneous with the execution of this Agreement, the Pledgor has also entered into an Equity Option Agreement with the Pledgee, pursuant to which the Pledgor grants to the Pledgee an exclusive right to purchase the Equity Interest (as defined below) at any time upon satisfaction of various requirements under the PRC law (the "**Option Agreement**").

F. In order to ensure that (i) the Pledgor repays the Loan under the Loan Agreement; (ii) the Pledgee collects Service Fees under the Service Agreement and License Fees under the License Agreement from PRC Company, (iii) the Pledgor's other obligations under the Option Agreement is fulfilled, and (iv) all other debts, monetary liabilities or other payment obligations owed to the Pledgee by the Pledgor and/or PRC Company, arising under or in relation to the Service Agreement or the Loan Agreement, or the License Agreement including, but not limited to, any obligation to pay damages for a breach of any obligation of the Pledgor or PRC Company under the Loan Agreement or the Service Agreement or the License Agreement (as applicable), are paid, the Pledgor is willing to pledge all the Equity Interest (as defined below) in PRC Company to the Pledgee as security for the above-mentioned obligations of the Pledgor and PRC Company (collectively, the "**Secured Obligations**").

In order to set forth each Party's rights and obligations, the Pledgee and the Pledgor through mutual negotiations hereby enter into this Agreement based upon the following terms:

1. Definitions

Unless otherwise provided in this Agreement, the following terms shall have the following meanings:

1.1 "**Pledge"** means the full content of Section 2 hereunder.

1.2 "**Equity Interest"** means all the equity interest in PRC Company held by the Pledgor (including all present and future rights and benefits based on such equity interests), and any additional equity interests in PRC Company acquired by the Pledgor subsequent to the date hereof. For the avoidance of any doubt, on the date hereof, the Pledgor holds a 99% equity interests (amounting to RMB 49,500,000) in PRC Company.

1.3 "**Event of Default"** means any event in accordance with Section 6 hereunder.

1.4 "**Notice of Default"** means the notice of default issued by the Pledgee in accordance with this Agreement.

2. Pledge

2.1 The Pledgor hereby pledges, and if required, transfers and assigns all his rights, titles and interests in the Equity Interest in PRC Company to the Pledgee as security for all of the Secured Obligations (the "**Pledge**") of an amount up to the Maximum Amount (as defined below), and grant a first priority security interest in all rights, titles and interests that he has or may at any time hereafter acquire in and to the Equity Interest, together with all equity or other ownership interests representing a dividend on the Equity Interest, a distribution or return of capital upon or in respect of such Equity Interest, any subscription, first refusal, pre-emptive or other purchase rights with respect to or arising from such Equity Interest, any voting rights with respect to such Equity Interest or any other interest in PRC Company which, by reason of notice or lapse of time or the occurrence of other events, may be converted into a direct equity interest in PRC Company, and all proceeds of the foregoing (collectively, the "**Pledged Collateral**").

2.1.1 The Parties understand and agree that the monetary valuation arising from, relating to or in connection with the Secured Obligations shall be a variable and floating valuation until the Settlement Date (as defined below). Therefore, based on the reasonable assessment and evaluation by the Pledgor and the Pledgee of the Secured Obligations and the Pledged Collateral, the Pledgor and the Pledgee mutually acknowledge and agree that the Pledge shall aggregately secure the Secured Obligations for a maximum amount of RMB 49,500,000 (the "**Maximum Amount**") prior to the Settlement Date.

The Pledgor and the Pledgee may, taking into account the fluctuation in the monetary value of the Secured Obligations and the Pledged Collateral, adjust the Maximum Amount based on mutual agreement by amending and supplementing this Agreement, from time to time, prior to the Settlement Date.

2.1.2 Upon the occurrence of any of the events below (each an "**Event of Settlement**"), the Secured Obligations shall be fixed at a value of the sum of all Secured Obligations that are due, outstanding and payable to the Pledgee on or immediately prior to the date of such occurrence (the "**Fixed Obligations**"):

(a) any or all of the Loan Agreement, Service Agreement, License Agreement or the Option Agreement expires or is terminated pursuant to the stipulations thereunder;

(b) the occurrence of an Event of Default pursuant to Section 6 that is not resolved, which results in the Pledgee serving a Notice of Default to the Pledgor pursuant to Section 6.3;

(c) the Pledgee reasonably determines (having made due enquiries) that the Pledgor and/or PRC Company is insolvent or could potentially be made insolvent; or

(d) any other event that requires the settlement of the Secured Obligations in accordance with relevant laws of the PRC.

2.2 For the avoidance of doubt, the day of the occurrence of an Event of Settlement shall be the settlement date (the "**Settlement Date**"). On or after the Settlement Date, the Pledgee shall be entitled, at the election of the Pledgee, to enforce the Pledge in accordance with Section 7.

2.3 The Pledgee is entitled to collect dividends or other distributions, if any, arising from the Equity Interest during the Term of the Pledge (as defined below).

3. Effectiveness, Scope and Term of Pledge

3.1 The Pledgor shall, promptly after the execution of this Agreement, but in no event later than 20 days from the date of this Agreement, register this Agreement and the Pledge hereunder with the State Administration for Industry and Commerce of the PRC or its competent local counterpart (the "**AIC**"). The Pledgor shall deliver to the Pledgee a copy of the registration or filing certificate from the AIC within 7 days from the date of submission of the application for registration of this Agreement and Pledge with the AIC.

3.2 The Pledge shall be effective upon the registration of the Pledge with the AIC in accordance with Section 3.1 above. The term of the Pledge shall commence on the date when the Pledge is registered with the AIC and shall expire on the earlier of (1) the date on which all outstanding Secured Obligations are paid in full or otherwise satisfied (as applicable); (2) the Pledgee enforces the Pledge pursuant to the terms and conditions hereof, to satisfy its rights under the Secured Obligations and Pledged Collateral in full; or (3) the Pledgor completes his transfer of all Equity Interest to a third party (individual or legal entity) pursuant to the Option Agreement and no longer holds any Equity Interest in PRC Company (the "**Term of the Pledge**").

4. Representations and Warranties of the Pledgor

The Pledgor hereby makes the following representations and warranties to the Pledgee and confirms that the Pledgee executes this Agreement in reliance on such representations and warranties:

4.1 The Pledgor is the legal owner of the Equity Interest that has been registered in his name, and is entitled to create a pledge on such Equity Interest.

4.2 None of the Pledged Collateral or the Pledge will be interfered with by any other pledgee at any time once the Pledgee exercises the rights of the Pledge in accordance with this Agreement.

4.3 The Pledgee shall be entitled to dispose or assign the Pledge in accordance with the relevant laws and this Agreement.

4.4 All necessary authorizations have been obtained for the execution and performance of this Agreement by the Pledgor and the execution and performance of this Agreement by the Pledgor does not violate any applicable laws or regulations. The execution of this Agreement by the Pledgor represents that he/she is entitled to acquire the legal authorization.

4.5 The Pledgor warrants that there is no on-going civil, administrative or criminal litigation or administrative punishment or arbitration related to the Equity Interest and is not aware of any such action pending or likely to be pending in the future as of the date of this Agreement.

4.6 There are no outstanding taxes, fees or undecided legal procedures related to the Equity Interest as of the date of this Agreement.

4.7 Each stipulation hereunder is the expression of each Party's true intention and shall be binding upon all the Parties.

5. <u>Covenants of the Pledgor</u>

5.1 The Pledgor covenants to the Pledgee that he shall:

5.1.1 not transfer or assign the Equity Interest, or create or permit to be created any pledge, lien, charge, mortgage, encumbrance, option, security or other interest in or over the Equity Interest that has been registered in his name, other than the Pledge created hereunder and the option granted under the Option Agreement, without the prior written consent from the Pledgee;

5.1.2 comply with and implement laws and regulations with respect to the pledge of rights, present to the Pledgee the notices, orders or suggestions with respect to the Pledge issued or made by the competent authority within 5 days upon receiving such notices, orders or suggestions and take actions in accordance with the reasonable instructions of the Pledgee; and

5.1.3 timely notify the Pledgee of any events or any received notices (i) which may affect the Equity Interest or any part of the Pledgee's rights, (ii) which may change the Pledgor's guarantees, covenants or obligations under this Agreement or (iii) which may affect the Pledgor's performance of his obligations under this Agreement, and take actions in accordance with the reasonable instructions of the Pledgee.

5.2 The Pledgor agrees that the Pledgee's right of exercising the Pledge under this Agreement shall not be suspended or hampered by the Pledgor or any successors of the Pledgor or any person authorized by the Pledgor.

5.3 The Pledgor covenants to the Pledgee that in order to protect or perfect the security over the Secured Obligations, the Pledgor shall (i) execute in good faith and cause other parties who have interests in the Pledge to execute all the forms, instruments, agreements (including those required for the registration and de-registration of the Pledge with the AIC), and/or (ii) take actions and cause other parties who have interests in the Pledge to take actions as required by the Pledgee and (iii) allow the Pledgee to exercise the rights and authorization vested in the Pledgee under this Agreement.

5.4 The Pledgor agrees to promptly make or cause to be made any filings or records, give or cause to be given any notices and take or cause to be taken any other actions as may be necessary under the laws of the PRC, to perfect the Pledge of the Pledged Collateral, including the registration with the AIC set forth in Section 3.1.

5.5 The Pledgor covenants to the Pledgee that he will comply with and perform all the guarantees, covenants, agreements, representations and conditions for the benefits of the Pledgee. The Pledgor shall compensate for all the losses suffered by the Pledgee for such Pledgor's failure to perform or fully perform his guarantees, covenants, agreements, representations or conditions.

6. <u>Events of Default</u>

6.1 Each of the following shall constitute an Event of Default:

6.1.1 PRC Company or the Pledgor fails to make full and timely payment of any amounts due under the Secured Obligations as required under the Service Agreement, License Agreement, Loan Agreement or Option Agreement, or an event of default (as defined and stipulated in those agreements) has occurred and is continuing;

6.1.2 the Pledgor makes or has made any misleading or untrue representations or warranties under Section 4, or is in violation of any of the representations and warranties under Section 4;

6.1.3 the Pledgor breaches any of the covenants under Section 5;

6.1.4 the Pledgor breaches any other covenants, undertakings or obligations of the Pledgor sets forth herein;

6.1.5 the Pledgor is unable to perform his obligations under this Agreement due to the separation or merger of PRC Company with other third parties or for any other reason;

6.1.6 the Pledgor relinquishes all or any part of the Pledged Collateral or transfers or assigns all or any part of the Pledged Collateral without the prior written consent of the Pledgee (except the transfers or assigns permitted under the Option Agreement);

6.1.7 any indebtedness, guarantee or other obligation of the Pledgor, whether pursuant to a contract or otherwise, (i) is accelerated as a result of a default thereunder and is required to be repaid or performed prior to the due date; or (ii) has become due and is not repaid or performed when due which, in the Pledgee's reasonable view, has materially adversely affected the Pledgor's ability to perform his obligations under this Agreement;

6.1.8 this Agreement is illegal as a result of any applicable laws or the Pledgor is restricted from continuing to perform his obligations under this Agreement;

6.1.9 any approval, permit, license or authorization from any applicable governmental entity (or registration or filing procedure) required for PRC Company to provide Internet games, culture activities in the PRC is withdrawn, suspended, invalidated or materially amended;

6.1.10 any approval, permit, license or authorization from any applicable government authority required to perform this Agreement or make this Agreement enforceable, legal and valid is withdrawn, suspended, invalidated or materially amended; or

6.1.11 any property owned by the Pledgor is altered or damaged which, in the Pledgee's reasonable view, has materially adversely affected the Pledgor's ability to perform his obligations under this Agreement.

6.2 The Pledgor shall immediately give a written notice to the Pledgee if the Pledgor is aware or finds that any event set forth in Section 6.1 or any events that may result in the foregoing events have occurred or are occurring.

6.3 Unless an Event of Default set forth in Section 6.1 has been rectified to the Pledgee's satisfaction, the Pledgee, at any time the event of default occurs or thereafter, may give a written notice of default to the Pledgor, and require such Pledgor, at the discretion of the Pledgee, to immediately make full payment of the outstanding amounts payable under the Loan Agreements, Service Agreement, License Agreement, and/or Option Agreements, and other payables, or dispose of the Pledge in accordance with Section 7 herein.

7. Exercise of the Rights of the Pledge

7.1 The Pledgor shall not transfer or assign the Pledged Collateral without prior written approval from the Pledgee prior to the full settlement and fulfillment of the Secured Obligations.

7.2 The Pledgee shall give a notice of exercise relating to the Pledge to the Pledgor and dispose of the Pledge at any time after the occurrence of Event of Settlement.

7.3 Subject to Section 6.3, the Pledgee may exercise the right to dispose of the Pledge at any time when the Pledgee gives a notice of exercise in accordance with Section 6.3 or thereafter.

7.4 The Pledgee is entitled to have priority in receiving payment by the evaluation or proceeds from the auction or sale of whole or part of the Pledged Collateral in accordance with legal procedures until the outstanding Secured Obligation or other monetary obligations payable by the Pledgor and/or PRC Company is fully paid, repaid or otherwise settled.

7.5 The Pledgor shall not hinder the Pledgee from disposing the Pledge in accordance with this Agreement and shall give necessary assistance so that the Pledgee could realize its Pledge.

8. Transfer or Assignment

8.1 The Pledgor shall not donate or transfer his rights and obligations herein to any third party without prior written consent from the Pledgee.

8.2 This Agreement shall be binding upon the Pledgor and his successors and be effective to the Pledgee and each of its successor and assignee.

8.3 The Pledgee may transfer all Secured Obligations and his right to the Pledge to any third party at any time. In this case, the assignee shall enjoy and undertake the same rights and obligations herein of the Pledgee as if the assignee is a party hereto. When the Pledgee transfers or assigns the Secured Obligations and its rights to the Pledge, at the request of the Pledgee, the Pledgor shall execute the relevant agreements and/or documents with respect to such transfer or assignment.

8.4 After a change to the Pledgee resulting from a transfer or assignment, the new parties to the pledge shall re-execute a pledge contract.

9. Term and Termination

This Agreement shall be effective upon its being signed by the Parties hereunder. Notwithstanding the foregoing, the Pledge (as defined in Section 2.1) shall only come into effect in accordance with Section 3 of this Agreement.

This Agreement shall not be terminated until the Term of the Pledge expires pursuant to Section 3 herein.

10. Force Majeure

10.1 If this Agreement is delayed in or prevented from performing in the Event of Force Majeure, only within the limitation of such delay or prevention, the affected Party is absolved from any liability under this Agreement. Force Majeure, which includes acts of governments, acts of nature, fire, explosion, geographic change, flood, earthquake, tide, lightning, war, means any unforeseen events beyond the prevented Party's reasonable control and cannot be prevented with reasonable care. However, any shortage of credit, capital or finance shall not be regarded as an event beyond a Party's reasonable control. The Party affected by Force Majeure who claims for exemption from performing any obligations under this Agreement or under any Section herein shall notify the other party of such exemption promptly and advise him of the steps to be taken for completion of the performance.

10.2 The Party affected by Force Majeure shall not assume any liability under this Agreement. However, subject to the Party affected by Force Majeure having taken its reasonable and practicable efforts to perform this Agreement, the Party claiming for exemption of the liabilities may only be exempted from performing such liability as within limitation of the part performance delayed or prevented by Force Majeure. Once causes for such exemption of liabilities are rectified and remedied, both parties agree to resume performance of this Agreement with their best efforts.

11. Applicable Law and Dispute Resolution

11.1 The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

11.2 The Parties shall strive to settle any dispute arising from the interpretation or performance through friendly consultation. In case no settlement can be reached through consultation, each Party can submit such matter to China International Economic and Trade Arbitration Commission for arbitration. The arbitration shall follow the then current rules of the commission, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the Parties. This article shall not be affected by the termination or elimination of this Agreement.

11.3 In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each Party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

12. Notice

Any notice or correspondence, which is given by the Party as stipulated hereunder, shall be in Chinese and English writing and shall be delivered in person or by registered or prepaid mail or recognized express service, or be transmitted by telex or facsimile to the following addresses:

PLEDGEE : Shanghai Renren Automobile Technology Co., Ltd.
Address : Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China
Fax : 86-10-664362600
Tele : 86-10-84481818
Addressee : Liu Jian

PLEDGOR: Yang Jing
Address : Room 202, Unit 1, Block 9, No.275 of Ninger Road, Simao District, Puer, Yunnan Province
Fax : 86-10-64362600
Tele : 86-10-84481818

13. Appendices

The appendices to this Agreement constitute an integral part of this Agreement.

14. Waiver

The Pledgee's non-exercise or delay in exercise of any rights, remedies, power or privileges hereunder shall not be deemed as the waiver of such rights, remedies, power or privileges. Any single or partial exercise of the rights, remedies, power and privileges shall not exclude the Pledgee from exercising any other rights, remedies, power and privileges. The rights, remedies, power and privileges hereunder are accumulative and shall not exclude the application of any other rights, remedies, power and privileges stipulated by laws.

15. Miscellaneous

15.1 Any amendments, modifications or supplements to this Agreement shall be in writing and come into effect upon being executed and sealed by the Parties hereto.

15.2 In case any terms and stipulations in this Agreement are regarded as illegal or cannot be performed in accordance with the applicable law, such terms and stipulations shall be deemed to ineffective and not enforceable within the scope governed by the applicable law, and the remaining stipulations will remain effective.

[The space below is intentionally left blank.]

(This page is a signature page of this Equity Interest Pledge Agreement)

PLEDGEE: Shanghai Renren Automobile Technology Co., Ltd.
(Company Seal)

By: /s/ Liu Jian
Authorized Representative: Liu Jian

PLEDGOR: Yang Jing

By: /s/ Yang Jing

Exhibit 10.7

EQUITY INTEREST PLEDGE AGREEMENT

This Equity Interest Pledge Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement) and dated August 18, 2017 by and between the following parties:

(1) **PLEDGEE: Shanghai Renren Automobile Technology Co., Ltd.**
Registered Address: Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai,
China Representative: Liu Jian

and

(2) **PLEDGOR: Ren Jintao**
PRC Identification Card No: 110105197805152331
Residential Address: No.222 of Third Floor, No.33 of Beiwaxili, Haidian District, Beijing, China

(individually a "**Party**" and collectively the "**Parties**")

WHEREAS:

A. The Pledgor is a PRC citizen, and owns 99% equity interest in Shanghai Jieying Automobile Sale Co. Ltd (□□□□□□□□□□□□) ("**PRC Company**").

B. PRC company is a company registered in Shanghai, PRC engaging in the business of sales of automobiles.

C. The Pledgor and the Pledgee entered into a Loan Agreement on August 18, 2017, pursuant to which the Pledgee extended a loan in the amount of RMB 49,500,000(the "**Loan**") to the Pledgor (the "**Loan Agreement**").

D. The Pledgee, a wholly foreign-owned company registered in Shanghai, PRC, has been licensed by the PRC relevant government authority to carry out the business of automotive technology, Internet Information Technology, etc.

E. Simultaneous with the execution of this Agreement, the Pledgor has also entered into an Equity Option Agreement with the Pledgee, pursuant to which the Pledgor grants to the Pledgee an exclusive right to purchase the Equity Interest (as defined below) at any time upon satisfaction of various requirements under the PRC law (the "**Option Agreement**").

F. In order to ensure that (i) the Pledgor repays the Loan under the Loan Agreement; (ii) the Pledgee collects Service Fees under the Service Agreement and License Fees under the License Agreement from PRC Company, (iii) the Pledgor's other obligations under the Option Agreement is fulfilled, and (iv) all other debts, monetary liabilities or other payment obligations owed to the Pledgee by the Pledgor and/or PRC Company, arising under or in relation to the Service Agreement or the Loan Agreement, or the License Agreement including, but not limited to, any obligation to pay damages for a breach of any obligation of the Pledgor or PRC Company under the Loan Agreement or the Service Agreement or the License Agreement (as applicable), are paid, the Pledgor is willing to pledge all the Equity Interest (as defined below) in PRC Company to the Pledgee as security for the above-mentioned obligations of the Pledgor and PRC Company (collectively, the "**Secured Obligations**").

In order to set forth each Party's rights and obligations, the Pledgee and the Pledgor through mutual negotiations hereby enter into this Agreement based upon the following terms:

1. Definitions

Unless otherwise provided in this Agreement, the following terms shall have the following meanings:

1.1 "**Pledge"** means the full content of Section 2 hereunder.

1.2 "**Equity Interest"** means all the equity interest in PRC Company held by the Pledgor (including all present and future rights and benefits based on such equity interests), and any additional equity interests in PRC Company acquired by the Pledgor subsequent to the date hereof. For the avoidance of any doubt, on the date hereof, the Pledgor holds a 99% equity interests (amounting to RMB 49,500,000) in PRC Company.

1.3 "**Event of Default"** means any event in accordance with Section 6 hereunder.

1.4 "**Notice of Default"** means the notice of default issued by the Pledgee in accordance with this Agreement.

2. Pledge

2.1 The Pledgor hereby pledges, and if required, transfers and assigns all his rights, titles and interests in the Equity Interest in PRC Company to the Pledgee as security for all of the Secured Obligations (the "**Pledge**") of an amount up to the Maximum Amount (as defined below), and grant a first priority security interest in all rights, titles and interests that he has or may at any time hereafter acquire in and to the Equity Interest, together with all equity or other ownership interests representing a dividend on the Equity Interest, a distribution or return of capital upon or in respect of such Equity Interest, any subscription, first refusal, pre-emptive or other purchase rights with respect to or arising from such Equity Interest, any voting rights with respect to such Equity Interest or any other interest in PRC Company which, by reason of notice or lapse of time or the occurrence of other events, may be converted into a direct equity interest in PRC Company, and all proceeds of the foregoing (collectively, the "**Pledged Collateral**").

2.1.1 The Parties understand and agree that the monetary valuation arising from, relating to or in connection with the Secured Obligations shall be a variable and floating valuation until the Settlement Date (as defined below). Therefore, based on the reasonable assessment and evaluation by the Pledgor and the Pledgee of the Secured Obligations and the Pledged Collateral, the Pledgor and the Pledgee mutually acknowledge and agree that the Pledge shall aggregately secure the Secured Obligations for a maximum amount of RMB 49,500,000 (the "**Maximum Amount**") prior to the Settlement Date.

The Pledgor and the Pledgee may, taking into account the fluctuation in the monetary value of the Secured Obligations and the Pledged Collateral, adjust the Maximum Amount based on mutual agreement by amending and supplementing this Agreement, from time to time, prior to the Settlement Date.

2.1.2 Upon the occurrence of any of the events below (each an "**Event of Settlement**"), the Secured Obligations shall be fixed at a value of the sum of all Secured Obligations that are due, outstanding and payable to the Pledgee on or immediately prior to the date of such occurrence (the "**Fixed Obligations**"):

(a) any or all of the Loan Agreement, Service Agreement, License Agreement or the Option Agreement expires or is terminated pursuant to the stipulations thereunder;

(b) the occurrence of an Event of Default pursuant to Section 6 that is not resolved, which results in the Pledgee serving a Notice of Default to the Pledgor pursuant to Section 6.3;

(c) the Pledgee reasonably determines (having made due enquiries) that the Pledgor and/or PRC Company is insolvent or could potentially be made insolvent; or

(d) any other event that requires the settlement of the Secured Obligations in accordance with relevant laws of the PRC.

2.2 For the avoidance of doubt, the day of the occurrence of an Event of Settlement shall be the settlement date (the "**Settlement Date**"). On or after the Settlement Date, the Pledgee shall be entitled, at the election of the Pledgee, to enforce the Pledge in accordance with Section 7.

2.3 The Pledgee is entitled to collect dividends or other distributions, if any, arising from the Equity Interest during the Term of the Pledge (as defined below).

3. Effectiveness, Scope and Term of Pledge

3.1 The Pledgor shall, promptly after the execution of this Agreement, but in no event later than 20 days from the date of this Agreement, register this Agreement and the Pledge hereunder with the State Administration for Industry and Commerce of the PRC or its competent local counterpart (the "**AIC**"). The Pledgor shall deliver to the Pledgee a copy of the registration or filing certificate from the AIC within 7 days from the date of submission of the application for registration of this Agreement and Pledge with the AIC.

3.2 The Pledge shall be effective upon the registration of the Pledge with the AIC in accordance with Section 3.1 above. The term of the Pledge shall commence on the date when the Pledge is registered with the AIC and shall expire on the earlier of (1) the date on which all outstanding Secured Obligations are paid in full or otherwise satisfied (as applicable); (2) the Pledgee enforces the Pledge pursuant to the terms and conditions hereof, to satisfy its rights under the Secured Obligations and Pledged Collateral in full; or (3) the Pledgor completes his transfer of all Equity Interest to a third party (individual or legal entity) pursuant to the Option Agreement and no longer holds any Equity Interest in PRC Company (the "**Term of the Pledge**").

4. Representations and Warranties of the Pledgor

The Pledgor hereby makes the following representations and warranties to the Pledgee and confirms that the Pledgee executes this Agreement in reliance on such representations and warranties:

4.1 The Pledgor is the legal owner of the Equity Interest that has been registered in his name, and is entitled to create a pledge on such Equity Interest.

4.2 None of the Pledged Collateral or the Pledge will be interfered with by any other pledgee at any time once the Pledgee exercises the rights of the Pledge in accordance with this Agreement.

4.3 The Pledgee shall be entitled to dispose or assign the Pledge in accordance with the relevant laws and this Agreement.

4.4 All necessary authorizations have been obtained for the execution and performance of this Agreement by the Pledgor and the execution and performance of this Agreement by the Pledgor does not violate any applicable laws or regulations. The execution of this Agreement by the Pledgor represents that he/she is entitled to acquire the legal authorization.

4.5 The Pledgor warrants that there is no on-going civil, administrative or criminal litigation or administrative punishment or arbitration related to the Equity Interest and is not aware of any such action pending or likely to be pending in the future as of the date of this Agreement.

4.6 There are no outstanding taxes, fees or undecided legal procedures related to the Equity Interest as of the date of this Agreement.

4.7 Each stipulation hereunder is the expression of each Party's true intention and shall be binding upon all the Parties.

5. <u>Covenants of the Pledgor</u>

5.1 The Pledgor covenants to the Pledgee that he shall:

5.1.1 not transfer or assign the Equity Interest, or create or permit to be created any pledge, lien, charge, mortgage, encumbrance, option, security or other interest in or over the Equity Interest that has been registered in his name, other than the Pledge created hereunder and the option granted under the Option Agreement, without the prior written consent from the Pledgee;

5.1.2 comply with and implement laws and regulations with respect to the pledge of rights, present to the Pledgee the notices, orders or suggestions with respect to the Pledge issued or made by the competent authority within 5 days upon receiving such notices, orders or suggestions and take actions in accordance with the reasonable instructions of the Pledgee; and

5.1.3 timely notify the Pledgee of any events or any received notices (i) which may affect the Equity Interest or any part of the Pledgee's rights, (ii) which may change the Pledgor's guarantees, covenants or obligations under this Agreement or (iii) which may affect the Pledgor's performance of his obligations under this Agreement, and take actions in accordance with the reasonable instructions of the Pledgee.

5.2 The Pledgor agrees that the Pledgee's right of exercising the Pledge under this Agreement shall not be suspended or hampered by the Pledgor or any successors of the Pledgor or any person authorized by the Pledgor.

5.3 The Pledgor covenants to the Pledgee that in order to protect or perfect the security over the Secured Obligations, the Pledgor shall (i) execute in good faith and cause other parties who have interests in the Pledge to execute all the forms, instruments, agreements (including those required for the registration and de-registration of the Pledge with the AIC), and/or (ii) take actions and cause other parties who have interests in the Pledge to take actions as required by the Pledgee and (iii) allow the Pledgee to exercise the rights and authorization vested in the Pledgee under this Agreement.

5.4 The Pledgor agrees to promptly make or cause to be made any filings or records, give or cause to be given any notices and take or cause to be taken any other actions as may be necessary under the laws of the PRC, to perfect the Pledge of the Pledged Collateral, including the registration with the AIC set forth in Section 3.1.

5.5 The Pledgor covenants to the Pledgee that he will comply with and perform all the guarantees, covenants, agreements, representations and conditions for the benefits of the Pledgee. The Pledgor shall compensate for all the losses suffered by the Pledgee for such Pledgor's failure to perform or fully perform his guarantees, covenants, agreements, representations or conditions.

6. <u>Events of Default</u>

6.1 Each of the following shall constitute an Event of Default:

6.1.1 PRC Company or the Pledgor fails to make full and timely payment of any amounts due under the Secured Obligations as required under the Service Agreement, License Agreement, Loan Agreement or Option Agreement, or an event of default (as defined and stipulated in those agreements) has occurred and is continuing;

6.1.2 the Pledgor makes or has made any misleading or untrue representations or warranties under Section 4, or is in violation of any of the representations and warranties under Section 4;

6.1.3 the Pledgor breaches any of the covenants under Section 5;

6.1.4 the Pledgor breaches any other covenants, undertakings or obligations of the Pledgor sets forth herein;

6.1.5 the Pledgor is unable to perform his obligations under this Agreement due to the separation or merger of PRC Company with other third parties or for any other reason;

6.1.6 the Pledgor relinquishes all or any part of the Pledged Collateral or transfers or assigns all or any part of the Pledged Collateral without the prior written consent of the Pledgee (except the transfers or assigns permitted under the Option Agreement);

6.1.7 any indebtedness, guarantee or other obligation of the Pledgor, whether pursuant to a contract or otherwise, (i) is accelerated as a result of a default thereunder and is required to be repaid or performed prior to the due date; or (ii) has become due and is not repaid or performed when due which, in the Pledgee's reasonable view, has materially adversely affected the Pledgor's ability to perform his obligations under this Agreement;

6.1.8 this Agreement is illegal as a result of any applicable laws or the Pledgor is restricted from continuing to perform his obligations under this Agreement;

6.1.9 any approval, permit, license or authorization from any applicable governmental entity (or registration or filing procedure) required for PRC Company to provide Internet games, culture activities in the PRC is withdrawn, suspended, invalidated or materially amended;

6.1.10 any approval, permit, license or authorization from any applicable government authority required to perform this Agreement or make this Agreement enforceable, legal and valid is withdrawn, suspended, invalidated or materially amended; or

6.1.11 any property owned by the Pledgor is altered or damaged which, in the Pledgee's reasonable view, has materially adversely affected the Pledgor's ability to perform his obligations under this Agreement.

6.2 The Pledgor shall immediately give a written notice to the Pledgee if the Pledgor is aware or finds that any event set forth in Section 6.1 or any events that may result in the foregoing events have occurred or are occurring.

6.3 Unless an Event of Default set forth in Section 6.1 has been rectified to the Pledgee's satisfaction, the Pledgee, at any time the event of default occurs or thereafter, may give a written notice of default to the Pledgor, and require such Pledgor, at the discretion of the Pledgee, to immediately make full payment of the outstanding amounts payable under the Loan Agreements, Service Agreement, License Agreement, and/or Option Agreements, and other payables, or dispose of the Pledge in accordance with Section 7 herein.

7. Exercise of the Rights of the Pledge

7.1 The Pledgor shall not transfer or assign the Pledged Collateral without prior written approval from the Pledgee prior to the full settlement and fulfillment of the Secured Obligations.

7.2 The Pledgee shall give a notice of exercise relating to the Pledge to the Pledgor and dispose of the Pledge at any time after the occurrence of Event of Settlement.

7.3 Subject to Section 6.3, the Pledgee may exercise the right to dispose of the Pledge at any time when the Pledgee gives a notice of exercise in accordance with Section 6.3 or thereafter.

7.4 The Pledgee is entitled to have priority in receiving payment by the evaluation or proceeds from the auction or sale of whole or part of the Pledged Collateral in accordance with legal procedures until the outstanding Secured Obligation or other monetary obligations payable by the Pledgor and/or PRC Company is fully paid, repaid or otherwise settled.

7.5 The Pledgor shall not hinder the Pledgee from disposing the Pledge in accordance with this Agreement and shall give necessary assistance so that the Pledgee could realize its Pledge.

8. Transfer or Assignment

8.1 The Pledgor shall not donate or transfer his rights and obligations herein to any third party without prior written consent from the Pledgee.

8.2 This Agreement shall be binding upon the Pledgor and his successors and be effective to the Pledgee and each of its successor and assignee.

8.3 The Pledgee may transfer all Secured Obligations and his right to the Pledge to any third party at any time. In this case, the assignee shall enjoy and undertake the same rights and obligations herein of the Pledgee as if the assignee is a party hereto. When the Pledgee transfers or assigns the Secured Obligations and its rights to the Pledge, at the request of the Pledgee, the Pledgor shall execute the relevant agreements and/or documents with respect to such transfer or assignment.

8.4 After a change to the Pledgee resulting from a transfer or assignment, the new parties to the pledge shall re-execute a pledge contract.

9. Term and Termination

This Agreement shall be effective upon its being signed by the Parties hereunder. Notwithstanding the foregoing, the Pledge (as defined in Section 2.1) shall only come into effect in accordance with Section 3 of this Agreement.

This Agreement shall not be terminated until the Term of the Pledge expires pursuant to Section 3 herein.

10. Force Majeure

10.1 If this Agreement is delayed in or prevented from performing in the Event of Force Majeure, only within the limitation of such delay or prevention, the affected Party is absolved from any liability under this Agreement. Force Majeure, which includes acts of governments, acts of nature, fire, explosion, geographic change, flood, earthquake, tide, lightning, war, means any unforeseen events beyond the prevented Party's reasonable control and cannot be prevented with reasonable care. However, any shortage of credit, capital or finance shall not be regarded as an event beyond a Party's reasonable control. The Party affected by Force Majeure who claims for exemption from performing any obligations under this Agreement or under any Section herein shall notify the other party of such exemption promptly and advise him of the steps to be taken for completion of the performance.

10.2 The Party affected by Force Majeure shall not assume any liability under this Agreement. However, subject to the Party affected by Force Majeure having taken its reasonable and practicable efforts to perform this Agreement, the Party claiming for exemption of the liabilities may only be exempted from performing such liability as within limitation of the part performance delayed or prevented by Force Majeure. Once causes for such exemption of liabilities are rectified and remedied, both parties agree to resume performance of this Agreement with their best efforts.

11. Applicable Law and Dispute Resolution

11.1 The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

11.2 The Parties shall strive to settle any dispute arising from the interpretation or performance through friendly consultation. In case no settlement can be reached through consultation, each Party can submit such matter to China International Economic and Trade Arbitration Commission for arbitration. The arbitration shall follow the then current rules of the commission, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the Parties. This article shall not be affected by the termination or elimination of this Agreement.

11.3 In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each Party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

12. Notice

Any notice or correspondence, which is given by the Party as stipulated hereunder, shall be in Chinese and English writing and shall be delivered in person or by registered or prepaid mail or recognized express service, or be transmitted by telex or facsimile to the following addresses:

PLEDGEE : Shanghai Renren Automobile Technology Co., Ltd.
Address : Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China
Fax : 86-10-64362600
Tele : 86-10-84481818
Addressee : Liu Jian

PLEDGOR: Ren Jintao
Address : No.222 of Third Floor, No.33 of Beiwaxili, Haidian District, Beijing, China
Fax : 86-10-64362600
Tele : 86-10-84481818

13. Appendices

The appendices to this Agreement constitute an integral part of this Agreement.

14. Waiver

The Pledgee's non-exercise or delay in exercise of any rights, remedies, power or privileges hereunder shall not be deemed as the waiver of such rights, remedies, power or privileges. Any single or partial exercise of the rights, remedies, power and privileges shall not exclude the Pledgee from exercising any other rights, remedies, power and privileges. The rights, remedies, power and privileges hereunder are accumulative and shall not exclude the application of any other rights, remedies, power and privileges stipulated by laws.

15. Miscellaneous

15.1 Any amendments, modifications or supplements to this Agreement shall be in writing and come into effect upon being executed and sealed by the Parties hereto.

15.2 In case any terms and stipulations in this Agreement are regarded as illegal or cannot be performed in accordance with the applicable law, such terms and stipulations shall be deemed to ineffective and not enforceable within the scope governed by the applicable law, and the remaining stipulations will remain effective.

[The space below is intentionally left blank.]

(This page is a signature page of this Equity Interest Pledge Agreement)

PLEDGEE: Shanghai Renren Automobile Technology Co., Ltd.
(Company Seal)

By: /s/ Liu Jian
Authorized Representative: Liu Jian

PLEDGOR: Ren Jintao

By: /s/ Ren Jintao

EQUITY INTEREST PLEDGE AGREEMENT

This Equity Interest Pledge Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement) and dated August 18, 2017 by and between the following parties:

(1) **PLEDGEE: Shanghai Renren Automobile Technology Co., Ltd.**
Registered Address: Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China Representative: Liu Jian

and

(2) **PLEDGOR: Yi Rui**
PRC Identification Card No: 110105196905084166
Residential Address: No.604 of Third Floor, No.22 of Beiwaxili, Haidian District, Beijing, China

(individually a "**Party**" and collectively the "**Parties**")

WHEREAS:

A. Yi Rui is a PRC citizen, and owns 1% equity interest in Shanghai Jieying Automobile Sale Co. Ltd (□□□□□□□□□□□□) ("**PRC Company**").

B. PRC company is a company registered in Shanghai, PRC engaging in the business of sales of automobiles.

C. The Pledgor and the Pledgee entered into a Loan Agreement on August 18, 2017, pursuant to which the Pledgee extended a loan in the amount of RMB 500,000(the "**Loan**") to the Pledgor (the "**Loan Agreement**").

D. The Pledgee, a wholly foreign-owned company registered in Shanghai, PRC, has been licensed by the PRC relevant government authority to carry out the business of automotive technology, Internet Information Technology, etc.

E. Simultaneous with the execution of this Agreement, the Pledgor has also entered into an Equity Option Agreement with the Pledgee, pursuant to which the Pledgor grants to the Pledgee an exclusive right to purchase the Equity Interest (as defined below) at any time upon satisfaction of various requirements under the PRC law (the "**Option Agreement**").

F. In order to ensure that (i) the Pledgor repays the Loan under the Loan Agreement; (ii) the Pledgee collects Service Fees under the Service Agreement and License Fees under the License Agreement from PRC Company, (iii) the Pledgor's other obligations under the Option Agreement is fulfilled, and (iv) all other debts, monetary liabilities or other payment obligations owed to the Pledgee by the Pledgor and/or PRC Company, arising under or in relation to the Service Agreement or the Loan Agreement, or the License Agreement including, but not limited to, any obligation to pay damages for a breach of any obligation of the Pledgor or PRC Company under the Loan Agreement or the Service Agreement or the License Agreement (as applicable), are paid, the Pledgor is willing to pledge all the Equity Interest (as defined below) in PRC Company to the Pledgee as security for the above-mentioned obligations of the Pledgor and PRC Company (collectively, the "**Secured Obligations**").

In order to set forth each Party's rights and obligations, the Pledgee and the Pledgor through mutual negotiations hereby enter into this Agreement based upon the following terms:

1. Definitions

Unless otherwise provided in this Agreement, the following terms shall have the following meanings:

1.1 "**Pledge"** means the full content of Section 2 hereunder.

1.2 "**Equity Interest"** means all the equity interest in PRC Company held by the Pledgor (including all present and future rights and benefits based on such equity interests), and any additional equity interests in PRC Company acquired by the Pledgor subsequent to the date hereof. For the avoidance of any doubt, on the date hereof, the Pledgor holds a 99% equity interests (amounting to RMB 500,000) in PRC Company.

1.3 "**Event of Default"** means any event in accordance with Section 6 hereunder.

1.4 "**Notice of Default"** means the notice of default issued by the Pledgee in accordance with this Agreement.

2. Pledge

2.1 The Pledgor hereby pledges, and if required, transfers and assigns all his rights, titles and interests in the Equity Interest in PRC Company to the Pledgee as security for all of the Secured Obligations (the "**Pledge**") of an amount up to the Maximum Amount (as defined below), and grant a first priority security interest in all rights, titles and interests that he has or may at any time hereafter acquire in and to the Equity Interest, together with all equity or other ownership interests representing a dividend on the Equity Interest, a distribution or return of capital upon or in respect of such Equity Interest, any subscription, first refusal, pre-emptive or other purchase rights with respect to or arising from such Equity Interest, any voting rights with respect to such Equity Interest or any other interest in PRC Company which, by reason of notice or lapse of time or the occurrence of other events, may be converted into a direct equity interest in PRC Company, and all proceeds of the foregoing (collectively, the "**Pledged Collateral**").

2.1.1 The Parties understand and agree that the monetary valuation arising from, relating to or in connection with the Secured Obligations shall be a variable and floating valuation until the Settlement Date (as defined below). Therefore, based on the reasonable assessment and evaluation by the Pledgor and the Pledgee of the Secured Obligations and the Pledged Collateral, the Pledgor and the Pledgee mutually acknowledge and agree that the Pledge shall aggregately secure the Secured Obligations for a maximum amount of RMB 500,000 (the "**Maximum Amount**") prior to the Settlement Date.

The Pledgor and the Pledgee may, taking into account the fluctuation in the monetary value of the Secured Obligations and the Pledged Collateral, adjust the Maximum Amount based on mutual agreement by amending and supplementing this Agreement, from time to time, prior to the Settlement Date.

2.1.2 Upon the occurrence of any of the events below (each an "**Event of Settlement**"), the Secured Obligations shall be fixed at a value of the sum of all Secured Obligations that are due, outstanding and payable to the Pledgee on or immediately prior to the date of such occurrence (the "**Fixed Obligations**"):

(a) any or all of the Loan Agreement, Service Agreement, License Agreement or the Option Agreement expires or is terminated pursuant to the stipulations thereunder;

(b) the occurrence of an Event of Default pursuant to Section 6 that is not resolved, which results in the Pledgee serving a Notice of Default to the Pledgor pursuant to Section 6.3;

(c) the Pledgee reasonably determines (having made due enquiries) that the Pledgor and/or PRC Company is insolvent or could potentially be made insolvent; or

(d) any other event that requires the settlement of the Secured Obligations in accordance with relevant laws of the PRC.

2.2 For the avoidance of doubt, the day of the occurrence of an Event of Settlement shall be the settlement date (the "**Settlement Date**"). On or after the Settlement Date, the Pledgee shall be entitled, at the election of the Pledgee, to enforce the Pledge in accordance with Section 7.

2.3 The Pledgee is entitled to collect dividends or other distributions, if any, arising from the Equity Interest during the Term of the Pledge (as defined below).

3. Effectiveness, Scope and Term of Pledge

3.1 The Pledgor shall, promptly after the execution of this Agreement, but in no event later than 20 days from the date of this Agreement, register this Agreement and the Pledge hereunder with the State Administration for Industry and Commerce of the PRC or its competent local counterpart (the "**AIC**"). The Pledgor shall deliver to the Pledgee a copy of the registration or filing certificate from the AIC within 7 days from the date of submission of the application for registration of this Agreement and Pledge with the AIC.

3.2 The Pledge shall be effective upon the registration of the Pledge with the AIC in accordance with Section 3.1 above. The term of the Pledge shall commence on the date when the Pledge is registered with the AIC and shall expire on the earlier of (1) the date on which all outstanding Secured Obligations are paid in full or otherwise satisfied (as applicable); (2) the Pledgee enforces the Pledge pursuant to the terms and conditions hereof, to satisfy its rights under the Secured Obligations and Pledged Collateral in full; or (3) the Pledgor completes his transfer of all Equity Interest to a third party (individual or legal entity) pursuant to the Option Agreement and no longer holds any Equity Interest in PRC Company (the "**Term of the Pledge**").

4. Representations and Warranties of the Pledgor

The Pledgor hereby makes the following representations and warranties to the Pledgee and confirms that the Pledgee executes this Agreement in reliance on such representations and warranties:

4.1 The Pledgor is the legal owner of the Equity Interest that has been registered in his name, and is entitled to create a pledge on such Equity Interest.

4.2 None of the Pledged Collateral or the Pledge will be interfered with by any other pledgee at any time once the Pledgee exercises the rights of the Pledge in accordance with this Agreement.

4.3 The Pledgee shall be entitled to dispose or assign the Pledge in accordance with the relevant laws and this Agreement.

4.4 All necessary authorizations have been obtained for the execution and performance of this Agreement by the Pledgor and the execution and performance of this Agreement by the Pledgor does not violate any applicable laws or regulations. The execution of this Agreement by the Pledgor represents that he/she is entitled to acquire the legal authorization.

4.5 The Pledgor warrants that there is no on-going civil, administrative or criminal litigation or administrative punishment or arbitration related to the Equity Interest and is not aware of any such action pending or likely to be pending in the future as of the date of this Agreement.

4.6 There are no outstanding taxes, fees or undecided legal procedures related to the Equity Interest as of the date of this Agreement.

4.7 Each stipulation hereunder is the expression of each Party's true intention and shall be binding upon all the Parties.

5. <u>Covenants of the Pledgor</u>

5.1 The Pledgor covenants to the Pledgee that he shall:

5.1.1 not transfer or assign the Equity Interest, or create or permit to be created any pledge, lien, charge, mortgage, encumbrance, option, security or other interest in or over the Equity Interest that has been registered in his name, other than the Pledge created hereunder and the option granted under the Option Agreement, without the prior written consent from the Pledgee;

5.1.2 comply with and implement laws and regulations with respect to the pledge of rights, present to the Pledgee the notices, orders or suggestions with respect to the Pledge issued or made by the competent authority within 5 days upon receiving such notices, orders or suggestions and take actions in accordance with the reasonable instructions of the Pledgee; and

5.1.3 timely notify the Pledgee of any events or any received notices (i) which may affect the Equity Interest or any part of the Pledgee's rights, (ii) which may change the Pledgor's guarantees, covenants or obligations under this Agreement or (iii) which may affect the Pledgor's performance of his obligations under this Agreement, and take actions in accordance with the reasonable instructions of the Pledgee.

5.2 The Pledgor agrees that the Pledgee's right of exercising the Pledge under this Agreement shall not be suspended or hampered by the Pledgor or any successors of the Pledgor or any person authorized by the Pledgor.

5.3 The Pledgor covenants to the Pledgee that in order to protect or perfect the security over the Secured Obligations, the Pledgor shall (i) execute in good faith and cause other parties who have interests in the Pledge to execute all the forms, instruments, agreements (including those required for the registration and de-registration of the Pledge with the AIC), and/or (ii) take actions and cause other parties who have interests in the Pledge to take actions as required by the Pledgee and (iii) allow the Pledgee to exercise the rights and authorization vested in the Pledgee under this Agreement.

5.4 The Pledgor agrees to promptly make or cause to be made any filings or records, give or cause to be given any notices and take or cause to be taken any other actions as may be necessary under the laws of the PRC, to perfect the Pledge of the Pledged Collateral, including the registration with the AIC set forth in Section 3.1.

5.5 The Pledgor covenants to the Pledgee that he will comply with and perform all the guarantees, covenants, agreements, representations and conditions for the benefits of the Pledgee. The Pledgor shall compensate for all the losses suffered by the Pledgee for such Pledgor's failure to perform or fully perform his guarantees, covenants, agreements, representations or conditions.

6. Events of Default

6.1 Each of the following shall constitute an Event of Default:

6.1.1 PRC Company or the Pledgor fails to make full and timely payment of any amounts due under the Secured Obligations as required under the Service Agreement, License Agreement, Loan Agreement or Option Agreement, or an event of default (as defined and stipulated in those agreements) has occurred and is continuing;

6.1.2 the Pledgor makes or has made any misleading or untrue representations or warranties under Section 4, or is in violation of any of the representations and warranties under Section 4;

6.1.3 the Pledgor breaches any of the covenants under Section 5;

6.1.4 the Pledgor breaches any other covenants, undertakings or obligations of the Pledgor sets forth herein;

6.1.5 the Pledgor is unable to perform his obligations under this Agreement due to the separation or merger of PRC Company with other third parties or for any other reason;

6.1.6 the Pledgor relinquishes all or any part of the Pledged Collateral or transfers or assigns all or any part of the Pledged Collateral without the prior written consent of the Pledgee (except the transfers or assigns permitted under the Option Agreement);

6.1.7 any indebtedness, guarantee or other obligation of the Pledgor, whether pursuant to a contract or otherwise, (i) is accelerated as a result of a default thereunder and is required to be repaid or performed prior to the due date; or (ii) has become due and is not repaid or performed when due which, in the Pledgee's reasonable view, has materially adversely affected the Pledgor's ability to perform his obligations under this Agreement;

6.1.8 this Agreement is illegal as a result of any applicable laws or the Pledgor is restricted from continuing to perform his obligations under this Agreement;

6.1.9 any approval, permit, license or authorization from any applicable governmental entity (or registration or filing procedure) required for PRC Company to provide Internet games, culture activities in the PRC is withdrawn, suspended, invalidated or materially amended;

6.1.10 any approval, permit, license or authorization from any applicable government authority required to perform this Agreement or make this Agreement enforceable, legal and valid is withdrawn, suspended, invalidated or materially amended; or

6.1.11 any property owned by the Pledgor is altered or damaged which, in the Pledgee's reasonable view, has materially adversely affected the Pledgor's ability to perform his obligations under this Agreement.

6.2 The Pledgor shall immediately give a written notice to the Pledgee if the Pledgor is aware or finds that any event set forth in Section 6.1 or any events that may result in the foregoing events have occurred or are occurring.

6.3 Unless an Event of Default set forth in Section 6.1 has been rectified to the Pledgee's satisfaction, the Pledgee, at any time the event of default occurs or thereafter, may give a written notice of default to the Pledgor, and require such Pledgor, at the discretion of the Pledgee, to immediately make full payment of the outstanding amounts payable under the Loan Agreements, Service Agreement, License Agreement, and/or Option Agreements, and other payables, or dispose of the Pledge in accordance with Section 7 herein.

7. Exercise of the Rights of the Pledge

7.1 The Pledgor shall not transfer or assign the Pledged Collateral without prior written approval from the Pledgee prior to the full settlement and fulfillment of the Secured Obligations.

7.2 The Pledgee shall give a notice of exercise relating to the Pledge to the Pledgor and dispose of the Pledge at any time after the occurrence of Event of Settlement.

7.3 Subject to Section 6.3, the Pledgee may exercise the right to dispose of the Pledge at any time when the Pledgee gives a notice of exercise in accordance with Section 6.3 or thereafter.

7.4 The Pledgee is entitled to have priority in receiving payment by the evaluation or proceeds from the auction or sale of whole or part of the Pledged Collateral in accordance with legal procedures until the outstanding Secured Obligation or other monetary obligations payable by the Pledgor and/or PRC Company is fully paid, repaid or otherwise settled.

7.5 The Pledgor shall not hinder the Pledgee from disposing the Pledge in accordance with this Agreement and shall give necessary assistance so that the Pledgee could realize its Pledge.

8. Transfer or Assignment

8.1 The Pledgor shall not donate or transfer his rights and obligations herein to any third party without prior written consent from the Pledgee.

8.2 This Agreement shall be binding upon the Pledgor and his successors and be effective to the Pledgee and each of its successor and assignee.

8.3 The Pledgee may transfer all Secured Obligations and his right to the Pledge to any third party at any time. In this case, the assignee shall enjoy and undertake the same rights and obligations herein of the Pledgee as if the assignee is a party hereto. When the Pledgee transfers or assigns the Secured Obligations and its rights to the Pledge, at the request of the Pledgee, the Pledgor shall execute the relevant agreements and/or documents with respect to such transfer or assignment.

8.4 After a change to the Pledgee resulting from a transfer or assignment, the new parties to the pledge shall re-execute a pledge contract.

9. Term and Termination

This Agreement shall be effective upon its being signed by the Parties hereunder. Notwithstanding the foregoing, the Pledge (as defined in Section 2.1) shall only come into effect in accordance with Section 3 of this Agreement.

This Agreement shall not be terminated until the Term of the Pledge expires pursuant to Section 3 herein.

10. Force Majeure

10.1 If this Agreement is delayed in or prevented from performing in the Event of Force Majeure, only within the limitation of such delay or prevention, the affected Party is absolved from any liability under this Agreement. Force Majeure, which includes acts of governments, acts of nature, fire, explosion, geographic change, flood, earthquake, tide, lightning, war, means any unforeseen events beyond the prevented Party's reasonable control and cannot be prevented with reasonable care. However, any shortage of credit, capital or finance shall not be regarded as an event beyond a Party's reasonable control. The Party affected by Force Majeure who claims for exemption from performing any obligations under this Agreement or under any Section herein shall notify the other party of such exemption promptly and advise him of the steps to be taken for completion of the performance.

10.2 The Party affected by Force Majeure shall not assume any liability under this Agreement. However, subject to the Party affected by Force Majeure having taken its reasonable and practicable efforts to perform this Agreement, the Party claiming for exemption of the liabilities may only be exempted from performing such liability as within limitation of the part performance delayed or prevented by Force Majeure. Once causes for such exemption of liabilities are rectified and remedied, both parties agree to resume performance of this Agreement with their best efforts.

11. Applicable Law and Dispute Resolution

11.1 The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

11.2 The Parties shall strive to settle any dispute arising from the interpretation or performance through friendly consultation. In case no settlement can be reached through consultation, each Party can submit such matter to China International Economic and Trade Arbitration Commission for arbitration. The arbitration shall follow the then current rules of the commission, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the Parties. This article shall not be affected by the termination or elimination of this Agreement.

11.3 In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each Party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

12. Notice

Any notice or correspondence, which is given by the Party as stipulated hereunder, shall be in Chinese and English writing and shall be delivered in person or by registered or prepaid mail or recognized express service, or be transmitted by telex or facsimile to the following addresses:

PLEDGEE : Shanghai Renren Automobile Technology Co., Ltd.
Address : Room 917-918, No 328, Jiajian Road, Jiading District, Shanghai, China
Fax : 86-10-64362600
Tele : 86-10-84481818
Addressee : Liu Jian

PLEDGOR: Yi Rui
Address : No.604 of Third Floor, No.22 of Beiwaxili, Haidian District, Beijing, China
Fax : 86-10-64362600
Tele : 86-10-84481818

13. Appendices

The appendices to this Agreement constitute an integral part of this Agreement.

14. Waiver

The Pledgee's non-exercise or delay in exercise of any rights, remedies, power or privileges hereunder shall not be deemed as the waiver of such rights, remedies, power or privileges. Any single or partial exercise of the rights, remedies, power and privileges shall not exclude the Pledgee from exercising any other rights, remedies, power and privileges. The rights, remedies, power and privileges hereunder are accumulative and shall not exclude the application of any other rights, remedies, power and privileges stipulated by laws.

15. Miscellaneous

15.1 Any amendments, modifications or supplements to this Agreement shall be in writing and come into effect upon being executed and sealed by the Parties hereto.

15.2 In case any terms and stipulations in this Agreement are regarded as illegal or cannot be performed in accordance with the applicable law, such terms and stipulations shall be deemed to ineffective and not enforceable within the scope governed by the applicable law, and the remaining stipulations will remain effective.

[The space below is intentionally left blank.]

(This page is a signature page of this Equity Interest Pledge Agreement)

PLEDGEE: Shanghai Renren Automobile Technology Co., Ltd.
(Company Seal)

By: /s/ Liu Jian
Authorized Representative: Liu Jian

PLEDGOR: Yi Rui

By: /s/ Yi Rui

Exhibit 10.8

INTELLECTUAL PROPERTY RIGHT LICENSE AGREEMENT

This Intellectual Property Right License Agreement (the "**Agreement**") entered in Beijing the People's Republic of China (the "**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement), dated August 18 of 2017 (the "**Effective Date**"), by and between

(1) The Licensor: **Shanghai Renren Automobile Technology Company Limited**
Legal Address: Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China
Legal Representative: Liu Jian

and

(2) The Licensee: **Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd.**
Legal Address: Room 275E, No.668 of Shangda Road, Baoshan District, Shanghai, China
Legal Representative: Liu Jian

WHEREAS:

A. The Licensor, a wholly foreign-owned enterprise registered in Shanghai under the laws of the PRC, is the lawful owner of certain intellectual property rights listed in Exhibit 1 of this Agreement (the "**Intellectual Property Rights"**);

B. The Licensee, a limited liability company registered in Shanghai under the laws of the PRC, is licensed to engage in the business of providing value-added telecommunications services;

C. The Licensor agrees to license the Intellectual Property Rights to the Licensee in accordance with the terms and conditions set forth herein and the Licensee agrees to accept the license on the terms and conditions set forth herein;

NOW THEREFORE, on the basis of mutual benefit and friendly negotiation, the Licensor and the Licensee agree as follows:

1. Grant of License

1.1 Covered Intellectual Property Rights

Under the terms and conditions hereinafter set forth, the Licensor hereby grants to the Licensee, and the Licensee accepts from the Licensor, a non-exclusive license, to use parts of or all of the Intellectual Property Rights, in the Licensee's operations in the PRC. Without the Licensor's prior written consent, the Licensee shall not, by license, sublicense, assignment or in any other manner, permit a third party to use the Intellectual Property Rights.

1.2 Scope

1.2.1 The Licensee shall only use the Intellectual Property Rights in its own normal business operations. Without the Licensor's consent, the Licensee shall not use the Intellectual Property Rights for any other purpose or when providing services to any third party.

1.2.2 The License in this Agreement is effective in the PRC (the "**Licensed Territory**"), and the Licensee agrees that without the prior written consent of the Licensor, it will not make, or authorize, any direct or indirect use of the Intellectual Property Rights in any regions other than the Licensed Territory.

1.3 Licensee's confirmation

The Licensee confirms that it does not have any rights, titles or interests of the Intellectual Property Rights except the rights, titles and interests provided for under this Agreement.

1.4 Prohibitions

Licensee undertakes that, at any time either during or after the Term, it shall not:

1.4.1 commit any act which affects the rights of Licensor in relation to any of the Intellectual Property Rights; or

1.4.2 apply for the registration of any of the Intellectual Property Rights or any similar intellectual property right in any country or region in the world.

2. Payment

The Licensee agrees to pay to the Licensor license fees determined in accordance with the calculation method and the form of payment as set forth in Exhibit 2.

3. Goodwill

The Licensee recognizes the value of the goodwill associated with the Intellectual Property Rights and the relevant rights, and acknowledges that the Intellectual Property Rights and goodwill (including but not limited to the goodwill deriving from the Licensee's use) pertaining thereto shall be the sole and exclusive property of the Licensor.

4. Confidentiality

4.1 The Licensee shall protect and maintain the confidentiality of any and all confidential data and information, including without limitation all technological, financial, human resource, strategic and any other relevant information of the other Party, acknowledged or received by the Licensee from the Licensor (collectively, the **"Confidential Information"**). Upon termination or expiration of this Agreement, the Licensee shall, at the Licensor's option, return all and any documents, information or software containing any of such Confidential Information to the Licensor or to the maximum extent permitted by applicable laws of the PRC, destroy and delete such Confidential Information from any electronic devices. The Licensee shall not disclose, grant or transfer any Confidential Information to any third party. The Licensee shall disclose the Confidential Information to the necessary employees, agents or consultants using measures reasonably calculated to ensure the security of the Confidential Information, and shall urge the necessary employees, agents or consultants to observe the obligations under this Agreement.

4.2 The above limitations shall not apply to the situations as follows:

4.2.1 the Confidential Information becomes available to the public other than by the Licensee's disclosure of such Confidential Information;

4.2.2 the Licensee acquired the Confidential Information directly or indirectly from other sources before receiving it from the Licensor; or

4.2.3 where the Confidential Information is required by law to be disclosed, or, based on general operational needs, should be disclosed to legal or financial advisors.

4.3 This Article 4 shall survive the termination, rescinding or modification of this agreement.

5. Representations and Warranties

5.1 The Licensor represents and warrants as follows:

5.1.1 the Licensor is a company duly registered and in good standing under the applicable laws of the PRC;

5.1.2 the Licensor, subject to its business scope, has full right, power, authority and capacity and all necessary consents and approvals of any third party and government authorities to execute and perform this Agreement, which shall not be against any enforceable and effective laws or contracts;

5.1.3 upon its execution by the Licensee, this Agreement will constitute a legal, valid and binding agreement of the Licensor and will be enforceable against the Licensor in accordance with its terms; and

5.1.4 the Licensor is the lawful owner of, and has sole and exclusive rights and interests in any intellectual property rights (including without limitation to copyright, trademark right, patent, know-how and trade secrets, etc.) in connection with, the Intellectual Property Rights.

5.2 The Licensee represents and warrants as follows:

5.2.1 the Licensee is a company duly registered and in good standing under the applicable laws of the PRC, and is approved by the relevant authorities to provide value-added telecommunications services;

5.2.2 the Licensee, subject to its business scope, has full right, power, authority and capacity and all necessary consents and approvals of any third party and government authorities to execute and perform its obligations under this Agreement;

5.2.3 the Licensee will not use or authorize the use of any Intellectual Property Rights or symbols which the Licensor judges, at its sole discretion, to be similar to the Intellectual Property and could cause confusion;

5.2.4 upon its execution by the Licensor, the Agreement will constitute a legal, valid and binding agreement of the Licensee and will be enforceable against the Licensee in accordance with its terms upon its execution;

5.2.5 the Licensee shall assist the Licensor to the extent necessary in the procurement of any protection or to protect any of the Licensor's rights to the Intellectual Property Rights. In the event any third party lodges a claim concerning the Intellectual Property Rights, the Licensor, if it so desires, may commence or prosecute any claims or lawsuits in its own name or in the name of the Licensee or join the Licensee as a party thereto. In the event any third party infringes any Intellectual Property Rights, the Licensee shall notify the Licensor in writing of any such infringements, or imitation by others of the Intellectual Property Rights which may come to the Licensee's attention, and the Licensor shall have the sole right to determine whether or not any action shall be taken on account of any such infringements;

5.2.6 the Licensee shall use the Intellectual Property Rights only in accordance with this Agreement and shall not use the Intellectual Property Rights in any way that, in the opinion of the Licensor, is deceptive, misleading or in any way damaging to such Intellectual Property Rights or the reputation of the Licensor; and

5.2.7 without the Licensor's consent, the Licensor shall not, and shall not license a third party to, modify, improve or develop the licensed software hereunder in any manner. During the effective protection period of the licensed software, the Licensee agrees that, to the extent permitted by the PRC laws, if there are any results from its modification or improvement to the licensed software or any new software developed based on the licensed software (collectively **"Improved Software"**), any ownership (including without limitation copyright) of such Improved Software as well as any rights and interests relating to such ownership shall belong to the Licensor. Notwithstanding any contrary provisions in the PRC laws providing that ownership to the Improved Software shall belong to the Licensee, the Licensee covenants and agrees to transfer the ownership on the Improved Software to the Licensor without consideration.

6. [RESERVED]

7. Quality

The Licensee shall use its best efforts to ensure that its operations protect and enhance the reputation of the Intellectual Property Rights.

8. Promotion Material

In all cases where the Licensee makes promotion material involving the Intellectual Property Rights, the production costs of such material thereof shall be borne by the Licensee. All copyrights or other intellectual property rights of such material concerning the Intellectual Property Rights thereto shall be the sole and exclusive property of the Licensor whether developed by the Licensor or the Licensee.

The Licensee agrees not to advertise or publicize any of the Intellectual Property Rights on radio, television, papers, magazines, the Internet without the prior written consent of the Licensor.

9. Effective Date and Term

9.1 This Agreement has been duly executed when it is duly signed by an authorized representative of each party and shall be effective as of the Effective Date. The term of this Agreement is five (5) years unless earlier terminated as set forth in this Agreement and shall be automatically extended for additional one (1) year terms unless either party provides the other party with notice of its desire to terminate this Agreement.

9.2 Unless any other provisions set forth in written form, this Agreement shall be applicable to any other intellectual property rights licensed to the Licensee within the term of this Agreement. After the execution of this Agreement, the Licensor and Licensee shall review this Agreement every three (3) months to determine whether to make any amendment or supplement to this Agreement.

10. Record Filing

Within three (3) months of the execution of this Agreement, both the Licensor and the Licensee shall, in compliance with the law of China, make a record filing of the copy of the Agreement to the relevant authorities. Both the Licensor and the Licensee agree to execute or furnish the relevant documents required in line with the principal hereof and relevant laws.

11. Termination

11.1 This Agreement shall expire on the date due or the date when the Licensor's right of ownership terminates unless this Agreement is extended as set forth above.

11.2 Without prejudice to any legal or other rights or remedies of the party that requests for termination of this Agreement, any party has the right to terminate this Agreement immediately with written notice to the other party in the event the other party materially breaches this Agreement including without limitation to Sections 5.2.5, 5.2.6, or 5.2.7 of this Agreement and fails to cure its breach within 30 days from the date it receives written notice of its breach from the non-breaching party.

11.3 During the term of this Agreement, the Licensor may terminate this Agreement at any time with a written notice to the Licensee 30 days before such termination. The Licensee shall not terminate this Agreement in prior.

11.4 Article 3, 4, 5.2.5, 5.2.6, or 5.2.7, 15 and 16 shall survive the termination or expiration of this Agreement.

12. Force Majeure

12.1 Force Majeure means any event that is beyond the party's reasonable control and cannot be prevented with reasonable care including but not limited to the acts of governments, nature, fire, explosion, typhoon, flood, earthquake, tide, lightning and war. However, any shortage of credit, capital or finance shall not be regarded as an event of Force Majeure. The party affected by Force Majeure shall notify the other party without delay.

12.2 In the event that the affected party is delayed in or prevented from performing its obligations under this Agreement by Force Majeure, only within the scope of such delay or prevention, the affected party will not be responsible for any damage by reason of such a failure or delay of performance. The affected party shall take appropriate measures to minimize or remove the effects of Force Majeure and attempt to resume performance of the obligations delayed or prevented by the event of Force Majeure, and the affected party will not be responsible to such performance and will only be responsible to the delayed parts of performance. After the event of Force Majeure is removed, both the Licensor and the Licensee agree to resume the performance of this Agreement with their best efforts.

13. Notices

Notice or other communications required to be given by any party pursuant to this Agreement shall be written in English and Chinese and shall be deemed to be duly given when it is delivered personally or sent by registered mail or postage prepaid mail or by a recognized courier service to the address set forth below.

The Licensor : Shanghai Renren Automobile Technology Company Limited
Address : Room 705A, South, Yinhai Plaza, Jia No.10, Zhongguancun South Street, Haidian District, Beijing, China
Tel : 86-10-84481818
Addressee : Liu Jian

The Licensee : Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd.

Address : Room 917-918,No 328, Jiajian Road, Jiading District, Shanghai, China
Tel : 86-10-84481818
Addressee : Liu Jian

14. Re-Transfer, Re-License

This agreement and all the rights and duties hereunder are personal to the Licensee. The Licensee agrees that it will not assign, lease or pledge to any third party without the written consent of the Licensor.

15. Settlement Of Disputes

15.1 The Licensor and the Licensee shall strive to settle any disputes arising from the interpretation or performance of this Agreement through negotiations in good faith. In the event that no settlement can be reached through negotiation within 30 days after one party issues a negotiating notice, either party may submit such matter to the Beijing headquarters of the China International Economic and Trade Arbitration Commission (the **"CIETAC"**). The arbitration shall follow the current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese. The arbitration award shall be final and binding upon the Licensor and the Licensee and shall be enforceable in accordance with its terms.

15.2 Except for the issue under dispute, both the Licensor and the Licensee shall perform their own duties under the Agreement in good faith.

16. Applicable Law

The execution, validity, performance, interpretation and any disputes in respect of this Agreement shall be governed and construed by the laws of the PRC.

17. Amendment And Supplement

Any amendment and supplement of this Agreement shall come into force only after a written agreement is signed by both the Licensor and the Licensee. The amendment and supplement duly executed by both the Licensor and the Licensee shall be part of this Agreement and shall have the same legal effect as this Agreement.

18. Entire Agreement

This Agreement and all the agreements and/or documents referenced or specifically included herein constitute the entire agreement between the Licensor and the Licensee in respect of the subject matter hereof and supersede all prior oral or written agreements, contract, understanding and correspondence among them.

19. Severability

Any provision of this Agreement that is invalid or unenforceable due to the violation of relevant laws in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability, without affecting in any way the remaining provisions hereof.

20. Waiver

Any waiver of any rights, powers, or privileges under this Agreement shall not be deemed as a waiver of those rights, powers or privileges hereunder in the future or any other rights, powers or privileges hereunder then or in the future. Any whole or partial performance of any rights, powers, or privileges hereunder shall not exclude the performance of any other rights, power, or privileges hereunder.

21. Exhibits

The Exhibits referred to in this Agreement are an integral part of this Agreement and have the same legal effect as this Agreement.

[The space below is intentionally left blank.]

IN WITNESS WHEREOF, the Licensor and the Licensee hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

The Licensor: Shanghai Renren Automobile Technology Company Limited
(Company Seal)

By: _____
Authorized Representative: Liu Jian

The Licensee: Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd.
(Company Seal)

By: _____
Authorized Representative: Liu Jian

EXHIBIT 1

LIST OF LICENSED INTELLECTUAL PROPERTY RIGHTS UNDER THE AGREEMENT

Related software

EXHIBIT 2

CALCULATION METHOD AND FORM OF PAYMENT OF LICENSE FEE

1. Both the Licensor and the Licensee agree that, in consideration of the IPR which the Licensor licenses to the Licensee, the Licensee shall pay the Licensor license fees. The amount, payment method and classification of the license fees and other relevant issues shall be determined based on the precondition that they facilitate the Licensor's securing of all preferential treatments under the PRC tax policies, and shall be agreed through consultation by both the Licensor and the Licensee based on the following factors:

   (1) the number of users purchasing the Licensee's products or receiving the Licensee's service;

   (2) the types and number of the IPR actually used by the Licensee in selling products or providing services to its users; and

   (3) other factors as agreed upon by both the Licensor and the Licensee.

2. Such license fees shall be paid on a monthly basis. The Licensee shall, prior to the fifteenth day of each month, pay the license fee for the previous month to the bank account designated by the Licensor, and fax or mail the copy of the remittance certificate to the Licensor after its remittance of the amount payable.

3. If the Licensor deems the mechanism for determining license fees as stipulated hereunder to be inappropriate for whatever reason and needs to be adjusted, the Licensee shall, within seven (7) working days after receiving the written demand for such adjustment from the Licensor, conduct active and bona fide negotiations with the Licensor to ascertain new charging standards or mechanism that is based on bona fide adjustments which meet the current market conditions. Under any circumstances, if the Licensee fails to respond to such notice within seven (7) working days of receiving of the notice, it shall be deemed to have accepted the adjustments to the license fees.

4. No adjustment to the license fees shall affect the effectiveness hereof or the performance of both the Licensor and the Licensee' other obligations hereunder.

If the Licensor considers it helpful to the business of the Licensee, the Licensor may, at its sole discretion, reduce or exempt from payment the license fee in whole or in part.

Exhibit 10.9

INTELLECTUAL PROPERTY RIGHT LICENSE AGREEMENT

This Intellectual Property Right License Agreement (the "**Agreement**") entered in Beijing the People's Republic of China (the "**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement), dated August 18 of 2017 (the "**Effective Date**"), by and between

(1) The Licensor: **Shanghai Renren Automobile Technology Company Limited.**
Legal Address: Room 917-918,No328Jiajian Road Jiading District, Shanghai, China
Legal Representative: Liu Jian

and

(2) The Licensee: **Shanghai Jieying Automobile Sales Co., Ltd.**
Legal Address: Room 105, First Floor of Lane 2, No.333 of Fengrao Road, Jiading District, Shanghai, China
Legal Representative: Wang Mingli

WHEREAS:

A. The Licensor, a wholly foreign-owned enterprise registered in Shanghai under the laws of the PRC, is the lawful owner of certain intellectual property rights listed in Exhibit 1 of this Agreement (the "**Intellectual Property Rights"**);

B. The Licensee, a limited liability company registered in Shanghai under the laws of the PRC, is licensed to engage in the business of providing value-added telecommunications services;

C. The Licensor agrees to license the Intellectual Property Rights to the Licensee in accordance with the terms and conditions set forth herein and the Licensee agrees to accept the license on the terms and conditions set forth herein;

NOW THEREFORE, on the basis of mutual benefit and friendly negotiation, the Licensor and the Licensee agree as follows:

1. Grant of License

1.1 Covered Intellectual Property Rights

Under the terms and conditions hereinafter set forth, the Licensor hereby grants to the Licensee, and the Licensee accepts from the Licensor, a non-exclusive license, to use parts of or all of the Intellectual Property Rights, in the Licensee's operations in the PRC. Without the Licensor's prior written consent, the Licensee shall not, by license, sublicense, assignment or in any other manner, permit a third party to use the Intellectual Property Rights.

1.2 Scope

1.2.1 The Licensee shall only use the Intellectual Property Rights in its own normal business operations. Without the Licensor's consent, the Licensee shall not use the Intellectual Property Rights for any other purpose or when providing services to any third party.

1.2.2 The License in this Agreement is effective in the PRC (the "**Licensed Territory**"), and the Licensee agrees that without the prior written consent of the Licensor, it will not make, or authorize, any direct or indirect use of the Intellectual Property Rights in any regions other than the Licensed Territory.

1.3 Licensee's confirmation

The Licensee confirms that it does not have any rights, titles or interests of the Intellectual Property Rights except the rights, titles and interests provided for under this Agreement.

1.4 Prohibitions

Licensee undertakes that, at any time either during or after the Term, it shall not:

1.4.1 commit any act which affects the rights of Licensor in relation to any of the Intellectual Property Rights; or

1.4.2 apply for the registration of any of the Intellectual Property Rights or any similar intellectual property right in any country or region in the world.

2. Payment

The Licensee agrees to pay to the Licensor license fees determined in accordance with the calculation method and the form of payment as set forth in Exhibit 2.

3. Goodwill

The Licensee recognizes the value of the goodwill associated with the Intellectual Property Rights and the relevant rights, and acknowledges that the Intellectual Property Rights and goodwill (including but not limited to the goodwill deriving from the Licensee's use) pertaining thereto shall be the sole and exclusive property of the Licensor.

4. Confidentiality

4.1 The Licensee shall protect and maintain the confidentiality of any and all confidential data and information, including without limitation all technological, financial, human resource, strategic and any other relevant information of the other Party, acknowledged or received by the Licensee from the Licensor (collectively, the **"Confidential Information"**). Upon termination or expiration of this Agreement, the Licensee shall, at the Licensor's option, return all and any documents, information or software containing any of such Confidential Information to the Licensor or to the maximum extent permitted by applicable laws of the PRC, destroy and delete such Confidential Information from any electronic devices. The Licensee shall not disclose, grant or transfer any Confidential Information to any third party. The Licensee shall disclose the Confidential Information to the necessary employees, agents or consultants using measures reasonably calculated to ensure the security of the Confidential Information, and shall urge the necessary employees, agents or consultants to observe the obligations under this Agreement.

4.2 The above limitations shall not apply to the situations as follows:

4.2.1 the Confidential Information becomes available to the public other than by the Licensee's disclosure of such Confidential Information;

4.2.2 the Licensee acquired the Confidential Information directly or indirectly from other sources before receiving it from the Licensor; or

4.2.3 where the Confidential Information is required by law to be disclosed, or, based on general operational needs, should be disclosed to legal or financial advisors.

4.3 This Article 4 shall survive the termination, rescinding or modification of this agreement.

5. Representations and Warranties

5.1 The Licensor represents and warrants as follows:

5.1.1 the Licensor is a company duly registered and in good standing under the applicable laws of the PRC;

5.1.2 the Licensor, subject to its business scope, has full right, power, authority and capacity and all necessary consents and approvals of any third party and government authorities to execute and perform this Agreement, which shall not be against any enforceable and effective laws or contracts;

5.1.3 upon its execution by the Licensee, this Agreement will constitute a legal, valid and binding agreement of the Licensor and will be enforceable against the Licensor in accordance with its terms; and

5.1.4 the Licensor is the lawful owner of, and has sole and exclusive rights and interests in any intellectual property rights (including without limitation to copyright, trademark right, patent, know-how and trade secrets, etc.) in connection with, the Intellectual Property Rights.

5.2 The Licensee represents and warrants as follows:

5.2.1 the Licensee is a company duly registered and in good standing under the applicable laws of the PRC, and is approved by the relevant authorities to provide value-added telecommunications services;

5.2.2 the Licensee, subject to its business scope, has full right, power, authority and capacity and all necessary consents and approvals of any third party and government authorities to execute and perform its obligations under this Agreement;

5.2.3 the Licensee will not use or authorize the use of any Intellectual Property Rights or symbols which the Licensor judges, at its sole discretion, to be similar to the Intellectual Property and could cause confusion;

5.2.4 upon its execution by the Licensor, the Agreement will constitute a legal, valid and binding agreement of the Licensee and will be enforceable against the Licensee in accordance with its terms upon its execution;

5.2.5 the Licensee shall assist the Licensor to the extent necessary in the procurement of any protection or to protect any of the Licensor's rights to the Intellectual Property Rights. In the event any third party lodges a claim concerning the Intellectual Property Rights, the Licensor, if it so desires, may commence or prosecute any claims or lawsuits in its own name or in the name of the Licensee or join the Licensee as a party thereto. In the event any third party infringes any Intellectual Property Rights, the Licensee shall notify the Licensor in writing of any such infringements, or imitation by others of the Intellectual Property Rights which may come to the Licensee's attention, and the Licensor shall have the sole right to determine whether or not any action shall be taken on account of any such infringements;

5.2.6 the Licensee shall use the Intellectual Property Rights only in accordance with this Agreement and shall not use the Intellectual Property Rights in any way that, in the opinion of the Licensor, is deceptive, misleading or in any way damaging to such Intellectual Property Rights or the reputation of the Licensor; and

5.2.7 without the Licensor's consent, the Licensor shall not, and shall not license a third party to, modify, improve or develop the licensed software hereunder in any manner. During the effective protection period of the licensed software, the Licensee agrees that, to the extent permitted by the PRC laws, if there are any results from its modification or improvement to the licensed software or any new software developed based on the licensed software (collectively **"Improved Software"**), any ownership (including without limitation copyright) of such Improved Software as well as any rights and interests relating to such ownership shall belong to the Licensor. Notwithstanding any contrary provisions in the PRC laws providing that ownership to the Improved Software shall belong to the Licensee, the Licensee covenants and agrees to transfer the ownership on the Improved Software to the Licensor without consideration.

6. [RESERVED]

7. Quality

The Licensee shall use its best efforts to ensure that its operations protect and enhance the reputation of the Intellectual Property Rights.

8. Promotion Material

In all cases where the Licensee makes promotion material involving the Intellectual Property Rights, the production costs of such material thereof shall be borne by the Licensee. All copyrights or other intellectual property rights of such material concerning the Intellectual Property Rights thereto shall be the sole and exclusive property of the Licensor whether developed by the Licensor or the Licensee.

The Licensee agrees not to advertise or publicize any of the Intellectual Property Rights on radio, television, papers, magazines, the Internet without the prior written consent of the Licensor.

9. Effective Date and Term

9.1 This Agreement has been duly executed when it is duly signed by an authorized representative of each party and shall be effective as of the Effective Date. The term of this Agreement is five (5) years unless earlier terminated as set forth in this Agreement and shall be automatically extended for additional one (1) year terms unless either party provides the other party with notice of its desire to terminate this Agreement.

9.2 Unless any other provisions set forth in written form, this Agreement shall be applicable to any other intellectual property rights licensed to the Licensee within the term of this Agreement. After the execution of this Agreement, the Licensor and Licensee shall review this Agreement every three (3) months to determine whether to make any amendment or supplement to this Agreement.

10. Record Filing

Within three (3) months of the execution of this Agreement, both the Licensor and the Licensee shall, in compliance with the law of China, make a record filing of the copy of the Agreement to the relevant authorities. Both the Licensor and the Licensee agree to execute or furnish the relevant documents required in line with the principal hereof and relevant laws.

11. Termination

11.1 This Agreement shall expire on the date due or the date when the Licensor's right of ownership terminates unless this Agreement is extended as set forth above.

11.2 Without prejudice to any legal or other rights or remedies of the party that requests for termination of this Agreement, any party has the right to terminate this Agreement immediately with written notice to the other party in the event the other party materially breaches this Agreement including without limitation to Sections 5.2.5, 5.2.6, or 5.2.7 of this Agreement and fails to cure its breach within 30 days from the date it receives written notice of its breach from the non-breaching party.

11.3 During the term of this Agreement, the Licensor may terminate this Agreement at any time with a written notice to the Licensee 30 days before such termination. The Licensee shall not terminate this Agreement in prior.

11.4 Article 3, 4, 5.2.5, 5.2.6, or 5.2.7, 15 and 16 shall survive the termination or expiration of this Agreement.

12. Force Majeure

12.1 Force Majeure means any event that is beyond the party's reasonable control and cannot be prevented with reasonable care including but not limited to the acts of governments, nature, fire, explosion, typhoon, flood, earthquake, tide, lightning and war. However, any shortage of credit, capital or finance shall not be regarded as an event of Force Majeure. The party affected by Force Majeure shall notify the other party without delay.

12.2 In the event that the affected party is delayed in or prevented from performing its obligations under this Agreement by Force Majeure, only within the scope of such delay or prevention, the affected party will not be responsible for any damage by reason of such a failure or delay of performance. The affected party shall take appropriate measures to minimize or remove the effects of Force Majeure and attempt to resume performance of the obligations delayed or prevented by the event of Force Majeure, and the affected party will not be responsible to such performance and will only be responsible to the delayed parts of performance. After the event of Force Majeure is removed, both the Licensor and the Licensee agree to resume the performance of this Agreement with their best efforts.

13. Notices

Notice or other communications required to be given by any party pursuant to this Agreement shall be written in English and Chinese and shall be deemed to be duly given when it is delivered personally or sent by registered mail or postage prepaid mail or by a recognized courier service to the address set forth below.

The Licensor : Shanghai Renren Automobile Technology Company Limited.
Address : Room 917-918，No328，Jiajian Road Jiading District, Shanghai, China
Tel : 86-10-84481818
Addressee : Liu Jian

The Licensee : Shanghai Jieying Automobile Sales Co., Ltd.
Address : Room 105, First Floor of Lane 2, No.333 of Fengrao Road, Jiading District, Shanghai, China
Tel : 86-10-84481818
Addressee : Wang Mingli

14. Re-Transfer, Re-License

This agreement and all the rights and duties hereunder are personal to the Licensee. The Licensee agrees that it will not assign, lease or pledge to any third party without the written consent of the Licensor.

15. Settlement Of Disputes

15.1 The Licensor and the Licensee shall strive to settle any disputes arising from the interpretation or performance of this Agreement through negotiations in good faith. In the event that no settlement can be reached through negotiation within 30 days after one party issues a negotiating notice, either party may submit such matter to the Beijing headquarters of the China International Economic and Trade Arbitration Commission (the **"CIETAC"**). The arbitration shall follow the current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese. The arbitration award shall be final and binding upon the Licensor and the Licensee and shall be enforceable in accordance with its terms.

15.2 Except for the issue under dispute, both the Licensor and the Licensee shall perform their own duties under the Agreement in good faith.

16. Applicable Law

The execution, validity, performance, interpretation and any disputes in respect of this Agreement shall be governed and construed by the laws of the PRC.

17. Amendment And Supplement

Any amendment and supplement of this Agreement shall come into force only after a written agreement is signed by both the Licensor and the Licensee. The amendment and supplement duly executed by both the Licensor and the Licensee shall be part of this Agreement and shall have the same legal effect as this Agreement.

18. Entire Agreement

This Agreement and all the agreements and/or documents referenced or specifically included herein constitute the entire agreement between the Licensor and the Licensee in respect of the subject matter hereof and supersede all prior oral or written agreements, contract, understanding and correspondence among them.

19. Severability

Any provision of this Agreement that is invalid or unenforceable due to the violation of relevant laws in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability, without affecting in any way the remaining provisions hereof.

20. Waiver

Any waiver of any rights, powers, or privileges under this Agreement shall not be deemed as a waiver of those rights, powers or privileges hereunder in the future or any other rights, powers or privileges hereunder then or in the future. Any whole or partial performance of any rights, powers, or privileges hereunder shall not exclude the performance of any other rights, power, or privileges hereunder.

21. Exhibits

The Exhibits referred to in this Agreement are an integral part of this Agreement and have the same legal effect as this Agreement.

[The space below is intentionally left blank.]

IN WITNESS WHEREOF, the Licensor and the Licensee hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

The Licensor: Shanghai Renren Automobile Technology Company Limited.
(Company Seal)

By: _____
Authorized Representative: Liu Jian

The Licensee: Shanghai Jieying Automobile Sales Co., Ltd.
(Company Seal)

By: _____
Authorized Representative: Wang Mingli

EXHIBIT 1

LIST OF LICENSED INTELLECTUAL PROPERTY RIGHTS UNDER THE AGREEMENT

Related software

EXHIBIT 2

CALCULATION METHOD AND FORM OF PAYMENT OF LICENSE FEE

1. Both the Licensor and the Licensee agree that, in consideration of the IPR which the Licensor licenses to the Licensee, the Licensee shall pay the Licensor license fees. The amount, payment method and classification of the license fees and other relevant issues shall be determined based on the precondition that they facilitate the Licensor's securing of all preferential treatments under the PRC tax policies, and shall be agreed through consultation by both the Licensor and the Licensee based on the following factors:

   (1) the number of users purchasing the Licensee's products or receiving the Licensee's service;

   (2) the types and number of the IPR actually used by the Licensee in selling products or providing services to its users; and

   (3) other factors as agreed upon by both the Licensor and the Licensee.

2. Such license fees shall be paid on a monthly basis. The Licensee shall, prior to the fifteenth day of each month, pay the license fee for the previous month to the bank account designated by the Licensor, and fax or mail the copy of the remittance certificate to the Licensor after its remittance of the amount payable.

3. If the Licensor deems the mechanism for determining license fees as stipulated hereunder to be inappropriate for whatever reason and needs to be adjusted, the Licensee shall, within seven (7) working days after receiving the written demand for such adjustment from the Licensor, conduct active and bona fide negotiations with the Licensor to ascertain new charging standards or mechanism that is based on bona fide adjustments which meet the current market conditions. Under any circumstances, if the Licensee fails to respond to such notice within seven (7) working days of receiving of the notice, it shall be deemed to have accepted the adjustments to the license fees.

4. No adjustment to the license fees shall affect the effectiveness hereof or the performance of both the Licensor and the Licensee' other obligations hereunder.

If the Licensor considers it helpful to the business of the Licensee, the Licensor may, at its sole discretion, reduce or exempt from payment the license fee in whole or in part.

Exhibit 10.10

BUSINESS OPERATIONS AGREEMENT

This Business Operations Agreement (this "Agreement") is entered in Beijing, the People's Republic of China (the "PRC", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement) and dated August 18 of 2017 by and among the following parties:

(1) PARTY A: **Shanghai Renren Automobile Technology Company Limited.**
Legal Address: Room 917-918, No 328,Jiajian Road,,Jiading District, Shanghai, China
Legal Representative: Liu Jian

(2) PARTY B: **Shanghai Jieying Automobile Sales Co., Ltd.**
Legal Address: Room 105, First Floor of Lane 2, No.333 of Fengrao Road, Jiading District, Shanghai, China
Legal Representative: Wang Mingli

(3) PARTY C: **Ren Jintao**
PRC Identification Card No.: 110102197805152331
Address: No.222 of Third Floor, No.33 of Beiwaxili, Haidian District, Beijing, China

(4) PARTY D: **Yi Rui**
PRC Identification Card No.: 110105196905084166
Address: No.604 of Third Floor, No.22 of Beiwaxili, Haidian District, Beijing, China

(individually, a "**Party**", and collectively, the "**Parties**")

WHEREAS:

A. Party A is a wholly foreign-owned enterprise registered in the PRC;

B. Party B is a wholly domestic-owned company registered in the PRC and is approved by relevant governmental authorities to engage in the business of providing services;

C. Party A and Party B have entered into an Exclusive Technical Support and Technical Services Agreement, dated as of August 18 of 2017 pursuant to which Party A shall provide certain technical services to Party B (the "**Technical Service Agreement**"); and

D. Party C and Party D own 99% and 1%, respectively, of the equity interest of Party B.

THEREFORE, through friendly negotiation in the principle of equality and common interest, the Parties hereby jointly agree to abide by the following:

1. Negative Undertakings

In order to ensure Party B's performance of its obligations pursuant to the Technical Service Agreement, Party B together with its shareholders Party C and Party D, hereby jointly confirm and agree that unless Party B has obtained the prior written consent of Party A or another party appointed by Party A, Party B shall not enter into any transaction which may materially affect its assets, obligations, rights or operations, including but not limited to the following:

1.1 To conduct any business that is beyond the normal business scope;

1.2 To borrow money or incur any debt from any third party;

1.3 To change or dismiss any directors or to dismiss and replace any senior management members;

1.4 To sell to or acquire from any third party any assets or rights, including but not limited to any intellectual property rights;

1.5 To guarantee or secure the obligations of any third party with its assets or intellectual property rights or to create any encumbrance over its assets in favor of any third party;

1.6 To amend the articles of association of Party B (the "**Articles**") or to change its business scope;

1.7 To change the normal business process or modify any material policy of Party B;

1.8 To assign any of the rights or obligations under this Agreement herein to any third party;

1.9 To adjust materially its business operating models, marketing strategies, operating guidance or client relationships; or

1.10 To declare any dividend in any way.

2. Management of Operation and Arrangements of Human Resource

2.1 Party B, together with its shareholders Party C and Party D, hereby jointly agree to accept and strictly execute the proposals provided by Party A from time to time in respect of the employment and dismissal of Party B's employees and the daily business management and financial management of Party B.

2.2 Party B, together with its shareholders Party C and Party D, hereby jointly and severally agree that Party C and Party D shall only appoint the individuals designated by Party A as the Executive Director or Directors of the Board of Directors of Party B in accordance with the procedures required by the applicable laws and regulations and the Articles, and shall cause such Executive Director or Director of the Board of Directors of Party B to appoint the individuals designated by Party A as Party B's General Manager, Chief Financial Officer, and other senior officers.

2.3 If any of the officers referenced in Section 2.2 hereof resigns or is dismissed by Party A, Party B, Party C and Party D shall appoint or cause the appointment of another candidate designated by Party A to assume such position(s).

2.4 For the purpose of the above-mentioned Section 2.3, Party B, Party C and Party D shall take all necessary internal or external steps to effect the above appointments or dismissals in accordance with relevant laws and regulations, the Articles and this Agreement.

2.5 Each of Party C and Party D hereby agrees simultaneously with the execution of this Agreement, to execute a Proxy Agreement and Power of Attorney, in the form attached hereto as Exhibit A, pursuant to which each of Party C and Party D shall authorize the person(s) designated by Party A to exercise his or her shareholders' rights, including the full voting right of a shareholder at Party B's shareholders' meetings. Each of Party C and Party D further agrees to replace the authorized person appointed according to the above mentioned Power of Attorneys at any time in accordance with the requests of Party A.

3. Other Agreements

3.1 Each of Party C and Party D further agrees that he/she shall not put forward, or vote in favor of, any shareholder resolution to, or otherwise request Party B to, declare any dividends or distribute any profits, funds, assets or property to the shareholders of Party B or any of its affiliates; provided, however, if such dividends or other distributions are distributed to Party C and/or Party D from Party B, Party C and/or Party D shall immediately and unconditionally pay or transfer to Party A any dividends or other distributions in whatsoever form obtained from Party B, after having deducted and paid any and all relevant taxes and expenses applicable to such shareholder as a result of his/her receipt of such dividends or other distributions.

3.2 Party A shall indemnify Party C and Party D from any liabilities, costs or losses (including but not limited to any and all legal expenses) incurred by Party C and/or Party D arising by reason of his/her performance of his/her obligations under this Agreement and as a shareholder of Party B, provided that such actions are taken in good faith and are not contrary to the best interests of Party A or Party B.

3.3 To ensure that Party B has sufficient funds to support its operations and/or to set off any loss accrued during such operations, Party A may provide financing support to Party B from time to time at Party A's sole discretion. Party A's financing support for Party B may take the form of bank entrusted loans or borrowings. Contracts for any such entrusted loans or borrowings shall be executed separately.

4. Entire Agreement and Modifications

4.1 This Agreement together with all the other agreements and/or documents mentioned or specifically included in this Agreement, to which any Party is a party thereunder (where applicable), constitute the entire agreement and understanding among the Parties with respect to the business operations of Party B and supersedes all the other prior oral and written agreements, contracts, understandings and communications among all the parties involving the subject matters of this Agreement.

4.2 This Agreement shall only be amended by a written instrument executed by each Party hereto. The amendment and supplement duly executed by each Party hereto shall form part of this Agreement and shall have the same legal effect as this Agreement.

5. Governing Law

The execution, validity, performance, interpretation and disputes of this Agreement shall be governed by and construed in accordance with the PRC laws.

6. Dispute Resolution

6.1 The Parties shall strive to settle any dispute arising from the interpretation or performance of this Agreement through friendly consultation in good faith. In case no settlement can be reached through friendly consultation, each Party can submit such matter to the Beijing headquarters of the China International Economic and Trade Arbitration Commission ("**CIETAC**") for arbitration in accordance with the then current rules of CIETAC. The arbitration proceedings shall be conducted in Chinese. The arbitration award shall be final and binding upon all the Parties. This article shall not be affected by the termination or elimination of this Agreement.

6.2 During the process of the dispute resolution, each Party shall continue to perform its obligations in good faith according to the provisions of this Agreement except for the subject matters in dispute.

7. Notice

7.1 Any notice that is given by the Parties hereto for the purpose of performing the rights and obligations hereunder shall be in written form. Where such notice is delivered personally, the actual delivery time is regarded as notice time; where such notice is transmitted by telex or facsimile, the notice time is the time when such notice is transmitted. If such notice (i) does not reach the addressee on a business day or (ii) reaches the addressee after the business hours, the next business day following such day is the date of notice. The written form includes facsimile and telex.

7.2 Any notice or other correspondence hereunder provided shall be delivered to the following addresses in accordance with the above terms:

PARTY A : Shanghai Renren Automobile Technology Company Limited.
Address : Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China
Tele : 86-10-84481818
Addressee : Liu Jian

PARTY B : Shanghai Jieying Automobile Sales Co., Ltd.
Address : Room 105, First Floor of Lane 2, No.333 of Fengrao Road, Jiading District, Shanghai, China
Tele : 86-10-84481818
Addressee : Wang Mingli

PARTY C : Ren Jintao
Address : No.222 of Third Floor, No.33 of Beiwaxili, Haidian District, Beijing, China
Fax : 86-10-64362600
Tele : 86-10-84481818

PARTY D : Yi Rui
Address : No.604 of Third Floor, No.22 of Beiwaxili, Haidian District, Beijing, China
Fax : 86-10-64362600
Tele : 86-10-84481818

8. Effectiveness, Term and Others

8.1 This Agreement shall be effective upon its being signed by the Parties hereunder (the "**Effective Date**").

8.2 This Agreement shall be executed by a duly authorized representative of each Party on the date first written above and become effective as of the Effective Date. The term of this agreement is ten years unless terminated earlier in accordance with the relevant provisions herein. This Agreement will extend automatically for another ten year period except where Party A provides a written notice stating its intention not to extend this Agreement three months prior to the expiration of the initial ten years term of this Agreement.

8.3 Party B, Party C and Party D shall not terminate this Agreement within the terms of this Agreement. Notwithstanding the above stipulation, Party A shall have the right to terminate this Agreement at any time by issuing a prior written notice to Party B, Party C and Party D thirty (30) days before the termination.

8.4 In case any terms and stipulations in this Agreement are regarded as illegal or can not be performed in accordance with the applicable laws, they shall be deemed to be deleted from this Agreement and lose their effect and this Agreement shall be treated as if they did not exist from the very beginning. However, the remaining stipulations will remain effective. Each Party shall replace the deleted stipulations with lawful and effective stipulations, which are acceptable to each Party, through mutual negotiation.

8.5 Any failure or delay on the part of any Party to exercise any rights, powers or privileges hereunder shall not operate as a waiver thereof. Any single or partial exercise of such rights, powers or privileges shall not preclude any further exercise of such rights, powers or privileges.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

PARTY A: Shanghai Renren Automobile Technology Company Limited.
(Company Seal)

By: _____
Authorized Representative: Liu Jian

PARTY B: Shanghai Jieying Automobile Sales Co., Ltd.
(Company Seal)

By: _____
Authorized Representative: Wang Mingli

PARTY C: Ren Jintao

By: _____

PARTY D: Yi Rui

By: _____

[SIGNATURE PAGE TO BUSINESS OPERATIONS AGREEMENT]

EXHBIIT A

FORM OF PROXY AGREEMENT AND POWER OF ATTORNEY

Exhibit 10.11

BUSINESS OPERATIONS AGREEMENT

This Business Operations Agreement (this "Agreement") is entered in Beijing, the People's Republic of China (the "PRC", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement) and dated August 18 of 2017 by and among the following parties:

(1) PARTY A: **Shanghai Renren Automobile Technology Company Limited.**
Legal Address: Room 917-918,No 328,Jiajian Road,,Jiading District, Shnghai, China
Legal Representative: Liu Jian

(2) PARTY B: **Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd**
Legal Address: Room 275E, No.668 of Shangda Road, Baoshan District, Shanghai, China
Legal Representative: Liu Jian

(3) PARTY C: **Yang Jing**
PRC Identification Card No.: 532721197005100025
Address: Room 202, Unit 1, No 275, Ninger Main Street, Simao District, Puer City, Yunnan, PRC

(4) PARTY D: **Liu Jian**
PRC Identification Card No.: 310102197211124453
Address: Room 1054, No 2, Nong 138, Nandan Road, Xuhui District, Shanghai, PRC

(individually, a "**Party**", and collectively, the "**Parties**")

WHEREAS:

A. Party A is a wholly foreign-owned enterprise registered in the PRC;

B. Party B is a wholly domestic-owned company registered in the PRC and is approved by relevant governmental authorities to engage in the business of providing services;

C. Party A and Party B have entered into an Exclusive Technology Support and Technology Services Agreement, dated as of August 18 of 2017 pursuant to which Party A shall provide certain technology services to Party B (the "**Technology Service Agreement**"); and

D. Party C and Party D own 99% and 1%, respectively, of the equity interest of Party B.

THEREFORE, through friendly negotiation in the principle of equality and common interest, the Parties hereby jointly agree to abide by the following:

1. Negative Undertakings

In order to ensure Party B's performance of its obligations pursuant to the Technology Service Agreement, Party B together with its shareholders Party C and Party D, hereby jointly confirm and agree that unless Party B has obtained the prior written consent of Party A or another party appointed by Party A, Party B shall not enter into any transaction which may materially affect its assets, obligations, rights or operations, including but not limited to the following:

1.1 To conduct any business that is beyond the normal business scope;

1.2 To borrow money or incur any debt from any third party;

1.3 To change or dismiss any directors or to dismiss and replace any senior management members;

1.4 To sell to or acquire from any third party any assets or rights, including but not limited to any intellectual property rights;

1.5 To guarantee or secure the obligations of any third party with its assets or intellectual property rights or to create any encumbrance over its assets in favor of any third party;

1.6 To amend the articles of association of Party B (the "**Articles**") or to change its business scope;

1.7 To change the normal business process or modify any material policy of Party B;

1.8 To assign any of the rights or obligations under this Agreement herein to any third party;

1.9 To adjust materially its business operating models, marketing strategies, operating guidance or client relationships; or

1.10 To declare any dividend in any way.

2. Management of Operation and Arrangements of Human Resource

2.1 Party B, together with its shareholders Party C and Party D, hereby jointly agree to accept and strictly execute the proposals provided by Party A from time to time in respect of the employment and dismissal of Party B's employees and the daily business management and financial management of Party B.

2.2 Party B, together with its shareholders Party C and Party D, hereby jointly and severally agree that Party C and Party D shall only appoint the individuals designated by Party A as the Executive Director or Directors of the Board of Directors of Party B in accordance with the procedures required by the applicable laws and regulations and the Articles, and shall cause such Executive Director or Director of the Board of Directors of Party B to appoint the individuals designated by Party A as Party B's General Manager, Chief Financial Officer, and other senior officers.

2.3 If any of the officers referenced in Section 2.2 hereof resigns or is dismissed by Party A, Party B, Party C and Party D shall appoint or cause the appointment of another candidate designated by Party A to assume such position(s).

2.4 For the purpose of the above-mentioned Section 2.3, Party B, Party C and Party D shall take all necessary internal or external steps to effect the above appointments or dismissals in accordance with relevant laws and regulations, the Articles and this Agreement.

2.5 Each of Party C and Party D hereby agrees simultaneously with the execution of this Agreement, to execute a Proxy Agreement and Power of Attorney, in the form attached hereto as Exhibit A, pursuant to which each of Party C and Party D shall authorize the person(s) designated by Party A to exercise his or her shareholders' rights, including the full voting right of a shareholder at Party B's shareholders' meetings. Each of Party C and Party D further agrees to replace the authorized person appointed according to the above mentioned Power of Attorneys at any time in accordance with the requests of Party A.

3. Other Agreements

3.1 Each of Party C and Party D further agrees that he/she shall not put forward, or vote in favor of, any shareholder resolution to, or otherwise request Party B to, declare any dividends or distribute any profits, funds, assets or property to the shareholders of Party B or any of its affiliates; provided, however, if such dividends or other distributions are distributed to Party C and/or Party D from Party B, Party C and/or Party D shall immediately and unconditionally pay or transfer to Party A any dividends or other distributions in whatsoever form obtained from Party B, after having deducted and paid any and all relevant taxes and expenses applicable to such shareholder as a result of his/her receipt of such dividends or other distributions.

3.2 Party A shall indemnify Party C and Party D from any liabilities, costs or losses (including but not limited to any and all legal expenses) incurred by Party C and/or Party D arising by reason of his/her performance of his/her obligations under this Agreement and as a shareholder of Party B, provided that such actions are taken in good faith and are not contrary to the best interests of Party A or Party B.

3.3 To ensure that Party B has sufficient funds to support its operations and/or to set off any loss accrued during such operations, Party A may provide financing support to Party B from time to time at Party A's sole discretion. Party A's financing support for Party B may take the form of bank entrusted loans or borrowings. Contracts for any such entrusted loans or borrowings shall be executed separately.

4. Entire Agreement and Modifications

4.1 This Agreement together with all the other agreements and/or documents mentioned or specifically included in this Agreement, to which any Party is a party thereunder (where applicable), constitute the entire agreement and understanding among the Parties with respect to the business operations of Party B and supersedes all the other prior oral and written agreements, contracts, understandings and communications among all the parties involving the subject matters of this Agreement.

4.2 This Agreement shall only be amended by a written instrument executed by each Party hereto. The amendment and supplement duly executed by each Party hereto shall form part of this Agreement and shall have the same legal effect as this Agreement.

5. Governing Law

The execution, validity, performance, interpretation and disputes of this Agreement shall be governed by and construed in accordance with the PRC laws.

6. Dispute Resolution

6.1 The Parties shall strive to settle any dispute arising from the interpretation or performance of this Agreement through friendly consultation in good faith. In case no settlement can be reached through friendly consultation, each Party can submit such matter to the Beijing headquarters of the China International Economic and Trade Arbitration Commission ("**CIETAC**") for arbitration in accordance with the then current rules of CIETAC. The arbitration proceedings shall be conducted in Chinese. The arbitration award shall be final and binding upon all the Parties. This article shall not be affected by the termination or elimination of this Agreement.

6.2 During the process of the dispute resolution, each Party shall continue to perform its obligations in good faith according to the provisions of this Agreement except for the subject matters in dispute.

7. Notice

7.1 Any notice that is given by the Parties hereto for the purpose of performing the rights and obligations hereunder shall be in written form. Where such notice is delivered personally, the actual delivery time is regarded as notice time; where such notice is transmitted by telex or facsimile, the notice time is the time when such notice is transmitted. If such notice (i) does not reach the addressee on a business day or (ii) reaches the addressee after the business hours, the next business day following such day is the date of notice. The written form includes facsimile and telex.

7.2 Any notice or other correspondence hereunder provided shall be delivered to the following addresses in accordance with the above terms:

PARTY A	**:**	**Shanghai Renren Automobile Technology Company Limited.**
Address	:	Room 917-918,No 328,Jiajian Road, Jiading District,Shanghai, China
Tele	:	86-10-84481818
Addressee	:	Liu Jian

PARTY B	**:**	**Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd.**
Address	:	Room 275E, No.668 of Shangda Road, Baoshan District, Shanghai, China
Tele	:	86-10-84481818
Addressee	:	Liu Jian

PARTY C	**:**	**Yang Jing**
Address	:	Room 202, Unit 1, No 275, Ninger Main Street, Simao District, Puer City, Yunnan, PRC
Fax	:	86-10-64362600
Tele	:	86-10-84481818

PARTY D	**:**	**Liu Jian**
Address	:	Room 1054, No 2, Nong 138, Nandan Road, Xuhui District, Shanghai, PRC
Fax	:	86-10-64362600
Tele	:	86-10-84481818

8. Effectiveness, Term and Others

8.1 This Agreement shall be effective upon its being signed by the Parties hereunder (the "**Effective Date**").

8.2 This Agreement shall be executed by a duly authorized representative of each Party on the date first written above and become effective as of the Effective Date. The term of this agreement is ten years unless terminated earlier in accordance with the relevant provisions herein. This Agreement will extend automatically for another ten year period except where Party A provides a written notice stating its intention not to extend this Agreement three months prior to the expiration of the initial ten years term of this Agreement.

8.3 Party B, Party C and Party D shall not terminate this Agreement within the terms of this Agreement. Notwithstanding the above stipulation, Party A shall have the right to terminate this Agreement at any time by issuing a prior written notice to Party B, Party C and Party D thirty (30) days before the termination.

8.4 In case any terms and stipulations in this Agreement are regarded as illegal or can not be performed in accordance with the applicable laws, they shall be deemed to be deleted from this Agreement and lose their effect and this Agreement shall be treated as if they did not exist from the very beginning. However, the remaining stipulations will remain effective. Each Party shall replace the deleted stipulations with lawful and effective stipulations, which are acceptable to each Party, through mutual negotiation.

8.5 Any failure or delay on the part of any Party to exercise any rights, powers or privileges hereunder shall not operate as a waiver thereof. Any single or partial exercise of such rights, powers or privileges shall not preclude any further exercise of such rights, powers or privileges.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

PARTY A: Shanghai Renren Automobile Technology Company Limited.
(Company Seal)

By: _____
Authorized Representative: Liu Jian

PARTY B: Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd.
(Company Seal)

By: _____
Authorized Representative: Liu Jian

PARTY C: Yang Jing

By: _____

PARTY D: Liu Jian

By: _____

[SIGNATURE PAGE TO BUSINESS OPERATIONS AGREEMENT]

EXHBIIT A

FORM OF PROXY AGREEMENT AND POWER OF ATTORNEY

Exhibit 10.12

EQUITY OPTION AGREEMENT

This Equity Option Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement) and dated August 18 of 2017, by and between the following parties:

(1) **PARTY A: Shanghai Renren Automobile Technology Company Limited**(the "**WFOE**")
Registered Address: Room 917-918,No 328, Jiajian Road, Jiading District, Shanghai, China
Legal Representative: Liu Jian

and

(2) **PARTY B: Liu Jian** (the "**Grantor**")
PRC Identification Card No: 310102197211124453
Address: Room 1054, No 2, Lane 138, Nandan Road, Xuhui District, Shanghai, China

(individually, a "**Party**" and collectively, the "**Parties**")

WHEREAS:

A. The WFOE is a wholly foreign-owned enterprise, duly established and registered in Beijing under the laws of the PRC.

B. The Grantor currently holds 1% of the registered capital of Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd. (the "**VIE Company**"), a limited liability company with a registered capital of RMB 50,000,000 (the "**Equity Interests**").

C. The Grantor entered into a Loan Agreement with the WFOE on August 18 of 2017 (the "**Loan Agreement**"), pursuant to which the WFOE extended a loan in the amount of RMB 500,000 to the Grantor (the "**Loan**").

D. The Grantor has agreed to grant exclusively to the WFOE an option to acquire the Equity Interest that has been registered in his name, subject to the terms and conditions set forth below.

THEREFORE, through friendly negotiation based on equal and mutual benefit, the Parties agree as follows:

SECTION 1: GRANT OF THE OPTION

1.1 Grant of Option

The Grantor hereby grants to the WFOE an option (the "**Option**") to acquire all or portion of his Equity Interest at the price equivalent to the lowest price then permitted by PRC laws, and the WFOE shall make payment of such price by cancelling all or a same portion of the Loan. The Option shall become vested as of the date of this Agreement.

1.2 Term

This Agreement shall take effect as of the Effective Date and shall remain in full force and effect until the earlier of (1) the date on which all of the Equity Interests have been acquired by the WFOE directly or through its designated representative (individual or legal person); or (2) the unilateral termination by the WFOE (at its sole and absolute discretion), by giving 30 days prior written notice to the Grantor of its intention to terminate this Agreement.

1.3 Consideration of Option

The Grantor acknowledges that the WFOE's provision of the Loan to the Grantor is deemed to be the consideration for the grant of the Option, the sufficiency and payment of which have been acknowledged and recognized.

1.4 EFFECTIVE DATE

This Agreement shall be effective upon its being signed by the parties hereunder ("**Effective Date**").

SECTION 2: EXERCISE OF THE OPTION AND ITS CLOSING

2.1 Timing of Exercise

2.1.1 The Grantor agrees that the WFOE in its sole discretion may at any time, and from time to time after the date hereof, exercise the Option granted by the Grantor, in whole or in part, to acquire all or any portion of his Equity Interest.

2.1.2 For the avoidance of doubt, the Grantor hereby agrees that the WFOE shall be entitled to exercise the Option granted by the Grantor for an unlimited number of times, until all of his Equity Interest have been acquired by the WFOE.

2.1.3 The Grantor agrees that the WFOE may designate in its sole discretion any third party to exercise the Option granted by the Grantor on its behalf, in which case the WFOE shall provide written notice to the Grantor at the time the Option granted by the Grantor is exercised.

2.2 Transfer

The Grantor agrees that the Option grant by him shall be freely transferable, in whole or in part, by the WFOE to any third party, and that, upon such transfer, the Option may be exercised by such third party upon the terms and conditions set forth herein, as if such third party were a party to this Agreement, and that such third party shall assume the rights and obligations of the WFOE hereunder.

2.3 Notice Requirement

2.3.1 To exercise an Option, the WFOE shall send a written notice to the Grantor, and such Option is to be exercised by no later than ten (10) days prior to each Closing Date (as defined below), specifying therein:

2.3.1.1 The date of the effective closing of such acquisition (a "**Closing Date**");

2.3.1.2 the name of the person in which the Equity Interests shall be registered;

2.3.1.3 the amount of Equity Interest to be acquired from the Grantor;

2.3.1.4 the type of payment; and

2.3.1.5 a letter of authorization, if a third party has been designated to exercise the Option.

2.3.2 For the avoidance of doubt, it is expressly agreed among the parties that the WFOE shall have the right to exercise the Option and elect to register the Equity Interest in the name of another person as it may designate from time to time.

2.4 Closing

On each Closing Date, the WFOE shall make payment by cancelling all or a portion of the Loan payable by the Grantor to the WFOE, in the same proportion that the WFOE or its designated party acquires the Equity Interest held by the Grantor.

SECTION 3: COMPLETION

3.1 Capital Contribution Transfer Agreement

Concurrently with the execution and delivery of this Agreement, and from time to time upon the request of the WFOE, the Grantor shall execute and deliver one or more capital contribution transfer agreements, each in the form and content substantially satisfactory to the WFOE (each, a "**Transfer Agreement**"), together with any other documents necessary to give effect to the transfer to the WFOE or its designated party of all or any part of the Equity Interest upon an exercise of the Option by the WFOE (the "**Ancillary Documents**"). Each Transfer Agreement and the Ancillary Documents are to be kept in the WFOE's possession.

The Grantor hereby agrees and authorizes the WFOE to complete, execute and submit to the relevant company registrar any and all Transfer Agreements and the Ancillary Documents to give effect to the transfer of all or any part of the Equity Interest upon an exercise of the Option by the WFOE at its sole discretion where necessary and in accordance with this Agreement.

3.2 Board Resolution

Notwithstanding Section 3.1 above, concurrently with the execution and delivery of this Agreement, and from time to time upon the request of the WFOE, the Grantor shall execute and deliver one or more resolutions of the board of directors and/or shareholders of the VIE Company, approving the following:

3.2.1 The transfer by the Grantor of all or part of the Equity Interest held by the Grantor to the WFOE or its designated party; and

3.2.2 any other matters as the WFOE may reasonably request.

Each Resolution is to be kept in the WFOE's possession.

3.3 Waiver of Right of First Refusal

Upon the prior written request of the WFOE, the Grantor shall waive any and all of his right of first refusal or other preemptive rights provided under the PRC laws or the articles of association of the VIE Company with respect to the equity transfer conducted by any other shareholder of the VIE Company.

3.4 Return of Additional Consideration

If the WFOE or any transferee designated by the WFOE is required by applicable laws or competent authorities to pay any additional consideration (i.e., the transfer price is higher than the relevant registered capital of the VIE Company corresponding to the Equity Interest being transferred) to the Grantor for its exercise of the Options, the Grantor agrees to return any and all of such additional consideration to the WFOE or such transferee as soon as possible after the completion of such equity interest transfer.

SECTION 4: REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties

The Grantor represents and warrants to the WFOE that:

4.1.1 he has the full power and authority to enter into, and perform under, this Agreement;

4.1.2 his signing of this Agreement or fulfilling of any of his obligations hereunder does not violate any laws, regulations and contracts to which he is bound, or require any government authorization or approval;

4.1.3 there is no lawsuit, arbitration or other legal or government procedures pending which, based on his knowledge, shall materially and adversely affect this Agreement and the performance thereof;

4.1.4 he has disclosed to the WFOE all documents issued by any government department that might cause a material adverse effect on the performance of his obligations under this Agreement;

4.1.5 he has not been declared bankrupt by a court of competent jurisdiction;

4.1.6 save as disclosed to the WFOE, his Equity Interest is free and clear from all liens, encumbrances and third party rights;

4.1.7 he will not transfer, donate, pledge, or otherwise dispose of his Equity Interest in any way unless otherwise agreed by the WFOE;

4.1.8 the Option granted to the WFOE by him shall be exclusive, and he shall in no event grant the Option or any similar rights to a third party by any means whatsoever; and

4.1.9 the Grantor further represents and warrants to the WFOE that he owns 70% of the Equity Interest of the VIE Company. The Parties hereby agree that the representations and warranties set forth in Sections 4 (except for Section 4.1.9) shall be deemed to be repeated as of each Closing Date as if such representation and warranty were made on and as of such Closing Date.

4.2 Covenants and Undertakings

The Grantor covenants and undertakes that:

4.2.1 he will complete all such formalities as are necessary to make the WFOE or its designated party a proper and registered shareholder of the VIE Company. Such formalities include, but are not limited to, assisting the WFOE with the obtaining of necessary approvals of the equity transfer from relevant government authorities (if any), the submission of the Transfer Agreement(s) to the relevant administration for industry and commerce for the purpose of amending the articles of association, changing the shareholder register and undertaking any other changes;

4.2.2 he will, upon request by the WFOE, establish a domestic entity to hold the interests in the VIE Company as a Chinese joint venture partner in case the VIE Company is restructured into a foreign-invested telecommunication enterprise; and

4.2.3 he will not amend the articles of association, increase or decrease the registered capital, sell, transfer, mortgage, create or allow any encumbrance or otherwise dispose of the assets, business, revenues or other beneficial interests, incur or assume any indebtedness, or enter into any material contracts, except in the ordinary course of business (for the purpose of this paragraph, any contract with a value exceeding RMB 100,000 shall be deemed to be a material contract).

SECTION 5: TAXES

Any taxes and duties that might arise from the execution and performance of this Agreement, including any taxes and expenses incurred by and applicable to the Grantor as a result of the exercise of the Option by the WFOE or its designated party, or the acquisition of the Equity Interest from the Grantor, will be borne by the WFOE.

SECTION 6: GOVERNING LAW AND DISPUTE SETTLEMENT

6.1 Governing Law

The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

6.2 Friendly Consultation

If a dispute arises in connection with the interpretation or performance of this Agreement, the Parties shall attempt to resolve such dispute through friendly consultations between them or mediation by a neutral third party.

If the dispute cannot be resolved in the aforesaid manner within thirty (30) days after the commencement of such discussions, either Party may submit the dispute to arbitration.

6.3 Arbitration

Any dispute arising in connection with this Agreement shall be submitted to the China International Economic and Trade Arbitration Commission ("**CIETAC**") Beijing headquarter for arbitration. The arbitration shall follow the then current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the parties. This article shall not be affected by the termination or elimination of this Agreement.

6.4 Matters not in Dispute

In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each Party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

SECTION 7: CONFIDENTIALITY

7.1 Confidential Information

The contents of this Agreement and the annexes hereof shall be kept confidential. No Party shall disclose any such information to any third party (except for the purpose described in Section 2.2 and by prior written agreement among the parties). Each Party's obligations under this clause shall survive the termination of this Agreement.

7.2 Exceptions

If a disclosure is explicitly required by law, any courts, arbitration tribunals, or administrative authorities, such disclosure by any Party shall not be deemed a violation of Section 7.1 above.

SECTION 8: MISCELLANEOUS

8.1 Entire Agreement

8.1.1 This Agreement constitutes the entire agreement and understanding among the Parties in respect of the subject matter hereof and supersedes all prior discussions, negotiations and agreements among them. This Agreement shall only be amended by a written instrument signed by all the parties.

8.1.2 The appendices attached hereto shall constitute an integral part of this Agreement and shall have the same legal effect as this Agreement.

8.2 Notices

8.2.1 Unless otherwise designated by the other Party, any notices or other correspondences among the parties in connection with the performance of this Agreement shall be delivered in person, by express mail, e-mail, facsimile or registered mail to the following correspondence addresses and fax numbers:

Shanghai Renren Automobile Technology Company Limited
Address: Room 917-918,No 328,Jiajian Road, Shnghai,China
Fax: 86-10-64362600
Tel : 86-10-84481818
Addressee : Liu Jian

Liu Jian
Address: Room 1054, No 2, Nong 138, Nandan Road, Xuhui District, Shanghai, PRC
Fax: 86-10-64362600
Tel: 86-10-84481818

8.2.2 Notices and correspondences shall be deemed to have been effectively delivered:

8.2.2.1 at the exact time displayed in the corresponding transmission record, if delivered by facsimile, unless such facsimile is sent after 5:00 pm or on a non-business day in the place where it is received, in which case the date of receipt shall be deemed to be the following business day;

8.2.2.2 on the date that the receiving Party signs for the document, if delivered in person (including express mail);

8.2.2.3 on the fifteenth (15^{th}) day after the date shown on the registered mail receipt, if sent by registered mail;

8.2.2.4 on the successful printing by the sender of a transmission report evidencing the delivery of the relevant e-mail, if sent by e-mail.

8.3 Binding Effect

This Agreement, upon being signed by the parties or their duly authorized representatives, shall be binding on the parties and their successors and assigns.

8.4 Language and Counterparts

This Agreement shall be executed in two (2) originals in English, with one (1) original for each party.

8.5 Days and Business Day

A reference to a day herein is to a calendar day. A reference to a business day herein is to a day on which commercial banks are open for business in the PRC.

8.6 Headings

The headings contained herein are inserted for reference purposes only and shall not affect the meaning or interpretation of any part of this Agreement.

8.7 Singular and Plural

Where appropriate, the plural includes the singular and vice versa.

8.8 Unspecified Matter

Any matter not specified in this Agreement shall be handled through mutual discussions among the parties and stipulated in separate documents with binding legal effect, or resolved in accordance with PRC laws.

8.9 Survival of Representations, Warranties, Covenants and Obligations

The respective representations, warranties, covenants and obligations of the parties, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any party, and shall survive the transfer and payment for the Equity Interest.

This Agreement has been signed by the parties or their duly authorized representatives on the date first specified above.

[The space below is intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

PARTY A: Shanghai Renren Automobile Technology Company Limited
(Company Seal)

By: _____
Authorized Representative: Liu Jian

PARTY B: Liu Jian

By: _____

[**SIGNATURE PAGE TO EQUITY OPTION AGREEMENT]**

EQUITY OPTION AGREEMENT

This Equity Option Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement) and dated August 18 of 2017, by and between the following parties:

(1) **PARTY A: Shanghai Renren Automobile Technology Company Limited.** (the "**WFOE**")
Registered Address: Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China
Legal Representative: Liu Jian

and

(2) **PARTY B: Yang Jing** (the "**Grantor**")
PRC Identification Card No: 532721197005100025
Address: Room 202, Unit 1, No 275, Ninger Main Street, Simao District, Puer City, Yunnan, PRC

(individually, a "**Party**" and collectively, the "**Parties**")

WHEREAS:

A. The WFOE is a wholly foreign-owned enterprise, duly established and registered in Beijing under the laws of the PRC.

B. The Grantor currently holds 99% of the registered capital of Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd. (the "**VIE Company**"), a limited liability company with a registered capital of RMB 50,000,000 (the "**Equity Interests**").

C. The Grantor entered into a Loan Agreement with the WFOE on August 18 of 2017 (the "**Loan Agreement**"), pursuant to which the WFOE extended a loan in the amount of RMB 49,500,000 to the Grantor (the "**Loan**").

D. The Grantor has agreed to grant exclusively to the WFOE an option to acquire the Equity Interest that has been registered in his name, subject to the terms and conditions set forth below.

THEREFORE, through friendly negotiation based on equal and mutual benefit, the Parties agree as follows:

SECTION 1: GRANT OF THE OPTION

1.1 Grant of Option

The Grantor hereby grants to the WFOE an option (the "**Option**") to acquire all or portion of his Equity Interest at the price equivalent to the lowest price then permitted by PRC laws, and the WFOE shall make payment of such price by cancelling all or a same portion of the Loan. The Option shall become vested as of the date of this Agreement.

1.2 Term

This Agreement shall take effect as of the Effective Date and shall remain in full force and effect until the earlier of (1) the date on which all of the Equity Interests have been acquired by the WFOE directly or through its designated representative (individual or legal person); or (2) the unilateral termination by the WFOE (at its sole and absolute discretion), by giving 30 days prior written notice to the Grantor of its intention to terminate this Agreement.

1.3 Consideration of Option

The Grantor acknowledges that the WFOE's provision of the Loan to the Grantor is deemed to be the consideration for the grant of the Option, the sufficiency and payment of which have been acknowledged and recognized.

1.4 EFFECTIVE DATE

This Agreement shall be effective upon its being signed by the parties hereunder ("**Effective Date**").

SECTION 2: EXERCISE OF THE OPTION AND ITS CLOSING

2.1 Timing of Exercise

2.1.1 The Grantor agrees that the WFOE in its sole discretion may at any time, and from time to time after the date hereof, exercises the Option granted by the Grantor, in whole or in part, to acquire all or any portion of his Equity Interest.

2.1.2 For the avoidance of doubt, the Grantor hereby agrees that the WFOE shall be entitled to exercise the Option granted by the Grantor for an unlimited number of times, until all of his Equity Interest have been acquired by the WFOE.

2.1.3 The Grantor agrees that the WFOE may designate in its sole discretion any third party to exercise the Option granted by the Grantor on its behalf, in which case the WFOE shall provide written notice to the Grantor at the time the Option granted by the Grantor is exercised.

2.2 Transfer

The Grantor agrees that the Option grant by him shall be freely transferable, in whole or in part, by the WFOE to any third party, and that, upon such transfer, the Option may be exercised by such third party upon the terms and conditions set forth herein, as if such third party were a party to this Agreement, and that such third party shall assume the rights and obligations of the WFOE hereunder.

2.3 Notice Requirement

2.3.1 To exercise an Option, the WFOE shall send a written notice to the Grantor, and such Option is to be exercised by no later than ten (10) days prior to each Closing Date (as defined below), specifying therein:

2.3.1.1 The date of the effective closing of such acquisition (a "**Closing Date**");

2.3.1.2 the name of the person in which the Equity Interests shall be registered;

2.3.1.3 the amount of Equity Interest to be acquired from the Grantor;

2.3.1.4 the type of payment; and

2.3.1.5 a letter of authorization, if a third party has been designated to exercise the Option.

2.3.2 For the avoidance of doubt, it is expressly agreed among the parties that the WFOE shall have the right to exercise the Option and elect to register the Equity Interest in the name of another person as it may designate from time to time.

2.4 Closing

On each Closing Date, the WFOE shall make payment by cancelling all or a portion of the Loan payable by the Grantor to the WFOE, in the same proportion that the WFOE or its designated party acquires the Equity Interest held by the Grantor.

SECTION 3: COMPLETION

3.1 Capital Contribution Transfer Agreement

Concurrently with the execution and delivery of this Agreement, and from time to time upon the request of the WFOE, the Grantor shall execute and deliver one or more capital contribution transfer agreements, each in the form and content substantially satisfactory to the WFOE (each, a "**Transfer Agreement**"), together with any other documents necessary to give effect to the transfer to the WFOE or its designated party of all or any part of the Equity Interest upon an exercise of the Option by the WFOE (the "**Ancillary Documents**"). Each Transfer Agreement and the Ancillary Documents are to be kept in the WFOE's possession.

The Grantor hereby agrees and authorizes the WFOE to complete, execute and submit to the relevant company registrar any and all Transfer Agreements and the Ancillary Documents to give effect to the transfer of all or any part of the Equity Interest upon an exercise of the Option by the WFOE at its sole discretion where necessary and in accordance with this Agreement.

3.2 Board Resolution

Notwithstanding Section 3.1 above, concurrently with the execution and delivery of this Agreement, and from time to time upon the request of the WFOE, the Grantor shall execute and deliver one or more resolutions of the board of directors and/or shareholders of the VIE Company, approving the following:

3.2.1 The transfer by the Grantor of all or part of the Equity Interest held by the Grantor to the WFOE or its designated party; and

3.2.2 any other matters as the WFOE may reasonably request.

Each Resolution is to be kept in the WFOE's possession.

3.3 Waiver of Right of First Refusal

Upon the prior written request of the WFOE, the Grantor shall waive any and all of his right of first refusal or other preemptive rights provided under the PRC laws or the articles of association of the VIE Company with respect to the equity transfer conducted by any other shareholder of the VIE Company.

3.4 Return of Additional Consideration

If the WFOE or any transferee designated by the WFOE is required by applicable laws or competent authorities to pay any additional consideration (i.e., the transfer price is higher than the relevant registered capital of the VIE Company corresponding to the Equity Interest being transferred) to the Grantor for its exercise of the Options, the Grantor agrees to return any and all of such additional consideration to the WFOE or such transferee as soon as possible after the completion of such equity interest transfer.

SECTION 4: REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties

The Grantor represents and warrants to the WFOE that:

4.1.1 he has the full power and authority to enter into, and perform under, this Agreement;

4.1.2 his signing of this Agreement or fulfilling of any of his obligations hereunder does not violate any laws, regulations and contracts to which he is bound, or require any government authorization or approval;

4.1.3 there is no lawsuit, arbitration or other legal or government procedures pending which, based on his knowledge, shall materially and adversely affect this Agreement and the performance thereof;

4.1.4 he has disclosed to the WFOE all documents issued by any government department that might cause a material adverse effect on the performance of his obligations under this Agreement;

4.1.5 he has not been declared bankrupt by a court of competent jurisdiction;

4.1.6 save as disclosed to the WFOE, his Equity Interest is free and clear from all liens, encumbrances and third party rights;

4.1.7 he will not transfer, donate, pledge, or otherwise dispose of his Equity Interest in any way unless otherwise agreed by the WFOE;

4.1.8 the Option granted to the WFOE by him shall be exclusive, and he shall in no event grant the Option or any similar rights to a third party by any means whatsoever; and

4.1.9 the Grantor further represents and warrants to the WFOE that he owns 70% of the Equity Interest of the VIE Company. The Parties hereby agree that the representations and warranties set forth in Sections 4 (except for Section 4.1.9) shall be deemed to be repeated as of each Closing Date as if such representation and warranty were made on and as of such Closing Date.

4.2 Covenants and Undertakings

The Grantor covenants and undertakes that:

4.2.1 he will complete all such formalities as are necessary to make the WFOE or its designated party a proper and registered shareholder of the VIE Company. Such formalities include, but are not limited to, assisting the WFOE with the obtaining of necessary approvals of the equity transfer from relevant government authorities (if any), the submission of the Transfer Agreement(s) to the relevant administration for industry and commerce for the purpose of amending the articles of association, changing the shareholder register and undertaking any other changes;

4.2.2 he will, upon request by the WFOE, establish a domestic entity to hold the interests in the VIE Company as a Chinese joint venture partner in case the VIE Company is restructured into a foreign-invested telecommunication enterprise; and

4.2.3 he will not amend the articles of association, increase or decrease the registered capital, sell, transfer, mortgage, create or allow any encumbrance or otherwise dispose of the assets, business, revenues or other beneficial interests, incur or assume any indebtedness, or enter into any material contracts, except in the ordinary course of business (for the purpose of this paragraph, any contract with a value exceeding RMB 100,000 shall be deemed to be a material contract).

SECTION 5: TAXES

Any taxes and duties that might arise from the execution and performance of this Agreement, including any taxes and expenses incurred by and applicable to the Grantor as a result of the exercise of the Option by the WFOE or its designated party, or the acquisition of the Equity Interest from the Grantor, will be borne by the WFOE.

SECTION 6: GOVERNING LAW AND DISPUTE SETTLEMENT

6.1 Governing Law

The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

6.2 Friendly Consultation

If a dispute arises in connection with the interpretation or performance of this Agreement, the Parties shall attempt to resolve such dispute through friendly consultations between them or mediation by a neutral third party.

If the dispute cannot be resolved in the aforesaid manner within thirty (30) days after the commencement of such discussions, either Party may submit the dispute to arbitration.

6.3 Arbitration

Any dispute arising in connection with this Agreement shall be submitted to the China International Economic and Trade Arbitration Commission ("**CIETAC**") Beijing headquarter for arbitration. The arbitration shall follow the then current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the parties. This article shall not be affected by the termination or elimination of this Agreement.

6.4 Matters not in Dispute

In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each Party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

SECTION 7: CONFIDENTIALITY

7.1 Confidential Information

The contents of this Agreement and the annexes hereof shall be kept confidential. No Party shall disclose any such information to any third party (except for the purpose described in Section 2.2 and by prior written agreement among the parties). Each Party's obligations under this clause shall survive the termination of this Agreement.

7.2 Exceptions

If a disclosure is explicitly required by law, any courts, arbitration tribunals, or administrative authorities, such disclosure by any Party shall not be deemed a violation of Section 7.1 above.

SECTION 8: MISCELLANEOUS

8.1 Entire Agreement

8.1.1 This Agreement constitutes the entire agreement and understanding among the Parties in respect of the subject matter hereof and supersedes all prior discussions, negotiations and agreements among them. This Agreement shall only be amended by a written instrument signed by all the parties.

8.1.2 The appendices attached hereto shall constitute an integral part of this Agreement and shall have the same legal effect as this Agreement.

8.2 Notices

8.2.1 Unless otherwise designated by the other Party, any notices or other correspondences among the parties in connection with the performance of this Agreement shall be delivered in person, by express mail, e-mail, facsimile or registered mail to the following correspondence addresses and fax numbers:

Shanghai Renren Automobile Technology Company Limited
Address: Room 917-918, No 328,Jiajian Road, Jiading District, Shanghai, China
Fax: 86-10-64362600
Tel : 86-10-84481818
Addressee: Liu Jian

Yang Jing
Address: Room 202, Unit 1, No 275, Ninger Main Street, Simao District, Puer City, Yunnan, China
Fax: 86-10-64362600
Tel: 86-10-84481818

8.2.2 Notices and correspondences shall be deemed to have been effectively delivered:

8.2.2.1 at the exact time displayed in the corresponding transmission record, if delivered by facsimile, unless such facsimile is sent after 5:00 pm or on a non-business day in the place where it is received, in which case the date of receipt shall be deemed to be the following business day;

8.2.2.2 on the date that the receiving Party signs for the document, if delivered in person (including express mail);

8.2.2.3 on the fifteenth (15^{th}) day after the date shown on the registered mail receipt, if sent by registered mail;

8.2.2.4 on the successful printing by the sender of a transmission report evidencing the delivery of the relevant e-mail, if sent by e-mail.

8.3 Binding Effect

This Agreement, upon being signed by the parties or their duly authorized representatives, shall be binding on the parties and their successors and assigns.

8.4 Language and Counterparts

This Agreement shall be executed in two (2) originals in English, with one (1) original for each party.

8.5 Days and Business Day

A reference to a day herein is to a calendar day. A reference to a business day herein is to a day on which commercial banks are open for business in the PRC.

8.6 Headings

The headings contained herein are inserted for reference purposes only and shall not affect the meaning or interpretation of any part of this Agreement.

8.7 Singular and Plural

Where appropriate, the plural includes the singular and vice versa.

8.8 Unspecified Matter

Any matter not specified in this Agreement shall be handled through mutual discussions among the parties and stipulated in separate documents with binding legal effect, or resolved in accordance with PRC laws.

8.9 Survival of Representations, Warranties, Covenants and Obligations

The respective representations, warranties, covenants and obligations of the parties, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any party, and shall survive the transfer and payment for the Equity Interest.

This Agreement has been signed by the parties or their duly authorized representatives on the date first specified above.

[The space below is intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

Shanghai Renren Automobile Technology Company Limited
(Company Seal)

By: _____
Authorized Representative: Liu Jian

GRANTOR: Yang Jing

By: _____

[SIGNATURE PAGE TO EQUITY OPTION AGREEMENT]

Exhibit 10.13

EQUITY OPTION AGREEMENT

This Equity Option Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement) and date August 18 of 2017, by and between the following parties:

(1) **PARTY A:Shanghai Renren Automobile Technology Company Limited.**(the "**WFOE**")
Registered Address: Room 917-918,No 328,Jiajian Road,Jiading District,Shanghia, China
Legal Representative: Liu Jia

and

(2) **PARTY B: Ren Jintao** (the "**Grantor**")
PRC Identification Card No: 110102197805152331
Address: No.222 of Third Floor, No.33 of Beiwaxili, Haidian District, Beijing, China

(individually, a "**Party**" and collectively, the "**Parties**")

WHEREAS:

A. The WFOE is a wholly foreign-owned enterprise, duly established and registered in Shanghai under the laws of the PRC.

B. The Grantor currently holds 99% of the registered capital of Shanghai Jieying Automobile Sales Co., Ltd. (the "**VIE Company**"), a limited liability company with a registered capital of RMB 50,000,000 (the "**Equity Interests**").

C. The Grantor entered into a Loan Agreement with the WFOE on August 18 of 2017 (the "**Loan Agreement**"), pursuant to which the WFOE extended a loan in the amount of RMB 49,500,000 to the Grantor (the "**Loan**").

D. The Grantor has agreed to grant exclusively to the WFOE an option to acquire the Equity Interest that has been registered in his name, subject to the terms and conditions set forth below.

THEREFORE, through friendly negotiation based on equal and mutual benefit, the Parties agree as follows:

SECTION 1: GRANT OF THE OPTION

1.1 Grant of Option

The Grantor hereby grants to the WFOE an option (the "**Option**") to acquire all or portion of his Equity Interest at the price equivalent to the lowest price then permitted by PRC laws, and the WFOE shall make payment of such price by cancelling all or a same portion of the Loan. The Option shall become vested as of the date of this Agreement.

1.2 Term

This Agreement shall take effect as of the Effective Date and shall remain in full force and effect until the earlier of (1) the date on which all of the Equity Interests have been acquired by the WFOE directly or through its designated representative (individual or legal person); or (2) the unilateral termination by the WFOE (at its sole and absolute discretion), by giving 30 days prior written notice to the Grantor of its intention to terminate this Agreement.

1.3 Consideration of Option

The Grantor acknowledges that the WFOE's provision of the Loan to the Grantor is deemed to be the consideration for the grant of the Option, the sufficiency and payment of which have been acknowledged and recognized.

1.4 EFFECTIVE DATE

This Agreement shall be effective upon its being signed by the parties hereunder ("**Effective Date**").

SECTION 2: EXERCISE OF THE OPTION AND ITS CLOSING

2.1 Timing of Exercise

2.1.1 The Grantor agrees that the WFOE in its sole discretion may at any time, and from time to time after the date hereof, exercise the Option granted by the Grantor, in whole or in part, to acquire all or any portion of his Equity Interest.

2.1.2 For the avoidance of doubt, the Grantor hereby agrees that the WFOE shall be entitled to exercise the Option granted by the Grantor for an unlimited number of times, until all of his Equity Interest have been acquired by the WFOE.

2.1.3 The Grantor agrees that the WFOE may designate in its sole discretion any third party to exercise the Option granted by the Grantor on its behalf, in which case the WFOE shall provide written notice to the Grantor at the time the Option granted by the Grantor is exercised.

2.2 Transfer

The Grantor agrees that the Option grant by him shall be freely transferable, in whole or in part, by the WFOE to any third party, and that, upon such transfer, the Option may be exercised by such third party upon the terms and conditions set forth herein, as if such third party were a party to this Agreement, and that such third party shall assume the rights and obligations of the WFOE hereunder.

2.3 Notice Requirement

2.3.1 To exercise an Option, the WFOE shall send a written notice to the Grantor, and such Option is to be exercised by no later than ten (10) days prior to each Closing Date (as defined below), specifying therein:

2.3.1.1 The date of the effective closing of such acquisition (a "**Closing Date**");

2.3.1.2 the name of the person in which the Equity Interests shall be registered;

2.3.1.3 the amount of Equity Interest to be acquired from the Grantor;

2.3.1.4 the type of payment; and

2.3.1.5 a letter of authorization, if a third party has been designated to exercise the Option.

2.3.2 For the avoidance of doubt, it is expressly agreed among the parties that the WFOE shall have the right to exercise the Option and elect to register the Equity Interest in the name of another person as it may designate from time to time.

2.4 Closing

On each Closing Date, the WFOE shall make payment by cancelling all or a portion of the Loan payable by the Grantor to the WFOE, in the same proportion that the WFOE or its designated party acquires the Equity Interest held by the Grantor.

SECTION 3: COMPLETION

3.1 Capital Contribution Transfer Agreement

Concurrently with the execution and delivery of this Agreement, and from time to time upon the request of the WFOE, the Grantor shall execute and deliver one or more capital contribution transfer agreements, each in the form and content substantially satisfactory to the WFOE (each, a "**Transfer Agreement**"), together with any other documents necessary to give effect to the transfer to the WFOE or its designated party of all or any part of the Equity Interest upon an exercise of the Option by the WFOE (the "**Ancillary Documents**"). Each Transfer Agreement and the Ancillary Documents are to be kept in the WFOE's possession.

The Grantor hereby agrees and authorizes the WFOE to complete, execute and submit to the relevant company registrar any and all Transfer Agreements and the Ancillary Documents to give effect to the transfer of all or any part of the Equity Interest upon an exercise of the Option by the WFOE at its sole discretion where necessary and in accordance with this Agreement.

3.2 Board Resolution

Notwithstanding Section 3.1 above, concurrently with the execution and delivery of this Agreement, and from time to time upon the request of the WFOE, the Grantor shall execute and deliver one or more resolutions of the board of directors and/or shareholders of the VIE Company, approving the following:

3.2.1 The transfer by the Grantor of all or part of the Equity Interest held by the Grantor to the WFOE or its designated party; and

3.2.2 any other matters as the WFOE may reasonably request.

Each Resolution is to be kept in the WFOE's possession.

3.3 Waiver of Right of First Refusal

Upon the prior written request of the WFOE, the Grantor shall waive any and all of his right of first refusal or other preemptive rights provided under the PRC laws or the articles of association of the VIE Company with respect to the equity transfer conducted by any other shareholder of the VIE Company.

3.4 Return of Additional Consideration

If the WFOE or any transferee designated by the WFOE is required by applicable laws or competent authorities to pay any additional consideration (i.e., the transfer price is higher than the relevant registered capital of the VIE Company corresponding to the Equity Interest being transferred) to the Grantor for its exercise of the Options, the Grantor agrees to return any and all of such additional consideration to the WFOE or such transferee as soon as possible after the completion of such equity interest transfer.

SECTION 4: REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties

The Grantor represents and warrants to the WFOE that:

4.1.1 he has the full power and authority to enter into, and perform under, this Agreement;

4.1.2 his signing of this Agreement or fulfilling of any of his obligations hereunder does not violate any laws, regulations and contracts to which he is bound, or require any government authorization or approval;

4.1.3 there is no lawsuit, arbitration or other legal or government procedures pending which, based on his knowledge, shall materially and adversely affect this Agreement and the performance thereof;

4.1.4 he has disclosed to the WFOE all documents issued by any government department that might cause a material adverse effect on the performance of his obligations under this Agreement;

4.1.5 he has not been declared bankrupt by a court of competent jurisdiction;

4.1.6 save as disclosed to the WFOE, his Equity Interest is free and clear from all liens, encumbrances and third party rights;

4.1.7 he will not transfer, donate, pledge, or otherwise dispose of his Equity Interest in any way unless otherwise agreed by the WFOE;

4.1.8 the Option granted to the WFOE by him shall be exclusive, and he shall in no event grant the Option or any similar rights to a third party by any means whatsoever; and

4.1.9 the Grantor further represents and warrants to the WFOE that he owns 70% of the Equity Interest of the VIE Company. The Parties hereby agree that the representations and warranties set forth in Sections 4 (except for Section 4.1.9) shall be deemed to be repeated as of each Closing Date as if such representation and warranty were made on and as of such Closing Date.

4.2 Covenants and Undertakings

The Grantor covenants and undertakes that:

4.2.1 he will complete all such formalities as are necessary to make the WFOE or its designated party a proper and registered shareholder of the VIE Company. Such formalities include, but are not limited to, assisting the WFOE with the obtaining of necessary approvals of the equity transfer from relevant government authorities (if any), the submission of the Transfer Agreement(s) to the relevant administration for industry and commerce for the purpose of amending the articles of association, changing the shareholder register and undertaking any other changes;

4.2.2 he will, upon request by the WFOE, establish a domestic entity to hold the interests in the VIE Company as a Chinese joint venture partner in case the VIE Company is restructured into a foreign-invested telecommunication enterprise; and

4.2.3 he will not amend the articles of association, increase or decrease the registered capital, sell, transfer, mortgage, create or allow any encumbrance or otherwise dispose of the assets, business, revenues or other beneficial interests, incur or assume any indebtedness, or enter into any material contracts, except in the ordinary course of business (for the purpose of this paragraph, any contract with a value exceeding RMB 100,000 shall be deemed to be a material contract).

SECTION 5: TAXES

Any taxes and duties that might arise from the execution and performance of this Agreement, including any taxes and expenses incurred by and applicable to the Grantor as a result of the exercise of the Option by the WFOE or its designated party, or the acquisition of the Equity Interest from the Grantor, will be borne by the WFOE.

SECTION 6: GOVERNING LAW AND DISPUTE SETTLEMENT

6.1 Governing Law

The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

6.2 Friendly Consultation

If a dispute arises in connection with the interpretation or performance of this Agreement, the Parties shall attempt to resolve such dispute through friendly consultations between them or mediation by a neutral third party.

If the dispute cannot be resolved in the aforesaid manner within thirty (30) days after the commencement of such discussions, either Party may submit the dispute to arbitration.

6.3 Arbitration

Any dispute arising in connection with this Agreement shall be submitted to the China International Economic and Trade Arbitration Commission ("**CIETAC**") Beijing headquarter for arbitration. The arbitration shall follow the then current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the parties. This article shall not be affected by the termination or elimination of this Agreement.

6.4 Matters not in Dispute

In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each Party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

SECTION 7: CONFIDENTIALITY

7.1 Confidential Information

The contents of this Agreement and the annexes hereof shall be kept confidential. No Party shall disclose any such information to any third party (except for the purpose described in Section 2.2 and by prior written agreement among the parties). Each Party's obligations under this clause shall survive the termination of this Agreement.

7.2 Exceptions

If a disclosure is explicitly required by law, any courts, arbitration tribunals, or administrative authorities, such disclosure by any Party shall not be deemed a violation of Section 7.1 above.

SECTION 8: MISCELLANEOUS

8.1 Entire Agreement

8.1.1 This Agreement constitutes the entire agreement and understanding among the Parties in respect of the subject matter hereof and supersedes all prior discussions, negotiations and agreements among them. This Agreement shall only be amended by a written instrument signed by all the parties.

8.1.2 The appendices attached hereto shall constitute an integral part of this Agreement and shall have the same legal effect as this Agreement.

8.2 Notices

8.2.1 Unless otherwise designated by the other Party, any notices or other correspondences among the parties in connection with the performance of this Agreement shall be delivered inv person, by express mail, e-mail, facsimile or registered mail to the following correspondence addresses and fax numbers:

Shanghai Renren Automobile Technology Company Limited
Address: Room 917-918,No 328,Jiajian Road,Jiading District,Shanghai,China.
Fax: 86-10-64362600
Tel : 86-10-84481818
Addressee: Liu Jian

Ren Jintao
Address: No.222 of Third Floor, No.33 of Beiwaxili, Haidian District, Beijing, China
Fax: 86-10-64362600
Tel: 86-10-84481818

8.2.2 Notices and correspondences shall be deemed to have been effectively delivered:

8.2.2.1 at the exact time displayed in the corresponding transmission record, if delivered by facsimile, unless such facsimile is sent after 5:00 pm or on a non-business day in the place where it is received, in which case the date of receipt shall be deemed to be the following business day;

8.2.2.2 on the date that the receiving Party signs for the document, if delivered in person (including express mail);

8.2.2.3 on the fifteenth (15^{th}) day after the date shown on the registered mail receipt, if sent by registered mail;

8.2.2.4 on the successful printing by the sender of a transmission report evidencing the delivery of the relevant e-mail, if sent by e-mail.

8.3 Binding Effect

This Agreement, upon being signed by the parties or their duly authorized representatives, shall be binding on the parties and their successors and assigns.

8.4 Language and Counterparts

This Agreement shall be executed in two (2) originals in English, with one (1) original for each party.

8.5 Days and Business Day

A reference to a day herein is to a calendar day. A reference to a business day herein is to a day on which commercial banks are open for business in the PRC.

8.6 Headings

The headings contained herein are inserted for reference purposes only and shall not affect the meaning or interpretation of any part of this Agreement.

8.7 Singular and Plural

Where appropriate, the plural includes the singular and vice versa.

8.8 Unspecified Matter

Any matter not specified in this Agreement shall be handled through mutual discussions among the parties and stipulated in separate documents with binding legal effect, or resolved in accordance with PRC laws.

8.9 Survival of Representations, Warranties, Covenants and Obligations

The respective representations, warranties, covenants and obligations of the parties, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any party, and shall survive the transfer and payment for the Equity Interest.

This Agreement has been signed by the parties or their duly authorized representatives on the date first specified above.

[The space below is intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

Shanghai Renren Automobile Technology Company Limited
(Company Seal)

By: _____
Authorized Representative: Liu Jian

GRANTOR: Ren Jintao

By: _____

[**SIGNATURE PAGE TO EQUITY OPTION AGREEMENT]**

EQUITY OPTION AGREEMENT

This Equity Option Agreement (this "**Agreement**") is entered in Beijing, the People's Republic of China ("**PRC**", excluding the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan, for the purposes of this Agreement) and dated August 18 of 2017, by and between the following parties:

(1) **PARTY A: Shanghai Renren Automobile Technology Company Limited.** (the "**WFOE**")
Registered Address: Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China
Legal Representative: Liu Jian

and

(2) **PARTY B: Yi Rui** (the "**Grantor**")
PRC Identification Card No: 110105196905084166
Address: No.604 of Third Floor, No.22 of Beiwaxili, Haidian District, Beijing, China

(individually, a "**Party**" and collectively, the "**Parties**")

WHEREAS:

A. The WFOE is a wholly foreign-owned enterprise, duly established and registered in Shanghai under the laws of the PRC.

B. The Grantor currently holds 1% of the registered capital of Shanghai Jieying Automobile Sales Co., Ltd. (the "**VIE Company**"), a limited liability company with a registered capital of RMB 50,000,000 (the "**Equity Interests**").

C. The Grantor entered into a Loan Agreement with the WFOE on □□ (the "**Loan Agreement**"), pursuant to which the WFOE extended a loan in the amount of RMB 500,000 to the Grantor (the "**Loan**").

D. The Grantor has agreed to grant exclusively to the WFOE an option to acquire the Equity Interest that has been registered in his name, subject to the terms and conditions set forth below.

THEREFORE, through friendly negotiation based on equal and mutual benefit, the Parties agree as follows:

SECTION 1: GRANT OF THE OPTION

1.1 Grant of Option

The Grantor hereby grants to the WFOE an option (the "**Option**") to acquire all or portion of his Equity Interest at the price equivalent to the lowest price then permitted by PRC laws, and the WFOE shall make payment of such price by cancelling all or a same portion of the Loan. The Option shall become vested as of the date of this Agreement.

1.2 Term

This Agreement shall take effect as of the Effective Date and shall remain in full force and effect until the earlier of (1) the date on which all of the Equity Interests have been acquired by the WFOE directly or through its designated representative (individual or legal person); or (2) the unilateral termination by the WFOE (at its sole and absolute discretion), by giving 30 days prior written notice to the Grantor of its intention to terminate this Agreement.

1.3 Consideration of Option

The Grantor acknowledges that the WFOE's provision of the Loan to the Grantor is deemed to be the consideration for the grant of the Option, the sufficiency and payment of which have been acknowledged and recognized.

1.4 EFFECTIVE DATE

This Agreement shall be effective upon its being signed by the parties hereunder ("**Effective Date**").

SECTION 2: EXERCISE OF THE OPTION AND ITS CLOSING

2.1 Timing of Exercise

2.1.1 The Grantor agrees that the WFOE in its sole discretion may at any time, and from time to time after the date hereof, exercise the Option granted by the Grantor, in whole or in part, to acquire all or any portion of his Equity Interest.

2.1.2 For the avoidance of doubt, the Grantor hereby agrees that the WFOE shall be entitled to exercise the Option granted by the Grantor for an unlimited number of times, until all of his Equity Interest have been acquired by the WFOE.

2.1.3 The Grantor agrees that the WFOE may designate in its sole discretion any third party to exercise the Option granted by the Grantor on its behalf, in which case the WFOE shall provide written notice to the Grantor at the time the Option granted by the Grantor is exercised.

2.2 Transfer

The Grantor agrees that the Option grant by him shall be freely transferable, in whole or in part, by the WFOE to any third party, and that, upon such transfer, the Option may be exercised by such third party upon the terms and conditions set forth herein, as if such third party were a party to this Agreement, and that such third party shall assume the rights and obligations of the WFOE hereunder.

2.3 Notice Requirement

2.3.1 To exercise an Option, the WFOE shall send a written notice to the Grantor, and such Option is to be exercised by no later than ten (10) days prior to each Closing Date (as defined below), specifying therein:

2.3.1.1 The date of the effective closing of such acquisition (a "**Closing Date**");

2.3.1.2 the name of the person in which the Equity Interests shall be registered;

2.3.1.3 the amount of Equity Interest to be acquired from the Grantor;

2.3.1.4 the type of payment; and

2.3.1.5 a letter of authorization, if a third party has been designated to exercise the Option.

2.3.2 For the avoidance of doubt, it is expressly agreed among the parties that the WFOE shall have the right to exercise the Option and elect to register the Equity Interest in the name of another person as it may designate from time to time.

2.4 Closing

On each Closing Date, the WFOE shall make payment by cancelling all or a portion of the Loan payable by the Grantor to the WFOE, in the same proportion that the WFOE or its designated party acquires the Equity Interest held by the Grantor.

SECTION 3: COMPLETION

3.1 Capital Contribution Transfer Agreement

Concurrently with the execution and delivery of this Agreement, and from time to time upon the request of the WFOE, the Grantor shall execute and deliver one or more capital contribution transfer agreements, each in the form and content substantially satisfactory to the WFOE (each, a "**Transfer Agreement**"), together with any other documents necessary to give effect to the transfer to the WFOE or its designated party of all or any part of the Equity Interest upon an exercise of the Option by the WFOE (the "**Ancillary Documents**"). Each Transfer Agreement and the Ancillary Documents are to be kept in the WFOE's possession.

The Grantor hereby agrees and authorizes the WFOE to complete, execute and submit to the relevant company registrar any and all Transfer Agreements and the Ancillary Documents to give effect to the transfer of all or any part of the Equity Interest upon an exercise of the Option by the WFOE at its sole discretion where necessary and in accordance with this Agreement.

3.2 Board Resolution

Notwithstanding Section 3.1 above, concurrently with the execution and delivery of this Agreement, and from time to time upon the request of the WFOE, the Grantor shall execute and deliver one or more resolutions of the board of directors and/or shareholders of the VIE Company, approving the following:

3.2.1 The transfer by the Grantor of all or part of the Equity Interest held by the Grantor to the WFOE or its designated party; and

3.2.2 any other matters as the WFOE may reasonably request.

Each Resolution is to be kept in the WFOE's possession.

3.3 Waiver of Right of First Refusal

Upon the prior written request of the WFOE, the Grantor shall waive any and all of his right of first refusal or other preemptive rights provided under the PRC laws or the articles of association of the VIE Company with respect to the equity transfer conducted by any other shareholder of the VIE Company.

3.4 Return of Additional Consideration

If the WFOE or any transferee designated by the WFOE is required by applicable laws or competent authorities to pay any additional consideration (i.e., the transfer price is higher than the relevant registered capital of the VIE Company corresponding to the Equity Interest being transferred) to the Grantor for its exercise of the Options, the Grantor agrees to return any and all of such additional consideration to the WFOE or such transferee as soon as possible after the completion of such equity interest transfer.

SECTION 4: REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties

The Grantor represents and warrants to the WFOE that:

4.1.1 he has the full power and authority to enter into, and perform under, this Agreement;

4.1.2 his signing of this Agreement or fulfilling of any of his obligations hereunder does not violate any laws, regulations and contracts to which he is bound, or require any government authorization or approval;

4.1.3 there is no lawsuit, arbitration or other legal or government procedures pending which, based on his knowledge, shall materially and adversely affect this Agreement and the performance thereof;

4.1.4 he has disclosed to the WFOE all documents issued by any government department that might cause a material adverse effect on the performance of his obligations under this Agreement;

4.1.5 he has not been declared bankrupt by a court of competent jurisdiction;

4.1.6 save as disclosed to the WFOE, his Equity Interest is free and clear from all liens, encumbrances and third party rights;

4.1.7 he will not transfer, donate, pledge, or otherwise dispose of his Equity Interest in any way unless otherwise agreed by the WFOE;

4.1.8 the Option granted to the WFOE by him shall be exclusive, and he shall in no event grant the Option or any similar rights to a third party by any means whatsoever; and

4.1.9 the Grantor further represents and warrants to the WFOE that he owns 70% of the Equity Interest of the VIE Company. The Parties hereby agree that the representations and warranties set forth in Sections 4 (except for Section 4.1.9) shall be deemed to be repeated as of each Closing Date as if such representation and warranty were made on and as of such Closing Date.

4.2 Covenants and Undertakings

The Grantor covenants and undertakes that:

4.2.1 he will complete all such formalities as are necessary to make the WFOE or its designated party a proper and registered shareholder of the VIE Company. Such formalities include, but are not limited to, assisting the WFOE with the obtaining of necessary approvals of the equity transfer from relevant government authorities (if any), the submission of the Transfer Agreement(s) to the relevant administration for industry and commerce for the purpose of amending the articles of association, changing the shareholder register and undertaking any other changes;

4.2.2 he will, upon request by the WFOE, establish a domestic entity to hold the interests in the VIE Company as a Chinese joint venture partner in case the VIE Company is restructured into a foreign-invested telecommunication enterprise; and

4.2.3 he will not amend the articles of association, increase or decrease the registered capital, sell, transfer, mortgage, create or allow any encumbrance or otherwise dispose of the assets, business, revenues or other beneficial interests, incur or assume any indebtedness, or enter into any material contracts, except in the ordinary course of business (for the purpose of this paragraph, any contract with a value exceeding RMB 100,000 shall be deemed to be a material contract).

SECTION 5: TAXES

Any taxes and duties that might arise from the execution and performance of this Agreement, including any taxes and expenses incurred by and applicable to the Grantor as a result of the exercise of the Option by the WFOE or its designated party, or the acquisition of the Equity Interest from the Grantor, will be borne by the WFOE.

SECTION 6: GOVERNING LAW AND DISPUTE SETTLEMENT

6.1 Governing Law

The execution, validity, performance and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the PRC.

6.2 Friendly Consultation

If a dispute arises in connection with the interpretation or performance of this Agreement, the Parties shall attempt to resolve such dispute through friendly consultations between them or mediation by a neutral third party.

If the dispute cannot be resolved in the aforesaid manner within thirty (30) days after the commencement of such discussions, either Party may submit the dispute to arbitration.

6.3 Arbitration

Any dispute arising in connection with this Agreement shall be submitted to the China International Economic and Trade Arbitration Commission ("**CIETAC**") Beijing headquarter for arbitration. The arbitration shall follow the then current rules of CIETAC, and the arbitration proceedings shall be conducted in Chinese and shall take place in Beijing. The arbitration award shall be final and binding upon the parties. This article shall not be affected by the termination or elimination of this Agreement.

6.4 Matters not in Dispute

In case of any disputes arising out of the interpretation and performance of this Agreement or any pending arbitration of such dispute, each Party shall continue to perform their obligations under this Agreement, except for the matters in dispute.

SECTION 7: CONFIDENTIALITY

7.1 Confidential Information

The contents of this Agreement and the annexes hereof shall be kept confidential. No Party shall disclose any such information to any third party (except for the purpose described in Section 2.2 and by prior written agreement among the parties). Each Party's obligations under this clause shall survive the termination of this Agreement.

7.2 Exceptions

If a disclosure is explicitly required by law, any courts, arbitration tribunals, or administrative authorities, such disclosure by any Party shall not be deemed a violation of Section 7.1 above.

SECTION 8: MISCELLANEOUS

8.1 Entire Agreement

8.1.1 This Agreement constitutes the entire agreement and understanding among the Parties in respect of the subject matter hereof and supersedes all prior discussions, negotiations and agreements among them. This Agreement shall only be amended by a written instrument signed by all the parties.

8.1.2 The appendices attached hereto shall constitute an integral part of this Agreement and shall have the same legal effect as this Agreement.

8.2 Notices

8.2.1 Unless otherwise designated by the other Party, any notices or other correspondences among the parties in connection with the performance of this Agreement shall be delivered in person, by express mail, e-mail, facsimile or registered mail to the following correspondence addresses and fax numbers:

Shanghai Renren Automobile Technology Company Limited.
Address: Room 917-918,No 328,Jiajian Road, Jiading District, Shanghai, China
Fax: 86-10-64362600
Tel : 86-10-84481818
Addressee : Liu Jian

Yi Rui
Address: No.604 of Third Floor, No.22 of Beiwaxili, Haidian District, Beijing, China
Fax: 86-10-64362600
Tel: 86-10-84481818

8.2.2 Notices and correspondences shall be deemed to have been effectively delivered:

8.2.2.1 at the exact time displayed in the corresponding transmission record, if delivered by facsimile, unless such facsimile is sent after 5:00 pm or on a non-business day in the place where it is received, in which case the date of receipt shall be deemed to be the following business day;

8.2.2.2 on the date that the receiving Party signs for the document, if delivered in person (including express mail);

8.2.2.3 on the fifteenth (15^{th}) day after the date shown on the registered mail receipt, if sent by registered mail;

8.2.2.4 on the successful printing by the sender of a transmission report evidencing the delivery of the relevant e-mail, if sent by e-mail.

8.3 Binding Effect

This Agreement, upon being signed by the parties or their duly authorized representatives, shall be binding on the parties and their successors and assigns.

8.4 Language and Counterparts

This Agreement shall be executed in two (2) originals in English, with one (1) original for each party.

8.5 Days and Business Day

A reference to a day herein is to a calendar day. A reference to a business day herein is to a day on which commercial banks are open for business in the PRC.

8.6 Headings

The headings contained herein are inserted for reference purposes only and shall not affect the meaning or interpretation of any part of this Agreement.

8.7 Singular and Plural

Where appropriate, the plural includes the singular and vice versa.

8.8 Unspecified Matter

Any matter not specified in this Agreement shall be handled through mutual discussions among the parties and stipulated in separate documents with binding legal effect, or resolved in accordance with PRC laws.

8.9 Survival of Representations, Warranties, Covenants and Obligations

The respective representations, warranties, covenants and obligations of the parties, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any party, and shall survive the transfer and payment for the Equity Interest.

This Agreement has been signed by the parties or their duly authorized representatives on the date first specified above.

[The space below is intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on their behalf by a duly authorized representative as of the date first written above.

PARTY A: Shanghai Renren Automobile Technology Company Limited.
(Company Seal)

By: _____
Authorized Representative: Liu Jian

PARTY B: Yi Rui

By: _____

[**SIGNATURE PAGE TO EQUITY OPTION AGREEMENT]**

Exhibit 10.14

Automobile Consumer Loan Cooperation (Framework) Agreement

No: RRR22L201704006

Party A: Ping An Bank Co., Ltd., Shanghai Branch
Legal Representative: Yang Hua (楊華)
Contact Address: No.1351, Pudong South Road, Shanghai City
Contact Number: 021-58828177

Party B: Shanghai Jieying Automobile Sales Co., Ltd. (上海捷盈汽車銷售有限公司)
Legal Representative: Wang Mingli (王明利)
Address: Room 105, 1st Floor, Tower 2, No. 333, Fengrao Road, Jiading District, Shanghai City
Contact Number: 01084481818

Given that:

Party A, as a financial institution, and its branches issue consumer loans to the Customers to buy automobiles (including second- hand automobiles). Party A has designated Party B as its franchise partner for conducting the Automobile Consumer Loan Business, and provides quality automobile financial services to the Customers of Party B.

Party B, as an automobile sales company, sells automobiles to the Customers through the distributor network under its management. Party B, when sells automobiles, introduces the automobile financial products and services of Party A to its customers who have demands for loans and use the automobile financial services of Party A on a voluntarily and proactive basis.

The mutual cooperation between Party A and Party B, which is based on customer services, not only promotes the automobile consumer financial products and services, but also supports the automobile sales of Party B, and at the same time, provides quality financial services to the Customers. After arm's length negotiations, the parties have entered into the following cooperation agreement in relation to the provision of automobile consumer loan services to the Customers of Party B by Party A.

Article 1 Definitions

1. "Transaction Acceptance Bank": Party A or its designated branches.
2. "Distributors of Party B": the authorized distributors under the management of Party B who sell automobiles to customers.
3. "Customers": the natural persons who buy automobiles from the Distributors of Party B and to whom the Transaction Acceptance Bank issues personal automobile consumer loans in the end.
4. "Automobile Consumer Loan Business": the business in relation to the issue of loans to the Customers to buy automobiles (including second-hand automobiles) by the Transaction Acceptance Bank.

5. “Financial Specialist of Party B”: the staff arranged by the Distributors of Party B, who is responsible for introducing automobile consumer loans to the Customers and assisting them to apply for automobile consumer loans from the Transaction Acceptance Bank.

6. “Discount Products”: these products apply to the circumstances under which the Distributors of Party B are willing to bear and directly pay the whole or part of the interests borne by the Transaction Acceptance Bank for the Customers in a lump sum.

7. “Average-capital-plus-interest” repayment method: a repayment method which shares the total principal and total interest of a mortgage loan equally into every month during the repayment period. Under this repayment method, the repayment amount is fixed for every month, however, the principal in monthly repayment increases month by month and the interest in monthly repayment decreases month by month.

8. “Equal principal” repayment method: a repayment method under which the principal is equally distributed to each month, and the borrower pays off the interest for the period commencing from the previous trading day to the current repayment date. The monthly repayment amount is not fixed, in which the principal payable is equal and the interest payable decreases month by month.

9. “Matching the principal repayment of interest payment”: a repayment method under which the principal and interests are not required to be paid during the term of loan, and will be paid off on a lump sum basis upon the maturity of the loan.

10. “Interest only” repayment method: a repayment method under which only interests are paid during the term of loan, and the principal will be paid off on a lump sum basis upon the maturity of the loan.

11. “Entrusted payment”: the entrusted payment is a payment method for loan funds. It means that the Transaction Acceptance Bank pays the Automobile Consumer Loan to the Distributors of Party B according to the loan application and entrusted payment arrangement from the Customers.

Article 2 Contents of Cooperation

1. Party A and B are jointly responsible for the development, management, coordination, and improvement of the marketing of Automobile Consumer Loan Business. The specific Automobile Consumer Loan cooperation business of Party A is mainly responsible by the headquarters and segment of the automobile finance department of Party A.

2. Party A develops exclusive products or plans in connection with the Automobile Consumer Loan Business for the authorized distributors managed by Party B (“Distributors of Party B”) which determine the number of periods of installment, annual interest rate, down payment requirements and other product information, and give guidance to the Transaction Acceptance Bank and the Distributors of Party B to carry out financial services specific to automobile consumers.

3. Party B develops the marketing plan for automobile sale and conducts overall marketing and promotion of the cooperation plan. Party B gives guidance to its distributors to implement the cooperation plan between the parties, provides advisory and communication services for the Customers, and cooperates with Party A to conduct Automobile Consumer Loan Business. The Distributors of Party B shall arrange at least one Financial Specialist who is responsible for liaising, coordinating and information collection with the staff of the Transaction Acceptance Bank and customers, and offers assistance the Customers in the completion of procedures related to the application of Automobile Consumer Loan with Transaction Acceptance Bank.

4. Customers are free to choose the suitable product under the Automobile Consumer Loan Business. The Financial Specialist of Party B shall refer to the Party A the customers who qualify the conditions under Automobile Consumer Loan Business and demand the automobile financial services of Party A on a voluntary and active basis. Party A does not require Party B or the Financial Specialist of Party B to give priority to recommending to Customers the products under Automobile Consumer Loan Business provided by Party A. This agreement does not prohibit Party B and the Financial Specialist of Party B from recommending to Customers the automobile consumer loan businesses offered by other banks or other financial institutions or companies.

Article 3 Steps of Cooperation

1. The Distributors of Party B shall open a bank account with Party A or other bank for the transfer of the automobile consumer loan by the Transaction Acceptance Bank to the Distributors of Party B as entrusted by Customers.

2. After the Distributors of Party B enters into the automobile purchase agreement with the Customers and the down payment is paid by the Customers, the Distributors of Party B shall issue the automobile purchase invoice to the Customer and assist the Customers in purchasing the insurance, paying the purchase tax and obtain the vehicle license. The Distributors of Party B shall explain and introduce the product of automobile financial products to the prospective customers. The Distributors of Party B shall submit the loan application of Customers to the Transaction Acceptance Bank and collect the relevant application materials.

3. The Transaction Acceptance Bank shall review the Customers' application materials, credit status, financial status, etc. within 2 working days and notify the Customers and Party B and the Distributors of Party B of the results. If the Customers meet the conditions of grant of loans and pass the review by the Transaction Acceptance Bank, the Transaction Acceptance Bank and the Customer shall enter into the mortgage contract. After the entry, the Transaction Acceptance Bank shall issue the "Automobile Loan Consent" to Party B and the Distributors of Party B.

4. The Distributors of Party B shall, within 5 working days after receiving the "Automobile Loan Consent", submit the vehicle registration certificate, vehicle invoice, original policy that meets the requirements of Party A and the materials required by local vehicle administration authority to the Transaction Acceptance Bank. The Transaction Acceptance Bank shall transfer the corresponding automobile consumer loan to the bank account of Party B within 2 working days after receiving all the necessary and qualified materials required for vehicle mortgage.

5. The approval for the loan application of a customer by the Transaction Acceptance Bank remains effective for 2 months. If a mortgage loan contract is not signed during the effective period and a customer still wants to apply for loans, the customer should reapply for loans and submit relevant documents according to the requirements of the Transaction Acceptance Bank.

6. The effective period as agreed in this article applies to most of the circumstances during the business cooperation between the parties. If any special circumstance occurs to one party, it should inform the other party in a timely manner, and deal with the circumstance upon the approval of the other party.

Article 4 Automobile Insurance

1. The Distributors of Party B shall assist the Customers to purchase the type of automobile insurance designated by Party A and the first beneficiary of the insurance shall be the Transaction Acceptance Bank designated by Party A. The types of insurance purchased shall include but not limited to:

   (1) Automobile damage insurance (fully insured)
   (2) Theft and robbery insurance (fully insured)
   (3) Third party liability insurance (at least RMB200,000)
   (4) Non-deductible insurance (automobile damage insurance, theft and robbery insurance and third party liability insurance)

2. In principal, a customer should purchase automobile insurance which is enough to cover the term of a loan in one time. If the Customers purchase automobile insurance on an annual basis, the Distributors of Party B are obligated to remind and assist the Customers to renew the insurance when it expires.

3. The Customers may select an insurance company on its own. Party A and the Transaction Acceptance Bank will not recommend, require or force the Customers to select specific insurance companies. Party A only imposes the above-mentioned mandatory requirements on the first beneficiary, type of insurance and insurance amount.

Article 5 Rights and Obligations of Party A

1. Party A has the right to independently determine the effective loan interest rate conforming to its business development in accordance with national policies and standards. In the event of any adjustment to the policy of loan interest rate, Party A shall timely notify Party B and the Distributors of Party B.

2. Party A has the obligation to provide various business supports such as training on the knowledge of automobile financial business and sales techniques to Party B and the Distributors of Party B. In the event of any change to the financial products and Party A's loan application procedures, Party A shall timely notify Party B and the Distributors of Party B.

3. Transaction Acceptance Bank shall timely transfer automobile consumer loans to the bank account of Party B in accordance with the contractual arrangement and the authorization of customers.

4. In the event of any enquiries or complaints made by the Customers on the relevant details of automobile consumer loan, Transaction Acceptance Bank shall immediately deal with the issues or complaints raised by the Customers upon receipt of the notice from Party B and the Distributors of Party B who will be notified of the corresponding results thereafter.

5. Other than the loan application channels provided to the Distributors of Party B, Party A shall also provide them with the operational guidance on the acceptance of the Party A's Automobile Consumer Loan Business, and the appropriately and timely updated promotional or printing materials.

Article 6 Rights and Obligations of Party B

1. Party B has the right to request Party A to provide it with financial products in line with its market expansion needs. Party B shall assist Party A in the development of financial products under this agreement, and provide Party A with information and products through sharing relevant vehicle prices, automobile market conditions, etc.

2. Party B shall instruct the distributors under its management to conduct the Automobile Consumer Loan Business as agreed in this agreement with the Transaction Acceptance Bank of Party A. The Distributors of Party B are responsible for explaining Party A's automobile consumer loan products to the potential Customers at their business offices in details.

3. Party B and its distributors confirm that they have obtained the confirmation and authority from Customers, and recommend to Party A the prospective customers who apply for automobile consumer loans based on their voluntary choice.
4. The Distributors of Party B shall conduct initial screening of the Customers, review their basic status, and are responsible for collecting, sorting, and handing over application materials of the qualified customers etc., as well as other services related to the Automobile Consumer Loan Business as agreed in the agreement and other agreements. For the avoidance of doubt, Party B does not provide Customers with any form of warranty or guarantee.

5. Party B and its affiliates shall not charge the Customers in the name of Party A or any of its affiliates.

Article 7 Terms of Confidentiality and Use of Data

1. Either party shall be obliged to keep confidential of the trade secrets of the other party, information about the Customers, and all other cooperation information obtained in the cooperation. They shall not disclose to any third party, use without consent, or permit the use by any other person; otherwise they shall bear the corresponding breach of contract or tort liability. Performing the obligation of public disclosure of statutory information shall not be regarded as infringement of trade secrets

2. The information of the other party or customer (including prospective customers) obtained by either party during the performance of this agreement shall be limited to use within the scope hereof, and shall not be used for any other purposes other than those set out in this agreement. Otherwise, the party concerned shall assume all responsibilities arising therefrom.

Article 8 Terms of Anti-Commercial Bribery

1. Both Party A and Party B understand and are willing to strictly abide by the laws and regulations of the People's Republic of China on anti-commercial bribery. Both parties understand that any form of bribery and corruption will violate the law and will be subject to severe punishment by the law.

2. Both Party A and Party B shall not solicit, accept, provide, or offer any benefits other than those in the agreement to the other party or its personnel in charge or any other personnel concerned, including but not limited to the open rebate, hidden rebate, cash, shopping card, benefit in kind, quoted securities, travelling or other non-physical benefits, but if such benefits are practice in the industry or common practice, they must be expressly stated in the agreement.

3. Party A strictly prohibits the personnel in charge from being engaged in any commercial bribery. Any of the acts listed in the second paragraph under this Article committed by the personnel in charge of Party A violates the company system implemented by Party A and will be subject to punishment according to the company system of Party A and state laws.

4. Party A solemnly reminds that Party A objects to any of the acts listed in the second paragraph under this Article committed by Party B or the personnel in charge of Party B with any third party other than those to this agreement for the purposes of this agreement, and any of such acts violates the state law and will be subject to punishment by state laws.

5. If either party or its personnel in charge violates the provisions of the aforesaid terms and causes damage to the other party, such party shall be liable for damages.

6. The term "other relevant personnel" set out in this Article refers to the persons having direct or indirect interest in the agreement other than the personnel in charge of either party, including but not limited to the relatives and friends of the personnel in charge.

Article 9 Change, Termination, and Continuation of the Agreement

1. During the performance of this agreement, either party shall give notice in connection with any change to this agreement to the other party in writing 30 days in advance and such change shall be valid through mutual negotiation. Either party has the right to terminate this agreement, but needs to notify the other party in writing 30 days in advance. In the event that any force majeure event causes the failure of performance of this agreement, either party shall notify the other party in writing to terminate the agreement.

2. The termination of this agreement shall not relieve the parties of their rights and obligations which shall continue to exist after the termination of this agreement. Upon and subsequent to the termination of this agreement, all express or implied terms, agreements, undertakings or conditions will continue to be valid (e.g., the approval of the credit application submitted prior to the termination of this agreement is still subject to the terms and conditions of this agreement).

3. The contents such as the terms of confidentiality and use of data, and terms of anti-commercial bribery of this agreement shall survive the change, termination or release of this agreement.

Article 10 Applicable Laws and Dispute Resolution

1. This agreement is entered into pursuant to the laws of the People's Republic of China which shall be applicable to it.

2. The parties shall firstly strive to settle any dispute or controversy arising from or relating to this agreement in the principle of honesty and trustworthiness through friendly negotiation. In case no settlement can be reached through negotiation, each party shall have the right to file a lawsuit in the People's Court where Party A is located.

Article 11 Effectiveness and Validity Period of the Agreement

1. This agreement shall be made in duplicate and each party holds one copy, which shall be of the same legal effect.

2. This agreement shall take effect after being signed or affixed with company seals by the legal representatives (or authorized representatives) of the parties, the validity period of which shall commence from 17 April 2017 to 17 April 2018. If no written notice is given by one party to the other party to terminate this agreement within 30 days prior to the expiry of this agreement, this agreement shall be automatically extended for one year.

Article 12 Miscellaneous

1. The appendices to this agreement (if any) constitute an integral part of this agreement and shall have the same effect as the articles stipulated in the main body thereunder.

2. Should there be any matters not covered by this agreement, Party A and Party B may otherwise enter into supplemental agreements after negotiation. The supplemental agreements and this agreement shall be of the same effect.

3. This agreement and its appendices constitute the entire agreement reached between both parties in relation to the subject of this agreement and supersedes all previous negotiations and communications commenced and agreements reached between the parties.

Party A (seal): Shanghai Branch of Ping An Bank Co., Ltd.
Legal Representative:
Or authorized representative (signature):

[SEAL]

Party B (seal): Shanghai Jieying Automobile Sales Co., Ltd. (上海捷盈汽車銷售有限公司)
Legal Representative:
Or authorized representative (signature):

[SEAL]

Signing place of this Agreement:

Signing date of this Agreement:

Supplemental Agreement of
Automobile Consumption Loan Cooperation (Framework) Agreement

No: Yin Qi (201) He Zuo Bu Zi No. [ ]

Party A: Shanghai Branch of Ping An Bank Co., Ltd.
Party B: Shanghai Jieying Automobile Sales Co., Ltd. (□□□□□□□□□□□□)

On the basis of equality and mutual benefit, Party A and Party B agreed to enter into the supplemental agreement in accordance with"Automobile Consumption Loan Cooperation (Framework) Agreement" (hereinafter referred to as the "Cooperation Agreement") and other supplementary agreements between both parties upon further confirmation of the service fee.

I. Service Mode

The parties hereto shall cooperate in the development, management, coordination, improvement and other matters of automobile consumption loan business. Party B shall cooperate with Party A in the development of the financial service of automobile consumption loan. Party B shall provide customer referral service based on the voluntariness of customers' choice, and Party A shall be responsible for the negotiation of the specific financial business.

II. Term of Service

This Agreement shall take effect from June 1, 2017 to December 31, 2017.

III. Service Fee and Settlement

1. Based on the engaging customers and business services to be provided by Party B, Party A shall pay the service fee (tax inclusive) to Party B in accordance with the following fee standard upon verification by both parties hereto, service fee = amount of the loan* fee standard:

<table>
<tr><td>Rate of interest
Single Loan</td><td>12%
(inclusive)</td><td>from 12.5%
(inclusive)</td><td>10%
(inclusive)</td><td>from 10.5%
(inclusive)</td><td>14%
(inclusive)</td><td>from 14.5%
(inclusive)</td><td>16%
(inclusive)</td><td>from 16.5%
(inclusive)</td><td rowspan="5">At the same time, the following criteria it shall be met.

1) The number of loans for used cars in a single natural month shall not be less than 5;

2) Within 3 months after the issuance of a single loan, provided the loan be overdue for more than 30 natural days, the corresponding fee shall be deducted.</td></tr>
<tr><td>RMB50,000 or less</td><td>1%</td><td>1.5%</td><td colspan="7"></td></tr>
<tr><td>[RMB50,000,
RMB500,000)</td><td colspan="2"></td><td>1%</td><td colspan="5">1.5%</td></tr>
<tr><td>[RMB500,000,
RMB1,000,000)</td><td colspan="4"></td><td>1%</td><td colspan="3">1.5%</td></tr>
<tr><td>above RMB1,000,000
(inclusive)</td><td colspan="6"></td><td>1%</td><td>1.5%</td></tr>
</table>

2. The service fee shall be settled on monthly basis. Party A shall provide a consolidated breakdown table of automobile consumption loan business for the previous month to Party B before the 10th of each month, and Party B shall issue a value-added tax invoice upon the confirmation by both parties hereto. Party A shall settle the payment to the designated settlement bank account of Party B within 15 working days upon receiving the invoice.

3. The designated account of Party B

Account Bank : Beijing East 3rd Ring Road Branch of China Merchants Bank

Account Name : Shanghai Jieying Automobile Sales Co., Ltd. (□□□□□□□□□□□□)

Account No. : 110928168110901

IV. Anti-commercial Bribery Provisions

1. Both parties hereto should inform themselves as to and be willing to strictly abide by the laws and regulations of the People's Republic of China on anti-commercial bribery. Both parties hereto should inform themselves as to any bribery and corruption will violate the law and will be severely punished by the law.

2. None of the parties hereto may request, accept, provide, or give any benefit other than the benefit agreed therein to the other party or responsible person of the other party or other relevant personnel, including but not limited to commission, brokerage, cash, shopping card, physical goods, securities, journey or other non-material interests, provided such benefits are industry practice or common practice, they must be clearly stated therein.

3. Party A must strictly prohibit any commercial bribery by its responsible person. Any behavior listed in the second clause of this term would be a violation of Party A's company rules and should be severely punished according to Party A's company rules and national laws.

4. Party A hereby solemnly instructs that, Party A objects Party B or responsible person of Party B with any third party other than a party hereto, for the purposes hereof, any behavior listed in the second clause of this term, which are in violation of national laws, and would be punished by national laws.

5. If one party or its responsible person violates the provisions of clause 2-4 above and causes loss to the other party, it shall be liable for the damages.

6. "Other relevant personnel" mentioned in this term refers to persons other than the responsible person of the parties hereto who are directly or indirectly interested herein, including but not limited to the relatives and friends of the responsible person.

V. Others

Those unmentioned herein, provided that such is agreed in the Cooperation Agreement, shall be implemented based on provisions hereof. For those not yet contracted, may be added as an appendix. This agreement is made in two originals that should be held by each party, each of which shall be deemed equally authentic. It takes effect after both parties hereto have signed (or stamped with a signature) or stamped.

(No text below)

(There is no text on this page. It is the signature page of the "Supplemental Agreement of

Automobile Consumption Loan Cooperation (Framework) Agreement")

Party A (seal): Shanghai Branch of Ping An Bank Co., Ltd.

Responsible person or authorized agent (signature):

Party B (seal): Shanghai Jieying Automobile Sales Co., Ltd. (□□□□□□□□□□□□)

Exhibit 10.16

Equity Purchase Agreement

Regarding:

Target Company

between

Shanghai Jieying Auto Retail Co., Ltd.

as the Buyer

and

each Seller set out in the preamble section

as the Sellers

Date [ ]

Equity Purchase Agreement

THE AGREEMENT IS ENTERED INTO BETWEEN

(1) **Shanghai Jieying Auto Retail Co., Ltd.**, a limited liability company established in Jiading District, Shanghai, the People's Republic of China, with its registered office at Room 105, Level 1, Building 2, No. 333, Fengrao Road, Jiading District, Shanghai and the legal representative of which is Ji Chen (hereinafter referred to as the "**Buyer**");

and

(2) [ ], Chinese citizen, ID number [ ];

(3) [ ], Chinese citizen, ID number [ ]

([ ] and [ ] individually referred to as the "**Seller**" and collectively referred to as the "**Sellers**");

THE PARTIES AGREE AS FOLLOWS:

1 **INTERPRETATION**

In the **Agreement**, unless the context requires otherwise, the provisions in Article 1 apply to the entire **Agreement**.

1.1 **Definition**

The terms in bold set out in the **Agreement**, including those used in the preamble of this **Agreement**, shall have the meanings specified in Appendix I (Definitions).

1.2 **Responsibilities and obligations**

1.2.1 In the **Agreement**, any reference to the **Sellers**' responsibilities and obligations shall be considered that each **Seller** shall be obliged to ensure that all **Sellers** shall assume the relevant responsibilities or perform relevant obligations in accordance with the terms and conditions set out in the **Agreement**.

1.3 **Other terminology**

1.3.1 In the **Agreement**, "include/includes/including" shall be deemed as "include/includes/including but not limited to".

1.3.2 In the **Agreement**, "as of" shall be deemed to include the date and time as referred.

2 THE TARGET COMPANY

2.1 The **Buyer** and the **Sellers** hereby agree that, upon entering into the **Agreement**, the **Sellers** shall proceed to establish a limited liability company (the "**Target Company**") in [ ], [ ] Province immediately, in which the amount of paid-in capital and percentage of shareholding of each Seller are set out as follows:

Names of Sellers	Paid-in Capital (RMB)	Percentage of shareholding
	as agreed otherwise by the parties to the **Agreement**	
	as agreed otherwise by the parties to the **Agreement**	
	as agreed otherwise by the parties to the **Agreement**	
Total	**as agreed otherwise by the parties to the Agreement**	**100%**

2.2 The name of the **Target Company** is [ ], whose scope of business is [ ], the legal representative is [ ], and the registered capital will be agreed otherwise by the parties.

3 EQUITY TRANSFER AND CAPITAL INCREASE

3.1 Equity transfer

After the **Target Company** is established in accordance with the provisions of the **Agreement**, each **Seller** will sell to the **Buyer** in the same proportion of equity held in in the **Target Company** (the "**Target Equity**") according to the specific requirements of relevant provisions of the **Agreement** and the **Buyer** will hereby purchase the **Target Equity** from the Sellers.

3.2 Capital increase

Along with the aforesaid equity transfer, the **Buyer** shall increase the capital of the **Target Company** by way of cash contribution. The amount of capital increase shall be three-sevenths (3/7) of the total paid-in capital amount of the **Sellers** in the **Target Company**.

3.3 Percentage of shareholding

Upon completion of the equity transfer and capital increase described in this Article 3, the **Buyer** shall hold seventy percent (70%) of equity in the **Target Company**. By then, each party will hold the percentage of shareholding in the **Target Company** as follows:

Name of Shareholder	Percentage of shareholding
Shanghai Jieying Auto Retail Co., Ltd.	70%
Total	**100%**

3.4 **Change in business registration**

The **Sellers** shall promptly complete the formalities of change in business registration in respect of the equity change of the **Target Company** as described in this Article 3 with competent Industry and Commerce Authority in cooperation with the **Buyer**.

4 CONSIDERATION AND ARRANGEMENT OF PAYMENT

4.1 **Consideration**

4.1.1 The restricted shares (the "**Shares**") issued by the **Buyer** through its overseas holding company, Renren Auto Group, or its any other effective overseas holding company (the "**Listing Entity**") after the **Listing** to the Sellers or the special purpose company (SPV) established by the **Sellers** outside the PRC and the other considerations stipulated in the **Agreement** below constitute the complete consideration for the acquisition of the **Target Equity** ("**Acquisition Consideration**").

4.1.2 The price of the **Shares** issued to the **Sellers** is that of the shares when the **Listing Entity** makes the initial public offerings ("**IPO**"). The specific number of shares to be issued shall be calculated and determined based on the price of such **Shares**, and shall be adjusted in accordance with the specific provision under the **Agreement** and to the operating conditions and performance indicators of the **Target Company**.

4.1.3 The above **Acquisition Consideration** is composed of Consideration 1 and Consideration 2, of which, Consideration 1 is calculated as follows: all **Net Profits** before tax generated from the **Target Company** before the **Listing** of the **Listing Entity** x the percentage of shareholding held by the **Buyer** in the **Target Company**; Consideration 2 is calculated as follows: the sum of the **Net Profits** before tax generated from the **Target Company** during the **Base Period of Business Results** × the percentage of shareholding held by the **Buyer** in the **Target Company** × 12.

4.1.4 The **Acquisition Price** related to the acquisition and opening of **New Stores** by the **Target Company** is calculated in the same method as above, but the commencing date of the specific performance evaluation period shall be determined by the Board of Directors of the **Target Company**.

4.2 **Arrangement of share issuance**

4.2.1 Upon the **Listing** of the **Listing Entity**, the **Buyer** shall pay the **Acquisition Consideration** to the **Sellers** which the **Sellers** are entitled to receive based on the operating conditions and performance indicators of the **Target Company** in the specific manner below:

(a) Consideration 1 shall be paid within thirty (30) days after the completion of the quarterly audit on the **Listing**;

(b) Consideration 2 shall be paid to the **Sellers** within thirty (30) days after the completion of the quarterly audit in every twelve (12) months after the last day of the **Base Period of Business Results**, and each time of the payment shall be made out of twenty percent (20%) of the total number of shares and the total number of shares shall be distributed in full in five (5) times;

(c) in the event that the period commencing from the **Performance Inclusion Date** of the **Target Company** and ending on the **Listing** Date covers a full twelve (12) months' period, and the period commencing from the **Performance Inclusion Date** of one or more **New Stores** and ending on the Listing Date is less than twelve (12) months' period, the Base Period of Business Results of such **New Stores** and the relevant business results shall be separately accounted for in accordance with the aforesaid paragraph (b) of this Article and the relevant principles of Article 3.1.4 and Article 3.3.4 of the **Agreement**.

4.2.2 The number of **Shares** issued by the **Listing Entity** to each **Seller** shall be allocated in proportion of equity in the **Target Company** sold by the corresponding **Seller** to the **Target Equity** acquired by the **Buyer** and shall be issued to each **Seller** simultaneously.

4.3 **Agreement on performance**

4.3.1 The **Buyer** and the **Sellers** hereby agree to adopt the **Net Profits** before tax of the **Target Company** during the **Base Period of Business Results** as the benchmark; thereafter the **Net Profits** before tax of the **Target Company** for every twelve (12) months ("**Appraisal Year of Business Results**") shall be maintained at a compound growth rate of one hundred and ten percent (110%) ("**Expected Net Profits**"). The calculation formula of the **Expected Net Profits** for any appraisal year of the **Target Company** is: the business results of the Nth **Appraisal Year of Business Results** after the Base Period = the **Net Profits** before tax in the **Base Period of Business Results** × 110% to the power of (N-1).

4.3.2 In any **Appraisal Year of Business Results** thereafter, if the **Target Company**'s **Net Profits** for that year exceeds the corresponding **Expected Net Profits**, the **Buyer** shall increase the number of **Shares** issued to the **Sellers** in the same proportion for the excess as the employee incentives to the **Sellers**; but the number of additional **Shares** shall not exceed one-hundred and fifty percent (150%) of the number of Shares that shall be issued to the **Sellers** for that year.

4.3.3 In any **Appraisal Year of Business Results** thereafter, if the **Target Company**'s **Net Profits** for that year is less than the corresponding **Expected Net Profits**, the **Buyer** shall reduce the number of **Shares** issued to the **Sellers** in the same proportion for the shorter part, but such reduced issued Shares shall not be less than fifty percent (50%) of the Shares that shall be issued to the **Sellers** for that year.

4.3.4 When the **Target Company** opens a **New Store** or acquires the business of other car dealers, the appraisal method for the **New Stores** or acquired business will be agreed otherwise by both parties.

5 CONDITIONS PRECEDENT

5.1 Conditions

The **Buyer** and **Sellers** hereby agree that the following **Conditions Precedent** must be satisfied or waived before the **Closing**:

5.1.1 The **Buyer** shall have completed due diligence on the **Target Company** and the **Buyer** is satisfied with the results.

5.1.2 No Government Department shall have issued or enforced any Laws, judgments, orders or bans that will limit or prohibit the completion of the **Agreement** or Transaction prior to **Closing**.

5.1.3 Prior to **Closing**, there shall be no lawsuits or procedures initiated by any **third party** (including any **Government Department**) that is pending or potentially seeking to prohibit or limit the completion of the **Transaction**.

5.1.4 The **Sellers shall** have completed the following:

(a) the key employees of the **Original Company** listed in (ii) section of Appendix II (*List of Employees*) have all been transferred to the **Target Company** as new **key employees** and each has signed a labour contract respectively with the **Target Company** to the satisfaction of the **Buyer** and has not submitted resignation or notice of intent of resignation.

(b) the vehicles listed in Appendix III (*List of Motor Vehicles*) shall have been transferred to the **Target Company**;

(c) in respect of the lease contracts listed in Appendix IV (*List of Lease Contracts*), the **Sellers** and/or the **Original Company** shall have agreed in writing with the relevant lessor and **Target Company** that the lessee will be changed to the **Target Company**;

(d) in respect of the business contracts listed in Appendix V (*List of Business Contracts*), the **Sellers** and/or the **Original Company** shall have agreed in writing with the relevant parties to the contracts and the **Target Company** that the rights and obligations of the **Sellers** and/or the **Original Company** under the contracts will be transferred to the **Target Company**;

(e) all assets of the **Original Company** (including all cash, equipment and other assets which are not accounted for in the company's accounts but actually used for its operations, the particulars of which shall be subject to Appendix VI (*List of Assets*)) shall have been transferred to the **Target Company**.

(f) the **Target Company** shall have completed the corresponding procedure of change in industrial and commerce registration or filing (including but not limited to the **Shareholders**, directors and the revised articles of incorporation of the **Target Company**) within thirty (30) days after the **Agreement** comes into effect, and the amended articles of incorporation and register of members have handed over to the **Buyer**.

5.1.5 There shall be serious default of the **Undertakings of the Sellers** and the **Sellers** have not seriously breached any other obligations under the **Agreement**.

5.1.6 There have not occurred any **Major Adverse Effects**.

5.1.7 The **Sellers** have fully disclosed their external liabilities and the **Sellers** have provided relevant solutions approved by the **Buyer**.

5.1.8 The resolution on the **Transaction** has been **passed** by the Board of Directors of the **Buyer**.

5.2 **Satisfaction or waiver of Conditions Precedent**

5.2.1 The **Parties** shall make their best efforts to satisfy the aforesaid **Conditions Precedent** as soon as practicable. The **Conditions Precedent** described in Article 5.1 (excluding Article 5.1.8) can only be waived by the **Buyer**. The **Conditions Precedent** described in Article 5.1.8 can only be waived by the **Sellers**.

5.2.2 **If** the **Conditions Precedent** described in Article 4.1 fail to be satisfied or are not waived within thirty days from the day on which establishment of the **Target Company** is completed, either the **Buyer** or **Sellers** may terminate the **Agreement** after giving notice to the other **Parties** in writing. Neither **Party** has the right to request any indemnification against other **Parties** for such termination. The provisions set out in Articles 1, 5.2.3, 13 and 14.2 to 14.11 of the **Agreement** shall remain valid after the termination of the **Agreement**.

5.2.3 If the **Conditions Precedent** described in Article 5.1 have been fully satisfied or waived within thirty days after the day on which the establishment of the **Target Company** is completed and the **Sellers** (all **Sellers** as a **Party**) or the **Buyer** refuses to complete the **Closing** in accordance with the provisions set out in Article 6.3.1. The Defaulting **Party** shall pay RMB ONE MILLION (1,000,000) to the other party as liquidated damages.

6 UNDERTAKINGS BEFORE CLOSING

6.1 Business activities

The **Sellers** and the **Shareholders** shall ensure that during period between the **Execution** and the **Closing**, the **Target Company**:

(a) shall normally carry out business activities as a continuing business enterprise;

(b) shall maintain its **Existing Businesses**, organizational structure, business model and its relationship with customers and other **Entities**;

(c) prepare and manage the financial books and records of the **Target Company** in accordance with the latest **Accounting Standards for Enterprises** under the Accounting Standards for Enterprises by designating the finance staff in cooperation with the **Buyer**; and

(d) allow the **Buyer** or the third-party intermediary appointed by the **Buyer** to inspect the information and materials concerning the business, financial, sales and operation of the **Target Company** during the business hours of the **Target Company**.

6.2 Restrictions

Without prejudice to the provisions set out in Article 6.1, the **Sellers** shall ensure that during the period between the **Execution** of the **Agreement** and **Closing**, without the prior written consent of the **Buyer**, the **Target Company** shall not:

(a) enter into an agreement or making a commitment in a cumulative amount of more than RMB10,000 (TEN THOUSAND);

(b) borrow any money or bear any other debt, except for borrowings or debts arising from normal business activities;

(c) provide loans or guarantees to external entities;

(d) enter into, revise or renew any labour contract, or terminate the labour contracts with the key employees in any way, except in emergencies;

(e) make major adjustments to the organizational structure of the **Target Company**, except as required by the **Buyer**;

(f) increase the remuneration of employees (salaries, subsidies, bonuses, social security or any other form of remunerations) in any manner except for the increase in salary in normal business based on past practice;

(g) increase or decrease the registered capital of the **Target Company**, transfer or pledge the **Target Equity** in whole or in part to any **Entity**, or issue any title certificate that gives the holder the right to obtain the equity of the **Target Company**;

(h) decide on, execute or pay profits or other distributions to the **Sellers** or any other **Entity**;

(i) take any measure to amend the articles of incorporation of the **Target Company**, or to merge, split, dissolve or liquidate it;

(j) in addition to resolutions relating to the Transaction and other matters stipulated in this **Agreement**, pass any other resolution of general meeting or of the Board of Directors;

(k) in addition to normal business activities, conduct any transaction or enter into any contract;

(l) engage in any transaction or enter into any contract with any of the **Sellers** or their respective **Related Parties**;

(m) in addition to the contracts related to normal business activities, revise or terminate any contract that has been entered into by the **Target Company**;

(n) refuse to participate in the business cooperation proposed by the **Buyer** without reasonable grounds;

(o) cancel or waive any creditor's right or claim of right of the **Target Company** against other **Entities**;

(p) acquire or invest in any Entity's assets or equities;

(q) establish partnership, joint venture or business partnership with any **Entity** engaged in the same or similar business as the **Buyer** or the **Existing Businesses**, whether or not the **Entity** is principally engaged in such business, including cooperation in respect of business development, sales channels, marketing and government relations, etc.;

(r) file, settle or withdraw from any litigation, arbitration or other proceedings; and

(s) enter into any agreement or make any (verbal or written) commitment to engage in any activity which is prohibited by the **Agreement** or breaches the **Agreement**.

6.3 **Restrictions on the Sellers**

6.3.1 During the period between **Execution** and **Closing**, the **Sellers** undertake that (i) if the **Sellers** receive any request or inquiry (whether or not the request or inquiry is related to a contract the **Sellers** has entered into) regarding the **Existing Businesses** made by any customer, the **Sellers** must notify such request or inquiry to the **Target Company**, (ii) the **Sellers** inform the customers or prospective customers that the **Existing Businesses** are carried out by the **Target Company**, and the request or inquiry will be handled by the **Target Company**, and (iii) if appropriate, the **Sellers** make proper arrangement with the **Target Company** to facilitate the **Target Company**'s response to customer's request or inquiry.

6.3.2 If the **Sellers** receive payment from customers during the period between **Execution** and **Closing** and the payment is related to the provision of the trading or brokerage services of used motor vehicles of the **Existing Businesses** after the **Base Date**, the **Sellers** shall transfer such payment to the **Target Company**, or urge the customers to pay to the **Target Company** directly.

7 CLOSING

7.1 Time of Closing

In the case of satisfaction (or waiver in accordance with Article 5.2.1) of the **Conditions Precedent**, the **Closing** shall take place on the fifth (5th) working day from the day on which the last **Condition Precedent** is satisfied or waived, or on the other date as otherwise agreed by the Sellers and the Buyer in writing.

7.2 Obligations of Closing

7.2.1 Upon **Closing**, the **Sellers** and **Shareholders** shall submit or ensure other parties submit to the **Buyer** the following documents or certificates and guarantee the authenticity and validity thereof:

(a) the notice issued by the Industry and Commerce Authority that approves the change in equity;

(b) the capital contribution certificate supporting the **Sellers**' ownership to the Target Equity;

(c) the capital contribution certificate supporting the purchase of the Target Equity by the **Buyer**;

(d) the register of members of the **Target Company** affixed with the official seal of the **Target Company** dated the **Closing Date**, reflecting the **Buyer**'s ownership of the **Target Equity**;

(e) the supporting documents dated the **Closing Date** and signed by the **Sellers**, the form and content of which is satisfactory to the **Buyer** and which proves that each of the Conditions Precedent listed in Article 5.1 has been satisfied;

(f) the accounts of the **Target Company**; and

(g) the full set of seals of the **Target Company** (including official seal, contract seal, finance seal, legal representative seals (if any)) and other original registration documents and licenses.

7.2.2 On the **Closing Date**, the **Sellers** shall ensure that all assets (including motor vehicles) of the **Original Company** transferred to the **Target Company** are its own assets and are obtained using its own funds; if there are any asset obtained using funds from the third parties, the **Sellers** shall notify the **Buyer** prior to the **Closing Date** and, with the consent of the **Buyer**, deal with it in one or more of the following ways:

(a) such asset will be excluded from the assets of the **Original Company** that shall be transferred to the **Target Company**;

(b) the **Sellers**, after repaying the borrowings or advances due to the third party with their own funds, transfer the corresponding asset to the **Target Company**; or

(c) after the **Buyer** has agreed and signed the corresponding written agreement, the **Buyer** purchases the asset and the relevant consideration will be used to repay the borrowings or advances due to the third party.

7.2.3 In the event that the **Sellers** fail to disclose to the **Buyer** truthfully that, among the assets transferred or to be transferred into the **Target Company**, there is any asset obtained using funds from any third party, the **Buyer**, once has knowledge of such fact, or claim against the **Target Company** or the assets of the **Target Company** through any third party, the **Buyer** may deem that the **Sellers** have constituted a major breach of this agreement and has the right to implement the relevant provisions under this agreement concerning false undertaking, default, indemnification and termination.

7.3 **Default of Closing obligations**

7.3.1 In the event that the **Sellers** breach any of their obligations relating to **Closing** as set out in Article 7.2, the **Buyer** (without prejudice to other remedies it may have, including the right to claim indemnification) has the right to, upon giving notice on or after the **Closing Date**:

(a) terminate the **Agreement** (excluding the provisions under Articles 1, 13 and 14.3 to 14.14), in which case the Parties shall immediately take all necessary measures to cancel any action already taken under Article 7.2;

(b) proceed with the **Closing** as far as practical, depending on the circumstances of breach; or

(c) determine a new **Closing Date**, in which case the provisions under Articles 7.2 and 7.3 shall apply to the deferred closing.

8 OBLIGATIONS AFTER CLOSING

8.1 **Operation and management of the Target Company**

8.1.1 After the **Buyer** has collectively formulated the financial system, internal organizational structure, business process and other standardized rules and regulations of the **Target Company**, the same shall be implemented through resolutions passed with a two-thirds majority at the first Board of Directors of the **Target Company**; if any modification or supplement is necessary to be made to the aforesaid financial system based on the specific conditions of the **Target Company**, such modification or supplement shall also be implemented through resolutions passed with a two-thirds majority of the Board of Directors.

8.1.2 The **Target Company** shall replace its original management system with the **SaaS System** provided by the **Buyer** to manage the **Target Company**'s financial and business operations; the **Buyer** is to provide the **Target Company** with the **SaaS System** as well as corresponding technical support to the **Target Company**.

8.1.3 After the **Closing**, the Board of Directors (the "**Board of Directors**") of the **Target Company** shall consist of three (3) directors ("**Directors**"), of which, one (1) shall be nominated by the **Sellers** ("**Director of Sellers**"), and two (2) shall be nominated by the **Buyer** ("**Directors of Buyer**"); the **Chairman** shall be assumed by the **Director** nominated by the **Buyer**; both the **Buyer** and the **Sellers** shall vote at the **Target Company**'s general meeting in order to approve the appointment of the directors nominated in accordance with the above principles; each **Director** has a term of three (3) years and is eligible to be re-elected by reappointment by the original nominating shareholders.

8.1.4 The meetings of the **Board of Directors** shall be convened and presided over by the **Chairman**; the resolutions of the Board shall be voted by using a system of one person, one vote. Any valid resolution shall be passed only when all directors are present and two-thirds of the directors vote for it; the Board may also convene the meetings by way of telephone conferences or e-mail communications and execute the resolutions of meetings of the **Board of Directors** by post.

8.1.5 The **Board of Directors** has the power to determine major or regulatory matters with regard to the operation and management of the **Target Company**, including but not limited to the following:

(a) to approve the appointment or promotion of the General Manager, finance leader, sales leader, procurement leader, and branch manager of the **Target Company**;

(b) to approve the borrowing of any external debt by the **Target Company**;

(c) to adopt the financial system, internal organization structure, business process, personnel remuneration system and other standardized rules and regulations formulated by the **Buyer** and provided to the **Target Company**, and to make appropriate modifications or supplements to the above-mentioned rules and regulations based the actual conditions of the **Target Company**;

(d) to develop a process for the procurement of used cars by the **Target Company**, including the pricing scope;

(e) to develop a process for the sale of used cars by the **Target Company**, including the pricing scope;

(f) to approve the purchase or sale of other assets other than used cars by the **Target Company**;

(g) to approve the identification and use of the **Target Company**'s trade name and trademark;

(h) to approve release of advertisements by the **Target Company**;

(i) to approve the remuneration, benefits and rewards of employees of the **Target Company**;

(j) to approve share of revenue, commissions, shares, bonuses, etc. offered by the **Target Company** for cooperation with external parties;

(k) to approve the setup of branches including **New Stores** by the **Target Company**;

(l) to approve the acquisition of other used car stores, businesses or related legal entities by the **Target Company**;

(m) to approve the **Target Company** to carry out businesses than other used car business;

(n) to approve business transactions between the **Target Company** and shareholders, their relatives, nominees or other stakeholders;

(o) to approve the reduction and expansion of store space, or change of address of the **Target Company**;

(p) to conduct monthly or quarterly audits on the business results of the **General Manager** and the **Target Company**'s management and to pass regulations regarding the treatment;

(q) to decide on the way of storage and use procedures of all seals of the **Target Company**;

(r) to deal with other material matters that have been determined at the Board Meeting or the general meeting.

8.1.6 The role of legal representative of the Target Company shall be performed by the General Manager.

8.1.7 The General Manager of the Target Company shall be appointed by the Board of Directors in accordance with the following provisions:

(a) the General Manager (the "**General Manager**") of the **Target Company** is assumed by the **Sellers** or the person appointed by them, and enters into a labour contract in standard form with the **Buyer** or with the **Target Company** according to the direction of the **Buyer**;

(b) the **General Manager** is responsible to the **Board of Directors**, takes charge of the normal business activities of the **Target Company** and exercises its duties as stipulated in the articles of incorporation of the **Target Company**; in addition to the matters to be resolved by the **Board of Directors** as stipulated in Article 8.1.6 under the **Agreement**, the **Shareholders** of the **Target Company** shall not interfere with the **General Manager**'s daily management of the **Target Company**.

8.1.8 The provisions under the articles of incorporation of the **Target Company** shall be consistent with this Article 8.1; in case of any conflict, all shareholders of the **Target Company** shall agree to make corresponding amendments to it.

8.2 **Continuous services**

The **Sellers** undertake that they will devote their time and efforts to the business development of the **Target Company** beyond their duties, and will not hold any position in any other company or organization simultaneously without the approval of the Board of Directors, and will not resign on a voluntary basis from the **Target Company** in the period of five (5) years after the **Listing** commencing from the **Closing Date**.

8.3 **Cancellation of the Original Company**

The **Sellers** undertake that the **Original Company** under its control shall begin the formal liquidation procedures within thirty days from the day on which the establishment of the **Target Company** is completed.

8.4 **Shares and equities**

8.4.1 Without the written consent of the **Buyer**, the **Sellers** shall not transfer the equity interests in the **Target Company** they hold to any third party, nor shall it pledge, guarantee the equity interest or otherwise imposing any restriction on the same.

8.4.2 The **Buyer** undertakes that it will not pledge, guarantee the equity interests in the **Target Company** it holds or otherwise imposing any restriction on the same.

8.5 **Use of the trade name and Intellectual Property Rights**

Subsequent to the **Closing Date**, the **Target Company** will use the wording "Renren Auto Group + [original brand]" as the trade name, and its ownership and trademark registration rights is belong to the **Target Company**. Commencing from the **Closing Date**, the **Sellers** shall, and in accordance with the explicit authorization of the **Target Company**, ensure that it and any of its **Related Parties** do not use any **Intellectual Property Right**, trade name, domain name, registered or unregistered trademarks, logo of the **Target Company**, or use in any way the name of the **Target Company**, any abbreviation of the name of the **Target Company**, or any name or phrase similar to the name of the **Target Company**.

8.6 **Registration and transfer of Intellectual Property Rights**

8.6.1 From the **Closing Date** until the cancellation of the **Original Company**, the **Sellers** and its **Original Company** shall take further measures and sign all necessary documents at the request of the Buyer, so that the Target Company can legally obtain all the Intellectual Property Rights listed in Appendix VII (List of Intellectual Property Rights). Legal ownership, and assist the Target Company in registering the ownership of Intellectual Property Rights with the competent registration authority of copyright, patent, trademark, domain name, design or other Intellectual Property Rights (the cost shall be borne by the Sellers).

8.6.2 From the Closing Date, the Sellers shall exercise their rights in relation to Intellectual Property Rights only in accordance with the Buyer's requirements until the Target Company acquires full legal ownership of the Intellectual Property Rights.

8.6.3 The Sellers and the Shareholders agree that the company name and trade name associated with the [original brand] are an integral part of the transferred business and shall be vested in the Target Company. The Sellers and the Original Company shall assist the Target Company in applying for registration of any new trademarks, domain names or other Intellectual Property Rights related to the [original brand], including providing the necessary consent or letter of abstention.

8.6.4 If all of the Target Company's equity interests held by the Sellers are transferred, or any Seller completely withdraws from the Target Company or resigns from the **Target Company**, the **Buyer** and the **Target Company** agree to assist in transferring the trademark, domain name or other **Intellectual Property Rights** related to the [original brand] to the **Sellers** or its Related Parties.

9 UNDERTAKINGS

9.1 Undertakings of the Sellers

9.1.1 The **Sellers** represent and undertake to the **Buyer** that the statements listed in Appendix VIII (***Undertakings of the Sellers***) are true and accurate at the time of signing.

9.1.2 The **Sellers** represent and undertake to the **Buyer** and the statements listed in Appendix VIII (***Undertakings of the Sellers***) remain true and accurate on the **Closing Date**, as if each of the statements is completely restated on the **Closing Date**.

9.1.3 The **Sellers** represent and undertake to the **Buyer** that the following interested parties do not have any relationship with the **Sellers**' capital contribution to the **Target Company** and the transferred business and assets, or have terminated such relationship:

(a) the owners of the **Original Company** (including but not limited to the creditors of the **Original Company**, product/service providers, etc.);

(b) the owner of the **Sellers** (including but not limited to the person who appointed a nominee for the equity, creditors, etc.);

In the event that any third party claims any rights against the **Target Company**, or against the shareholders or assets of the **Target Company**, the **Sellers** shall assume all responsibilities; and indemnify for any loss suffered by the **Target Company**.

9.1.4 The **Sellers** represent and undertake to the **Buyer** that the contribution of the **Sellers** to the **Target Company** is actual capital contribution made by it, and that there is no nominee arrangement, neither there is any risks involving any third party claiming any rights or disputes over any equity or property of the **Target Company**.

9.2 **Undertakings of the Buyer**

9.2.1 The **Buyer** undertakes to the **Sellers** that all the statements listed in Appendix IX (***Undertakings of the Buyer***) are true and accurate at the time of **Signing**.

9.2.2 The **Buyer** further represents and undertakes to the **Sellers** that the statements listed in Appendix IX (***Undertakings of the Buyer***) remain true and accurate on the **Closing Date**, as if each of the statements is completely restated on the **Closing Date**.

9.3 **Liability for breach**

9.3.1 Without prejudice to the provisions of Articles 5.2.3 and 7.3.1(a), if any of the **Sellers** is in breach of the **Agreement**, the **Buyer** has the right to terminate or cancel the **Agreement**. If the **Buyer** decides not to terminate or cancel the **Agreement** and the **Closing** is completed, the **Buyer** has the right to be indemnified against any loss suffered after the **Closing Date** as a result of any breach on the part of the Sellers.

9.3.2 If, during the term of the **Agreement** and without the prior consent of the **Buyer**, the **Sellers** enter into any agreement in relation to equity, investment, mergers and acquisitions, pledges and other agreements, which involve major changes in the equity and business of the company, the **Buyer** has the right to request the **Sellers** to make compensation of not less than RMB TEN MILLION (RMB10,000,000) (such amount inclusive), and has the right to unilaterally terminate the **Agreement**, without the need to return the profits generated from the operation of the **Target Company** to the original **Sellers**.

9.3.3 If the **Buyer** is in breach of the **Agreement**, the **Sellers**, as their sole and exclusive remedy, are entitled to be indemnified against any **Loss** suffered by the **Sellers**.

10 **INDEMNIFICATION**

10.1 **General provisions**

Since from completion of **Closing**, the **Sellers** shall be liable unconditionally and jointly to indemnify the **Buyer** or its **Related Parties** for any **Loss** due to the following reasons:

a. the **Sellers** or the **Original Company** is in breach of the representations or undertakings as set out in Appendix VIII (***Undertakings of the Sellers***);

b. any **Seller** is in breach of its undertakings or obligations under the **Agreement**;

c. the **Target Company** is in breach of its undertakings or obligations under the **Agreement** prior to the **Closing**.

10.2 **Legal fees**

For the avoidance of doubt, the **Loss** referred to in Article 10.1 shall include any legal costs incurred by the **Buyer** or its **Related Parties** in response to a claim by a **Third Party** in relation to the circumstances mentioned in Article 10.1. The **Sellers** shall pay such legal fees to the **Buyer** and/or the **Buyer**'s **Related Parties** after the **Buyer**'s request for indemnification, or pay such legal fees directly to the persons such as the lawyer engaged by the **Buyer** and/or the **Buyer**'s **Related Parties**.

10.3 **Collaboration**

The **Sellers** and the **Shareholders** shall cooperate with the **Buyer** in accordance with the **Buyer**'s request to deal with matters relating to any claim made by any **Third Party** as mentioned in Article 10.1.

In the event of a breach of the **Agreement** by the **Sellers** or the **Shareholders**, the **Buyer** shall ensure that reasonable measures are taken to avoid or mitigate the **Loss**.

11 SHARE OF TRANSACTION FEES AND TAXES

11.1 **Share of costs for the establishment of the Target Company**

The costs incurred by the Sellers in setting up the **Target Company** and transferring the assets and business from the **Original Company** to the **Target Company** shall be borne by the **Target Company**. If the **Target Company** fails to be established successfully or the cooperation under the **Agreement** fails to be completed, any resultant cost shall be borne by the **Sellers**.

11.2 **Share of costs for due diligence**

11.2.1 The costs incurred by the **Buyer** in conducting due diligence on the **Target Company** and its used car business and related assets shall be borne by the **Sellers**, which shall be paid in advance by the **Buyer** and returned by the **Sellers** to the **Buyer** after listing.

11.2.2 If the **Target Company** fails to establish a success or the cooperation under the **Agreement** fails to be completed, the cost shall be borne equally by both parties.

11.3 **Share of taxes**

11.3.1 Both the **Buyer** and the **Sellers** shall bear and pay their respective taxes and fees for the transaction in accordance with relevant laws and regulations.

11.3.2 The **Sellers** shall bear all taxes and fees related to all events, accruals, or receipts of the **Target Company**'s obtained, accrued, or received by the **Target Company** before the **Closing Date** prior to the **Closing Date**, unless the tax is paid. A sufficient amount of reserves, provisions for taxes or reserves have been made in the accounts of the **Target Company**.

11.3.3 Seventy percent (70%) of the total turnover tax generated by the **Target Company** prior to the listing of the company shall be borne by the **Sellers**, which shall be paid in advance by the **Buyer** and be returned to the **Buyer** by the **Sellers** after **Listing**.

11.4 **Return of advances**

11.4.1 If the **Buyer** advances any fees or taxes on behalf of the **Sellers** in accordance with the relevant provisions of Article 11 of the **Agreement**, the **Sellers** shall return the full amount to the **Buyer** after **Listing**.

11.4.2 The **Sellers** may return the fees or taxes to the **Buyer** by way of cash or shares.

11.4.3 If the **Sellers** elect to pay the **Buyer** a fee or tax by way of cash, the full amount of cash shall be paid into the **Buyer**'s designated account within thirty (30) days after the date of its listing.

11.4.4 If the **Sellers** elects to return the fees or taxes to the **Buyer** by way of shares, the **Buyer** shall calculate the number of shares that the **Sellers** shall return to the **Buyer** based on the share price at the time of **Listing**. The **Buyer** shall inform the **Sellers** and the **Buyer** shall fully deduct from the number of shares due to the **Sellers** at the second time that it issues shares to the **Seller**

12 **NON-COMPETITION**

12.1 **Non-competition obligations**

From the effective date of the Agreement, until the date when the **Sellers** no longer hold any equity in the **Target Company**, do not hold position with the **Target Company** and do not constitute a related party of the **Listing Entity**, no **Seller** shall, without the prior written consent of the **Buyer**, and must not allow their respective **Related Parties** to do the following:

a. to induce or attempt to induce any customer or prospective customer of the **Target Company** to terminate its contract or business relationship with the **Target Company**; or

b. to (i) induce or attempt to induce any **Restricted Employee** to terminate his/her employment relationship with the **Buyer** or its **Related Parties** (including the **Target Company**); (ii) induce others to hire any **Restricted Employee**; or (iii) employ and engage any **Restricted Employee** as the manager, employee, consultant, independent contractor, or any other position, whether or not such **Restricted Employee** has violated his labour contract or service contract.

c. to directly or indirectly engage in any business identical to, similar to or competing with the **Target Company**'s business;

d. to directly or indirectly have any interest in any entity that competes with the **Target Company** or engages in other activities that are detrimental to the interests of the **Target Company**.

e. for existing competing business activities, the **Sellers** or the actual controller of the **Original Company** shall agree with the **Buyer** to develop a decision plan and rectify it as soon as possible to the satisfaction of the **Buyer**.

f. the **Sellers** shall devote all efforts and time for the development and operation of the businesses of the **Target Company** and shall not engage in any other business, whether or not such business is competing with the businesses of the **Target Company**.

12.2 **Liability to indemnify**

12.2.1 If the **Sellers** or its **Related Parties** violate any of the obligations stipulated in Article 12.1 under the **Agreement**, the **Sellers** shall, based on common and joint liability, make the following indemnification to the **Buyer**: (i) firstly, make one-off indemnification in the amount of RMB TWO HUNDRED AND FIFTY THOUSAND (RMB250,000) to the **Buyer**, (ii) during the period when the situations of breach of the agreed obligations under Article 12.1 under the **Agreement** on the part of the **Sellers** or its **Related Parties**, make indemnification to the **Buyer** in the amount of RMB FIFTY THOUSAND (50,000) for each additional day lapsed.

12.2.2 If the actual loss suffered by the **Buyer** as a result of the breach of the obligations under Article 12.1 of the **Agreement** on the part of the **Sellers** or their **Related Parties**, the **Sellers** and the **Shareholders** shall indemnify the **Buyer** for the actual losses suffered therefrom.

12.2.3 The exercise of any right to claim under this Article 12.2 by the **Buyer** does not affect the exercise of other rights or remedies (including the application for injunctions).

13 **CONFIDENTIALITY**

13.1 **Announcement**

Neither the **Buyer** nor the **Sellers** may make any announcement or notice regarding the **Agreement** or the matters covered by the **Agreement** without the prior written permission of the other **Party**. This provision does not affect the announcement or notice under the **Laws** or the rules of a stock exchange on which the shares of any **Party** or any of its **Related Parties** are listed, provided that the **Party** who is obliged to make such announcement or notice shall negotiate with the other **Party** before performing such obligation where possible.

13.2 **Obligation of confidentiality**

13.2.1 Each of the parties to the **Agreement** shall treat any information received or obtained under the **Agreement** or by reason of the signing of the **Agreement** (or other agreements entered into hereunder) or in connection with the following as being strictly confidential and may not be disclosed or used:

a. the terms of the **Agreement** and other agreements entered into under the **Agreement**;

b. negotiations and discussions related to the **Agreement** (or any such other agreement); or

c. business activities conducted by one of any **Party** to the **Agreement** or by the party or any of its **Related Parties**.

13.2.2 Article 13.2.1 under the **Agreement** does not prohibit the disclosure or use of information in the following circumstances:

a. disclosure or use in accordance with the law or the requirements of any stock exchange on which the shares of any **Party** are listed;

b. disclosure or use as required to achieve the rights and interests of any **Party** to the **Agreement** under the **Agreement**;

c. disclosure or use as required for any legal action or arbitration arising from the **Agreement** or other agreements entered into pursuant to the **Agreement** or disclosure to the **Tax Authority** in respect of the taxation matters of the disclosing party;

d. disclosure to a professional adviser of any **Party** to the **Agreement**, provided that the professional adviser undertakes to comply with the provisions of Article 13.2.1 on such information as if it were a party to the **Agreement**;

e. information already known to the public (except for disclosures made in violation of the **Agreement**);

f. the other party has previously agreed in writing to disclose or use; or

g. information independently developed after **Closing**.

Prior to the disclosure or use of any information under Articles 13.2.2(a), 13.2.2(b) or 13.2.2(c) of the **Agreement**, the relevant **Party** to the **Agreement** shall promptly notify the other party the requirements for disclosure or use, so that the other party has the opportunity to refute or discuss the timing and content of such disclosure or use.

14 MISCELLANEOUS

14.1 Obligations of collaboration

Each **Party** shall from time to time and in accordance with the reasonable requests of the other **Party**, execute necessary relevant documents and take necessary actions in order to complete the transfer of the **Target Equity** to the **Buyer** and realize all the interests of the **Parties** under the **Agreement**.

14.2 **Entire Agreement**

The **Agreement** constitutes the entire agreement between the **Parties** regarding the matters covered by the **Agreement** and supersedes any previous, agreement, whether oral or written, between the **Parties** regarding the matters covered by the **Agreement**.

14.3 **No transfer**

Without the prior written consent of the **Buyer**, the **Sellers** may not transfer or otherwise transfer any of their rights and obligations under the **Agreement**, whether in whole or in part.

14.4 **Waiver**

Any waiver of any provision of the **Agreement** shall be made in writing and shall not be valid until the signing of the **Party** entitled to waive the right.

14.5 **Entry into force, modification, cancellation and termination**

14.5.1 The **Agreement** shall become effective at the time of signing and shall have effect upon all parties.

14.5.2 Any amendment to the **Agreement** shall be made in writing and shall only be valid after signing by all parties.

14.5.3 If, due to the reason of the **Buyer**, the **Listing Entity** fails to complete the IPO within three (3) years after the **Closing** is completed, either party has the right to propose to terminate the **Agreement**.

If the **Agreement** is terminated, the **Target Company** shall be liquidated. The **Buyer** and the **Sellers** shall distribute the assets of the **Target Company** according to the proportion of their respective actual capital contributions. If the **Buyer** provides financial support to the **Target Company** at a price significantly lower than the market price during the process of controlling the **Target Company**, the preferential amount shall be paid to the Buyer when the two parties terminate relationship in respect of the cooperation and the equity.

14.5.4 In the event of any of the following circumstances, the Buyer has the right to terminate the Agreement, in which case the Target Company shall be liquidated. The Buyer and Sellers or their respective heirs and legal representatives shall distribute the assets of the Target Company according to the proportion of their respective actual capital contributions:

a. death or incapacity of the **Sellers**;

b. due to third-party reasons or force majeure, the **Listing Entity** fails to complete the initial public offering within three (3) years after the **Closing** is completed;

c. other reasons as agreed by both parties.

14.5.5 If the **Sellers** encounter the following circumstances, the **Buyer** has the right to terminate the **Agreement**, in which case the **Target Company** shall be liquidated. The **Buyer** and the **Sellers** shall distribute the assets of the **Target Company** according to their respective actual capital contributions; but the share of assets the **Sellers** are entitled to shall be first used to indemnify the **Buyer** against the loss:

d. there is any significant personal integrity issue with the management of the **Sellers** or the **Target Company**;

e. the Board of Directors of the **Target Company** determines that the performance of the **Target Company** is severely not meeting expectations;

f. the **Sellers** change the Target Equity due to the pledge, marriage, or inheritance of such equity;

g. the **Sellers** are found to be criminally liable by the public security organ, the procuratorate or the court;

h. the **Sellers** substantially violate the obligations under the **Agreement**.

14.6 **Third-party rights**

Except as otherwise expressly provided in the **Agreement**, the **Agreement** does not confer any rights on any **Third Party**.

14.7 **Notice**

14.7.1 Any notice related to the **Agreement** shall :

a. made in writing (including in the form of e-mail);

b. written in Chinese; and

c. sent by hand, fax, registered mail or courier.

14.7.2 Notices to the **Buyer** shall be sent to the **Buyer** at the following address, or to any other person or address notified to the **Sellers** and the **Shareholders** from time to time by the **Buyer**:

[Buyer]

[ ]

E-mail: [ ];

14.7.3 Notices to the **Sellers** shall be sent to the **Sellers**' representative at the following address, or to any other person or address notified by the **Sellers**' **Representatives** from time to time:

E-mail: [●]

14.7.4 Notifications under the **Agreement** shall become effective immediately upon receipt and shall be deemed to have been served in the following circumstances:

(a) it will be deemed as served at the time of delivery if sent by hand, registered mail or courier;

(b) It will be deemed as served after it has been clearly transmitted if sent by facsimile.

14.8 **Invalidity**

If, pursuant to any **Law**, all or part of the content of the **Agreement** is deemed to be illegal, invalid or unenforceable:

a. the provision or such related parts will be deemed not to constitute the content of the **Agreement**, and the legality, validity or enforceability of other content of the **Agreement** will not be affected;

b. the **Sellers** and the **Buyer** shall use their reasonable efforts to agree on a legally valid and enforceable alternative clause, and the content of the alternative clause shall be as close as possible to the original intention of the illegal, invalid or unenforceable clause.

14.9 **Resolution of disputes**

14.9.1 The **Buyer** and the **Sellers** shall endeavor to resolve any dispute ("**Dispute**") arising out of or relating to the **Agreement** through negotiation and in good faith as soon as possible.

14.9.2 If a **Dispute** cannot be resolved through negotiation, the dispute shall be submitted to the Beijing-based China International Economic and Trade Arbitration Commission (the "**Arbitration Commission**") and settled in arbitration in Beijing in accordance with the then effective arbitration rules. The arbitral award shall be final and binding on each of the **Parties**. The language of arbitration is to be Chinese, and the supporting documents are to be submitted in Chinese.

14.9.3 The arbitration shall be conducted by three (3) arbitrators. The **Buyer** shall appoint one arbitrator, the **Sellers** shall appoint one arbitrator, and the third arbitrator shall be jointly appointed by a named arbitrator appointed by both parties. If the arbitrator appointed by both **Parties** cannot agree on the candidate for the third arbitrator, the third arbitrator is to be appointed by the chairman of the arbitration commission.

14.10 **Applicable Laws**

The **Agreement** and all documents executed under the **Agreement** shall be governed by and construed in accordance with the **Laws of China**.

14.11 **Language**

The **Agreement** has been drafted in Chinese.

Agreed and signed on [●]:

Buyer

_____

Authorised Representative

Sellers

_____

[ ]

_____

[ ]

Appendix I: Definitions

"**Accounting Standards for Enterprises**" means the latest version of Accounting Standards for Enterprises promulgated and revised by the Ministry of Finance of the People's Republic of China;

"**Related Party(ies)**" means the other **Entities** that, for the purposes of any **Entity**, in control of, is controlled by **the Entity**, or under common control with it by others. For the purposes of this definition, "control" on any **Entity** means owning the rights of, directly or indirectly, and actually determining the entity's business decisions, whether through shareholding or schemes of arrangement or otherwise. The "**Agreement**" means this equity purchase agreement and all its Appendixes;

"**Working Day**" means any date which is not a Saturday, Sunday or legal holiday in **PRC**;

"**Closing**" means the completion of the **Transaction** under the **Agreement**;

"**Closing Date**" means the date on which the **Closing** takes place;

"**Performance Inclusion Date**" means the first day of the next month of the date when the first income of the **Target Company** is included in the **Buyer**'s account.

"**Net profits**" means the net profits arising from the **Target Company**'s business in the **Target Company** or the **Buyer** and its designated companies, of which the amount is based on the management report of the **Target Company** issued by the **Buyer**

"**Base Period of Business Results**" shall be twelve (12) months prior to the listing if the **Target Company** is being for twelve (12) months from its **Performance Inclusion Date** to the date of listing; and shall be twelve (12) months following its **Performance Inclusion Date** if the **Target Company** is being less than twelve (12) months from its **Performance Inclusion Date** to the date of listing.

"**Conditions Precedent**" means the conditions set forth in Clause 5.1; and **the** "**Condition Precedent**" means any one of the **Conditions Precedent** or a certain **Condition Precedent** (as the context requires);

"**Employee(s)**" means the key employees and other employees set forth in Appendix II;

"**Encumbrance(s)**" means claims, guarantees, pledges, mortgages, liens, options, power of sales, usufructs, retentions of title, rights of pre-emption, rights of first refusal or any other types of third party right or security interests or agreements to create any of the foregoing;

"**Government Department(s)**" means legislative, judicial and administrative authorities and departments of the central government, provincial, municipal or other governments and their branches in the **PRC**;

"**Guarantee(s)"** means the guarantee or warranty provided by the **Entity** of one party for the obligations of other **Entity** (actual or potential) through the way of guarantees, undertaking indemnity, securities, comfort letters or other guarantees, securities, rights of set-off, undertaking joint liabilities or commitments, whether directly or through counter-indemnity or otherwise;

"**Intellectual Property Rights**" means the rights to register, apply for, and apply for registration of trademarks, trade names, domain names, patents, copyrights and all other similar rights and the rights to register, apply for, and apply for registration of such rights;

"**Law(s)**" means all applicable regulations, laws, administrative regulations, ordinances, decrees, judgments, rules, or orders of **Government Department**, including, for the avoidance of doubt, **Laws** in relation to **Taxes**;

"**Liability(ies)**" means all types of all liabilities, duties and obligations, whether they are derived from contractual, **Laws** or other requirements, or existing or future, actual or potential, identified or unidentified, or controversial or non-controversial liabilities, and whether or not they are separate or joint liabilities, or arising based on principal or secured debt; while a "**Liability**" means any one of the liabilities or a certain liability thereof (as the context requires);

"**Loss**" includes all damages, losses, **Liabilities**, costs (including reasonable lawyer fees and expert and consultant fees), charges and fees;

"**Major Adverse Effect(s)**" means any event or situation that shall or may affect the **Target Company**'s legal existence, operation management, business license, product registration, business operation, financial position, business reputation or other material aspects (including but not limited to any proceedings, arbitral procedures, tax verification, tax penalties, or any investigation or penalty procedure conducted by other Government Department against the company that may have a material adverse effect on the **Target Company**);

"**Party(ies)**" means the combination of the **Buyer** and the **Sellers**; **the** "**Party**" means any party of such parties or a certain party thereof (as the context requires);

"**Entity(ies)**" means any individual, company, enterprise, individual entrepreneurs, unincorporated associate, partnership, association, trust or other forms of entity or organization;

"**PRC**" means the People's Republic of China (for the purposes of the **Agreement**, excluding Hong Kong and the Macau Special Administrative Regions of the PRC and Taiwan);

"**Industry and Commerce Authority**" means the State Administration for Industry and Commerce of the **PRC** or its subsidiaries;

"**Existing Businesses**" means all the business activities of the **Target Company** at the **Execution Date**, including the purchase and sales of old motor vehicles, as well as the related consulting and brokerage services.

"**New Store(s)**" means the business that the **Target Company** establishes or obtains following the **Closing Date**, with independent entrance, addresses, business systems, lease contracts, and business personnel.

"**SaaS System for Used Cars**" means the software provided by the **Buyer** to the **Sellers** for the management of used car transactions.

"**Restricted Employee(s)**" means any **Employee** hired by the **Buyer** or its **Related Parties** upon or after the **Closing**, and the **Employee**:

a. accesses to the trade secrets or other confidential information of the **Target Companie**s; or

b. participates in discussions related to the **Transaction**; or

c. is a **key Employee**;

"**Undertakings of the Sellers**" means the undertakings given by the **Sellers** to the **Buyer** pursuant to Clause 10.1 and Appendix VIII ***(Undertakings of the Sellers)***, and the "**Undertaking of the Sellers**" means any one of such **Undertakings of the Sellers** or a certain **Undertaking of the Sellers** (as the context requires);

"**Original Company**" means[ ]and its related parties;

"**Execution Date**" means the date on which the last **Party** executed the **Agreement**;

"**Taxes**" means all kinds of taxes collected and received by the **Tax Authority** from any **Entity** in compliance with applicable **Laws** (including value added tax, consumption tax, business tax, income tax, stamp duty, and other collected taxes or charges), which include all penalties, charges, costs and interest related thereto.;

"**Tax Authority**" means the authority or other **Government Departments** responsible for the collection of **Taxes** or for the management and/or the collection of **Taxes** or the implementation of **Taxes** related thereto as the **Laws** and regulations require;

"**Transaction**" means the **Buyer**'s acquisition of the **Target Company** and any subsidiary arrangements related thereto;

"**Transfer of Intellectual Property Rights**" is defined in Clause 7.2 of Appendix VIII ***(Undertakings of the Sellers);***

Appendix II: List of Employees

(i) List of key employees

(ii) List of other employees

Appendix IV: List of Lease Contracts

Address	Lease term	Lessor	Area (square meters)	Annual rental

Appendix V: List of Business Contracts (if any)

Appendix VI: List of Assets

Asset types	Brand	Quantity
Computer		
Server		
Printer		
Photocopier		
Air conditioner		
Television		
Office furniture		
Office software		
Car washer		
Servicing equipment		
Others		

Appendix VII: List of Intellectual Property Rights

Type	Brief Description	Whether registration has been obtained
Copyright		
Patent		
Trademark		
Trade name		
Domain name		
Design		
Others		

Appendix VIII: Undertakings of the Sellers

1 **Provision of information and authenticity**

All information provided by the **Sellers** to the **Buyer** related to making an investment decision, is true, accurate, complete in all material respects and not misleading.

2 **Civil capacity and authority**

2.1 Each **Seller** is a natural person with civil capacity in accordance with the **PRC Law**.

2.2 The **Sellers** have full authority to enter into and perform the **Agreement**, and any other documents proposed pursuant, or related to the **Agreement**, which executed by the **Sellers**. The above agreements and documents will constitute a binding obligation to the **Sellers** in accordance with their respective terms upon the execution thereof.

3 **Information about company**

3.1 **Target Company**

a. The **Target Company** is a legal person duly established, validly existing and duly operating in accordance with the PRC law;

b. The copy of articles of association of the **Target Company** provided by the **Sellers** to the **Buyer** is the newest and is true and accurate.

c. The original and copy of the business license of the **Target Company** provided by the **Sellers** to the **Buyer** is the latest and true;

d. All registrations, filings, publicities and other procedures submitted or processed by the **Target Company** to the administrative department for industry and commerce have been submitted or processed on time as the laws require.

3.2 **Target Equity**

(a) The **Sellers** are the statutory and equity owners of the **Target Equity** stipulated in Clause 2.1 of the **Agreement**.

(b) The **Target Equity** has been legally and effectively subscribed for and paid in full. There is no any situation or risk that **Entity** who has or claims to any rights (including capital conversion, issuance, registration, sale or transfer, repurchase and corresponding security interests) to the registered capital of the **Target Company** in accordance with any options, agreements or other arrangements (including conversion rights and priorities).

(c) No **Encumbrance** has been created on any part of the **Target Equity**.

(d) No any dispute or potential ownership dispute is involved in the **Target Equity**.

4 **Accounts**

4.1 All accounts have been prepared in accordance with the accounting principles and practices of **Accounting Standards for Enterprises,** based on which the **Accounts** accurately reflect the financial position, assets and liabilities, and profit and loss of the **Target Company** as of the **date of the accounts**.

5 **Guarantees**

There is no guarantee, pending indemnification or security interest which is still valid that was:

e. made by the **Target Company; or**

f. made in favour of the **Target Company.**

6 **Assets owned or leased**

6.1 Property

The **Target Company** does not own, nor does it have the right to purchase, any real estate or property;

6.2 Lease

a. Appendix IV *(List of Lease Contracts)* sets forth all the real estate leased by the **Sellers** or the **Original Company** upon the execution ("**Leased Property**").

b. No **Encumbrance** has been created on any **Leased Property.**

6.3 Ownership of Motor Vehicles

a. Appendix III (List of Motor Vehicles for Transfer of Ownership to be Confirmed) sets out all motor vehicles ("**Motor Vehicles**") actually controlled by the **Sellers** or **Original Company** upon the execution.

b. No **Encumbrance** has been created on the **Motor Vehicles**.

6.4 Other assets

All assets used by the **Sellers** other than the **Leased Property** and assets for disposal or realisation in the normal course of business:

a. are legally owned by the **Sellers** which being the equity owners thereof;

b. are owned or controlled by the **Sellers**; and

c. there are not any **Encumbrance.**

7 **Intellectual Property Rights**

7.1 The **Intellectual Property Rights** set out in Annex VII (*List of Intellectual Property Rights*) are the entire **Transfer of Intellectual Property Rights.**

7.2 **Transfer of Intellectual Property Rights** (or if the pending application, may owned after registration) and all other **Intellectual Property Rights** derived from **Transfer of Intellectual Property Rights** or related to **Transfer of Intellectual Property Rights** are owned solely and legally by the **Target Company**. No **Entity** shall own any ownership, joint ownership, exclusive licensing right and any other right over **Transfer of Intellectual Property Rights** and there is no risk that any **Entity** will obtain any of the aforesaid rights due to **Transfer of Business** to the **Target Company** or the **Transaction**.

8 **Contracts and other agreements**

All the business contracts valid on **Base Date** of **Sellers** are set out in Annex V (*List of Business Contracts*).

8.1 Equity joint ventures and other cooperation arrangements

The **Target Company** is not and has not agreed to be a member of any joint venture, group, partnership or other affiliated organisation (apart from the general accepted industry association where the **Target Company** has no other liability and obligation other than annual membership fee or membership fee payment).

8.2 Agreements with **Related Party**

a. There is no contract where the **Target Company** served as a party and any of its **Related Parties** or **Shareholders** served as the other party.

b. The **Target Company** has not signed any contract with any of its current or former employees, directors or managements, or the **Related Party** of any of the aforesaid persons or the third parties who have any direct or indirect interest.

8.3 Compliance with agreements

All of the contracts to which the **Target Company** is a party are valid and binding upon all the parties thereto, and the **Target Company** and any other party of such contracts have complied with the terms thereto. There is no written notice of termination or proposed termination of such contracts.

9 **Employees and Employee Benefits**

9.1 **Employees** and terms of employment

Annex II (*List of Employees*) (i) contains:

(a) The names of all the **Employees** employed by the **Target Company** at the end of the **Working Day** before the **Execution Date**; and

(b) The salaries, other benefits and consecutive employment terms of all the **Employees** employed by the **Target Company** at the end of the **Working Day** before the **Execution Date.**

9.2 Termination of employment

a. The **Target Company** has not received any written notice of resignation from any **Key Employees.**

b. With respect to actual or proposed termination of employment of an **Employee** or the **Target Company** or a former employee of the **Sellers**, the **Target Company** has not made or agreed to make any payment or provided any benefit to any **Employee** or former employee of the **Target Company** or any of the **Sellers**, or to the family members of any such **Employee** or former employee

9.3 Compliance with Labour Law

a. Regarding all personnel of **Target Company**, the **Target Company** has complied with all the applicable **Laws** in relation to employment, employee benefit and labour issue, including but not limited to labour contracts signed with every employee. The term of the labour contracts signed between the **Target Company** and its employees are in compliance with requirements of **Laws.**

b. There is no circumstance where the **Target Company** may be required to pay damages or indemnification, be fined, or be required to take remedial measures or be subject to any form of penalties in accordance with any relevant labour **Laws**. There are no existing, pending and potential claims of any form raised by any of the current of former employees of the **Target Company** or against the **Target Company**.

c. The **Target Company** has withheld and paid all the social insurance funds, housing funds, payments, benefits and allowances in accordance with applicable **Laws** and labour contracts.

9.4 Labour disputes

The **Target Company** does not have any strike, labour conflict, labour dispute, or any dispute or negotiation in relation to demands of claim against the employees of the **Target Company** or labour union or other organisation on behalf of its employees.

9.5 Bonus and other arrangements in respect of profits

Save for performance-related bonuses, the **Target Company** does not have any equity incentive, share option, profits sharing, bonus or other incentive arrangements.

10 **Abidance by Laws**

10.1 Licences and Consents

The Target Company possesses all important licences, permissions, consents, authorizations, certificates and registrations for carrying out **the Existing Businesses**. All above are currently effective and have abided by the regulations of them in all important aspects. As far as **the Sellers** know, there is no reason to suspend or revoke any of them.

10.2 Compliance with Laws

a. **The Target Company** has complied with all **Laws** when carrying out its **Existing Businesses**.

b. There is no pending investigation, professional disciplinary procedures or inquiry against **the Target Company** or any **Entity** which may attribute its conduct or fault to **the Target Company** carried out by court, tribunal, arbitrator, government agency or regulator, or an order, adjudication, decision or judgment issued by court, tribunal, arbitrator, government agency or regulator.

c. **The Target Company** has not received written notice issued by any court, tribunal, arbitrator, government agency or regulator involving the violation and/or the failure to abide by **Laws** by **the Target Company**, or the requirements for its act or omission.

11 **Lawsuit**

11.1 Whether as a plaintiff, defendant of other party, **the Target Company** is not involved in any claims, legal procedures, lawsuit, accusation, investigation, inquiry or arbitration (excluding as a plaintiff to recover the debts incurred in its normal business process).

11.2 To the knowledge of **the Sellers**, there are not any potential claims, legal proceedings, lawsuit, accusations, investigation, inquiry or arbitration against **the Target Company**.

12 **Used Motor Vehicle Transactions**

Regarding any used motor vehicles or services sold or provided by **the Target Company** or **the Seller**, **the Target Company** and **the Seller** have not received any single claim for an amount exceeding RMB100,000 within the 12-month period prior to the **Execution Date**.

13 **Taxes**

13.1 **The Target Company** has duly paid up all taxes when the related taxes are due and the related department requests payment. **The Target Company** does not and is not expected to be involved in any tax-related disputes.

13.2 The Tax Authority has not investigated or shown its intention to investigate the taxes matters of **the Target Company**.

14 **Events occurring since the Base Date**

14.1 The financial condition of **the Target Company** has not had **Major Adverse Effects** since the **Base Date**.

14.2 **The Existing Businesses** have been continuously in normal operation without any significant interruption or significant changes in their nature, scope or manner of operation since the **Base Date**.

14.3 **The Target Company** has not decided, executed or paid any profit or other allocations to **the Sellers** or other **Entities** since the **Base Date**.

15 **Information disclosure**

The following information is provided by **the Sellers** at a responsible manner, and **the Sellers** had not intentionally provided any false information or deliberately concealed any matters, the results of which would cause the disclosures be materially untrue or inaccurate;

a. All disclosures in accordance with **the Disclosure Letter**; and

b. All information offered to **the Buyer** and all answers to the questions put forward by **the Buyer** in its due diligence process.

16 **Existence**

16.1 **The Target Company** is legally incorporated and validly existing under **the Chinese Laws**.

16.2 **The Target Company** is not bankrupt or is unable to pay the debts payable that are due under the applicable **Laws**.

16.3 **The Target Company** does not have any reconciliation or restructuring arrangements with creditors, nor are there any liquidation, bankruptcy or other bankruptcy-related legal procedures against **the Target Company**. Furthermore, as far as **the Sellers** know, any events which may cause the occurrence of such legal procedures have never happened before.

16.4 No **Entity** has taken any measures to exercise security rights regarding assets of **the Target Company**, and further, no events which may cause the possible exercise of that security right have occurred.

Appendix IX: Undertakings of the Buyer

17 **Authority, Power and Establishment**

Being validly existing, **the Buyer** is a company legally incorporated under the **Laws** of its location of registration.

2 **The Authority to Sign this Agreement**

a. **The Buyer** has full power and authorization to enter into and perform the **Agreement** and any other documents signed by **the Buyer** under or in relation to the **Agreement**. The above agreement and documents, after being signed and obtained the approval of the **PRC's examining and approving authority** (if applicable), shall constitute effective obligations binding to **the Buyer** pursuant to their respective terms.

b. **The Buyer** has obtained or will obtain all necessary company authorizations prior to **Closing**, authorizing it to fulfil the **Agreement** and any other documents signed by **the Buyer** under or in relation to the Agreement.

Appendix X: Certificates

1 **Business license of the Buyer**

2 **Copy of the ID card of the Seller**

Exhibit 10.17

Supplement to Equity Purchase Agreement

This Agreement is reached by the following parties in Beijing on January 11, 2019:

(1.) Shanghai Jieying Automobile Sales Company, Limited, a limited liability company established in Jiading District, Shanghai, People's Republic of China, with its registered address at Room 105, 1st Floor, Building No. 2, No. 333 of Fengrao Street, Jiading District Shaihai, PRC. Its registered legal representative is Ji Chen (Hereinafter called the "Purchaser");
(2.) [ ] (Hereinafter called the "Seller"):

All the terms appeared in this Supplement Agreement, except those otherwise defined, shall have the same definition as those appeared in the Equity Purchase Agreement entered into between the parties on July 20, 2017.

Whereas:

1. The parties entered into an Equity Purchase Agreement stipulating the purchase of the equity of the Target Company by the Purchaser from the Seller (the "Original Agreement"), whereby the Purchaser purchases 70% of the equity of the Target Company and shall pay the relevant Price by causing its overseas holding company after its IPO to issue shares to the Seller or an overseas special purpose company to be established by the Seller;
2. Kaixin Auto Group, Renren Inc. and relevant parties had executed with CM Seven Star Acquisition Corp (an corporation listed on NASDAQ, the "Listed Entity"), the Listed Entity shall purchase all the shares held by Renren Inc. in Kaixin Auto Group using a certain amount of shares issued by the it, and Kaixin Auto Group shall become a subsidiary of the Listed Entity, thus realize the indirect IPO of Kaixin Auto Group;
3. Through friendly negotiation between the parties, this Supplement is adopted to address the supplements and adjustment to the Original Agreement:

(1) The parties agree to the IPO and revise Section 4.1.1 as follows:

"After the IPO of Kaixin Auto Group, Purchaser shall pay the entire price for the purchased Target Company's equity through the issuance of common shares of the Listed Entity to the Seller or an overseas special purpose company established by the Seller, as well as other payments as stipulated in Section 4.1.2 of the Agreement."

(2) Section 4.1.2 of the Original Agreement is revised as follows:

"The price of the shares to be issued to the Seller as mentioned above shall be the share price at the IPO of the Listed Entity (the "Share Price"), and the number of shares to be issued shall be (a) calculated and ascertained by using the Share Price as basis, (b) adjusted according to the Target Company's performance indicators per the stipulations of this Agreement, (c) readjusted pro rata according to the Earn Out of Kaixin Auto Group, Indemnification and the total Price of the stock received by Renren Inc. per the stock exchange transaction documents and (d) limited by the total number of the shares of the Listed Entity available for distribution."

(3) A new Section shall be inserted after Section 11.3.3 of the Original Agreement:

“11.3.4 Any tax liabilities incurred by the Seller for the acquisition of the abovementioned shares, securities or cash by the operation of any relevant laws and regulations shall be borne by the Seller himself. Seller shall indemnify the Purchaser for any losses caused by any non-performance of his tax liabilities.”

(4) This Supplement shall be effective upon the signatures of the parties, the contents binding on the parties and be an integral part of the Original Agreement after signing. In case of any discrepancy with the Original Agreement, the stipulation of this Supplement shall prevail.

(5) Except those parts explicitly supplemented or revised, all other parts of the Original Agreement shall remain valid and effective.

Purchaser: Seller:

Shanghai Jieying Automobile Sales Company

Exhibit 10.18

Used Vehicle Purchase Contract

Contract No.: _____

This used vehicle purchase contract (this "Contract") was entered into between the following parties on this day of _____ at _____.

Seller: Original vehicle owner ("Party A")
ID/License No.: **ID No.**
Address: **Actual correspondence address**
Telephone: **Actual telephone No.**

Buyer: Jieying (捷盈) Executive ("Party B")
ID No.:
Address:
Telephone Number:

Registrant: JV staff ("Party C")
ID No.: **ID No.**
Address: **Actual correspondence address**
Telephone: **Actual telephone No.**

Service Provider: Shanghai Jieying Auto Retail Co., Ltd. (上海捷盈汽车销售有限公司) ("Party D")

License Number: 91310114MA1GTX4FXP
Legal Representative:
Registered Address:

After arm's length negotiations, the Parties have entered into and inend to be bound by the following agreement on the sale and purchase of used vehicles:

1. Information on the Vehicle consistent with registration information

1.1 Basic information of the Subject Vehicle

1.1.1 Manufacturer Brand:

1.1.2 Model:

1.1.3 Color:

1.1.4 Engine displacement :

1.1.5 Key(s):

1.1.6 Vehicle identification number (VIN):

1.1.7 Driving mileage:

The Parties hereby confirm that the above mileage is recorded on _____, and the mileage noted when the vehicle is actually delivered to Party B may be different due to reasons such as Party B's test drive, relocation and completing related procedures.

1.1.8 Basic configuration: subject to the actual condition of the Subject Vehicle.

1.2 Information on registration, insurance and annual inspection of the Subject Vehicle

1.2.1 Registration Certificate No.:

1.2.2 Owner of the Vehicle as set forth in the Registration Certificate:

1.2.3 Date of initial registration: day___month_____year

1.2.4 Vehicle inspection valid until: : day___month_____year

2. Settlement and payment of the Subject Vehicle

2.1 The full purchase price ("Vehicle Purchase Price") of the Subject Vehicle is RMB (RMB Yuan). Party B shall pay to Party A the purchase deposit for the Subject Vehicle RMB (RMB Yuan) on the date of signing this Contract and the remainder of the Vehicle Purchase Price shall be paid to Party A within 1 working day after the date of completion of the transfer or registration of Subject Vehicle.

2.2 Party B shall pay the deposit and remainder of the Vehicle Purchase Price to the following account designated by Party A:

Account Name: _____;

Account Bank: _____;

Account No.: _____;

3. Transfer and delivery of the Subject Vehicle

3.1 Party A shall deliver the Subject Vehicle to Party B after receiving payment in full of the Vehicle Purchase Price ("Vehicle Delivery"), and assist Party B with processing the transfer or registration of Subject Vehicle under Party C's name within 2 working days after receiving payment in full of hte Vehicle Purchase Price in accordance of Party B's instruction. The transfer fee incurred by the transfer or registration shall be borne by Party _____.

3.2 Party A guarantees that the vehicle is free from accident damage, water damage, fire, and economic disputes, and the vehicle's registration information is accurate and legal and that the vehicle is capable of being transferred to Party C through normal procedures. If the vehicle is identified by the third party as an accident-damaged vehicle, water-damaged vehicle, and the vehicle cannot be transferred or registered through normal procedures by or before the agreed date (day___month___year), Party B has the right to return the vehicle to Party A; and Party A shall complete procedures for the return and refund of the vehicle as of the date when Party B determines that one of the following has occurred: (1) the vehicle was damaged in an accident (2) the vehicle has water damage (3) the vehicle cannot be transferred or registered through normal procedures, as well compensate Party B's expenses and losses incurred accordingly. If Party A is unable to complete the refund on the agreed date, Party A shall pay the default penalty of 0.2% of the total amount of the Vehicle Purchase Price to Party B for each day the refund payment is delayed following the agreed date.

3.3 If Party C has not yet registered the vehicle, Party B shall be responsible for all traffic accidents and traffic violations that occur after the date of Vehicle Delivery from day____month_____year, while Party is responsible for all of the above before the date of Vehicle Delivery.

3.4 The user shall be responsible for problems arising from the use of vehicles during the process of transferring the vehicle after delivery takes place.

3.5 Party A shall hand over the vehicle's relevant documents and materials (including but not limited to registration certificate, driving permit, manual, 2 sets of keys and maintenance manual) to Party B within ____working days after Party A completes the transfer.

3.6 Party C acknowledges that Party B is the owner of the Subject Vehicle and Party C entrusted by Party B to be registered as the owner of the Subject Vehicle under the Vehicle Entrusting and Holding Agreement.

4. Technical consultation services for used vehicles

4.1 Party D shall provide used vehicle related technical consulting services and used vehicle system business management services ("Services") to Party B:

4.2 Party B shall pay service fees to Party D for the above Services in full.

5. Undertaking and guarantee

5.1 Party A undertakes and guarantees that,

5.1.1 it has the full ownership of the Subject Vehicle and the Subject Vehicle is free from accident damage, water damage, fire, and economic disputes, and its registration is accurate and legal.

5.1.2 it will assist Party C with completing the transfer and/or registration procedures of the Subject Vehicle under the direction of Party B, and it will provide all the materials to Party B before proceeding with such procedures, and bear full responsibility for the authenticity, validity and legality of such materials.

5.2 Party C undertakes and guarantees that,

5.2.1 it will provide the necessary materials or cooperate with Party B in handling other related matters as requested during the process of transferring and/or registering the Subject Vehicle.

5.2.2 it will comply with the Vehicle Entrusting and Holding Agreement

6. Liabilities

6.1 Should Party A fail to provide the materials necessary for the transfer and/or registration of the Subject Vehicle under this Contract or be reluctant to cooperate with Party B in completing the relevant registration procedures, which results in a delay of the transfer and registration of the Subject Vehicle, for each day overdue, Party A shall pay liquidated damages to Party B based on 0.5% of the Purchase Price. If the transfer and registration is overdue for 15 consecutive days, Party B shall have the right to unilaterally terminate this contract.

6.2 Should Party A fail to provide the materials as required, which prevents completion of the transfer and/or registration procedures for the Subject Vehicle, Party B shall have the right to terminate this Contract, upon which Party A shall pay liquidated damages to Party B equal to the greater of (i) 10% of the Purchase Price and (ii) the actual losses suffered by Party B.

6.3 Should Party C fail to provide the relevant materials in a timely manner or be reluctant to cooperate with Party A in completing the relevant procedures, which results in delay and/or prevents the transfer and/or registration of the Subject Vehicle, Party C shall be liable for all losses caused to Party B.

6.4 Unless otherwise provided in this contract, should a party breach its obligations or guarantees under this contract, it shall be liable for the losses caused to the Party C as a result of such breach.

7. Dispute settlement

7.1 All disputes arising from this Contract shall be resolved by the relevant parties through friendly negotiation in the first instance.

7.2 If the relevant parties cannot resolve the dispute through friendly negotiation, the dispute shall be submitted for resolution by the People's Court where Party D is located.

8. Additional provisions

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9. Miscellaneous

9.1 The parties hereby agree that, if the Subject Vehicle is a special vehicle e.g. an electric car or a supercar, further agreement shall be reached in Article 8 (Additional provisions).

9.2 This Contract is prepared in four counterparts and each party shall hold one counterpart, each of which has the same legal effect.

9.3 This Contract shall be effective upon the date of signing by the parties hereto. Any amendment or change hereto shall be made in writing by the parties hereto and signed by the same before such amendment or change become effective.

[*The following pages are reserved for the signatures of the Parties to the Used Vehicle Purchase Contract*.]

The Used Vehicle Purchase Contract was entered into between the following Parties on this day of _____:

Party A: **Original vehicle owner**

Signature of Seller/representative: _____

Date: _____

The Used Vehicle Purchase Contract was entered into between the following Parties on this day of _____:

Party B: **Jieying (捷盈) Executive**

Signature of Buyer/representative: _____

Date: _____

Party D: Shanghai Jieying Auto Retail Co., Ltd. (上海捷盈汽车销售有限公司)

Signature of chief executive/representative: _____

Date: _____

The Used Vehicle Purchase Contract was entered into between the following Parties on this day of _____:

Party C **JV staff**

Signature: _____

Date: _____

Exhibit 10.19

Used Vehicle Agency Services Agreement

Contract Number:_____

Entrusting Party: (hereinafter collectively referred to as "**Party A**")

Party A I: Jieying Executive
Contact address:
Contact method:

Party A II: Shanghai Jieying Auto Retail Co., Ltd. (上海捷盈汽車銷售有限公司) (hereinafter referred to as "Jieying")
Legal representative:
Contact address:
Contact method:

Trustee: JV Auto Dealer (hereinafter referred to as "**Party B**")
Legal representative:
Contact address:
Contact method:

Guarantor: Shareholder Individual of Auto Dealer (hereinafter referred to as "Party C")
ID number:
Contact address:
Contact method:

Party A, party B and party C shall be referred to as "One Party" respectively and "Parties" collectively.

According to the Contract Law of the People's Republic of China and other relevant laws and regulations, Party A, Party B and Party C shall, after amicable negotiation, reach agreements in respect of Party B's provision of vehicle purchasing and selling through agency and safekeeping services to Party A and related matters concerning the provision of joint undertaking by Party C.

Second-hand Car Agency Service Agreement

I. Entrusted matters

Party A hereby entrusts Party B to undertake the following matters within the scope of Party A's authorization and according to the Agreement:

(1) purchasing used vehicles in the market within Party B's services scope (hereinafter referred to as "Purchased Vehicles"), and assisting to complete the transfer ownership formalities of the vehicles;

(2) selling vehicles, the disposal right of which is held by Party A (hereinafter referred to as "Sold Vehicles"), and assisting to complete the transfer ownership formalities of the vehicles;

(3) custody and maintenance of Purchased Vehicles and Sold Vehicles.

II. Purchased Vehicles

1. Basic information of Purchased Vehicles

   Party B shall, in accordance with the requirements of Party A on the brand, model, quality and price of Purchased Vehicles, look for suitable used sources in the market within its service scope, and then enter the vehicle information into the Jieying Used Vehicle SaaS System after the vehicle purchase.

2. Signing of Vehicle Purchase Contract

   Party B shall cause the seller and Party A to sign the Used Vehicle Purchase Contract provided by Jieying, and to facilitate the signing of the Agreement.

3. Entrust purchasing price, payment method and guarantee

   Party B shall negotiate with the seller on the actual transaction price of the Purchased Vehicles ("Purchase Funds") and make the best efforts to obtain the favorable price. The Purchase Funds of Purchased Vehicles shall be paid directly to the seller by Party A in accordance with the Used Vehicle Purchase Contract signed by the seller.

4. Transfer and Registration of Purchased Vehicles

   Party B shall, within the term of the transfer period stipulated in the Used Vehicle Purchase Contract, transfer Purchased Vehicles to the individuals (employees of Party B) designated by Party A, and cause the that Party A has the complete ownership of Purchased Vehicles, the employees of Party B shall be the owners of the vehicles in name only, and Party B and its employees have no right to claim any rights to the vehicles or in any form of use or disposal of vehicles.

5. Custody of data of Purchased Vehicles

   Party A shall, upon receipt of all documents and data formalities of the Purchased Vehicle from the sellers, transmit it to Party B's custody.

III. Sold Vehicles

1. Display of Sold Vehicles

   Party B shall display Sold Vehicles in showrooms and network operating platforms such as websites, WeChat platform, websites operated by collaboration partners, and actively seek target vehicle customers.

2. Signing of Vehicle Sales Contract

   Party B shall cause the buyer and Party A to sign the Used Vehicle Sales Contract provided by Jieying, and to facilitate the signing of the Agreement.

3. Entrusted Selling Price

   The entrusted selling price shall subject to the price of the "Information Table of Sold Vehicles" signed by Party A, Party B and Party C, and Party B may adjust the pricing according to the actual sales.

4. Payment method

   Sales payment of Sold Vehicles shall be received by Jieying on behalf of Party A and remitted to the following designated bank account of Jieying:

   Account Name: _____;

   Opening Bank: _____;

   Account Number: _____.

Payment shall be made in one of the following methods:

(1) Should the vehicle buyers adopt their own method for payment in full, then the vehicle buyers in accordance with the Used Vehicle Sales Contract signed by the vehicle buyers and Party A, remit all the payment to the above designated bank account within a specified period of time, and shall be deemed to make full payment upon the receipt of the payment by Jieying.

(2) Should the vehicle buyers adopt the loan installment payment method, then the vehicle buyers shall directly remit the first payment to the above designated bank account of Party A, which shall be deemed to be the completion of the first payment. When the loan bank issues the Vehicle Loan Consent Notice to Party A and receives all the materials necessary for the transfer of ownership and mortgage of Sold Vehicles, final payment for Sold Vehicles issued by the lending bank shall be remitted to the above designated account. Upon receipt of the final payment for vehicles by the Party A, the payment shall be deemed to be made in full.

5. Transfer ownership formalities of Sold Vehicles

Party B shall, within the term of the transfer period stipulated in the Used Vehicle Sales Contract, cause the employees of Party B to transfer the Sold Vehicles from them to the vehicle buyers.

IV. Custody and maintenance of vehicles

1. Party B shall be responsible for the custody, maintenance and display of the Purchased and Sold vehicles in accordance with the provisions of this article. When the vehicles are delivered to Party B, the vehicle risk of loss (including liability for violation, traffic accident liability, vehicle damage, loss, etc.) shall be transferred to Party B.

2. When Party B buys the Purchased Vehicles and sells the Sold Vehicles, Party B shall promptly record the vehicle information, the document filing condition, the ownership status, the purchase/sales process and so on into the Jieying Used Vehicle SaaS System, in order to form the complete and comprehensive records of the Purchased Vehicles.

3 Party B shall designate special employees who are responsible for the inspection and cleaning of the Purchased Vehicles, to ensure that the body, interior, tires, glass, headlights, air-conditioning, sound, engine, fuel tank and other parts are clean, complete, can function normally, and are in line with sales requirements.

4. Party B shall designate special employees who are responsible for placing and displaying the Purchased Vehicles in the exhibition halls, and uploading the vehicle information to the online sales platform. In the process of vehicle display, the employees should keep the showroom clean and tidy and perform cleaning of vehicles, daily inspection of the interior appearance of vehicles, and if the employees discover any quality problems, loss of electrical power, low oil, instrument platform failure, etc., the employees are required to conduct maintenance immediately. Party B shall establish a system of vehicle key management and a registration management system of vehicle entry and exit to prevent the loss and damage of vehicles.

5. Party B undertakes that from the time of delivery of Purchased Vehicles to Party B and before the delivery of Purchased Vehicles to the vehicle buyers (being the period of Party B's custody of the vehicles), Party B shall bear all the risk of loss of the vehicle (including liability for violation of regulations, traffic accident liability, vehicle damage, loss, etc.).

V. Entrust term

The Agreement shall take effect from the date of signature and seal of the parties, valid from [●] to [●]. When the agreement expires, the parties may renegotiate the extension.

VI. Service fees

1. Party A and Party B shall confirm the service fees monthly according to monthly business performance, which shall be paid by the Jieying to Party B.

VII. Warranties and Undertakings

1. Party A warrants and undertakes that:

   (1) Party A shall be in its own name with the seller and vehicle buyers signed the Used Vehicle Purchase Contract and Used Vehicle Sales Contract respectively, and the total payment of the Sold Vehicles shall be received by Jieying.

   (2) Party A entrusts Party B to keep all the data of Purchased Vehicles and Sold Vehicles.

   (3) In accordance with the Agreement, Jieying warrants that it shall make payment of service fees to Party B for the custody of Purchased Vehicles and Sold Vehicles.

(4) Jieying agrees that Party B can use all Jieying's Used Vehicle SaaS System for business management free of charge, and will guide and help Party B with the operation method of such System.

2. Party B warrants and undertakes that:

(1) The information regarding Purchased Vehicles and Sold Vehicles provided by Party B is true and valid, and there is no falsity or deliberate concealment of the truth.

(2) Party B undertakes that it will carefully review the basic situation of the vehicle buyers, collect and collate the materials provided by the customers, and review and judge the authenticity of the materials.

(3) Party B undertakes not to conceal the status of the Sold Vehicles from Party A and vehicle buyers, and the vehicles have not experienced any major accidents or fire or water damage etc. Party B shall bear full responsibility for any objections, disputes or lawsuits arising from purchase of the vehicles due to the quality problems of the Sold Vehicles.

(4) Party B warrants that it will bear all the responsibility for any damage, loss or quality problems of vehicles, violation liability, accident liability, etc.

(5) Party B warrants that it will transfer the vehicles to the employees of Party B in accordance with the requirements of the Agreement when purchasing vehicles, cause the employees of Party B to sign the Entrusted Owner Of Vehicles On Behalf Agreement, and supervise the employees of Party B not to use or dispose of vehicles without authorization. If the employees of Party B use or dispose of vehicles without authorization, including but not limited to leasing, lending, transfer, mortgage, pledge, gift and other acts, the proceeds therefrom shall be owned by Party A and Party B shall bear joint liability for all losses incurred to Party A. Party B shall bear joint liability for all losses incurred to Party A arising from the quality problems of vehicles, violation liability, accident liability due to the unauthorized use or disposal of vehicles of the employees of Party B

(6) Party B warrants to act as Party A to handle the transfer ownership and/or change registration formalities of Purchased Vehicles and Sold Vehicles.

(7) Party B warrants that it will, in accordance with the requirements policy and other data required by the Department of Motor Vehicles in various places required for the pledge of Sold Vehicles, and will cooperate with vehicle buyers for the pledge of Purchased Vehicles.

(8) Party B undertakes that it will inspect and maintain the vehicles in its custody in a timely manner, and ensure the normal operation of the showrooms and online sales platforms.

(9) Party B undertakes that its business process will be managed through the Jieying Used Vehicle SaaS System and will not use other similar systems.

VIII. Non-competition Terms

(1) Other than the entrustment of purchasing and selling vehicles entrusted to it by Party A, neither Party B nor any employee of Party B shall entrust or accept any third-party entrustment or cooperate with other parties to carry out used vehicle distribution or used vehicle brokerage business by any third party. Used vehicles purchased and sold by Party B in its name or in the personal name of employees of Party B shall be regarded as the purchasing vehicles and selling of vehicles entrusted to them by Party A.

(2) Should Party B violate the non-competition terms described above and engage in used vehicle distribution and brokerage business outside the scope of Party A's mandate, all the proceeds arising therefrom shall be returned to Party A; if this results in any loss to Party A, Party B shall compensate Party A and Party A shall have the right to terminate this Agreement.

IX. Dispute Resolution and Applicable Law

(1) If the parties to the agreement have any disputes over the content of the Agreement or its implementation, the parties shall conduct amicable negotiations; if the negotiation does not succeed, each party may file a lawsuit in the people's court where Jieying is located.

(2) The establishment, implementation and interpretation of the Agreement and the settlement of disputes shall be governed by the laws of the PRC.

X. Effectiveness, Amendment and Termination of the Agreement

(1) The Agreement shall be of legal effect upon the signature of each of the parties.

(2) Any amendment of the terms of the Agreement must be approved and be confirmed in writing by Party A, Party B and Party C.

(3) The Agreement shall be terminated due to any of the following reasons: The term of the Agreement is satisfied; each of the parties agrees to terminate the Agreement after negotiation.

(4) The early termination of the Agreement shall not affect the rights and obligations of the parties to the Agreement that have arisen under the Agreement prior to the earlier termination date of the Agreement.

XI. Other

(1) The failure by any party to the Agreement to exercise the rights under the Agreement in a timely manner shall not be deemed a waiver of the right nor will it affect the party's exercise of that right in the future.

(2) If any term of the Agreement is completely or partially invalid, is not enforceable or is in violation of any applicable law for whatever reason then that term is deemed removed. However the rest of the terms of the Agreement shall remain be effective and binding.

(3) The Agreement shall be binding on each party's heirs and assignees.

(4) The matters not covered in the Agreement shall be resolved through consultation by the parties.

(5) The Agreement is in quadruplicate. Each party holds one copy which has equal legal effect.

Below is the signature page of the Used Vehicle Agency Services Agreement

The Used Vehicle Agency Service Agreement was signed by the following parties on [●] 2017:

Party A I: Executive of Jieying

Signature: _____

Party A II (seal): Shanghai Jieying Auto Retail Co., Ltd. (上海捷盈汽車銷售有限公司)

Signature of legal representative or authorized representative: _____

The Used Vehicle Agency Service Agreement was signed by the following parties on [●] 2017:

Party B (seal):

Signature of legal representative or authorized representative: _____

Party C:

Signature: _____

Date

Exhibit 10.20

Vehicle Consignment Agreement

Client: Jieying (捷盈) Management ("Party A")
ID No.:
Address:
Telephone:

Trustee: JV staff ("Party B")
ID No.: **ID No.**
Address: **Actual correspondence address**
Telephone: **Actual telephone No.**

According to the *"Contract Law of the People's Republic of China"* and other relevant laws and regulations, Party A and Party B, on the principle of equality, voluntariness and friendly cooperation and with the consensus after negotiation, reached the following agreements:

1 Entrustment

1.1 Party A hereby entrusts Party B to purchase motor vehicles ("**Vehicle**" or "**Vehicles**") on its behalf. Party B hereby agrees to accept the entrustment of Party A and strictly follows the requirements of Party A to handle the entrustment.

1.2 Party A hereby entrusts Party B as the assignee of the Vehicles to register the ownership of the Vehicles. Party B hereby confirms that the ownership of the Vehicles belongs to Party A, and Party B only acts as the assignee of the Vehicles in the name to temporarily register the ownership of the Vehicle on behalf of Party A.

1.3 Upon the sales of the Vehicles purchased by Party A to a third party, Party B shall handle the procedures for transfer of the Vehicles to the third party in a timely manner.

1.4 Party B shall record the relevant conditions and information of each Vehicle in detail and fill out the "Vehicle Information Record Sheet" annexed hereto containing the brand, model, license plate number (if any), engine number, purchase date and sale date (if sold) of each Vehicle, and submit the "Vehicle Information Record Sheet" signed and confirmed by it to Party A on the last day of each month.

1.5 Party A and Party B jointly confirm that each "Vehicle Information Record Sheet" shall be signed and confirmed by Party B and submitted to Party A which constitutes part hereof.

2 Rights and obligations of Party A

2.1 Party A owns complete ownership of the Vehicles and has the right to exercise its own rights.

2.2 Any revenue generated from the Vehicles shall belong to Party A.

2.3 The normal expenses incurred by the Vehicles shall be borne by Party A itself including but not limited to the repair, maintenance, vehicle and vessel use tax, insurance premium, etc. of the Vehicles.

2.4 Party A shall be entitled to change the assignee of the Vehicles in the name from Party B to others and request Party B to handle related matters within the period of time specified by Party A.

3 Rights and obligations of Party B

3.1 Party B shall be only the nominal owner of the Vehicles and shall not be entitled to claim any rights against the Vehicles. Without the written consent of Party A, Party B may not use or dispose of the Vehicle in any form including but not limited to rental, lending, transfer, mortgage, pledge, gift, etc. for any personal reasons such as the division of property of spouses, the performance of personal debt, etc.

3.2 In the event of any litigation, arbitration, administrative penalties, administrative order or other request that have or may have an adverse effect on the interests of Party A, Party B and any of the Vehicles hereunder, Party B hereby guarantees to notify Party A in writing of notification, order or recommendation immediately after receiving such notification, order or recommendation issued or promulgated by the relevant court, arbitration tribunal or administrative agency concerning the ownership of the Vehicles, and take all necessary measures in accordance with the requirements of Party A to ensure the rights and interests of Party A in the Vehicles.

3.3 When Party A exercises rights to the Vehicles, Party B shall proactively cooperate with Party A in handling relevant matters in accordance with the requirements of Party A including but not limited to signing relevant documents and handling relevant procedures for the Vehicles.

3.4 Upon the transfer registration of the Vehicles in the name of Party B, Party B shall, within one day after completion of the transfer registration, deliver the relevant set of materials for the transfer of the Vehicles to the person or the company designated by Party A for custody, which shall include but not be limited to (1) motor vehicle registration certificate, (2) motor vehicle driving license, (3) valid motor vehicle safety technical conformity inspection mark, (4) vehicle purchase tax clearance certificate (5) vehicle mandatory liability insurance payment proof, (6) original invoice for vehicle purchase or uniform invoice for sales of second-hand vehicles, (7) “three guarantees” certificate and repair records, (8) vehicle keys and other information of the Vehicles.

3.5 Party B hereby agrees not to demand any remuneration from Party A for fulfilling any of its obligations hereunder.

3.6 Party B hereby agrees that without the written consent of Party A, it shall not transfer any of its rights or obligations hereunder to any other person.

4 Liabilities

4.1 Should Party B appear reluctant to handle the entrustment resulting in any delay in transfer (registration) of any of the Vehicles or fail to do so, Party B shall compensate all losses caused to Party A accordingly.

4.2 Should Party B use or dispose of any of the Vehicles without the written consent of Party A, Party B shall be entitled to all the proceeds therefrom; Should Party B cause losses to Party A for such behavior, Party B shall compensate all losses caused to Party A accordingly.

4.3 Should due to the reasons of Party B (including but not limited to the debt disputes involved by Party B, the administrative liability or criminal liability to Party B, etc.) resulting in adverse conditions (including but not limited to the damage, detention, seizure, forced auction or sell-off, etc. of the Vehicles), Party B shall compensate all losses caused to Party A accordingly.

5 Change and termination of the Agreement

5.1 Party A shall be entitled to notify Party B of the termination of the Agreement at any time. Party B shall transfer the Vehicles to Party A or the third party designated by Party A within the period of time specified by Party A upon receiving the notice of Party A.

5.2 Party B shall not be entitled to unilaterally amend and terminate the Agreement.

5.3 With consensus after negotiation, Party A and Party B may amend or terminate the Agreement.

6 Dispute settlement

6.1 Should there be any disputes or dissensions over the provisions of the Agreement or the performance thereof, Party A and Party B shall handle the matters through friendly negotiation; Should the negotiation fail, either party may file a lawsuit with the People’s Court where Party A is located.

7 Miscellaneous

7.1 Should there be any matters not covered by the Agreement, Party A and Party B may enter into supplemental agreements after negotiation. The supplemental agreements and the Agreement shall be of the same legal effect.

7.2 The Agreement shall take effect on the date of signature and seal of Party A and Party B and shall be in duplicate. Both Party A and Party B shall hold one copy, which shall be of the same legal effect.

[The following pages are reserved for the signatures of the Parties to the Vehicle Consignment Agreement.]

The Vehicle Consignment Agreement was entered into between the following Parties on this day of_____:

Party A:

_____

Date:

_____

Party B:

_____

Date:

_____

Exhibit 10.21

Loan and Service Agreement

Contract No:_____

Party A (Lender): Shanghai Jieying Automobile Sales Co., Ltd. (上海捷盈汽车销售有限公司)
Legal representative:
Address:
Contact:

Party B (Borrower): Jieying (捷盈) Management
ID No.:
Residence:

For the purposes of this Agreement, Party A and Party B are collectively referred to as the "**Parties**" and individually referred to as a "**Party**".

According to the "*Contract Law of the People's Republic of China*" and other relevant laws and regulations, Party A and Party B, after arm's length negotiations, entered into the following agreement for the purpose of the provision of loans from Party A to Party B for payment of the procurement of second-hand vehicles and services related to second-hand vehicles:

1. Loan

1.1. Amount of the Loan

Party A agrees to provide Party B with a loan dominated in renminbi at a certain amount ("**Loan**") in accordance with the terms and conditions set out in this Agreement, which shall be subject to the monthly Confirmation of Loan signed by both Parties (Appendix 1).

1.2. Purpose of the Loan

Party B warrants that the Loan will only be used for paying for the procurement of second-hand vehicles based on the instruction of third-party provider of second-hand vehicle service ("**Second-hand Vehicle Service Provider**") as designated by Party A. Party B shall not use the Loan for any other purpose without the prior written consent of Party A.

1.3. Conditions for the release of the Loan

Upon all of the following conditions are satisfied or waived by Party A in writing, Party A shall release the Loan to Party B within [ ] working days from the date of execution of this Agreement:

(1) The representations and warranties made by Party B in Article 4.2 under this Agreement are true, complete and correct, and not misleading;

(2) Party B shall use the account of Party A as the collection account for the sale of second-hand vehicles;

1.4. Release of the Loan

1.4.1 Both Parties agree that Party B may from time to time designate the account of a third party ("**Receiving Agent**") to collect the Loan. Both Parties confirm that Party B remains to be the debtor for the purpose of the Loan under this Agreement, and the Receiving Agent does not assume any obligation to repay the Loan.

1.4.2 For the confirmation of the Loan relationship, Party B shall, upon receiving the credit statement (Appendix 2) issued by the Receiving Agent, sign the Confirmation of Loan (Appendix 1) based on the actual credit amount together with Party A.

1.4.3 In order to monitor the use of the Loan, Party A has the right to manage the above-mentioned account designated by Party B either by itself or by a third party.

1.5. Term of the Loan

The term of the Loan shall commence from the date of execution of this Agreement to the day when Party A requires the Borrower to repay the Loan and the Borrower repay the Loan in full ("**Term of Loan**").

1.6. Interest of the Loan

During the Term of Loan, the Loan under this Agreement is a non-interest bearing loan. The interest of the Loan shall be calculated based on an annual interest rate of 0% from the second day upon the expiry of the Term of Loan.

1.7. Repayment of the Loan

1.7.1 Both Parties agree that the proceeds from the sale of second-hand vehicles by Party B on behalf of Party A shall be paid in full to Party A for the repayment of the Loan and payment of service fees, of which the portion exceeding the principal of the Loan shall be the service fees for the provision by Party A of second-hand vehicle service to Party B.

1.7.2 Party B undertakes that during the sale of second-hand vehicles, Party B shall designate the account of Party A as the collection account for the sale of second-hand vehicles.

1.7.3 Account information of Party A

The account information of Party A is as follows:

Account No.	:	[ ]
Account bank	:	[ ]
Account name	:	[ ]

1.7.4 During the Term of Loan as stipulated in this Agreement, Party A shall have the right to require Party B to repay the Loan in part or in whole at any time.

1.8. Guarantee of the Loan

1.8.1 Both Parties agree that the second-hand vehicles purchased by Party B by using the Loan will automatically serve as the guarantee for the Loan.

2. Second-hand vehicle service

2.1 Content of service

Party B authorizes Party A to deal with the following matters on behalf of Party B in Party B's purchase and sale of second-hand vehicles ("**Second-hand Vehicle Service**"):

(1) selecting the Second-hand Vehicle Service Providers;

(2) dealing with all matters relating to the purchase and sale of second-hand vehicles (other than the obligations of Party B as stipulated in this Agreement), including but not limited to disputes resolution;

(3) determining the price of purchase and sale of second-hand vehicles;

(4) collecting the proceeds of the sale of second-hand vehicles of Party B. In the "Second-hand Vehicles Sales Contract" entered into between Party B and the consumers, the collection account shall be the one of Party A.

2.2 Service fees and other relevant expenses

2.2.1 Both Parties agree that Party B shall pay Party A service fees at a certain amount, the particulars of which shall be subject to the Confirmation of Service Fees (Appendix 3).

2.2.2 Party A shall bear the costs or responsibilities between Party A and the Second-hand Vehicle Service Provider and Party B shall not bear any responsibility.

2.3 Party B agrees that the delegation is irrevocable and Party A may transfer the delegation.

2.4 The Second-hand Vehicle Service shall be terminated upon the expiry of the Term of Loan under this Agreement.

3. Obligations of Party B

3.1 Purchase of second-hand vehicles

3.1.1 Party B shall, based on the instructions of the Second-hand Vehicle Service Provider as designated by Party A, in its own name:

(1) enter into a second-hand vehicle purchase contract with the original owner;

(2) use the Loan provided by Party A to pay for the purchase of second-hand vehicles;

(3) execute relevant documents;

(4) procure the transfer of ownership of the second-hand vehicle to the person designated by the Second-hand Vehicle Service Provider.

3.2 The second-hand vehicle purchased by Party B shall be in the custody of and maintained by the Second-hand Vehicle Service Provider designated by Party A. The relevant documents and materials of such second-hand vehicle shall also be handed over to the Second-hand Vehicle Service Provider. Party B shall not dispose of such second-hand vehicles in any form, either by itself or by instructing any other Party.

3.3 Sale of second-hand vehicles

3.3.1 Party B shall, based on the instruction of the Second-hand Vehicle Service Provider designated by Party A, enter into a second-hand vehicle sales contract with the consumer in its own name and procure the transfer of the second-hand vehicle to the consumer;

3.3.2 Party B shall transfer relevant documents and materials of such second-hand vehicle for sale to the consumer; and

3.3.3 execute relevant documents.

3.4 Party B shall allow Party A or its affiliates to inspect the use of the Loan. At the same time, Party B shall provide Party A with all the contracts, documents, materials and account breakdown relating to the purchase and sale of second-hand vehicles as required by Party A.

4. Representations and warranties

4.1 Party A hereby makes the following representations and warrants that such representations are true and correct:

(1) Party A has the ability to execute and perform this Agreement;

(2) The execution and performance of this Agreement by Party A is not in violation of any agreement and document entered into between Party A and any third-party or any commitment made by Party A to any third party;

(3) This Agreement, once executed, shall constitute the legally valid and enforceable obligations of Party A.

4.2 Party B hereby makes the following representations to Party A and warrants that such representations are true and correct:

(1) Party B has the ability to execute and perform this Agreement;

(2) The execution and performance of this Agreement by Party B is not in violation of any agreement, document entered into between Party B and any third-party or any commitment made by Party B to any third party;

(3) This Agreement, once executed, shall constitute the legally valid and enforceable obligations of Party B.

5. Liability for breach of contract

If Party B does not use the Loan for the purpose agreed by the Parties, Party A has the right to withdraw the Loan in part or in whole, implement the guarantee under this Agreement, or require Party B to compensate Party A for any loss caused thereby.

6. Force majeure

Any party to the Agreement shall not be liable for any loss caused to the other party arising from its failure or delay of performance of the obligations under the Agreement due to force majeure events. In the event of a force majeure event, the party affected shall immediately notify the other party, and issue a document to the other party that can effectively prove the occurrence of the force majeure event within 15 days of the occurrence. The party affected by force majeure event shall take active and effective measures to minimize the losses caused to the other party by its failure or delay of performance of the obligations under this Agreement. The time to delay the performance of relevant obligations due to force majeure event should be equal to the duration of force majeure event.

For the purposes of this Agreement, force majeure means the events that are unable to be foreseen by both Parties at the time of signing the Agreement and their occurrence and consequences could not be prevented or avoided, and those that are expressly provided for in the state laws.

7. Confidentiality clauses

7.1 Unless otherwise agreed in this Agreement, both Parties to this Agreement shall do their utmost to keep confidential any technical or commercial information of all forms relating to other Parties obtained as a result of the performance of this Agreement, including any content of the Agreement and other potential cooperation and transaction between the Parties. Either party shall limit its employees, agents (including the Receiving Agent set out in this Agreement, the same below), advisors, etc., to obtain the above information only if necessary for the proper performance of the obligations under this Agreement, and such employees, agents, advisors, etc. shall be bound by the same degree of confidentiality obligations as the party concerned.

7.2 The above restrictions do not apply to:

(1) the information which are available to the public at the time of disclosure;

(2) the information which are available to the public after disclosure not due to the fault of the recipient;

(3) the information which the recipient can prove that it has acquired prior to disclosure and is not obtained directly or indirectly from other Parties;

(4) the aforementioned confidential information that either party, as required by law, is obliged to disclose to relevant government authorities, etc., or either party discloses to its immediate legal advisors and financial advisors for its normal business operations (provided that the immediate legal advisors and financial advisors shall be bound by the same degree of confidentiality obligations as the party concerned);

(5) the aforementioned confidential information that Party A shall disclose to the investors and their affiliates (provided that Party A shall ensure that the investors and their affiliates shall be bound by the same degree of confidentiality obligations as the Party A).

7.3 This article remains to have legal effect regardless of any change, cancellation or termination of the Agreement.

8. Dispute Resolution and Applicable Law

8.1 Any dispute between the Parties to the Agreement over the content of this Agreement or the performance hereof shall be resolved through friendly negotiations, in the event that such negotiation fails to deliver satisfactory result, either Party may file a lawsuit in the People's Court where Party A is located.

8.2 The entry into, implementation and interpretation of this Agreement and the dispute resolution shall be governed by the laws of PRC.

9. Effectiveness, change, and termination of the Agreement

9.1 The Agreement shall become effective upon both Parties sign it.

9.2 Any modification of the terms of the Agreement must be approved by both Parties and confirmed in writing.

9.3 This Agreement will be terminated for any of the following reasons:

(1) the expiry of the Term of Loan of this Agreement;

(2) agreement between the Parties to terminate this Agreement.

9.4 The early termination of this Agreement shall not affect the rights and obligations of the Parties to the Agreement that have arisen under this Agreement prior to the earlier termination date of this Agreement.

10. Miscellaneous

10.1 Failure by either Party to this Agreement to exercise the rights under this Agreement in a timely manner shall not be deemed a waiver of such right, nor will it affect such Party's exercise of that right in the future.

10.2 If any term under this Agreement becomes invalid or does not have the force of execution in whole or in part or violates any applicable law for any reason, such term shall be deemed to be deleted. However, the remaining terms under this Agreement should still be valid and binding.

10.3 This Agreement shall be binding on either party's heirs and assignees.

10.4 The matters not covered in this Agreement shall be resolved through negotiated by the Parties.

10.5 This Agreement is in two copies, each of which shall be held by Party A and Party B respectively and have the same legal effect.

[The following pages are reserved for the signatures of the Loan and Service Agreement]

The Loan and Service Agreement was entered into between the following Parties in _____ on this day of ____ 2017:

Party A (seal): **Shanghai Jieying Automobile Sales Co., Ltd. (上海捷盈汽车销售有限公司)**

Signature of legal representative or authorized representative:

Party B: [Jieying (捷盈) Management]

Signature:_____

Date:

Appendix 1 **Confirmation of Loan**

Shanghai Jieying Automobile Sales Co., Ltd. (the "**Company**") provides the Loan in RMB to [ ] (the "**Borrower**") under the "Loan and Service Agreement", and both Parties hereby confirm as follows:

The Company has release the Loan to the Borrower according to the time and amount listed in the table below; the Borrower's designated account has received the Loan at the time listed in the table below. The interest, term and purpose of such Loan is subject to the terms of the "Loan and Service Agreement".

Shanghai Jieying Automobile Sales Co., Ltd. Authorized representative: [] Date of release of Loan Amount of Loan granted	RMB [ ] (In words:)	[Management] ID No.: Date of receipt of Loan Amount of Loan received	RMB [ ] (In words:)

Seal: Shanghai Jieying Automobile Sales Co., Ltd.
Authorized representative (signature):
Date:

Signature:

Date:

Appendix 2 **Confirmation of Receipt**

[Jieying (捷盈) Management], under the "Loan and Service Agreement", agrees to use my designated bank account to receive the Loan provided by Shanghai Jieying Automobile Sales Co., Ltd. on behalf of him/her for the purchase of the second-hand vehicle; I agree to receive the above Loan on his/her behalf.

I hereby acknowledge and represent that:

1. The bank account I listed in the "Loan and Service Agreement" has received the Loan provided by Shanghai Jieying Automobile Sales Co., Ltd. at the time listed in the table below; the receipt issued by the bank is attached hereto.

2. The purpose of the Loan is to purchase the second-hand vehicles only. I will not use the money for any other purpose;

3. I am not responsible for the repayment of principal and interest of such loans.

[Receiving Agent]
ID No.:
Date of receipt of payment
Amount of receipt of payment RMB [ ]
(In words:)

[Receiving Agent]

Signature:

Date:

Appendix 3 **Confirmation on Service Fees**

Shanghai Jieying Automobile Sales Co., Ltd. (the "**Company**") shall provide Second-hand Vehicle Service to [Jieying (捷盈) Management] under the "Loan and Service Agreement", and [Jieying (捷盈) Management] shall pay the service fees to the Company. Both Parties hereby confirm as follows:

[Jieying (捷盈) Management] have paid the service fees to the Company according to the time and amount listed in the table below; and the Company has received the service fees at the time listed in the table below.

[Jieying (捷盈) Management]		Shanghai Jieying Automobile Sales Co., Ltd.	
ID No.:		Authorized representative: [ ]	
Date of payment of service fees		Date of receipt of service fees	
Amount of service fees paid	RMB [ ] (In words:)	Amount of service fees received	RMB [ ] (In words:)
Signature:		Seal: Shanghai Jieying Automobile Sales Co., Ltd.	
		Authorized representative (signature):	
Date:		Date:	

Exhibit 10.22

Used Vehicle Sales Contract

Contract No.:____

This used vehicle sales Contract (the "Contract") was entered into between the following parties on this day of _____ at _____ .

Seller: Jieying (捷盈) Executive **("Party B")**
ID No.:
Address:
Telephone:

Buyer: Buyer **("Party B")**
ID/License No.: **ID No.**
Address: **Actual correspondence address**
Telephone: **Actual telephone No.**

Registrant: JV staff **("Party C")**
ID No.: **ID No.**
Address: **Actual correspondence address**
Telephone: **Actual telephone No.**

Service Provider: Shanghai Jieying Auto Retail Co., Ltd. (上海捷盈汽车销售有限公司) ("Party D")

License No.: 91310114MA1GTX4FXP
Legal representative:
Place of registration:

After arm's length negotiations, the Parties have entered into and intended to be bound by the following agreement on the sale and purchase of used vehicles:

1. Information on the Vehicle consistent with registration information

1.1 Basic information on the Subject Vehicle

1.1.1 Manufacturer Brand:

1.1.2 Model:

1.1.3 Color:

1.1.4 Engine displacement:

1.1.5 Key(s):

1.1.5 Vehicle Identification Number (VIN):

1.1.7 Mileage on meter:

The Parties hereby confirm that the above mileage is recorded on ____, and the mileage noted when the vehicle is actually delivered to Party B may be different due to reasons such as Party B's test drive, relocation and clearing related procedures.

1.1.8 Basic configuration: subject to the actual conditions of the Subject Vehicle.

1.2 Information on registration, insurance and annual inspection of the Subject Vehicle

1.2.1 Registration Certificate No.:

1.2.2 Owner of the Vehicle as set forth in the Registration Certificate:

1.2.3 Date of initial registration:

1.2.4 Vehicle inspection valid until:

1.3 Condition of the Vehicle

1.3.1 Whether the vehicle has been certified by Party A: Yes ☐ No ☐

1.3.2 Whether Party B has conducted a basic inspection of the vehicle's conditions before entering into this Contract, including, but not limited to, inspection of the appearance, mileage, basic configuration, operation, on-board dials or instruments, documentation, etc.: Yes ☐ No ☐

2. Settlement and payment of the subject vehicle

2.1 The purchase price for the Subject Vehicle (the "**Purchase Price**") was RMB_____ (RMB_____Yuan). The aforementioned Purchase Price does not include the amounts due from Party B to Party A for entrusting the latter with the extended product services (such as assisting with the transfer and registration procedures, vehicle insurance, etc.).

2.2 Party B has chosen the following payment option for settlement of the Purchase Price (select either one of two):

First: deposit + payment of balance in full ☐;

Second: deposit + bank loan + payment for the remainder in __ installments ☐

2.3 Should Party B choose the first payment option :

2.3.1 Party B shall pay Party A ___% of the Purchase Price (but not less than RMB20,000) as a deposit on the date of signing the Contract, i.e. RMB_____ (RMB_____Yuan).

2.3.2 Party B shall pay for the remainder of the Purchase Price (i.e. the Purchase Price minus the deposit paid) within seven (7) days after the date of signing the Contract.

2.4 Should Party B choose the second payment option:

2.4.1 Party B shall pay Party A ___% of the Purchase Price (but not less than RMB 20,000) as a deposit on the date of signing the Contract, i.e. RMB_____ (RMB_____Yuan).

2.4.2 After the deposit is paid, Party B shall apply for a special loan from a bank or another financial institution with respect to the Subject Vehicle within 15 days after the signing of the Contract.

2.4.3 Party B shall be responsible for submitting the relevant loan application materials, and clear relevant procedures as required by the bank or other financial institution. Should Party B fail to apply for the loan or submit the application materials or clear the relevant procedures and provide Party A with evidence that Party B has submitted the application materials and completed the relevant procedures or the notice of loan approval within___working days after the date of signing this Contract, Party A shall have the right to urge Party B to proceed with the above as soon as possible. Should Party B continue to fail to submit the application for the bank loan with three working days following Party A's notice, Party A shall have the right to terminate the Contract unilaterally and not to refund the deposit previously paid by Party B.

2.4.4 Should the lending bank refuse to issue the loan on time or at all, or reclaim the loan before maturity after its approval due the reasons related to Party B, Party B shall bear the corresponding interest, penalty interest and compound interest, and cover all the losses caused to Party A, who then shall have the right to unilaterally terminate this Contract.

2.5 If Party B authorizes Party A to handle one or more of the following extended product services, Party B shall pay Party A an extended product service fee upon payment of the deposit.

Transfer (including vehicle inspection and obtaining the registration plate) ☐ (the "Transfer Fee")

Registration ☐

Vehicle insurance ☐

Other _____☐

Extended product service fee of RMB___ (RMB_____Yuan)

2.6 Regardless of the payment option selected by Party B, the corresponding amounts as set forth in Article 2.3, 2.4 and 2.5 (as applicable) shall be transferred into the following account designated by Party A:

Account name:_____ ;

Bank:_____;

Account no.:_____ .

3. Transfer and delivery of the Subject Vehicle

3.1 The transfer and registration of the Subject Vehicle should be processed as follows:

3.1.1 Should Party B choose the first payment option, Party A should clear the transfer/registration procedures within ___ working days following the payment in full of the Purchase Price and the registration fee, and Party C should provide Part A with necessary assistance.

3.1.2 Should Party B choose the second payment option,

3.1.2.1 Should the loan applied for by Party B require a security involving a pledge of the Subject Vehicle, Party A should clear the transfer/registration and pledge procedures within ___ working days following the payment in full of the deposit, the remainder of the Purchase Price, the handling fee and the registration fee and receipt of notice of loan approval by Party B, and Party C should provide Part A with necessary assistance.

3.1.2.2 Should the loan applied for by Party B not require a security involving a pledge of the Subject Vehicle, Party A should clear the transfer/registration procedures within ___ working days following the payment in full of the deposit, the remainder of the Purchase Price, the handling fee and the registration fee and receipt of notice of loan approval by Party B, and Party C should provide Part A with necessary assistance.

3.2 The Subject Vehicle should be delivered as follows:

3.2.1 Regardless of the payment option selected by Party B, Party B should, following payment in full of the Purchase Price (in case of the second payment option, including the handling fee to be paid to Party A) and completion of the transfer and/or registration and/or pledge procedures (in case of the second payment option, with the vehicle pledged), take delivery of the Subject Vehicle ("**Vehicle Transfer**") at the place of business designated by Party A so as to complete the delivery of the Subject Vehicle.

When picking up the Vehicle, Party B must sign a Vehicle Transfer Confirmation Slip. The date of signing the Vehicle Transfer Confirmation Slip should be regarded as the date of delivery of the Subject Vehicle ("**Delivery Day**"), following which, the risk of damage to the Vehicle will be transferred to Party B.

3.2.2 Should Party B fail to take delivery of the Subject Vehicle within the period specified in Article 3.2.1 above, Party A shall keep the Subject Vehicle in good condition for Party B after the date immediately following the Delivery Day and charge Party B with a parking fee at the rate of RMB 100 per day.

3.2.3 From the date immediately following the Delivery Day, the risk of loss or damage of the Subject Vehicle shall be transferred to Party B. Should Party B fail to take delivery of the Subject Vehicle within 20 days after the Delivery Day, Party A shall have the right to terminate this Contract and charge 20% of the Purchase Price as liquidated damages. If such liquidated damages are not sufficient to cover Party A's losses, Party B shall be liable for compensation for all losses suffered by Party A.

4. Technical consultation services for used vehicles

In the process of completing the used vehicle transaction, Party D should provide Party A with consulting services on relevant technical issues, and Party A should pay Party D a corresponding service fee, which should be deducted from the sales amount received by Party D on behalf of Party A.

5. Undertaking and guarantee

5.1 Party A undertakes and guarantees that,

5.1.1 it has fulfilled its obligation of reasonable inspection and confirmed that Party C was the legal owner of the Subject Vehicle, who owned the full and legal title of the Subject Vehicle.

5.1.2 the condition of the Subject Vehicle set forth in Article 1 of this Contract are objective and accurate, and there has been no false or deliberate concealment of fact. Party A has fulfilled its obligation of reasonable inspection and should not be liable for compensation even if it fails to discover any fraud involving mileage of the Subject Vehicle before Party A takes delivery the Vehicle, unless due to Party A's willful act or major negligence.

5.2 Party B undertakes and guarantees that,

5.2.1 prior to the signing of this Contract, Party B has reviewed the documents related to the Subject Vehicle and has personally inspected the Subject Vehicle.

5.2.2 it will ensure that the transfer and/or registration procedures of the Subject Vehicle will be completed in a timely manner, and it will provide all the materials required by Party A before proceeding with such procedures, and bear full responsibility for the authenticity, validity and legality of such materials.

5.2.3 it will provide the necessary cooperation as per Party A's request when handling the transfer and/or registration procedures of the Subject Vehicle.

5.3 Party C undertakes and guarantees that,

5.3.1 it is the legal owner of the Subject Vehicle and owns the full and legal title of the Subject Vehicle, free and clear from any obstacle or encumbrance upon disposal of the Subject Vehicle.

5.3.2 the materials and information related to the Subject Vehicle it provided for the signing of this Contract are objective and accurate, and there has been no false or deliberate concealment of fact.

5.3.3 it has provided Party A with complete, sufficient and legal authority, based on which, Party A shall have the right to sell the Subject Vehicle to Party B and sign this Contract.

5.3.4 it will provide the necessary materials or cooperate with Party A in handling other related matters as requested during the process of transfer and/or registration of the Subject Vehicle.

6. Liabilities

6.1 Should Party B fail to provide the materials necessary for the transfer and/or registration of the Subject Vehicle under this Contract or be reluctant to cooperate with Party A in completing the relevant procedures, which resulted in the delay in the transfer and registration of the Subject Vehicle, for each day overdue, Party B shall pay liquidated damages to Party A equal to 0.5% of the Purchase Price as well as a parking fee of RMB100 per day. If the transfer and registration is overdue for 20 consecutive days, Party A shall have the right to unilaterally terminate this Contract.

6.2 Should Party B fail to provide the materials as required, which results in impossibility to complete the transfer and/or registration procedures for the Subject Vehicle, Party A shall have the right to terminate this Contract, upon which Party B shall pay liquidated damages to Party A equal to the greater of (i) 10% of the Purchase Price and (ii) the actual loss suffered by Party A.

6.3 If the Subject Vehicle is unable to be registered due to circumstances caused by Party B, who then demands a change in the place of registration, Party A and C should offer assistance, while Party B shall pay in advance for the additional costs incurred to Party A and Party C. In the event of delay in the transfer and registration of the Subject Vehicle, Party B shall be liable for the consequences in accordance with the provisions of Article 6.1 of this Contract.

6.4 Should Party B delay the payment of all or part of the Purchase Price, a penalty shall be imposed to Party B equal to 0.5% of the Purchase Price for each day such payment is overdue. Party A shall have the right to terminate this Contract unilaterally if Party B delays payment of the Purchase Price for more than 20 days, whereby Party B shall, in addition to the corresponding penalty, pay a compensation which is equivalent to 5% of the Purchase Price to Party A.

6.5 Should the condition of the Subject Vehicle set forth in Article 1 of this Contract appear to be untrue, inaccurate, false or fraudulent due to circumstances caused by Party C, or due to its failure to provide the relevant materials in a timely manner, or its reluctance to cooperate with Party A in completing the relevant procedures, which resulted in delay and/or impossibility in the transfer and/or registration of the Subject Vehicle, Party C shall be liable for all losses caused to Party B.

6.6 Unless otherwise provided in this Contract, should a party breach its obligations or guarantees under this Contract, it shall be liable for the losses caused to the other party as a result of its breach.

7. Additional provisions

7.1 Should Party B desire extended warranty services for the purchased vehicle, Party A shall designate _____ to provide it with such services.

7.2 Should Party B desire after-sales services in addition to extended warranty from the entity designated by Party A in respect of the purchased vehicle, it shall confirm such desire with signature in the Terms of After-sales Services attached to this agreement.

7.3 Other provisions

8. Dispute settlement

8.1 All disputes arising from this Contract shall be dealt with by the relevant parties through friendly negotiation in the first instance.

8.2 If an agreement cannot be reached through friendly negotiation, the disputes shall be submitted for resolution by the People's Court where Party D is located.

9. Miscellaneous

9.1 The parties hereby agree that, if the Subject Vehicle is a special vehicle e.g. an electric car or a supercar, further agreement shall be reached in Article 7.3 (Other provisions).

9.2 This Contract is prepared in four counterparts and each party shall hold one counterpart, each of which shall have the same legal effect.

9.3 This Contract shall be effective upon the date of signing by the parties hereto. Any amendment or change hereto shall be made and agreed in writing between the parties hereto and signed by the same before such amendment or change becomes effective.

[*The following pages are reserved for the signatures of the Parties to the Used Vehicle Sales Contract.*]

The Used Vehicle Sales Contract was entered into between the following Parties on this day of _____:

Party D: Shanghai Jieying Auto Retail Co., Ltd. (上海捷盈汽车销售有限公司)

Signature:_____

Date:_____

Party D: Shanghai Jieying Auto Retail Co., Ltd. (上海捷盈汽车销售有限公司)

Signature of chief executive/representative: _____

Date:_____

The Used Vehicle Sales Contract was entered into between the following Parties on this day of _____:

Party B: **Buyer**

Signature of Buyer/representative: _____

Date: _____

The Used Vehicle Sales Contract was entered into between the following Parties on this day of_____:

Party C **JV staff**

Signature:_____

Date: _____

Appendix:

Terms of after-sales services

Exhibit 10.23

SHARE EXCHANGE AGREEMENT

Dated

November 2, 2018

by and among

Kaixin Auto Group, a Cayman Islands exempted company (the "Company"),

Renren Inc., a Cayman Islands exempted company (the "Seller"),

and

CM Seven Star Acquisition Corporation, a Cayman Islands exempted company (the "Purchaser").

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SHARE EXCHANGE AGREEMENT

This SHARE EXCHANGE AGREEMENT (the "Agreement"), dated as of November 2, 2018 (the "Signing Date"), by and among Kaixin Auto Group, a Cayman Islands exempted company (the "Company"), Renren Inc., (the "Seller"), and CM Seven Star Acquisition Corporation, a Cayman Islands exempted company (the "Purchaser"). The Company, the Seller and the Purchaser are sometimes referred to herein individually as a "party" and, collectively, as the "parties".

W I T N E S S E T H:

A. The Seller owns 100% of the issued and outstanding shares in or of the Company;

B. The Company is a holding company for Jet Sound Hong Kong Company Limited, a Hong Kong registered company ("HK Holdings"), which in turn owns 100% of the issued and outstanding equity interests in each of Shanghai Renren Auto Technology Group Co., Ltd, a Wholly Foreign-Owned Enterprise registered in Shanghai, China ("SWFOE"), and Beijing Jiexun Shiji Technology Development Co., Ltd, a Wholly Foreign-Owned Enterprise registered in Beijing, China ("BWFOE" and, together with SWFOE, the "WFOEs");

C. Both (i) Shanghai Jieying Auto Retail Co., Ltd, a registered company in Shanghai China ("China Dealer"), and China Dealer's shareholders, both of which are located in China (the "China Dealer Shareholders") and (ii) Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd ("Qianxiang Changda"), and Qianxiang Changda's shareholders, both of which are located in China (the "Qianxiang Changda Shareholders"), have entered into VIE Contracts with SWFOE pursuant to which the profits of China Dealer and Qianxiang Changda are paid to SWFOE, and in connection with entering into such VIE Contracts, the China Dealer and Qianxiang Changda are both contractually controlled by SWFOE;

D. The Company is primarily in the business of (i) owning and operating car dealerships in China through its various Subsidiaries; (ii) offering value added services, including insurance, extended warranties and after sales services to its customers through its various Subsidiaries; (iii) developing, maintaining and operating technologies that support its operating platforms (including a mobile application used to browse for cars and purchase value added services, big data analytics for procurement and operational management and an auto dealership SaaS platform to enhance the management and operations of its car dealerships through its various Subsidiaries; and (iv) provision of financing channels to customers and other in-network dealers through partnerships with one or more financial institutions through its various Subsidiaries (the "Business");

E. The Purchaser is a blank check company formed for the sole purpose of entering into a share exchange, asset acquisition, share purchase, recapitalization, reorganization or other similar business combination with one or more businesses or entities;

F. The Seller desires to sell to the Purchaser, and the Purchaser desires to purchase from the Seller, all of the issued and outstanding shares in the Company in exchange for the Closing Payment Shares, subject to the terms and conditions set forth herein ("Share Purchase");

G. Certain capitalized terms used herein are defined in ARTICLE I hereof;

In consideration of the premises set forth above, which are incorporated in this Agreement as if fully set forth below, and the representations, warranties, covenants and agreements contained in this Agreement, and intending to be legally bound hereby the parties accordingly agree as follows:

ARTICLE I
DEFINITIONS

The following terms, as used herein, have the following meanings:

1.1 "2019 Audited Financial Statements" means the Purchaser's audited consolidated financial statements as of and for the year ended December 31, 2019.

1.2 "AIC" means the Administration for Industry and Commerce.

1.3 "Accrued Dividends" means any dividends or distributions paid or otherwise accruing to the Escrow Shares during the time such Escrow Shares are held in the Escrow Account, as of the relevant date.

1.4 "Action" means any legal action, suit, claim, investigation, hearing or proceeding, including any audit, claim or assessment for Taxes or otherwise.

1.5 "Additional Agreements" mean the Escrow Agreement, the Investor Rights Agreement and the Transitional Agreements.

1.6 "Adjusted EBITDA" for a given period means the Company's net income (loss), after adding back (i) the fair value change of contingent consideration, (ii) the amount of share-based compensation expense, (iii) interest expense, (iv) the amount of income tax expense, and (v) the amount of depreciation, as derived from the Company's audited or unaudited (as applicable) consolidated financial statements for the relevant period, calculated in a manner consistent with the Company's past practices using the accounting methods, procedures and provisions reflected in the Financial Statements except as otherwise mutually agreement by Purchaser and Seller in writing. Adjusted EBITDA shall be subject to adjustment as provided in Section 3.7(b) and will be calculated in RMB and for purposes of Section 3.4 the foreign exchange rate between US$ and RMB will be fixed at the exchange rate used in the production of the Company's consolidated financial statements for the applicable period.

1.7 "Affiliate" means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by, or under common Control with such Person, provided that for purposes of this Agreement, the Company and its Subsidiaries shall not be considered Affiliates of the Purchaser or Purchaser's Affiliates unless and except to the extent expressly provided herein.

1.8 "After Sale Partners" means natural persons party to the various After Sale Agreements.

1.9 "After Sale Centers" means the Business' after-sales service centers operated by special purpose holding companies in which Zhoushuo possesses a majority ownership and voting control.

1.10 "After Sale Agreements" means the equity purchase agreements between the Zhoushuo and certain After Sale Partners, in relation to the After Sale Partners.

1.11 "Authority" means any governmental, regulatory or administrative body, agency or authority, any court or judicial authority, any arbitrator, or any public, private or industry regulatory authority, whether international, national, federal, state, or local.

1.12 "Books and Records" means all books and records, ledgers, employee records, customer lists, files, correspondence, and other records of every kind (whether written, electronic, or otherwise embodied) owned or used by a Person or in which a Person's assets, the business or its transactions are otherwise reflected, other than share books and minute books.

1.13 "Business Day" means any day other than a Saturday, Sunday or a legal holiday on which commercial banking institutions in New York, Beijing or Hong Kong are authorized to close for business.

1.14 "China" or "PRC" means the People's Republic of China, excluding for the purposes of this Agreement the Hong Kong Special Administrative Region, Macao Special Administrative Region and Taiwan.

1.15 "Closing Payment Shares" means, in the aggregate, 47,784,300 Purchaser Ordinary Shares to be issued to the Seller on the Closing Date, in accordance with Section 3.1.

1.16 "Code" means the Internal Revenue Code of 1986, as amended.

1.17 "Company Disclosure Schedule" means the Company Disclosure Schedule dated as of a date on or prior to the initial filing date of the Proxy Statement with the SEC, which for purposes of this Agreement shall be treated as being dated as the date of this Agreement and delivered to the Company at the time of execution hereof, which shall be deemed for all purposes to be part of the representations and warranties made hereunder.

1.18 "Company Form F-1" means the Registration Statement on Form F-1 confidentially submitted by the Company to the United States Securities and Exchange Commission on May 31, 2018.

1.19 "Company Material Adverse Effect" means any event occurrence, fact, condition, change or effect that has had, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect upon (a) the Business, the assets, Liabilities, results of operations or condition (financial or otherwise), of the Company and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, or (b) the ability of the Company or any of its Subsidiaries to consummate the transactions contemplated by this Agreement or the Additional Agreements to which it is party or bound or to perform its obligations hereunder or thereunder, whether or not arising from transactions in the ordinary course of business; provided, however, that "Company Material Adverse Effect" shall not include any event, occurrence, fact, condition, change or effect, directly or indirectly, arising out of or attributable to: (i) general economic or political conditions; (ii) conditions generally affecting the industries in which the Company operates; (iii) any changes in financial, banking or securities markets in general, including any disruption thereof and any decline in the price of any security or any market index or any change in prevailing interest rates; (iv) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof; (v) any action required or permitted by this Agreement or any action taken (or omitted to be taken) with the written consent of or at the written request of Purchaser; (vi) any changes in applicable Laws or accounting rules (including U.S. GAAP) or the enforcement, implementation or interpretation thereof; (vii) the announcement, pendency or completion of the transactions contemplated by this Agreement, including losses or threatened losses of employees, customers, suppliers, distributors or others having relationships with the Company; (viii) any natural or man-made disaster or acts of God; or (ix) any failure by the Company to meet any internal or published projections, forecasts or revenue or earnings predictions (provided that the underlying causes of such failures (subject to the other provisions of this definition) shall not be excluded).

1.20 "Company Ordinary Shares" means the ordinary shares of the Company, par value US$0.0001 per share.

1.21 "Contracts" means all contracts, agreements, leases (including equipment leases, car leases and capital leases), licenses, commitments, client contracts, statements of work (SOWs), sales and purchase orders and similar instruments, oral or written, to which the Company and/or any of its Subsidiaries is a party or by which any of its respective assets are bound, including any entered into by the Company and/or any of its Subsidiaries in compliance with Section 8.1 after the Signing Date and prior to the Closing, and all rights and benefits thereunder, including all rights and benefits thereunder with respect to all cash and other property of third parties under the Company's and/or any of its Subsidiaries' dominion or control.

1.22 "Control" of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract, or otherwise. "Controlled", "Controlling" and "under common Control with" have correlative meanings. Without limiting the foregoing, a Person (the "Controlled Person") shall be deemed Controlled by (a) any other Person (the "10% Owner") (i) owning beneficially, as meant in Rule 13d-3 under the Exchange Act, securities entitling such Person to cast 10% or more of the votes for election of directors or equivalent governing authority of the Controlled Person or (ii) entitled to be allocated or receive 10% or more of the profits, losses, or distributions of the Controlled Person; (b) an officer, director, general partner, partner (other than a limited partner), manager, or member (other than a member having no management authority that is not a 10% Owner) of the Controlled Person; or (c) a spouse, parent, lineal descendant, sibling, aunt, uncle, niece, nephew, mother-in-law, father-in-law, sister-in-law, or brother-in-law of an Affiliate of the Controlled Person or a trust for the benefit of an Affiliate of the Controlled Person or of which an Affiliate of the Controlled Person is a trustee.

1.23 "Dealer Partners" means natural persons who are party to the various Dealership Agreements.

1.24 "Dealerships" means the Business' dealership business operated by special purpose holding companies in which the China Dealer possess a majority ownership and voting control.

1.25 "Dealership Agreements" means the equity purchase agreements between the China Dealer and certain Dealer Partners, in relation to the Dealerships.

1.26 "Deferred Underwriting Amount" means the portion of the underwriting discounts and commissions held in the Trust Account, which the underwriters of the IPO are entitled to receive upon the Closing in accordance with the Trust Agreement.

1.27 "Dispute Resolution Notice Date" means the date that the Purchaser or the Seller receives notice from the other party that such other party has elected to resolve a dispute pursuant to Section 3.6 using the Dispute Resolution Procedure.

1.28 "Dispute Resolution Procedure" means the dispute resolution procedure set forth in Section 3.6.

1.29 "Earnout Period" means the year ended December 31, 2019 or December 31, 2020 (as applicable).

1.30 "Environmental Laws" means all applicable Laws concerning health, safety or matters related to pollution or the protection of the environment.

1.31 "Escrow Agent" means an escrow agent to be determined by the parties in its capacity as the escrow agent under the Escrow Agreement or any other escrow agent agreed to by the Purchaser and the Company prior to the Closing.

1.32 "Escrow Account" means a segregated escrow account established under the Escrow Agreement for the purposes of holding any Accrued Dividends with respect to the Escrow Shares, and any other Escrow Property.

1.33 "Escrow Agreement" means the agreement to be entered into on or before Closing between the Seller and the Purchaser with respect to the Escrow Shares, in form and substance reasonably acceptable to the Company, the Seller and the Purchaser.

1.34 "Escrow Property" means, at any given time, the securities and other property held by the Escrow Agent in the Escrow Account in accordance with the terms and conditions of this Agreement and the Escrow Agreement, giving effect to any disbursements or payments from the Escrow Account.

1.35 "Escrow Shares" means, in the aggregate, 22,800,000 Purchaser Ordinary Shares, issuable to the Seller and withheld from the Closing Payment pursuant to Section 3.1.

1.36 "Exchange Act" means the Securities Exchange Act of 1934, as amended.

1.37 "Fraud Claim" means any claim, to the extent based on fraud or on an action constituting a material breach of this Agreement taken intentionally by a Warrantor with the actual knowledge that such action was a breach of this Agreement, including the making of a false representation by Warrantor hereunder with the actual knowledge that such representation was false, with the intention by Warrantor to induce reliance on such action and upon which Purchaser did in fact rely, resulting in the claimed Losses.

1.38 "Gross Revenue" means gross revenue based on the 2019 Audited Financial Statements. Gross Revenues shall be subject to adjustment as provided in Section 3.7(b).

1.39 "Hazardous Material" means any material, emission, chemical, substance or waste that has been designated pursuant to any applicable Environmental Law to be radioactive, toxic, hazardous, a pollutant or a contaminant.

1.40 "Hazardous Material Activity" means the recycling, storage, use, treatment, manufacture, removal, remediation, release, exposure of others to, sale, including, any required labeling, payment of waste fees or charges (including so-called e-waste fees) and compliance with any recycling, product take-back or product content requirements.

1.41 "Indemnifying Party" means the Seller.

1.42 "Independent Expert" means a mutually acceptable independent (i.e., no prior material business relationship with any party for the prior three (3) years) accounting firm recognized internationally (which appointment will be made no later than ten (10) days after the Dispute Resolution Notice Date); provided, that if the Independent Expert does not accept its appointment or if the Purchaser and the Seller cannot agree on the Independent Expert, in either case within twenty (20) days after the Dispute Resolution Notice Date, either the Purchaser or the Seller may require, by written notice to the other, that the Independent Expert be selected by the New York City Regional Office of the American Arbitration Association in accordance with the procedures of the American Arbitration Association. The parties agree that the Independent Expert will be deemed to be independent even though a party or its Affiliates may, in the future, designate the Independent Expert to resolve disputes of the types covered by Section 3.6.

1.43 "Investor Rights Agreement" means the agreement to be entered into on or before Closing between the Seller and the Purchaser and others with respect to certain lock-up arrangements in respect of the Seller, registration rights granted by the Purchaser in favor of the Seller, certain voting arrangements relating to the Purchaser.

1.44 "IPO" means the initial public offering of Purchaser pursuant to a prospectus dated October 25, 2017.

1.45 "Indebtedness" means with respect to any Person, (a) all obligations of such Person for borrowed money, or with respect to deposits or advances of any kind (including amounts by reason of overdrafts and amounts owed by reason of letter of credit reimbursement agreements) including with respect thereto, all interests, fees and costs, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property purchased by such Person, (d) all obligations of such Person issued or assumed as the deferred purchase price of property or services (other than accounts payable to creditors for goods and services incurred in the ordinary course of business), (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any lien or security interest on property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed, (f) all obligations of such Person under leases required to be accounted for as capital leases under U.S. GAAP, (g) all guarantees by such Person and (h) any agreement to incur any of the same.

1.46 "Intellectual Property" means any trademark, service mark, trade name, domain name, invention, patent, trade secret, trade dress, know-how, copyright, rights in software programs, data bases, and any other type of proprietary intellectual property right, and all registrations or applications thereof.

1.47 "Inventory" is defined in Article 9-102(a)(48) of the UCC.

1.48 "Kaixin Auto Group 2018 Equity Incentive Plan" means the Kaixin Auto Group 2018 Equity Incentive Plan, adopted on January 31, 2018 and most recently amended on August 2, 2018, whereby 190,000,000 Company Ordinary Shares were available for the grant of incentive share options, nonqualified share options, restricted shares, and restricted share units to directors, officers, employees, and consultants. As of the date of this Agreement, the Company has issued 36,461,500 options to purchase the Company Ordinary Shares to certain of its directors, officers and employees.

1.49 "Law" means any domestic or foreign, federal, state, municipality or local law, constitution, statute, ordinance, principle of common law, code, act, treaty or order of general applicability of any applicable Authority, including rules and regulations promulgated thereunder.

1.50 "Liabilities" means any and all liabilities, Indebtedness, Actions or obligations of any nature (whether absolute, accrued, contingent or otherwise, whether known or unknown, whether direct or indirect, whether matured or unmatured and whether due or to become due), including Tax Liabilities due or to become due.

1.51 "Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, and any conditional sale or voting agreement or proxy, including any agreement to give any of the foregoing.

1.52 "Master Transactional Agreement" means the agreement to be entered into by the Seller and the Company, the substantially agreed form of which is attached as Exhibit A hereto (for the avoidance of doubt the schedules to the Master Transactional Agreement are to be provided and agreed).

1.53 "Order" means any decree, order, judgment, writ, award, injunction, rule or consent of or by an Authority.

1.54 "Payment Offset" means, as of any date, the then-current amount of (i) any amounts payable to Purchaser from the Escrow Account under a Final Resolution that have not yet been paid and (ii) any Claim Amount which would be payable to Purchaser from the Escrow Account under any valid Claim Notice delivered in accordance with ARTICLE X with respect to Claims that remain pending and are not yet subject to a Final Resolution. For the avoidance of doubt, "Payment Offset" shall include amounts payable, or which would be payable, to Purchaser from the Escrow Account in respect of Special Indemnity Claims, subject to the terms and conditions of this Agreement, including (in particular) the first sentence of this definition.

1.55 "Permitted Liens" means (i) all defects, exceptions, restrictions, easements, rights of way and encumbrances disclosed in policies of title insurance which have been made available to Purchaser; (ii) mechanics', carriers', workers', repairers' and similar statutory Liens arising or incurred in the ordinary course of business for amounts (A) that are not delinquent, (B) that are not material to the business, operations and financial condition of the Company and/ or any of its Subsidiaries so encumbered, either individually or in the aggregate, and (C) not resulting from a breach, default or violation by the Company and/or any of its Subsidiaries of any Contract or Law, and (iii) liens for Taxes not yet due and payable or which are being contested in good faith by appropriate proceedings (and for which adequate accruals or reserves have been established on the Financial Statements) and (iv) any Liens set forth on Schedule 1.55.

1.56 "Person" means an individual, corporation, partnership (including a general partnership, limited partnership or limited liability partnership), limited liability company, association, trust or other entity or organization, including a government, domestic or foreign, or political subdivision thereof, or an agency or instrumentality thereof.

1.57 "Purchaser Material Adverse Effect" means any event occurrence, fact, condition, change or effect that has had, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect upon (a) the Business, the assets, Liabilities, results of operations or condition (financial or otherwise) of Purchaser, taken as a whole, whether or not arising from transactions in the ordinary course of business, or (b) the ability of Purchaser to consummate the transactions contemplated by this Agreement or the Additional Agreements to which it is party or bound or to perform its obligations hereunder or thereunder, whether or not arising from transactions in the ordinary course of business; provided, however, that "Purchaser Material Adverse Effect" shall not include any event, occurrence, fact, condition, change or effect, directly or indirectly, arising out of or attributable to: (i) general economic or political conditions; (ii) conditions generally affecting the industries in which the Purchaser operates; (iii) any changes in financial, banking or securities markets in general, including any disruption thereof and any decline in the price of any security or any market index or any change in prevailing interest rates; (iii) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof; (iv) any action required or permitted by this Agreement or any action taken (or omitted to be taken) with the written consent of or at the written request of Seller; (v) any changes in applicable Laws or accounting rules (including U.S. GAAP) or the enforcement, implementation or interpretation thereof; (vi) the announcement, pendency or completion of the transactions contemplated by this Agreement, including losses or threatened losses of employees, customers, suppliers, distributors or others having relationships with Seller; or (vii) any natural or man-made disaster or acts of God.

1.58 "Purchaser Ordinary Shares" means the ordinary shares of Purchaser, par value US$0.0001 per share.

1.59 "Purchaser Share Price" shall mean the average closing trade price of each Purchaser Ordinary Share (or any successor equity security, including equity securities of a successor entity issued in exchange for Purchaser Ordinary Shares) as listed by Nasdaq (or any successor exchange or quotation system on which such shares are listed or quoted) for the twenty (20) day trading period ending on the trading day immediately prior to the date of determination.

1.60 "Purchaser Unit" means a unit of the Purchaser comprised of one Purchaser Ordinary Share, one-half of one Purchaser Warrant and one right to receive one-tenth (1/10) of one Purchaser Ordinary Share upon the consummation of the transactions set forth in this Agreement

1.61 "Purchaser Warrant" means a redeemable warrant to purchase one Purchaser Ordinary Share.

1.62 "Real Property" means, collectively, all real properties and interests therein (including the right to use), together with all buildings, fixtures, trade fixtures, plant and other improvements located thereon or attached thereto; all rights arising out of use thereof (including air, water, oil and mineral rights); and all subleases, franchises, licenses, permits, easements and rights-of-way which are appurtenant thereto.

1.63 "Released 2020 Escrow Property" means up to 9,750,000 Escrow Shares (together with Accrued Dividends relating thereto) to the extent such Escrow Shares (together with Accrued Dividends relating thereto) are either (i) disbursed to the Seller pursuant to Section 3.4(c) or (ii) disbursed to the Seller, prior to any disbursement to the Seller of any Escrow Shares pursuant to Section 3.4(c), pursuant to Section 3.4(e).

1.64 "Released Provisional Indemnification Property" means up to 3,300,000 Escrow Shares (together with Accrued Dividends relating thereto) to the extent such Escrow Shares are disbursed to the Seller pursuant to Section 3.4(d)(ii).

1.65 "RMB" means the legal tender of the PRC.

1.66 "Sarbanes-Oxley Act" means the Sarbanes-Oxley Act of 2002, as amended.

1.67 "SEC" means the Securities and Exchange Commission.

1.68 "Securities Act" means the Securities Act of 1933, as amended.

1.69 "Special Indemnity Claims" means any claim brought, based in whole or in part, under a breach of either or both the Special Tax Indemnity and/or the Special Dealer Indemnity.

1.70 "Subsidiary" or "Subsidiaries" means with respect to any Person, any corporation, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a partnership, association or other business entity, a majority of the partnership or other similar ownership interests thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons will be deemed to have a majority ownership interest in a partnership, association or other business entity if such Person or Persons will be allocated a majority of partnership, association or other business entity gains or losses or will be or control the managing director, managing member, general partner or other managing Person of such partnership, association or other business entity. A Subsidiary of a Person will also include any variable interest entity which is consolidated with such Person under applicable accounting rules. Notwithstanding anything to the contrary contained herein, China Dealer, Qianxiang Changda and their Subsidiaries will be deemed to be Subsidiaries of the Company for all purposes of this Agreement.

1.71 "Survival Period" has the meaning set forth in Section 10.7.

1.72 "Tangible Personal Property" means all tangible personal property and interests therein, including machinery, computers and accessories, furniture, office equipment, communications equipment, automobiles, trucks, forklifts and other vehicles owned or leased by the Company and other tangible property, including the items listed on Schedule 4.14.

1.73 "Tax(es)" means any federal, state, local or foreign tax, charge, fee, levy, custom, duty, deficiency, or other assessment of any kind in the nature of taxes imposed by any Taxing Authority (including any income (net or gross), gross receipts, profits, windfall profit, sales, use, goods and services, ad valorem, franchise, license, withholding, employment, social security, workers compensation, unemployment compensation, employment, payroll, transfer, excise, import, real property, personal property, intangible property, occupancy, recording, minimum, alternative minimum, environmental or estimated tax), together with any interest, penalty, additions to tax or additional amount imposed with respect thereto.

1.74 "Taxing Authority" means the Internal Revenue Service and any other Authority responsible for the collection, assessment or imposition of any Tax or the administration of any Law relating to any Tax.

1.75 "Tax Return" means any return, information return, declaration, claim for refund or credit, report or any similar statement relating to Taxes, and any amendment thereto, including any attached schedule and supporting information, whether on a separate, consolidated, combined, unitary or other basis, that is filed or required to be filed with any Taxing Authority in connection with the determination, assessment, collection or payment of a Tax or the administration of any Law relating to any Tax.

1.76 "Third Party Claim" means an Action brought by any third party (including any Authority).

1.77 "Transitional Agreements" means the Master Transactional Agreement, Transitional Non-Competition Agreement and Transitional Services Agreement.

1.78 "Transitional Non-Competition Agreement" means the agreement to be entered into by the Seller and the Company, the substantially agreed form of which is attached as Exhibit B hereto

1.79 "Transitional Services Agreement" means the agreement to be entered into by the Seller and the Company, the substantially agreed form of which is attached as Exhibit C hereto (for the avoidance of doubt the schedules to the Transitional Services Agreement are to be provided and agreed).

1.80 "UCC" means the Uniform Commercial Code of the State of New York, or any corresponding or succeeding provisions of Laws of the State of New York, or any corresponding or succeeding provisions of Laws, in each case as the same may have been and hereafter may be adopted, supplemented, modified, amended, restated or replaced from time to time.

1.81 "U.S. GAAP" means U.S. generally accepted accounting principles, consistently applied.

1.82 "VIE Contracts" means certain variable interest entity contracts between (a) SWFOE, China Dealer and the China Dealer Shareholders and (b) SWFOE, Qianxiang Changda and the Qianxiang Changda Shareholders.

1.83 "Zhoushuo" means Shanghai Zhoushuo Auto Technology Co., a registered company in Shanghai China.

ARTICLE II
SHARE EXCHANGE

2.1 Share Purchase. Upon the terms and subject to the conditions set forth in this Agreement, on the Closing Date, the Seller shall sell, transfer, convey, assign and deliver to the Purchaser, and the Purchaser shall purchase, acquire and accept from the Seller, all of the issued and outstanding Company Ordinary Shares, being 160,000,000 shares of US$0.0001 par value each (the "Purchased Shares") all free and clear of all Liens.

2.2 Conversion of Company Options. In accordance with the terms of the Kaixin Auto Group 2018 Equity Incentive Plan and any related grant agreements thereunder, as in effect on the date of this Agreement, the Seller and the Company shall take such action as is reasonably necessary with respect to all share options to purchase Company Ordinary Shares ("Company Share Options") granted under the Kaixin Auto Group 2018 Equity Incentive Plan and outstanding immediately prior to Closing so that, effective upon the Closing, all Company Share Options then outstanding and unexercised immediately prior to the Closing shall be cancelled and thereafter correspond to a certain number of Awards (as defined in the equity incentive plan of Purchaser to be adopted in accordance with Section 9.3(h) hereof), or, solely to the extent necessary to comply with Section 409A of the Code with respect to the replacement of vested Company Share Options held by US taxpayers, vested Purchaser Ordinary Shares having an aggregate fair market value equal to the spread value of the vested Company Share Options being cancelled, pursuant to the consents and related documentation to be solicited from the relevant holders of the Company Share Options pursuant to this Section 2.2. The parties hereby agree to undertake reasonable best efforts to solicit from all holders of such Company Share Options any consents and related documentation as needed in order to effect the foregoing. The parties acknowledge that the shares issued or issuable pursuant to this provision shall count against the total number of Purchaser Ordinary Shares issuable pursuant to Awards (as defined therein) issuable pursuant to the equity incentive plan of Purchaser to be adopted in accordance with Section 9.3(h) hereof.

2.3 Closing; Closing Date. Unless this Agreement is earlier terminated in accordance with ARTICLE XII, the closing of the Share Purchase (the "Closing") shall take place at the offices of Simpson Thacher & Bartlett, located at 35/F ICBC Tower, 3 Garden Road, Hong Kong, at 10:00 a.m. China Standard time, on the third (3rd) Business Day following satisfaction or waiver (to the extent permitted by applicable law) of the conditions set forth in ARTICLE IX, or such earlier date as agreed by the parties in writing. The parties may participate in the Closing via electronic means. The date on which the Closing actually occurs is hereinafter referred to as the "Closing Date".

2.4 Board of Directors. Immediately after the Closing, the Purchaser's board of directors will consist of five (5) directors. Shareholder Value Fund ("Sponsor Designee") shall have the right to designate one (1) director to the Purchaser's board of directors to serve for one (1) year following the Closing, while the Seller shall have the right to designate the remaining four (4) members of Purchaser's board of directors for one (1) year following the Closing. In the event that applicable Laws require Purchaser to appoint additional members to its board of directors in order to comply with applicable independence requirements, Sponsor Designee agrees to grant a proxy to Seller with respect to the vote of all Purchaser Ordinary Shares beneficially owned by it with respect to the appointment of any such independent director(s) or director nominee(s). The parties to this Agreement shall enter into an Investor Rights Agreement, the content of which will include provisions relating to election of directors nominated by the Sponsor Designee and Seller.

2.5 Cancellation of Treasury Shares. At the Closing Date, any Company Ordinary Shares held in treasury shall be canceled and extinguished without any conversion thereof or payment therefor.

2.6 Taking of Necessary Action; Further Action. If, at any time after the Closing, any further action is necessary or desirable to carry out the purposes of this Agreement and to vest the Purchaser with full right, title and interest in, to and under, and/or possession of, all assets, property, rights, privileges, powers and franchises of the Company or any of its Subsidiaries, the officers and directors of the Purchaser are fully authorized in the name and on behalf of the Company or any of its Subsidiaries, to take all lawful action necessary or desirable to accomplish such purpose or acts, so long as such action is not inconsistent with this Agreement.

ARTICLE III
CONSIDERATION

3.1 Closing Payment Shares.

(a) Subject to and upon the terms and conditions of this Agreement, in full payment for the Purchased Shares, the Purchaser shall (i) issue to the Seller the Closing Payment Shares less the Escrow Shares and (ii) issue the Escrow Shares to the Escrow Agent to be held pursuant to the terms of this Agreement and the Escrow Agreement. In the event of any conflict between this Agreement and the Escrow Agreement, this Agreement shall prevail.

3.2 Payment of Closing Payment Shares.

(a) No certificates or scrip representing fractional shares of Purchaser Ordinary Shares will be issued pursuant to the Share Purchase, and such fractional share interests will not entitle the owner thereof to vote or to any rights of a shareholder of the Purchaser.

(b) *Legend*. Each certificate issued pursuant to the Share Purchase to any holder of Company Ordinary Shares shall bear the legend set forth below, or legend substantially equivalent thereto, together with any other legends that may be required by any securities laws at the time of the issuance of the Purchaser Ordinary Shares:

> THE ORDINARY SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL (I) SUCH OFFER, SALE, TRANSFER, PLEDGE OR HYPOTHECATION HAS BEEN REGISTERED UNDER THE ACT OR (II) THE ISSUER OF THE ORDINARY SHARES HAS RECEIVED AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE WITH THE ACT.

3.3 Escrow. The Company and the Seller hereby authorize the Purchaser to issue the Escrow Shares to the Escrow Agent pursuant to the Escrow Agreement.

(a) Escrow Shares; Accrued Dividends; Voting. The parties agree that while any Escrow Shares are held by the Escrow Agent, any dividends or distributions made or otherwise payable on or in respect of such Escrow Shares shall be paid to the Escrow Account and held by the Escrow Agent as Accrued Dividends.

(b) Distribution of Escrow Shares. At the times provided for in Section 3.3(d), the Escrow Shares shall be released and transferred to the Seller together with any Accrued Dividends with respect to such released Escrow Shares and other amounts or property held in such Escrow Account. The Purchaser will take such action as may be necessary to cause the transfer of such Escrow Shares to be registered in its register of members and certificates in respect of such Escrow Shares to be issued in the name of the Seller. Certificates representing Escrow Shares so transferred that are subject to resale restrictions under applicable securities laws will bear a legend to that effect. No fractional shares shall be released and transferred by the Escrow Agent to the Seller and all fractional shares shall be rounded to the nearest whole share.

(c) Assignability. No Escrow Shares or any beneficial interest therein may be mortgaged, pledged, sold, assigned or transferred, including by operation of law, by the Seller other than to Affiliates of the Seller, or be taken or reached by any legal or equitable process in satisfaction of any debt or other liability of the Seller, prior to the transfer to the Seller of the Escrow Shares by the Escrow Agent as provided herein.

(d) Releases from Escrow Account.

(i) Except as otherwise provided in Sections 3.4(d) and (e), and subject to the last sentence of this Section 3.3(d)(i), within five (5) Business Days following the end of the Survival Period, the Purchaser and the Seller will provide joint written instructions to the Escrow Agent to release and transfer all remaining Escrow Shares and release other amounts or property held in the Escrow Account (including Accrued Dividends) to the Indemnifying Party, less the amount of any Payment Offset. Any such Payment Offset will be released from the Escrow Account upon Final Resolution of the relevant Claim, with Purchaser receiving any disbursements required with respect to such Claim pursuant to the terms of Section 10.2 and the remainder of the Escrow Account being released to the Indemnifying Party. Notwithstanding anything to the contrary in this Agreement, no amounts payable (or potentially payable) to Seller pursuant to Sections 3.4(a) and 3.4(b) shall be subject to any reduction or offset by any Payment Offset.

(ii) Within five (5) Business Days following the final determination of the amount of any Earnout Payment pursuant to the provisions of Sections 3.4, 3.5 and 3.6, the Purchaser and the Seller will provide joint written instructions to the Escrow Agent to release and transfer the number of Escrow Shares (if any) included in such Earnout Payment together with any Accrued Dividends thereon or other amounts or property attributable thereto held in the Escrow Account ("Release Instructions").

3.4 Earnout Payment. The Escrow Property shall be held in the Escrow Account and, subject to this ARTICLE III and ARTICLE X, will be released to the Seller (along with the Accrued Dividends) in the event that the Company and its respective Subsidiaries meet certain minimum performance requirements in accordance with this ARTICLE III. Collectively, any payments contemplated under this Section 3.4 shall be referred to as the "Earnout Payment".

(a) Subject to this ARTICLE III and the provisions of ARTICLE X, in the event that the Company's Gross Revenue for the year ended December 31, 2019 is:

(i) greater than or equal to RMB 5,000,000,000, then the Escrow Agent shall release and transfer 1,950,000 Escrow Shares to the Seller as set forth in the Release Instructions; or

(ii) less than RMB 5,000,000,000, then no Escrow Shares shall be released and transferred to the Seller pursuant to this Section 3.4(a),

(b) Subject to this ARTICLE III and the provisions of ARTICLE X, in the event that the Company's Adjusted EBITDA for the year ended December 31, 2019 is:

(i) greater than or equal to RMB 200,000,000, then the Escrow Agent shall release and transfer 7,800,000 Escrow Shares to the Seller as set forth in the Release Instructions;

(ii) is greater than RMB 150,000,000 but less than RMB 200,000,000, then the Escrow Agent shall release and transfer such number of Escrow Shares equal to 3,900,000 *plus* the product of (A) 3,900,000 and (B) the quotient of (x) Company's Adjusted EBITDA minus 150,000,000, divided by (y) 50,000,000 (for the avoidance of doubt this amount shall not be greater than 7,800,000 Purchaser Ordinary Shares, nor less than 3,900,000 Purchaser Ordinary Shares) to the Seller as set forth in the Release Instructions;

(iii) equal to RMB 150,000,000, then the Escrow Agent shall release and transfer 3,900,000 Escrow Shares to the Seller as set forth in the Release Instructions; or

(iv) is less than RMB 150,000,000, then no Escrow Shares shall be released and transferred to the Seller pursuant to this Section 3.4(b).

(c) Subject to this ARTICLE III and to any potential Losses set forth in any Claim Notice and the provisions of ARTICLE X, in the event that the Company's Adjusted EBITDA for the year ended December 31, 2020 is:

(i) greater than or equal to RMB 480,000,000, then the Escrow Agent shall release and transfer 9,750,000 Escrow Shares to the Seller as set forth in the Release Instructions;

(ii) is greater than RMB 340,000,000 but less than RMB 480,000,000, then the Escrow Agent shall release and transfer such number of Escrow Shares equal to 4,875,000 *plus* the product of (A) 4,875,000 and (B) the quotient of (x) Company's Adjusted EBITDA minus 340,000,000, divided by (y) 140,000,000 (for the avoidance of doubt this amount shall not be greater than 9,750,000 Purchaser Ordinary Shares, nor less than 4,875,000 Purchaser Ordinary Shares) to the Seller as set forth in the Release Instructions;

(iii) equal to RMB 340,000,000, then the Escrow Agent shall release and transfer 4,875,000 Escrow Shares to the Seller as set forth in the Release Instructions; or

(iv) is less than RMB 340,000,000, then no Escrow Shares shall be released and transferred to the Seller pursuant to this Section 3.4(c).

The payments provided for in Sections 3.4(a), 3.4(b) and 3.4(c) are independent of one another, and if the relevant conditions are satisfied, the Seller may be entitled to payments provided for pursuant to each such clause. For the avoidance of doubt, but subject to Sections 3.4(d) and 3.4(e) below, the Seller will not be entitled to the payments provided for in Sections 3.4(a) or 3.4(b) (as applicable) if the relevant conditions in Sections 3.4(a) or 3.4(b) (as applicable) are not satisfied, irrespective of whether the Seller is entitled to payment provided for in Section 3.4(c).

(d) In the event that the closing trading price on the Nasdaq Capital Market (or other applicable securities exchange) of the Purchaser Ordinary Shares is equal to or greater than US$13.00 per share, and provided that Section 3.4(e) is not applicable, for any sixty (60) days in any period of ninety (90) consecutive trading days within fifteen (15) months following the Closing, then irrespective of the Company's Gross Revenue or Adjusted EBITDA for any applicable periods, the parties will immediately deliver Release Instructions to the Escrow Agent for the release and transfer of (i) any and all remaining Escrow Shares corresponding to the Earnout Payments provided for in Sections 3.4(a) and (b) of this Agreement (subject to any applicable Payment Offsets to the extent that no other Escrow Shares are available to satisfy such Payment Offsets), and (ii) an additional 3,300,000 Escrow Shares (which shall not be subject to any Payment Offsets), in each case, together with any Accrued Dividends with respect to such Escrow Shares.

(e) In the event that the closing trading price on the Nasdaq Capital Market (or other applicable securities exchange) of the Purchaser Ordinary Shares is equal to or greater than US$13.50 per share for any sixty (60) days in any period of ninety (90) consecutive trading days within thirty (30) months following the Closing, then irrespective of the Company's Gross Revenue or Adjusted EBITDA for any applicable periods, the parties will immediately deliver Release Instructions to the Escrow Agent for the release and transfer of any and all remaining Escrow Shares, together with any Accrued Dividends with respect to such Escrow Shares and other amounts or property held in the Escrow Account at such time, subject to any applicable Payment Offsets, to the Seller.

(f) For purposes hereof, the term "Escrow Property Unearned Amount" means, with respect to any Earnout Period, a portion of Escrow Property representing the difference, if any, between (i) the maximum amount of Escrow Property that the Seller could have been entitled to receive at the end of such Earnout Period in accordance with Section 3.4(a), (b) or (c) (as applicable), and (ii) the actual amount of Escrow Property that the Seller is actually entitled to receive at the end of such Earnout Period in accordance therewith. If there is an Escrow Property Unearned Amount at the end of an Earnout Period, such Escrow Property Unearned Amount will be deemed forfeited by the Seller with respect to Section 3.4(a), (b) or (c) (as applicable), but such Escrow Property Unearned Amount will not be deemed forfeited for purposes of Sections 3.4(d) and (e), and such Escrow Property Unearned Amount will be retained by the Escrow Agent until the final determination of the amount of Escrow Property that the Seller is actually entitled to receive pursuant to this Section 3.4. Within five (5) Business Days after a final determination of all applicable payments due to Seller pursuant to this Section 3.4, the Purchaser and the Seller shall provide joint written instructions to the Escrow Agent to release to the Purchaser any remaining Escrow Property that Seller is finally determined to not be entitled to receive pursuant to this Section 3.4. The Purchaser will cancel any Escrow Shares distributed to the Purchaser from the Escrow Account promptly after its receipt of such instructions and will cancel any Accrued Dividends payable in respect of such Escrow Shares. The Seller acknowledges that its right to receive any amounts pursuant to Section 3.4 is subject to the terms and conditions set forth in this Agreement, including (in particular) this Article III and Article X, and subject to the terms and conditions set forth in this Article III, such right is contingent on both the performance of the Company and its Subsidiaries for periods after the Closing and any Payment Offset (as applicable). The Seller further acknowledges that if the terms and conditions set forth in this Agreement, including (in particular) this Article III and Article X, are not satisfied, the Escrow Property Unearned Amount will consequently not be paid or delivered to the Seller, and the Seller shall have no right to receive such Escrow Property Unearned Amount.

3.5 Determination of Earnout Payment. As soon as practicable (but in any event within forty-five (45)) days) after the completion of the audited consolidated financial statements for the Company and its Subsidiaries for each year ended December 31, 2019 and December 31, 2020, the Company's chief financial officer (the "CFO") will prepare and deliver to the Purchaser and Seller a written statement (the "Earnout Statement") that sets forth the CFO's determination in accordance with the terms of this ARTICLE III of the Adjusted EBITDA and Gross Revenue for year ended December 31, 2019 and the Adjusted EBITDA for year ended December 31, 2020 based on such audited consolidated financial statements for each respective period, and the amount of any Earnout Payment the Seller is entitled to receive pursuant to the terms of Section 3.4. Each of the Purchaser and the Seller will have thirty (30) days after its receipt of an Earnout Statement to review it. To the extent reasonably requested in connection with their respective reviews of the Earnout Statement, the Company and its Subsidiaries will provide each of the Purchaser and the Seller and their respective representatives with reasonable access to the Books and Records of the Company and its Subsidiaries, their respective finance personnel and any other information that the Purchaser or the Seller reasonably requests relating to the determination of the Adjusted EBITDA and Gross Revenue for year ended December 31, 2019 and the Adjusted EBITDA for year ended December 31, 2020 and the calculation of the amount of the Earnout Payment. Either the Purchaser or the Seller may deliver written notice to the CFO (by providing notice to the Company to the attention of the CFO) and the other party on or prior to the thirtieth (30th) day after receipt of an Earnout Statement specifying in reasonable detail any items that they wish to dispute and the basis therefor. If either the Seller or the Purchaser fails to deliver such written notice in such thirty (30) day period, then such party will have waived its right to contest the Earnout Statement and the calculations set forth therein of the Adjusted EBITDA and Gross Revenue for year ended December 31, 2019 and the Adjusted EBITDA for the year ended December 31, 2020 and the amount of each respective Earnout Payment (if any). If neither Seller nor Purchaser delivers such a notice, the calculation of the Earnout Payment set forth in the Earnout Statement shall become final and for all purposes hereunder (other than for fraud or manifest error) at the end of such thirty (30) day period, and the Purchaser and Seller shall provide Release Instructions to the Escrow Agent in accordance with Section 3.3(d). If either the Purchaser or the Seller provides the CFO and the other party with written notice of any objections to the Earnout Statement in such thirty (30) day period, then the Seller and the Purchaser will, for a period of thirty (30) days following the date of delivery of such notice, attempt to resolve their differences and any written resolution by them as to any disputed amount will be final and binding for all purposes under this Agreement and the Purchaser and Seller shall provide Release Instructions to the Escrow Agent in accordance with Section 3.3(d). If at the conclusion of such thirty (30) day period the Seller and the Purchaser have not reached an agreement on any objections with respect to the Earnout Statement, then upon request of either party the parties will resolve the dispute in accordance with the dispute resolution procedure set forth in Section 3.6. The Company shall maintain a financial reporting system that enables the parties to calculate the Adjusted EBITDA and Gross Revenue for year ended December 31, 2019 and the Adjusted EBITDA for year ended December 31, 2020 for purposes of this ARTICLE III.

3.6 Dispute Resolution Procedure. Matters disputed pursuant to Section 3.5 may be referred by either the Purchaser or the Seller to the Independent Expert for determination in accordance with this Section 3.6. Each of the Seller and the Purchaser agrees to execute, if requested by the Independent Expert, a reasonable engagement letter with respect to the determination to be made by the Independent Expert. All fees and expenses of the Independent Expert will be borne in equal proportions by the Purchaser and the Seller. Except as provided in the preceding sentence, all other costs and expenses incurred by the Seller in connection with resolving any dispute hereunder before the Independent Expert will be borne by the Seller, and all other costs and expenses incurred by the Purchaser in connection with resolving any dispute hereunder before the Independent Expert will be borne by the Purchaser. The Independent Expert will determine only those issues still in dispute as of the Dispute Resolution Notice Date and the Independent Expert's determination will be based solely upon and consistent with the terms and conditions of this Agreement. The determination by the Independent Expert will be based solely on presentations with respect to such disputed items by the Purchaser and the Seller to the Independent Expert and not on the Independent Expert's independent review; provided, that such presentations will be deemed to include any work papers, records, accounts or similar materials delivered to the Independent Expert by the Purchaser or the Seller in connection with such presentations and any materials delivered to the Independent Expert in response to requests by the Independent Expert. Each of the Seller and the Purchaser will use their reasonable efforts to make their respective presentations as promptly as practicable following submission to the Independent Expert of the disputed items, and each such party will be entitled, as part of its presentation, to respond to the presentation of the other party and any questions and requests of the Independent Expert. In deciding any matter, the Independent Expert will be bound by the provisions of this Agreement, including this Section 3.6. It is the intent of the parties hereto that the procedures set forth in this Section 3.6 and the activities of the Independent Expert in connection herewith are not (and should not be considered to be or treated as) an arbitration proceeding or similar arbitral process and that no formal arbitration rules should be followed (including rules with respect to procedures and discovery). The Seller and the Purchaser will request that the Independent Expert's determination be made within forty five (45) days after its engagement, or as soon thereafter as possible, will be set forth in a written statement delivered to the Purchaser and the Seller and will be final, conclusive, non-appealable and binding for all purposes hereunder (other than for fraud or manifest error), and the Purchaser and Seller shall provide Release Instructions to the Escrow Agent in accordance with Section 3.3(d)(ii).

3.7 Future Operations.

(a) Following the Closing through December 31, 2020 (the "Earnout Period"), the Company and its Subsidiaries shall, and the Purchaser and its Affiliates shall cause the Company and its Subsidiaries to, operate, in good faith in accordance with the business plan and practices of the Company and its Subsidiaries in effect prior to the Closing with the existing executives of the Company and its Subsidiaries, and to continue to engage in financing activities so as to obtain and maintain resources for working capital, capital requirements and other business needs at a level consistent with past practices, and shall not make, accelerate or defer any payments or expenditures or accelerate or defer receipt of any revenues, or otherwise take, agree to take, not take or agree not to take any action, different from the ordinary course past practices of the Company and its Subsidiaries prior to the Closing and in each case in a manner that would be reasonably expected to adversely affect the Company's Gross Revenue or Adjusted EBITDA for the year ended December 31, 2019, the Company's Adjusted EBITDA for the year ended December 31, 2020 or the amount of any Earnout Payment payable or potentially payable to Seller. In addition, during the Earnout Period, the Company and its Subsidiaries shall not, and the Purchaser and its Affiliates shall cause the Company and its Subsidiaries not to:

(i) (A) effect any dividend or distribution of any portion of the cash of the Company and its Subsidiaries, (B) enter into any intercompany loans or similar arrangements with Purchaser or any Affiliates of the Purchaser or (C) enter into any intercompany arrangements or transactions with Purchaser or any other Affiliates of the Purchaser on pricing on terms other than arm's-length terms, in each case that would reasonably be expected to adversely affect the Company's Gross Revenue or Adjusted EBITDA for the year ended December 31, 2019, the Company's Adjusted EBITDA for the year ended December 31, 2020 or the amount of any Earnout Payment payable or potentially payable to Purchaser;

(ii) (A) incur any Indebtedness or other Liabilities except for such Indebtedness or Liabilities as relate to the operation of the Company and its Subsidiaries, or (B) incur any Indebtedness or other Liabilities on behalf of the Purchaser or any of its Affiliates with respect to any business other than that of the Company and its Subsidiaries;

(iii) transfer, convey, license or otherwise dispose of any rights, assets or properties (A) to any Affiliate that is not a wholly-owned Subsidiary of the Company or to the Purchaser or any Affiliate of Purchaser, except to the extent that any such rights, assets and operations, or portions thereof, so transferred, conveyed, licensed or otherwise disposed of continue to be included in the calculation of the Company's Gross Revenue and Adjusted EBITDA for the year ended December 31, 2019 or the Company's Adjusted EBITDA for the year ended December 31, 2020; or

(iv) make any material change to its accounting practices, procedures or policies that would reasonably be expected to adversely affect the Company's Gross Revenue or Adjusted EBITDA for the year ended December 31, 2019, the Company's Adjusted EBITDA for the year ended December 31, 2020 or the amount of any Earnout Payment payable or potentially payable to Seller, except in each case as required by U.S. GAAP.

(b) In the event of any reorganization, restructuring, merger, purchase, acquisition, disposition, divestiture or other transfer of equity, assets, properties or business, business combination, exclusive lease or license, or other similar transaction directly or indirectly involving the Company or any of its Subsidiaries during the Earnout Period, the parties shall determine by mutual good faith such action (if any) as is necessary to modify the calculation of the Company's Gross Revenue and Adjusted EBITDA for the year ended December 31, 2019 or the Company's Adjusted EBITDA for the year ended December 31, 2020 so as to ensure Seller maintains substantially equivalent economic rights under Section 3.4 after such transaction so as to effect the original intention of the parties as closely as possible. To the extent the parties are not able to reach a good faith mutual agreement pursuant to this Section 3.7(b), such matter will be subject to the dispute resolution procedures of ARTICLE XI.

(c) The Company and its Subsidiaries shall keep, and Purchaser shall cause the Company and its Subsidiaries to keep, adequate records with respect to the Company and its Subsidiaries as is reasonably necessary to enable Seller to review the Earnout Statement and the calculation of Gross Revenue and Adjusted EBITDA contained therein.

(d) Within ten (10) days following the Closing, Purchaser and Seller shall each appoint an individual (who may be replaced by the appointing Party at any time in its sole discretion) to together comprise a committee for the purpose of facilitating communications and monitoring the matters contemplated by this Section 3.7 (the "Committee"). The Committee shall meet on a quarterly basis during the Earnout Period to discuss the status of the business of the Company and its Subsidiaries, and shall be permitted to make reasonable inquiries to senior officers of the Company and its Subsidiaries.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE WARRANTORS

The Company and the Seller (together, the "Warrantors") jointly and severally, hereby represent and warrant to Purchaser that each of the following representations and warranties are true, correct and complete as of the date of this Agreement (or, if a specific date is indicated in any such statement, true and correct as of such specified date), except as set forth in the Company Disclosure Schedule or information contained in the Proxy Statement relating to the Company.

4.1 Corporate Existence and Power. The Company is a company duly incorporated, validly existing and in good standing under the laws of the Cayman Islands and its Subsidiaries are duly organized, validly existing and in good standing under the laws of the jurisdiction in which they were formed (the Company and its Subsidiaries (including but not limited to HK Holdings and the WFOEs), collectively, the "Company Parties" and each a "Company Party"). Each of the Company Parties has all corporate or similar power and authority and all governmental licenses, franchises, Permits, authorizations, consents and approvals required to own and operate its properties and assets and to carry on the Business, in each case, as presently conducted in all material respects. Each of the Company Parties is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its Business as currently conducted makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing would not have a Company Material Adverse Effect. The Company Parties have offices located only at the addresses set forth on Schedule 4.1.

4.2 Authorization. The execution, delivery and performance by the Company Parties of this Agreement and the Additional Agreements and the consummation by the Company Parties of the transactions contemplated hereby and thereby are within the corporate powers of the Company Parties and have been duly authorized by all necessary action on the part of the Company Parties. This Agreement constitutes, and, upon their execution and delivery, each of the Additional Agreements will constitute, a valid and legally binding agreement of the Company Parties enforceable against the Company Parties in accordance with their respective terms, except as may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

4.3 Governmental Authorization. Neither the execution, delivery nor performance by the Company Parties of this Agreement or any Additional Agreements requires any consent, approval, license or other action by or in respect of, or registration, declaration or filing with, any Authority requiring a consent, approval, authorization, order or other action of or filing with any Authority as a result of the execution, delivery and performance of this Agreement or any of the Additional Agreements or the consummation of the transactions contemplated hereby or thereby (each of the foregoing, a "Governmental Approval"), other than such Governmental Approvals, if not so taken, made or obtained, would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

4.4 Non-Contravention. None of the execution, delivery or performance by the Company Parties of this Agreement or any Additional Agreements does or will (a) contravene or conflict with the constitutional documents of the Company Parties, (b) contravene or conflict with or constitute a violation of any material provision of any Law or Order binding upon or applicable to the Company Parties, (c), constitute a default under or breach of (with or without the giving of notice or the passage of time or both) or violate or give rise to any right of termination, cancellation, amendment or acceleration of any right or obligation of the Company Parties or require any payment or reimbursement or to a loss of any material benefit relating to the Business to which the Company Parties are entitled under any provision of any Permit, Contract or other instrument or obligations binding upon the Company Parties or by which any of the Company Ordinary Shares or any of the Company's assets is or may be bound or any Permit, in each case, (d) result in the creation or imposition of any Lien (except for Permitted Liens) on any of the Company Ordinary Shares or any of the Company Party's assets or (e) cause a loss of any benefit relating to the Business to which the Company Parties are entitled under any provision of any Permit or Contract binding upon the Company Parties, other than, with respect to clauses (c), (d) and (e), as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

4.5 Capitalization. The Company has an authorized share capital of US$80,000 divided into 800,000,000 Company Ordinary Shares (together with the Company Ordinary Share Rights, the "Company Capital Shares" of which (i) 160,000,000 Company Ordinary Shares and (ii) 36,461,500 options to purchase Company Ordinary Shares pursuant to the Kaixin Auto Group 2018 Equity Incentive Plan are issued and outstanding as of the date hereof. 153,538,500 options to purchase Company Ordinary Shares are issuable pursuant to the Kaixin Auto Group 2018 Equity Incentive Plan. No Company Capital Shares are held in its treasury. All of the issued and outstanding Company Capital Shares have been duly authorized and validly issued, are fully paid and non-assessable and have not been issued in violation of any preemptive or similar rights of any Person. All of the issued and outstanding Company Capital Shares are owned of record and beneficially by the Persons set forth on Schedule 4.5. The only Company Ordinary Shares that will be outstanding immediately after the Closing will be the Company Capital Shares owned by the Purchaser. No other class of equity securities of the Company is authorized or outstanding. Except for the equity securities granted under the Kaixin Auto Group 2018 Equity Incentive Plan and the equity securities reserved for issuance pursuant to both existing Dealership Agreements and After Sale Agreements, there are no: (a) outstanding subscriptions, options, warrants, rights (including "phantom share rights"), calls, commitments, understandings, conversion rights, rights of exchange, plans or other agreements of any kind providing for the purchase, issuance or sale of any shares of the equity securities of the Company, or (b) to the knowledge of the Company, agreements with respect to any of the Company Capital Shares, including any voting trust, other voting agreement or proxy with respect thereto.

4.6 Memorandum and Articles of Association. Copies of the constitutional documents of the Company Parties have heretofore been made available to Purchaser, and such copies are each true and complete copies of such instruments as amended and in effect on the date hereof.

4.7 Corporate Records. All proceedings occurring since October 1, 2015 of the board of directors, including committees thereof, and all consents to actions taken thereby, are accurately reflected in the minutes and records contained in the corporate minute books of the Company Parties.

4.8 Assumed Names. Schedule 4.8 is a complete and correct list of all assumed or "doing business as" names currently or, within five (5) years prior to the date of this Agreement, used by the Company Parties, including names on any websites. Since October 1, 2015, none of the Company Parties has used any name other than the names listed on Schedule 4.8 to conduct the Business. Each Company Party has filed appropriate "doing business as" certificates in all applicable jurisdictions with respect to itself.

4.9 Subsidiaries

(a) Each Subsidiary is a company duly organized, validly existing and in good standing under and by virtue of the Laws of the jurisdiction of its formation set forth by its name on Schedule 4.9. Each Subsidiary has all power and authority, corporate and otherwise, and all governmental licenses, Permits, authorizations, consents and approvals required to own and operate its properties and assets and to carry on the Business as presently conducted and as proposed to be conducted, except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Other than as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse, Effect, (i) no Subsidiary is qualified to do business as a foreign entity in any jurisdiction, except as set forth by its name on Schedule 4.9, and there is no other jurisdiction in which the character of the property owned or leased by any Subsidiary or the nature of its activities make qualification of such Subsidiary in any such jurisdiction necessary, and (ii) each Subsidiary has offices located only at the addresses set forth by its name on Schedule 4.9.

(b) HK Holdings is the legal and beneficial owner of one hundred percent (100%) of the issued and outstanding equity interests of each WFOE. Except for the pledge of the shares of (a) the China Dealer made to SWFOE and (b) Qianxiang Changda made to the SWFOE, pursuant to the VIE Contracts there are no outstanding options, warrants, rights (including conversion rights, preemptive rights, rights of first refusal or similar rights) or agreements to purchase or acquire any equity interest, or any securities convertible into or exchangeable for an equity interest, of either WFOE. The VIE Contracts which are set forth on Schedule 4.9(b) pursuant to which the profits of China Dealer are paid to SWFOE and China Dealer are contractually controlled by SWFOE. BWFOE is not a party to any variable interest entity contracts with China Dealer or any other Person, and does not otherwise conduct its business through China Dealer or any entity.

(c) The capital and organizational structure of each Subsidiary organized or registered in the PRC (each, a "PRC Target Company") are valid and in compliance with the applicable PRC Laws, other than as would not reasonably be expected to have a Company Material Adverse Effect. The registered capital of each PRC Target Company has been fully paid up in accordance with the schedule of payment stipulated in its articles of association, approval documents, certificates of approval and legal person business license (collectively, the "PRC Establishment Documents") and in compliance with applicable PRC Laws, and there is no outstanding capital contribution commitment, other than as disclosed in Schedule 4.9(c). The PRC Establishment Documents of each PRC Target Company have been duly approved and filed in accordance with the laws of the PRC and are valid and enforceable. The business scope specified in the PRC Establishment Documents of the PRC Target Companies complies in all material respects with the requirements of all applicable PRC Laws, and the operation and conduct of business by, and the term of operation of the PRC Target Companies in accordance with the PRC Establishment Documents are in compliance with applicable PRC Laws.

4.10 Consents. The Contracts listed on Schedule 4.10 are the only Contracts binding upon the Company Parties or by which any of the Company Capital Shares or any of the Company Parties' assets are bound, requiring a consent, approval, authorization, order or other action of or filing with any Person as a result of the execution, delivery and performance of this Agreement or any of the Additional Agreements or the consummation of the transactions contemplated hereby or thereby, other than such consents, approvals, authorizations, orders or other actions or filings which, if not obtained, would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

4.11 Financial Statements.

(a) Schedule 4.11 includes (i) the audited consolidated financial statements of the Company as of and for the years ended December 31, 2017 and 2016, consisting of the audited consolidated balance sheet as of such date, the audited consolidated income statement for the twelve (12) month period ended on such date, and the audited consolidated cash flow statement for the twelve (12) month period ended on such date and (ii) unaudited financial statements (the "Unaudited Financial Statements") from January 1, 2018 through June 30, 2018 (collectively, the "Financial Statements") and the unaudited consolidated balance sheet as of June 30, 2018 included therein, the "Balance Sheet").

(b) The Financial Statements are complete and accurate and fairly present in all material respects the financial position of the Company Parties as of the dates thereof and the results of operations of the Company Parties for the periods reflected therein in conformity with U.S. GAAP. The Financial Statements (i) were prepared from the Books and Records of the Company Parties; (ii) were prepared on an accrual basis in accordance with U.S. GAAP consistently applied; (iii) contain and reflect all necessary adjustments and accruals for a fair presentation of the Company Parties' financial condition as of their dates including for all warranty, maintenance, service and indemnification obligations; and (iv) contain and reflect adequate provisions for all Liabilities for all material Taxes applicable to the Company Parties with respect to the periods then ended.

(c) Except as specifically disclosed, reflected or fully reserved against on the Balance Sheet, and for liabilities and obligations of a similar nature and in similar amounts incurred in the ordinary course of business since the date of the Balance Sheet, there are no material liabilities, debts or obligations (whether accrued, fixed or contingent, liquidated or unliquidated, asserted or unasserted or otherwise) relating to each of the Company Parties. All debts and Liabilities, fixed or contingent, which should be included under U.S. GAAP on the Balance Sheet are included therein.

(d) The Balance Sheet included in the Financial Statements accurately reflects in all material respects the outstanding Indebtedness of the Company Parties as of the date thereof.

(e) All financial projections delivered by or on behalf of the Company Parties to Purchaser with respect to the Business were prepared in good faith using assumptions that the Company Parties believe to be reasonable.

4.12 Books and Records. All Contracts, documents, and other papers or copies thereof delivered to Purchaser by or on behalf of the Company Parties are accurate, complete, and authentic in all material respects.

(a) The Books and Records accurately and fairly, in all material respects, reflect the transactions and dispositions of assets of and the providing of services by the Company Parties. Each Company Party maintains a system of internal accounting controls sufficient in all material respects to provide reasonable assurance that:

(i) transactions are executed only in accordance with the respective management's authorization;

(ii) all income and expense items are promptly and properly recorded for the relevant periods in accordance with the revenue recognition and expense policies maintained by the Company Parties, as permitted by U.S. GAAP;

(iii) access to assets is permitted only in accordance with the respective management's authorization; and

(iv) recorded assets are compared with existing assets at reasonable intervals, and appropriate action is taken with respect to any differences.

(b) All accounts, books and ledgers of each Company Party have been properly and accurately kept and completed in all material respects, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein. Each Company Party does not have any records, systems controls, data or information recorded, stored, maintained, operated or otherwise wholly or partly dependent on or held by any means (including any mechanical, electronic or photographic process, whether computerized or not) which (including all means of access thereto and therefrom) are not under the exclusive ownership (excluding licensed software programs) and direct control of each Company Party and which are not located at the relevant office.

4.13 Absence of Certain Changes. Since the date of the Balance Sheet, the Company Parties have conducted the Business in the ordinary course consistent with past practice. Without limiting the generality of the foregoing, since the date of the Balance Sheet, other than in connection with the transactions contemplated by this Agreement (including the transfer of the Company's equity interest in its Ji'nan subsidiary and related assets to an Affiliate of Seller), there has not been:

(a) any Company Material Adverse Effect;

(b) any transaction, Contract or other instrument entered into, or commitment made by, a Company Party relating to the Business, or any of the Company Parties' assets (including the acquisition or disposition of any assets) or any relinquishment by any Company Party of any Contract or other right, in either case other than transactions and commitments in the ordinary course of business consistent in all respects, including kind and amount, with past practice and those contemplated by this Agreement (other than as set forth in Schedule 4.13(b));

(c) (i) any redemption of, declaration, setting aside or payment of any dividend or other distribution with respect to any ordinary shares or other equity interests in the Company Parties; (ii) any issuance by a Company Party of ordinary shares or other equity interests in a Company Party (other than pursuant to the Kaixin Auto Group 2018 Equity Incentive Plan), or (iii) any repurchase, redemption or other acquisition, or any amendment of any term, by a Company Party of any outstanding ordinary shares or other equity interests (other than as set forth in Schedule 4.13(c) or in connection with the Kaixin Auto Group 2018 Equity Incentive Plan);

(d) (i) any creation or other incurrence of any Lien other than Permitted Liens on the Company Capital Shares or any of the material Lien on Company Parties' assets, and (ii) any making of any loan, advance or capital contributions to or investment in any Person or guarantee of any obligation of any Person by any Company Party other than in the ordinary course of business consistent with past practice;

(e) any personal property damage, destruction or casualty loss or personal injury loss (whether or not covered by insurance) affecting the business or assets of the Company, other than as would not be expected to, individually in the aggregate, have a Company Material Adverse Effect;

(f) any material labor dispute, other than routine individual grievances, or any material activity or proceeding by a labor union or representative thereof to organize any employees of a Company Party, which employees were not subject to a collective bargaining agreement at the date of the Balance Sheet, or any lockouts, strikes, slowdowns, work stoppages or threats thereof by or with respect to any employees of a Company Party;

(g) any sale, transfer, lease to others or otherwise disposition of any of its material assets by a Company Party, excluding Inventory, licenses and services sold in the ordinary course of business consistent with past practice;

(h) (i) any amendment to or termination of any Material Contract, (ii) any amendment to any material license or material permit from any Authority held by a Company Party, (iii) any receipt of any notice of termination of any of the items referenced in (i) and (ii); and (iv) a material default by a Company Party under any Material Contract, or any material license or material permit from any Authority held by the Company Party, other than in the cases of each of clauses (i) through (iv), as provided for in this Agreement or the transactions contemplated hereunder or as would not reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect;

(i) any capital expenditure by a Company Party in excess in any fiscal month of an aggregate of US$500,000 or entering into any lease of capital equipment or property under which the annual lease charges exceed US$2,400,000 in the aggregate by a Company Party;

(j) any institution of litigation, settlement or agreement to settle any litigation, action, proceeding or investigation before any court or governmental body relating to a Company Party or its property or suffering of any actual or threatened litigation, action, proceeding or investigation before any court or governmental body relating to a Company Party or its property, other than as would not reasonably be expected to be, individually or in the aggregate, material to the Company and its Subsidiaries, taken as a whole;

(l) except as required by U.S. GAAP, any change in the accounting methods or practices (including, any change in depreciation or amortization policies or rates) of a Company Party or any revaluation of any of the assets of a Company Party;

(m) any amendment to a Company Party's constitutional documents, or any engagement by a Company Party in any merger, consolidation, reorganization, reclassification, liquidation, dissolution or similar transaction (other than as set forth in Schedule 4.13(m));

(n) any acquisition of assets (other than acquisitions of inventory in the ordinary course of business consistent with past practice) or business of any Person, other than as would not reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect;

(o) any material Tax election made by a Company Party outside of the ordinary course of business consistent with past practice, or any material Tax election changed or revoked by a Company Party; any material claim, notice, audit report or assessment in respect of Taxes settled or compromised by a Company Party; any annual Tax accounting period changed by a Company Party; any Tax allocation agreement, Tax sharing agreement, Tax indemnity agreement or closing agreement relating to any Tax entered into by a Company Party; or any right to claim a material Tax refund surrendered by a Company Party; or

(p) any commitment or agreement to do any of the foregoing.

Since the date of the Balance Sheet through and including the date hereof, no Company Party has taken any action nor has any event occurred which would have violated the covenants of a Company Party set forth in Section 6.1 herein if such action had been taken or such event had occurred between the date hereof and the Closing Date.

4.14 Properties; Title to the Company Parties' Assets.

(a) Other than as disclosed on Schedule 4.14 or as would not reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect, the items of Tangible Personal Property have no defects, are in good operating condition and repair and function in accordance with their intended uses (ordinary wear and tear excepted) and have been properly maintained, and are suitable for their present uses and meet all specifications and warranty requirements with respect thereto.

(b) Other than as disclosed on Schedule 4.14 or as would not reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect, the Company Parties have good, valid and marketable title in and to, or in the case of assets which are leased or licensed pursuant to Contracts, a valid leasehold interest or license in or a right to use, all of their assets are reflected on the Balance Sheet or were acquired after June 30, 2018. Other than as would not be reasonably be expected to be, individually or in the aggregate, material to the Company and its Subsidiaries, taken as a whole, no such asset is subject to any Liens other than Permitted Liens. Other than as would not reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect, The Company Parties' assets constitute all of the assets of any kind or description whatsoever, including goodwill, for the Company Parties to operate the Business immediately after the Closing in the same manner as the Business is currently being conducted.

4.15 Litigation. Other than as would not reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect, there is no Action (or any basis therefore) pending against threatened against or affecting, a Company Party, any of its officers or directors, the Business, or any Company Capital Shares or any of the Company Parties' assets or any Contract before any court, Authority or official or which in any manner challenges or seeks to prevent, enjoin, alter or delay the transactions contemplated hereby or by the Additional Agreements. There are no outstanding judgments against the Company Parties.

4.16 Contracts.

(a) Schedule 4.16(a) lists all material Contracts, oral or written (collectively, "Material Contracts") to which a Company Party is a party and which are currently in effect and constitute the following:

(i) all Contracts that require annual payments or expenses by, or annual payments or income to, a Company Party of US$1,000,000 or more (other than standard purchase and sale orders entered into in the ordinary course of business consistent with past practice);

(ii) all sales, advertising, agency, lobbying, broker, sales promotion, market research, marketing or similar contracts and agreements, in each case requiring the payment of any commissions by a Company Party in excess of US$1,000,000 annually;

(iii) all employment Contracts, employee leasing Contracts, and consultant and sales representatives Contracts with any current or former officer, director, employee or consultant of a Company Party or other Person, under which a Company Party (A) has continuing obligations for payment of annual compensation of at least US$1,000,000, (B) has material severance or post termination obligations to such Person (other than obligations under applicable Law, if applicable), or (C) has an obligation to make a payment upon consummation of the transactions contemplated hereby or as a result of a change of control of a Company Party;

(iv) all Contracts creating a material joint venture, strategic alliance, limited liability company and partnership agreements to which a Company Party is a party;

(v) all Contracts relating to any material acquisitions or dispositions of assets by a Company Party;

(vi) all Contracts for licensing material Intellectual Property, other than (i) shrink-wrap licenses and (ii) non-exclusive licenses granted in the ordinary course of business;

(vii) all Contracts relating to material secrecy, confidentiality and nondisclosure obligations restricting the conduct of a Company Party or substantially limiting the freedom of a Company Party to compete in any line of business or with any Person or in any geographic area;

(ix) all Contracts providing for material guarantees, indemnification arrangements and other hold harmless arrangements made or provided by a Company Party, including all ongoing agreements for repair, warranty, maintenance, service, indemnification or similar obligations;

(x) all Contracts relating to property or assets (whether real or personal, tangible or intangible) in which a Company Party holds a leasehold interest (including the Leases) and which involve payments to the lessor thereunder in excess of US$200,000 per month;

(xi) all Contracts relating to outstanding Indebtedness, including financial instruments of indenture or security instruments (typically interest-bearing) such as notes, mortgages, loans and lines of credit, except any such Contract with an aggregate outstanding principal amount not exceeding US$1,000,000 (excluding the renewal or extension of existing Contracts);

(xii) any Contract relating to the voting or control of the equity interests of the Company or the election of directors of a Company Party (other than the constitutional documents of the Company Parties);

(xiii) any Contract not cancellable by a Company Party with no more than sixty (60) days' notice if the effect of such cancellation would result in monetary penalty to a Company Party in excess of US$1,000,000 per the terms of such Contract;

(xiv) any Contract that can be terminated, or the provisions of which are altered, as a result of the consummation of the transactions contemplated by this Agreement or any of the Additional Agreements to which a Company Party is a party;

(xv) any Contract for which any of the benefits, compensation or payments (or the vesting thereof) with respect to a director, officer, employee or consultant of a Company Party will be increased or accelerated by the consummation of the transactions contemplated hereby or the amount or value thereof will be calculated on the basis of any of the transactions contemplated by this Agreement;

(xvi) any Contract that is a VIE Contract or otherwise is between (A) the Company, HK Holdings and/or any WFOE, on the one hand, and (B) China Dealer, any Subsidiary of China Dealer or the China Dealer Shareholders, on the other hand;

(xvii) any Contract that is a Dealership Agreement or otherwise is between (A) the China Dealer and/or any WFOE, on the one hand, and (B) a Dealer Partner or an Affiliate of a Dealer Partner, on the other hand; and

(xviii) any Contract that is a After Sale Agreement or otherwise is between (A) Zhoushuo, on the one hand, and (B) a After Sale Partner or an Affiliate of a After Sale Partner, on the other hand.

(b) Except as would not reasonably be expected to be, individually or in the aggregate, material to the Company and its Subsidies, taken as a whole, each Material Contract is a valid and binding agreement, and is in full force and effect, and neither a Company Party nor, to a Company Party's best knowledge, any other party thereto, is in breach or default (whether with or without the passage of time or the giving of notice or both) under the terms of any such Material Contract, (ii) no Company Party has assigned, delegated, or otherwise transferred any of its rights or obligations with respect to any Material Contracts, or granted any power of attorney with respect thereto or to any of the Company Parties assets, and (iii) no Contract (A) requires a the Company Party to post a bond or deliver any other form of security or payment to secure its obligations thereunder or (B) imposes any non-competition covenants that may be binding on, or restrict the Business or require any payments by or with respect to Purchaser or any of its Affiliates. The Company Parties shall, within 30 days of the Signing Date, provide to Purchaser true and correct copies of each written Material Contract.

(c) Except as would not be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect, none of the execution, delivery or performance by the Company Parties of this Agreement or Additional Agreements to which a Company Party is a party or the consummation by the Company Parties of the transactions contemplated hereby or thereby constitutes a default under or gives rise to any right of termination, cancellation or acceleration of any obligation of a Company Party or to a loss of any material benefit to which the Company Parties are entitled under any provision of any Material Contract.

(d) Except as would not reasonably be expected to be, individually or in the aggregate, material to the Company and its Subsidies, taken as a whole, the Company Parties are in compliance with all covenants, including all financial covenants, in all notes, indentures, bonds and other instruments or agreements evidencing any Indebtedness.

4.17 Licenses and Permits. Schedule 4.17 correctly lists each material license, franchise, permit, order or approval or other similar authorization affecting, or relating in any way to, the Business, together with the name of the Authority issuing the same (the "Permits"). Except as indicated on Schedule 4.17 or as would not be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect, such Permits are valid and in full force and effect, and none of the Permits will, assuming any applicable related third party consent has been obtained or waived prior to the Closing Date, be terminated or impaired or become terminable as a result of the transactions contemplated hereby. Other than as would not be reasonably expected to have a Company Material Adverse Effect, the Company Parties have all Permits necessary to operate the Business.

4.18 Compliance with Laws. Other than as disclosed on Schedule 4.18 or except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, the Company Parties are not in violation of, have not violated, and, to the Company's knowledge, are neither under investigation with respect to nor have been threatened to be charged with or given notice of any violation or alleged violation of, any applicable Law, or judgment, order or decree entered by any court, arbitrator or Authority, domestic or foreign, nor, to the Company's knowledge, is there any basis for any such charge.

4.19 Intellectual Property.

(a) Schedule 4.19 sets forth a true, correct and complete list of all Intellectual Property owned by the Company Parties, specifying as to each, as applicable: (i) application or registration number; (ii) the owner of such Intellectual Property; and (iii) the jurisdictions by or in which such Intellectual Property has been issued or registered or in which an application for such issuance or registration has been filed.

(b) Within the past three (3) years, no Company Party has been sued or charged in writing with or been a defendant in any Action that involves a claim of infringement of any Intellectual Property, and the Company Parties have no knowledge of any other claim of infringement by a Company Party, except for any that have since been resolved. To the Company's knowledge, no other Person is infringing any Intellectual Property owned by a Company Party.

(c) To the Company's knowledge, the conduct of the business of the Company Parties does not infringe the Intellectual Property rights of any Person in any material respect. The Company Parties exclusively own the Intellectual Property set forth in Schedule 4.19.

(d) All employees, agents, consultants or contractors who have contributed to or participated in the creation or development of any material Intellectual Property on behalf of the Company Parties or any predecessors in interest thereto have assigned their Intellectual Property rights to a Company Party, except where such assignment occurs by operation of law.

(e) The Company Parties have taken reasonable measures to safeguard and maintain (i) the confidentiality and value of all trade secrets and other confidential information owned by them and (ii) the security, operation and integrity of their material systems and software, and there have been no material breaches, interruptions or violations of the same.

4.20 Accounts Receivable and Payable; Loans.

(a) To the Company's knowledge, all accounts receivable and notes of the Company Parties reflected on the Financial Statements, and all accounts receivable and notes arising subsequent to the date thereof, represent valid obligations arising from services actually performed or goods actually sold by a Company Party in the ordinary course of business consistent with past practice. To the Company's knowledge, the accounts payable of the Company Parties reflected on the Financial Statements, and all accounts payable arising subsequent to the date thereof, arose from bona fide transactions in the ordinary course consistent with past practice.

(b) To the Company's knowledge, the Company has received no written notice of any contest, claim, or right of setoff in any agreement with any maker of an account receivable or note relating to the amount or validity of such account, receivables or note that would reasonably be expected to result in a Company Material Adverse Effect. To the Company's knowledge, all accounts, receivables or notes are good and collectible in the ordinary course of business.

(c) The information set forth on Schedule 4.20(c) separately identifies any and all accounts, receivables or notes of a Company Party which are owed by any Affiliate of the Company.

4.21 Pre-payments. No Company Party has received any payments with respect to any services to be rendered or goods to be provided after the Closing except in the ordinary course of business.

4.22 Employees.

(a) Schedule 4.22(a) sets forth a true, correct and complete list of the ten (10) highest paid employees of the Company as of September 30, 2018, setting forth the name, title, current salary or compensation rate for each such person and total compensation (including bonuses) paid to each such person for the fiscal year ended December 31, 2017.

(b) To the knowledge of each Company Party, no Company Party is a party to or subject to any employment contract, consulting agreement, collective bargaining agreement, or confidentiality agreement restricting the activities of the Company Parties, non-competition agreement restricting the activities of the Company Parties, or any similar agreement. There is no activity or proceeding by a labor union or representative thereof to organize any employees of a Company Party

(c) There are no pending or threatened claims or proceedings against a Company Party under any worker's compensation policy or long-term disability policy.

4.23 Employment Matters.

(a) Schedule 4.23(a) sets forth a true and complete list of every employment agreement, commission agreement, employee group or executive medical, life, or disability insurance plan, and each incentive, bonus, profit sharing, retirement, deferred compensation, equity, phantom shares, share option, share purchase, share appreciation right or severance plan of a Company Party, including the Kaixin 2018 Equity Incentive Plan, now in effect or under which a Company Party has any obligation, or any understanding between a Company Party and any employee concerning the terms of such employee's employment that does not apply to the Company Party's employees generally (collectively, "Labor Agreements"). The Company Parties have previously delivered to Purchaser true and complete copies of each such Labor Agreement and any generally applicable employee handbook or policy statement of each Company Party.

(b) Except as disclosed on Schedule 4.23(b):

(i) to the knowledge of Company Party, no current employee of a Company Party, in the ordinary course of his or her duties, has breached breach any obligation to a former employer in respect of any covenant against competition or soliciting clients or employees or servicing clients or confidentiality or any proprietary right of such former employer; and

(ii) no Company Party is a party to any collective bargaining agreement, no Company Party has any material labor relations dispute, and there is no pending representation question or union organizing activity in respect of employees of a Company Party.

4.24 Withholding. Other than as disclosed on Schedule 4.24, (a) all social security contributions in respect of or on behalf of all its employees in accordance with applicable Law have been paid or adequate accruals therefor have been made on the Financial Statements, and (b) all reasonably anticipated, material obligations of the Company Parties with respect to such employees (except for those related to wages during the pay period immediately prior to the Closing Date and arising in the ordinary course of business), whether arising by operation of Law, by contract, or otherwise, for salaries and holiday pay, bonuses and other forms of compensation payable to such employees in respect of the services rendered by any of them prior to the date hereof have been or will be paid by the Company Parties prior to the Closing Date.

4.25 Real Property.

(a) Except as set forth on Schedule 4.25, the Company Parties do not own, or otherwise have an interest in, any Real Property, including under any Real Property lease, sublease, space sharing, or other occupancy agreement. Each Company Party has good, valid and subsisting title to its respective leasehold estates in the offices described on Schedule 4.25, free and clear of all Liens. Other than as would not be reasonably expected to have a Company Material Adverse Effect, no Company Party has breached or violated any local zoning laws, and no notice from any Person has been received by a Company Party or served upon a Company Party claiming any violation of any local zoning laws.

4.26 Accounts. Schedule 4.26 sets forth a true, complete and correct list of the checking accounts, deposit accounts, safe deposit boxes, and brokerage, commodity and similar accounts of each Company Party, including the account number and name, the name of each depositary or financial institution and the address where such account is located and the authorized signatories thereto.

4.27 Tax Matters.

(a) (i) Each Company Party has duly and timely filed all material Tax Returns which are required to be filed by or with respect to it, and has paid all material Taxes which have become due; (ii) in all material respects, all such Tax Returns are true, correct and complete and accurate and disclose all Taxes required to be paid; (iii) no Company Party is aware of any Action, pending or proposed or threatened, with respect to Taxes of a Company Party or for which a Lien may be imposed upon any of the Company Parties' assets; (iv) no statute of limitations in respect of the assessment or collection of any Taxes of the Company Parties for which a Lien may be imposed on any of the Company Parties' assets has been waived or extended, which waiver or extension is in effect, except for automatic extensions of time to file Tax Returns obtained in the ordinary course of business; (v) each Company Party has complied in all material respects with all applicable Laws relating to the reporting, payment, collection and withholding of Taxes and has duly and timely withheld or collected, paid over to the applicable Taxing Authority and reported all material Taxes (including income, social, security and other payroll Taxes) required to be withheld or collected by a Company Party; (vi) there is no Lien for Taxes upon any of the assets of a Company Party other than Permitted Liens; (vii) no claim has ever been made by a Taxing Authority in a jurisdiction where a Company Party has not paid any Tax or filed Tax Returns, asserting that a Company Party is or may be subject to material Tax in such jurisdiction; (viii) there is no outstanding power of attorney from any Company Party authorizing anyone to act on behalf of a Company Party in connection with any Tax, Tax Return or Action relating to any Tax or Tax Return of a Company Party; (ix) each Company Party is not a party to any Tax sharing or Tax allocation Contract (other than any customary commercial contract the principal subject of which is not Taxes); (x) each Company Party is not and has never been included in any consolidated, combined or unitary Tax Return other than a Tax Return that includes only the Company Parties; (xi) there is no outstanding request for a ruling from any Taxing Authority, request for a consent by a Taxing Authority for a change in a method of accounting, subpoena or request for information by any Taxing Authority, or agreement with any Taxing Authority, with respect to the Company Parties; (xii) the Company Parties have not requested any extension of time within which to file any Tax Return, which Tax Return has since not been filed; (xiii) to the knowledge of each Company Party, no issue has been raised by a Taxing Authority in any prior Action relating to any Company Party with respect to any Tax for any period which, by application of the same or similar principles, could reasonably be expected to result in a material proposed Tax deficiency of a Company Party for any other period; and (xiv) no Company Party is liable for the Taxes of another Person that is not a Company Party as a transferee or successor or as a member of consolidated, combined, unitary or similar Tax group.

(b) The Company parties will not be required to include any item of income or exclude any item of deduction for any taxable period ending after the Closing Date as a result of the use of a method of accounting with respect to any transaction that occurred on or before the Closing Date.

4.28 Environmental Laws. Except as set forth on Schedule 4.28, no Company Party has (i) received any written notice of any alleged claim, violation of or Liability under any Environmental Law which has not heretofore been cured or for which there is any remaining liability; (ii) disposed of, emitted, discharged, handled, stored, transported, used or released any Hazardous Materials, arranged for the disposal, discharge, storage or release of any Hazardous Materials, or exposed any employee or other individual to any Hazardous Materials so as to give rise to any Liability or corrective or remedial obligation under any Environmental Laws; or (iii) entered into any agreement that may require it to guarantee, reimburse, pledge, defend, hold harmless or indemnify any other Person with respect to liabilities arising out of Environmental Laws or the Hazardous Materials Activities of a Company Party, except in each case as would not, individually or in the aggregate, be reasonably expected to have a Company Material Adverse Effect.

(a) The Company Parties have delivered to Purchaser all material records in its possession concerning any material Hazardous Materials Activities of a Company Party and all material environmental audits and assessments in the possession or control of a Company Party of any facility currently owned or leased by a Company Party which identifies the potential for any material liabilities under or material violations of Environmental Law of or by a Company Party.

(b) To the knowledge of the Company, there are no Hazardous Materials in, on, or under any properties owned, leased or used at any time by Company Parties such as could give rise to any Liability or corrective or remedial obligation of the a Company Party under any Environmental Laws, except in each case as would not reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect.

4.29 Finders' Fees. There is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of the Company or any of its Affiliates who might be entitled to any fee or commission from Purchaser or any of its Affiliates (including a Company Party following the Closing) upon consummation of the transactions contemplated by this Agreement.

4.30 Powers of Attorney and Suretyships. The Company Parties do not have any general or special powers of attorney outstanding (whether as grantor or grantee thereof) or any obligation or liability (whether actual, accrued, accruing, contingent, or otherwise) as guarantor, surety, co-signer, endorser, co-maker, indemnitor or otherwise in respect of the obligation of any Person.

4.31 Directors and Officers. Schedule 4.31 sets forth a true, correct and complete list of all directors and officers of the Company Parties as of the date of this Agreement.

4.32 Certain Business Practices. Neither the Company Parties, nor any of their directors or officers or employees, nor to the knowledge of any Company Party any of their agents, in each case acting in their capacities as such, have (i) used any Company Party funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees, to foreign or domestic political parties or campaigns or violated any provision of the U.S. Foreign Corrupt Practices Act of 1977 or (iii) made any other unlawful payment. Neither the Company Parties, nor any of their directors or officers or employees, nor to the knowledge of any Company Party any of their agents, in each case acting in their capacities as such, have, since October 1, 2015, directly or indirectly, in connection with the business of any of the Company Parties, given or agreed to give any gift or similar benefit in any material amount to any customer, supplier or other Person who is or may be in a position to help or hinder the Company Parties or assist the Company Parties in connection with any actual or proposed transaction, which, if not given could reasonably be expected to have had a Company Material Adverse Effect on the Company Parties, or which, if not continued in the future, could reasonably be expected to adversely affect the business or prospects of the Company Parties that could reasonably be expected to subject the Company Parties to suit or penalty in any private or governmental litigation or proceeding.

4.33 VIE Contracts.

Other than as disclosed on Schedule 4.33:

(a) The Company or any of its Subsidiaries, the WFOEs, the China Dealer Shareholders and the Qianxiang Changda Shareholders have the legal right, power and authority (corporate and other) to enter into and perform its obligations under each applicable VIE Contract to which it is a party and has taken all necessary action (corporate and other) to authorize the execution, delivery and performance of, and has authorized, executed and delivered, each VIE Contract to which it is a party.

(b) To the extent permitted by applicable Laws, each VIE Contract constitutes a valid and legally binding obligation of the parties named therein and enforceable in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other Laws of general application relating to or affecting the enforcement of creditors' rights generally, (ii) as limited by Laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

(c) The execution and delivery by each party named in each VIE Contract, and the performance by such party of its obligations thereunder and the consummation by it of the transactions contemplated therein shall not (i) result in any violation of, be in conflict with, or constitute a default under, any provision of its constitutional documents as in effect at the date hereof, or any Material Contract to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound, (ii) accelerate, or constitute an event entitling any Person to accelerate, the maturity of any Indebtedness or other liability of the Company or any of its Subsidiaries or to increase the rate of interest presently in effect with respect to any Indebtedness of the Company or any of its Subsidiaries or (iii) result in the creation of any Lien, claim, charge or encumbrance upon any of the properties or assets of the Company or any of its Subsidiaries.

(d) All consents required in connection with the VIE Contracts have been made or unconditionally obtained in writing, and no such consent has been withdrawn or subject to any condition precedent which has not been fulfilled or performed.

(e) Each VIE Contract is in full force and effect and no party to any VIE Contract is in breach or default in the performance or observance of any of the terms or provisions of such VIE Contract. None of the parties to any VIE Contract has sent or received any communication regarding termination of or intention not to renew any VIE Contract, and no such termination or non-renewal has been threatened by any of the parties thereto.

4.34 Money Laundering Laws. The operations of the Company Parties are and have been conducted at all times in compliance with all applicable money laundering statutes, the rules and regulations thereunder, and any other applicable related or similar rules, regulations or guidelines, issued, administered or enforced by any relevant governmental Authority (collectively, the "Money Laundering Laws"), and no Action involving the Company Parties with respect to the Money Laundering Laws is pending or, to the knowledge of the Company Parties, threatened.

4.35 Not an Investment Company. No Company Party is an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder.

4.36 Transitional Agreements.

(a) At Closing, the Transitional Agreements will constitute valid and legally binding obligations of the parties named therein and enforceable in accordance with its terms.

(b) The Company and its Subsidiaries, together with the rights, licenses, services and benefits to be provided to the Company and its Subsidiaries pursuant to this Agreement and the other Additional Agreements, constitute all of the assets, properties and rights owned, leased or licensed by Seller and its Subsidiaries necessary to conduct the Business in all material respects as currently conducted, in each case other than the assets, properties and rights used to perform the services that are the subject of the Transitional Agreements.

4.37 PRC Overseas Investment Registrations. Each Company Party that is incorporated outside of the PRC has taken, or is in the process of taking, all reasonable steps to comply with, and to ensure compliance by each of its equity holders, option holders, directors, officers and employees that is, or is directly or indirectly owned or controlled by, a PRC resident or citizen with any applicable rules and regulations of the relevant PRC government agencies (including the Ministry of Commerce, the National Development and Reform Commission and the State Administration of Foreign Exchange) relating to overseas investment by PRC residents and citizens or overseas listing by offshore special purpose vehicles controlled directly or indirectly by PRC companies and individuals, such as the Company Party (the "PRC Overseas Investment Regulations"), including requesting each equity holder, option holder, director, officer and employee that is, or is directly or indirectly owned or controlled by, a PRC resident or citizen to complete any registration and other procedures required under applicable PRC Overseas Investment Regulations.

4.38 Disclosure. No representation or warranty by the Seller or Company made in this Agreement and no material information provided by the Seller or Company to the Purchaser in connection with the negotiation or execution of this Agreement or any agreement contemplated hereby (including but not limited to the Company Form F-1, as of the date of its submission to the SEC) contained or contains (as applicable) any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances in which they were made, not misleading.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to the Company that each of the following representations and warranties are true, correct and complete as of the date of this Agreement, except as disclosed in the Purchaser SEC Documents filed prior to the date of this Agreement:

5.1 Corporate Existence and Power; Constitutional Documents. Purchaser is a company duly incorporated, validly existing and in good standing under the laws of the Cayman Islands. Copies of the constitutional documents of Purchaser have heretofore been made available to the Company, and such copies are each true and complete copies of such instruments as amended and in effect on the date hereof.

5.2 Corporate Authorization.

(a) The execution, delivery and performance by Purchaser of this Agreement and the Additional Agreements (of which it is a party to) and the consummation by Purchaser of the transactions contemplated hereby and thereby are within the corporate powers of Purchaser. This Agreement and each of the Additional Agreements has been duly authorized by all necessary corporate action on the part of the Purchaser other than the approval of the shareholders of the Purchaser in general meeting. This Agreement has been duly executed and delivered by Purchaser and it constitutes, and upon its execution and delivery, the Additional Agreements (of which it is a party to will constitute, a valid and legally binding agreement of Purchaser, enforceable against them in accordance with its terms.

(b) The Purchaser board of directors (including any required committee or subgroup thereof) has, as of the date of this Agreement, unanimously (i) declared the advisability of the transactions contemplated by this Agreement, (ii) determined that the transactions contemplated hereby are in the best interests of the shareholders of Purchaser and (iii) determined that the transactions contemplated hereby constitutes a "Business Combination" as such term is defined in Purchaser's amended and restated memorandum and articles of association.

5.3 Governmental Authorization. Neither the execution, delivery nor performance of this Agreement requires any consent, approval, license or other action by or in respect of, or registration, declaration or filing with any Authority.

5.4 Non-Contravention. The execution, delivery and performance by the Purchaser of this Agreement and the Additional Agreements and the consummation by the Purchaser of the transactions contemplated hereby and thereby do not and will not (i) result in holders of fewer than the number of Purchaser Units specified in the Purchaser's constitutional documents exercising their redemption rights with respect to such transaction, contravene or conflict with the constitutional documents of Purchaser or (ii) contravene or conflict with or constitute a violation of Purchaser's constitutional documents or any provision of any Law, judgment, injunction, order, writ, or decree binding upon Purchaser.

5.5 Finders' Fees. Except for the Deferred Underwriting Amount, there is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of the Purchaser or its Affiliates who might be entitled to any fee or commission from the Company, the Seller or any of their respective Affiliates upon consummation of the transactions contemplated by this Agreement or any of the Additional Agreements.

5.6 Issuance of Shares. The Closing Payment Shares, when issued in accordance with this Agreement, will be duly authorized and validly issued, and will be fully paid and nonassessable and not subject to or issued in violation of any purchase option, right of first refusal, preemptive right, subscription right or any similar right under any provision of Cayman Islands Law, the Purchaser's constitutional documents or any contract to which Purchaser is a party or by which Purchaser is bound.

5.7 Capitalization.

(a) The authorized share capital of Purchaser is US$20,200 divided into 200,000,000 Purchaser Ordinary Shares, of which 26,323,092 Purchaser Ordinary Shares are issued and outstanding as of the date hereof, and 2,000,000 preferred shares, par value US$0.0001 per share, of which none are issued and outstanding as of the date hereof. No other shares or other voting securities of Purchaser are issued, reserved for issuance or outstanding. All issued and outstanding Purchaser Ordinary Shares are, and any additional Purchaser Ordinary Shares issued prior to the Closing will be, duly authorized, validly issued, fully paid and nonassessable and not subject to or issued in violation of any purchase option, right of first refusal, preemptive right, subscription right or any similar right under any provision of Cayman Islands law, the Purchaser's constitutional documents or any contract to which Purchaser is a party or by which Purchaser is bound. Except as set forth herein, there are no outstanding contractual obligations of Purchaser to repurchase, redeem or otherwise acquire any Purchaser Ordinary Shares or any capital equity of Purchaser. There are no outstanding contractual obligations of Purchaser to provide funds to, or make any investment (in the form of a loan, capital contribution or otherwise) in, any other Person. Except as set forth in this Section 5.7(a), there are no outstanding shares of capital stock of or other voting securities or ownership interests in Purchaser.

(b) As of the date hereof, 10,585,010 Purchaser Warrants, each entitling the holder thereof to purchase one Purchaser Ordinary Share at a price of US$11.50 are issued and outstanding.

5.8 Memorandum and Articles. Copies of the constitutional documents of the Purchaser have heretofore been made available to the Company and the Seller, and such copies are each true and complete copies of such instruments as amended and in effect on the date hereof.

5.9 Information Supplied. The Proxy Statement will, when filed with the SEC and at the time it is mailed to Purchaser's shareholders, comply with the applicable requirements of the Exchange Act. The Proxy Documents (as defined in Section 6.5(a)) will not, at the date of filing and/ or mailing, as the case may be, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading (subject to the qualifications and limitations set forth in the materials provided by Purchaser or that are included in the Purchaser SEC Documents). No material information provided by the Purchaser to the Company or the Seller in connection with the negotiation or execution of this Agreement or any agreement contemplated hereby (including but not limited to the Purchaser public filings, as of the respective dates of their submission to the SEC), contained or contains (as applicable) any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances in which they were made, not misleading.

5.10 Trust Fund.

(a) As of the date of this Agreement, Purchaser has a balance of US$209,595,800 in the trust fund established by Purchaser for the benefit of its public shareholders (the "Trust Fund") in a trust account at Morgan Stanley and JP Morgan Chase Bank N.A. (the "Trust Account"), and such monies are invested in "government securities" (as such term is defined in the Investment Company Act of 1940, as amended) and held in trust by Continental Stock Transfer & Trust Company (the "Trustee") pursuant to the Investment Management Trust Agreement, dated as of October 25, 2017, between Purchaser and the Trustee (the "Trust Agreement").

(b) The Trust Agreement is valid and in full force and effect and is enforceable in accordance with its terms. There are no separate agreements, side letters or other agreements or understandings (whether written or unwritten, express or implied) (i) between the Purchaser and the Trustee that would cause the description of the Trust Agreement in the Purchaser SEC Reports to be inaccurate in any material respect or (ii) that would entitle any Person (other than Purchaser shareholders holding Purchaser Ordinary Shares who shall have elected to redeem their Purchaser Ordinary Shares pursuant to Purchaser's constitutional documents) to any portion of the proceeds in the Trust Account. Purchaser has filed with the SEC true, correct and complete copies of the executed and delivered Trust Agreement. The Trust Agreement has not been amended or modified, and no such amendment or modification is contemplated by Purchaser. As of the date hereof, no event has occurred which, with or without notice, lapse of time or both, would or would reasonably be expected to constitute a material default or breach under the Trust Agreement on the part of Purchaser or the Trustee. Prior to the Closing, none of the funds held in the Trust Account may be released except (A) to pay income and franchise taxes from any interest income earned in the Trust Account or (B) to redeem Purchaser Ordinary Shares in accordance with the provisions of Purchaser's constitutional documents. There are no Actions pending or threatened in writing with respect to the Trust Account.

5.11 Listing. The Purchaser Units, Purchaser Ordinary Shares and Purchaser Warrants are listed on the Nasdaq Capital Market, with trading tickets CMSSU, CMSS and CMSSW, respectively.

5.12 Purchaser Required Vote. The affirmative vote of the holders of a majority of the Purchaser Ordinary Shares voted at the Purchaser Shareholder Meeting to approve this Agreement and the transactions contemplated hereby, and the affirmative vote of the holders of a two-thirds majority of the Purchaser Ordinary Shares voted at the Purchaser Shareholder Meeting to approve the adoption of the Amended and Restated Memorandum and Articles of the Purchaser, are the only votes of the holders of any class of Purchaser's shares necessary to approve the transactions contemplated by this Agreement (the "Purchaser Required Vote").

5.13 Purchaser SEC Documents and Financial Statements.

(a) Purchaser has filed all forms, reports, schedules, statements and other documents, including any exhibits thereto, required to be filed or furnished by Purchaser with the SEC since Purchaser's formation under the Exchange Act or the Securities Act, together with any amendments, restatements or supplements thereto, and will file all such forms, reports, schedules, statements and other documents required to be filed subsequent to the date of this Agreement (the "Additional Purchaser SEC Documents"). Purchaser has made available to the Company copies in the form filed with the SEC of all of the following, except to the extent available in full without redaction on the SEC's website through EDGAR for at least two (2) days prior to the date of this Agreement: (i) Purchaser's Annual Reports on Form 10-K for each fiscal year of Purchaser beginning with the first year Purchaser was required to file such a form, (ii) Purchaser's Quarterly Reports on Form 10-Q for each fiscal quarter of Purchaser beginning with the first quarter Purchaser was required to file such a form (iii) all proxy statements relating to Purchaser's meetings of shareholders (whether annual or special) held, and all information statements relating to shareholder consents, since the beginning of the first fiscal year referred to in clause (i) above, (iv) its Form 8-Ks filed since the beginning of the first fiscal year referred to in clause (i) above, and (v) all other forms, reports, registration statements and other documents (other than preliminary materials if the corresponding definitive materials have been provided to the Company pursuant to this Section 5.13) filed by Purchaser with the SEC since Purchaser's formation (the forms, reports, registration statements and other documents referred to in clauses (i), (ii), (iii), and (iv) above, whether or not available through EDGAR, are, collectively, the ("Purchaser SEC Documents"). The Purchaser SEC Documents were, and the Additional Purchaser SEC Documents will be, prepared in all material respects in accordance with the requirements of the Securities Act, the Exchange Act, and the Sarbanes-Oxley Act, as the case may be, and the rules and regulations thereunder. The Purchaser SEC Documents did not, and the Additional Purchaser SEC Documents will not, at the time they were or are filed, as the case may be, with the SEC (except to the extent that information contained in any Purchaser SEC Document or Additional Purchaser SEC Document has been or is revised or superseded by a later filed Purchaser SEC Document or Additional Purchaser SEC Document, then on the date of such filing) contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. As used in this Section 5.13, the term "file" shall be broadly construed to include any manner in which a document or information is furnished, supplied or otherwise made available to the SEC.

(b) The financial statements and notes contained or incorporated by reference in the Purchaser SEC Documents and the Additional SEC Documents (collectively, the "Purchaser Financial Statements") are complete and accurate and fairly present in all material respects, in conformity with U.S. GAAP applied on a consistent basis in all material respects and Regulation S-X or Regulation S-K, as applicable, the financial position of the Purchaser as of the dates thereof and the results of operations of the Purchaser for the periods reflected therein. The Financial Statements (i) were prepared from the Books and Records of the Purchasers; (ii) were prepared on an accrual basis in accordance with U.S. GAAP consistently applied; (iii) contain and reflect all necessary adjustments and accruals for a fair presentation of the Purchaser's financial condition as of their dates; and (iv) contain and reflect adequate provisions for all material Liabilities for all material Taxes applicable to the Purchaser with respect to the periods then ended.

(c) Except as specifically disclosed, reflected or fully reserved against in the Purchaser Financial Statements, and for liabilities and obligations of a similar nature and in similar amounts incurred in the ordinary course of business since the Purchaser's formation, there are no material liabilities, debts or obligations (whether accrued, fixed or contingent, liquidated or unliquidated, asserted or unasserted or otherwise) relating to the Purchaser. All debts and Liabilities, fixed or contingent, which should be included under U.S. GAAP on a balance sheet are included in the Purchaser Financial Statements.

5.14 Books and Records. All Contracts, documents, and other papers or copies thereof delivered to the Company or Seller by or on behalf of the Purchaser are accurate, complete, and authentic in all material respects.

(a) The Books and Records accurately and fairly, in all material respects, reflect the transactions and dispositions of assets by the Purchaser. The Purchaser maintains a system of internal accounting controls sufficient in all material respects to provide reasonable assurance that:

(i) transactions are executed only in accordance with the management's authorization;

(ii) all income and expense items are promptly and properly recorded for the relevant periods in accordance with the revenue recognition and expense policies maintained by Purchaser, as permitted by U.S. GAAP;

(iii) access to assets is permitted only in accordance with the respective management's authorization; and

(iv) recorded assets are compared with existing assets at reasonable intervals, and appropriate action is taken with respect to any differences.

(b) All accounts, books and ledgers of Purchaser have been properly and accurately kept and completed in all material respects, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein. Purchaser does not have any records, systems controls, data or information recorded, stored, maintained, operated or otherwise wholly or partly dependent on or held by any means (including any mechanical, electronic or photographic process, whether computerized or not) which (including all means of access thereto and therefrom) are not under the exclusive ownership (excluding licensed software programs) and direct control of Purchaser and which are not located at the relevant office.

5.15 Certain Business Practices. Purchaser represents and warrants that no funds given to Seller in connection with the transaction anticipated by this Agreement have been, or will be, derived from any illegal activities, including but not limited to any violations of any applicable anti-corruption, anti-bribery, anti-money laundering, counter terrorist financing, or economic sanctions Laws. Neither the Purchaser, nor any director, officer, agent or employee of the Purchaser (in their capacities as such) has (i) used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees, to foreign or domestic political parties or campaigns or violated any provision of the U.S. Foreign Corrupt Practices Act of 1977 or (iii) made any other unlawful payment. Neither the Purchaser, nor any director, officer, agent or employee of the Purchaser (nor any Person acting on behalf of any of the foregoing, but solely in his or her capacity as a director, officer, employee or agent of the Purchaser) has, since the IPO, directly or indirectly, given or agreed to give any gift or similar benefit in any material amount to any customer, supplier, governmental employee or other Person who is or may be in a position to help or hinder the Purchaser or assist the Purchaser in connection with any actual or proposed transaction, which, if not given or continued in the future, would reasonably be expected to adversely affect the business or prospects of the Purchaser and would reasonably be expected to subject the Purchaser to suit or penalty in any private or governmental litigation or proceeding.

5.16 Litigation. There is no Action (or any basis therefore) pending against threatened against or affecting, Purchaser, any of its officers or directors or any Purchaser Units, Purchaser Ordinary Shares or Purchaser Warrants or any of Purchaser's assets or Contracts before any court, Authority or official or which in any manner challenges or seeks to prevent, enjoin, alter or delay the transactions contemplated hereby or by the Additional Agreements. There are no outstanding judgments against Purchaser. Purchaser is not, and has not previously been, subject to any legal proceeding with any Authority.

5.17 Compliance with Laws. The Purchaser is not in violation of, has not violated, and is neither under investigation with respect to has have been threatened to be charged with or given notice of any violation or alleged violation of, any Law, or judgment, order or decree entered by any court, arbitrator or Authority, domestic or foreign, nor is there any basis for any such charge and the Purchaser has not previously received any subpoenas by any Authority.

5.18 Not an Investment Company The Purchaser is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder.

5.19 Interested Party Transactions. No employee, officer, director, stockholder or Affiliate of Purchaser or a member of his or her immediate family is indebted for borrowed money to Purchaser, nor is Purchaser indebted for borrowed money (or committed to make loans or extend or guarantee credit) any of them, other than reimbursement for reasonable expenses incurred on behalf of Purchaser. No officer, director, stockholder or Affiliate of Purchaser or any member of their immediate families is, directly or indirectly, interested in any Contract with Purchaser (other than such contracts as relate to any such individual ownership of capital stock or other securities of Purchaser.

5.20 Interim Operations. Purchaser has not engaged in any business activity, other than (i) as described in the Purchaser SEC Documents and (ii) in connection with the evaluation, negotiation and consummation of the transactions contemplated hereby.

ARTICLE VI
COVENANTS OF THE COMPANY AND PURCHASER PENDING CLOSING

The Company and Purchaser hereby agree as follows:

6.1 Conduct of Business.

(a) From the date hereof through the Closing Date, the Company shall conduct business only in the ordinary course, (including the payment of accounts payable and the collection of accounts receivable), consistent with past practices, and shall not enter into any material transactions without the prior written consent of the Purchaser (other than in the ordinary course of business consistent with past practice or in connection with the transactions contemplated by this Agreement (including the transfer of the Company's equity interest in its Ji'nan subsidiary and related assets to an Affiliate of Seller), and shall use commercially reasonable efforts to preserve intact its business relationships with employees, clients, suppliers and other third parties. Without limiting the generality of the foregoing, from the date hereof until and including the Closing Date, other than in connection with the transactions contemplated by this Agreement (including the transfer of the Company's equity interest in its Ji'nan subsidiary and related assets to an Affiliate of Seller), without the other party's prior written consent (which shall not be unreasonably withheld), except as set forth on Schedule 6.1 the Company shall not:

(i) amend, modify or supplement its memorandum and articles of association or other constitutional or governing documents;

(ii) amend, waive any provision of, terminate prior to its scheduled expiration date, or otherwise compromise, in each case, in any material respect, any Material Contract or any other right or asset of the Company;

(iii) modify, amend or enter into any contract, agreement, lease, license or commitment, which (A) is with respect to Real Property, (B) extends for a term of one year or more or (C) obligates the payment of more than US$500,000 (individually or in the aggregate);

(iv) make any capital expenditures in excess of US$1,500,000 (individually or in the aggregate);

(v) sell, lease, license or otherwise dispose of any of the Company's material assets or assets covered by any Material Contract except (i) pursuant to existing contracts or commitments disclosed herein and (ii) sales of Inventory, licenses or services in the ordinary course consistent with past practice;

(vi) accept returns of products sold from Inventory except in the ordinary course, consistent with past practice;

(vii) pay, declare or promise to pay any dividends or other distributions with respect to its capital stock, or pay, declare or promise to pay any other payments to any stockholder (other than, in the case of any shareholder that is an employee, payments of salary accrued in said period at the current salary rate);

(viii) authorize any salary increase of more than 10% for any employee making an annual salary equal to or greater than US$1,000,000 or in excess of US$1,000,000 in the aggregate on an annual basis or change the bonus or profit sharing policies of the Company or the Purchaser;

(ix) obtain or incur any loan or other Indebtedness, including drawings under the Company's or the Purchaser's existing lines of credit, in excess of US$1,000,000;

(x) suffer or incur any Lien, except for Permitted Liens, on the Company's or the Purchaser's assets;

(xi) suffer any damage, destruction or loss of property related to any of the Company's or the Purchaser's assets, the aggregate value of which, following any available insurance reimbursement, exceed US$1,000,000;

(xii) delay, accelerate or cancel any receivables or Indebtedness owed to the Company or the Purchaser or write off or make further reserves against the same, other than in the ordinary course of business consistent with past practice;

(xiii) merge or consolidate with or acquire any other Person or be acquired by any other Person;

(xiv) suffer any insurance policy or policies protecting any of the Company's assets with an aggregate coverage amount in excess of US$1,000,000 to lapse;

(xv) amend any of its employee benefit plans;

(xvi) make any change in its accounting principles or methods other than in accordance with U.S. GAAP or write down the value of any Inventory or assets other than in the ordinary course of business consistent with past practice;

(vii) change the location of its principal place of business or jurisdiction of organization;

(xviii) issue, redeem or repurchase any capital shares, membership interests or other securities, or issue any securities exchangeable for or convertible into any shares of its capital shares, other than under the Kaixin Auto Group 2018 Equity Incentive Plan;

(xvix) make or change any material Tax election or change any annual Tax accounting periods; or

(xx) undertake any legally binding obligation to do any of the foregoing.

(b) From the date hereof through the Closing Date, the Purchaser shall remain a "blank check company" as defined in Rule 419 under the Securities Act, shall not conduct any business operations other than in connection with this Agreement and ordinary course operations to maintain its status as a Nasdaq-listed special purpose acquisition company pending the completion of the transactions contemplated hereby. Without limiting the generality of the foregoing, through the Closing Date, other than in connection with the transactions contemplated by this Agreement without the other party's prior written consent (which shall not be unreasonably withheld), except as set forth on Schedule 6.1(b), the Purchaser shall not, and shall cause its Subsidiaries to not:

(i) amend, modify or supplement its memorandum and articles of association or other constitutional or governing documents;

(ii) authorize, commit or actually issue, grant, sell, pledge, dispose of any of its shares or other equity interests or any options, warrants, commitments, subscriptions or rights of any kind to acquire or sell any of its shares or other equity interests, or other securities, including any securities convertible into or exchangeable for any of its shares or other equity securities or securities of any class and any other equity-based awards, or engage in any hedging transaction with a third Person with respect to such securities;

(iii) subdivide, combine, recapitalize or reclassify any of its shares or other equity interests or issue any other securities in respect thereof or pay or set aside any dividend or other distribution (whether in cash, equity or property or any combination thereof) in respect of its shares or other equity interests, or directly or indirectly redeem, purchase or otherwise acquire or offer to acquire any of its securities;

(iv) incur, create, assume, prepay or otherwise become liable for any Indebtedness (directly, contingently or otherwise) in excess of $50,000 (individually or in the aggregate), make a loan or advance to or investment in any third party, or guarantee or endorse any Indebtedness, Liability or obligation of any Person; or

(v) amend, waive or otherwise change the Trust Agreement in any manner adverse to the Purchaser.

(c) Neither party shall (i) take or agree to take any action that might make any representation or warranty of such party inaccurate or misleading in any respect at, or as of any time prior to, the Closing Date or (ii) omit to take, or agree to omit to take, any action necessary to prevent any such representation or warranty from being inaccurate or misleading in any respect at any such time.

(d) From the date hereof through the Closing Date, neither the Seller nor the Company, on the one hand, nor the Purchaser, on the other hand, shall, and such Persons shall use reasonable best efforts to cause each of their respective officers, directors, Affiliates, managers, consultant, employees, representatives and agents not to, directly or indirectly, (i) encourage, solicit, initiate, engage or participate in negotiations with any Person concerning any Alternative Transaction, (ii) take any other action intended or designed to facilitate the efforts of any Person relating to a possible Alternative Transaction or (iii) approve, recommend or enter into any Alternative Transaction or any Contract related to any Alternative Transaction. For purposes of this Agreement, the term "Alternative Transaction" shall mean any of the following transactions involving the Company Group or the Purchaser (other than the transactions contemplated by this Agreement): (i) any merger, consolidation, share exchange, business combination or other similar transaction, or (ii) any sale, lease, exchange, transfer or other disposition of a material portion of the assets of such Person (other than sales of inventory, services or licenses in the ordinary course of business) or any class or series of the capital stock or other equity interests of the Company or the Purchaser in a single transaction or series of transactions. In the event that there is an unsolicited proposal for, or an indication of a serious interest in entering into, an Alternative Transaction, communicated in writing to the Company Group or the Purchaser or any of their respective representatives or agents (each, an "Alternative Proposal"), such party shall as promptly as practicable (and in any event within one (1) Business Day after receipt) advise the other parties to this Agreement orally and in writing of any Alternative Proposal and the material terms and conditions of any such Alternative Proposal (including any changes thereto) and the identity of the person making any such Alternative Proposal. The Company and the Purchaser shall keep the other parties informed on a reasonably current basis of material developments with respect to any such Alternative Proposal.

6.2 Access to Information. From the date hereof until and including the Closing Date, each of the Company and the Purchaser shall, to the best of its ability, (a) continue to give the other party, its legal counsel and other representatives full access to the offices, properties and, Books and Records, (b) furnish to the other party, its legal counsel and other representatives such information relating to the business of the Company and the Purchaser as such Persons may request and (c) cause the employees, legal counsel, accountants and representatives to cooperate with the other party in its investigation of the Business; provided that no investigation pursuant to this Section (or any investigation prior to the date hereof) shall affect any representation or warranty given by the Company or the Purchaser and, provided further, that any investigation pursuant to this Section shall be conducted in such manner as not to interfere unreasonably with the conduct of the Business of the Company. Notwithstanding anything to the contrary in this Agreement, neither party shall be required to provide the access described above or disclose any information if doing so is reasonably likely to (i) result in a waiver of attorney-client privilege, work product doctrine or similar privilege or (ii) violate any contract to which it is a party or to which it is subject or applicable Law, provided that the non-disclosing party must advise the other party that it is withholding such access and/or information and (to the extent reasonably practicable) provide a description of the access and/or information not disclosed.

6.3 Notices of Certain Events. Each party shall promptly notify the other party of the following, provided that no such notice shall constitute an acknowledgement or admission by the party providing the notice regarding whether or not any of the conditions to Closing have been satisfied or in determining whether or not any of the representations, warranties or covenants contained in this Agreement have been breached.:

(a) any notice from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement or that the transactions contemplated by this Agreement might give rise to any Action by or on behalf of such Person or create any Lien on any Company Capital Shares or capital shares of the Purchaser;

(b) any notice from any Authority in connection with the transactions contemplated by this Agreement or the Additional Agreements;

(c) any Actions commenced or threatened against or involving either party or any of their shareholders that relate to the consummation of the transactions contemplated by this Agreement or the Additional Agreements;

(d) any inaccuracy of any representation or warranty of such party contained in this Agreement, or any failure of such party to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder, in each case which inaccuracy or failure would cause any of the conditions set forth in ARTICLE IX not to be satisfied.

6.4 Annual and Interim Financial Statements. From the date hereof through the Closing Date, within seventy-five (75) days following the end of each three-month quarterly period, the Company shall deliver to Purchaser an unaudited consolidated summary of its statement of operations data and an unaudited consolidated balance sheet for the period from the date of the Balance Sheet through the end of such quarterly period and the applicable comparative period in the preceding fiscal year. The Company shall also promptly deliver to Purchaser copies of any annual audited consolidated financial statements of the Company that the Company's certified public accountants may issue.

6.5 SEC Filings.

(a) As promptly as practicable after the date hereof, Purchaser shall prepare and file with the SEC a proxy statement in preliminary form (as amended or supplemented from time to time, the "Proxy Statement") calling an extraordinary special meeting of the Purchaser's shareholders (the "Purchaser Shareholder Meeting") seeking the approval of Purchaser's shareholders of the transactions contemplated hereby and offering to redeem from its public shareholders their Purchaser Ordinary Shares pursuant to Article 48.3 of its existing memorandum and articles of association in in conjunction with a shareholder vote on the transactions contemplated hereby (the "Purchaser Shareholder Redemption"), all in accordance with and as required by the Purchaser's constitutional documents, applicable Law and any applicable rules and regulations of the SEC and Nasdaq, and as may have been disclosed in the Prospectus. In the Proxy Statement, Purchaser shall seek (i) adoption and approval of this Agreement and the transactions contemplated hereby by the holders of Purchaser Ordinary Shares in accordance with Purchaser's constitutional documents and the rules and regulations of the SEC and Nasdaq and (ii) adoption and approval of the Amended and Restated Memorandum and Articles of Association of the Purchaser (together, the "Required Approval Matters"), and (iii) to obtain any and all other approvals necessary or advisable to effect the consummation of the transactions contemplated hereby. In connection with the Proxy Statement, Purchaser will also file with the SEC financial and other information about the transactions contemplated hereby in accordance with applicable proxy solicitation rules set forth in Purchaser's constitutional documents, applicable Law and the rules and regulations of the SEC and Nasdaq (such Proxy Statement and the documents included or referred to therein pursuant to which the Purchaser Shareholder Redemption will be made, together with any supplements, amendments and/or exhibits thereto, the "Proxy Documents"). The Proxy Documents will comply as to form and substance with the applicable requirements of the Exchange Act and the rules and regulations thereunder. The Company will provide all financial and other information with respect to the Company, its business and operations as is reasonably requested by the Purchaser and necessary, pursuant to applicable requirements of the Exchange Act and the rules and regulations thereunder, for inclusion in Proxy Documents. If reasonably requested by the Purchaser in connection with Purchaser's preparation of the Proxy Documents, the Company's financial statements must be reviewed or audited by the Company's auditors.

(b) Purchaser shall mail the Proxy Statement to holders of Purchaser Ordinary Shares of record, as of the record date to be established by the board of directors of Purchaser. Each of the Company and Purchaser shall furnish all information concerning such party and its Affiliates to the other party, and provide such other assistance, as may be reasonably requested in connection with the preparation, filing and distribution of the Proxy Statement, and the Proxy Statement shall include all information reasonably requested by such other party to be included therein. Each of the Company and Purchaser shall promptly notify the other upon the receipt of any comments from the SEC or any request from the SEC for amendments or supplements to the Proxy Statement and shall provide the other with copies of all correspondence between it and its representatives, on the one hand, and the SEC, on the other hand. Each of the Company and Purchaser shall use its reasonable best efforts to respond as promptly as reasonably practicable to any comments from the SEC with respect to the Proxy Statement.

(c) Prior to filing with the SEC or mailing to Purchaser's shareholders, Purchaser will make available to the Company drafts of the Proxy Statement, both preliminary and final, and will provide the Company with a reasonable opportunity to comment on such drafts, shall consider such comments in good faith and shall accept all reasonable additions, deletions or changes suggested by the Company in connection therewith. Purchaser shall not file any such documents with the SEC (including response to any comments from the SEC with respect thereto) without the prior written consent of the Company (such consent not to be unreasonably withheld, conditioned or delayed). Purchaser will advise the Company promptly after receipt of notice thereof, of (i) the time when the Proxy Statement has been filed, (ii) in the event the preliminary Proxy Statement is not reviewed by the SEC, the expiration of the waiting period in Rule 14a-6(a) under the Exchange Act, (iii) in the event the preliminary Proxy Statement is reviewed by the SEC, receipt of oral or written notification of the completion of the review by the SEC, (iv) the filing of any supplement or amendment to the Proxy Statement, (v) any request by the SEC for amendment of the Proxy Statement, (vi) any comments from the SEC relating to the Proxy Statement and responses thereto, or (vii) requests by the SEC for additional information. Purchaser shall promptly respond to any SEC comments on the Proxy Statement and shall use its reasonable best efforts to have the Proxy Statement cleared by the SEC under the Exchange Act as soon after filing as practicable; provided, that prior to responding to any comments or material requests from the SEC, Purchaser will make available to the Company drafts of any such response and provide the Company with a reasonable opportunity to comment on such drafts (including the proposed final version of such document or response).

(d) No information provided by the Seller or Company to Purchaser for inclusion in the Proxy Statement or any amendments thereto as of the date of its submission to the SEC will cause the final Proxy Statement to contain any untrue statement of a material fact, or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances in which they are made, not misleading. If at any time prior to the Purchaser Shareholder Meeting there shall be discovered any information that should be set forth in an amendment or supplement to the Proxy Statement so that the Proxy Statement would not include any misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, Purchaser shall promptly transmit to its shareholders an amendment or supplement to the Proxy Statement containing such information. If, at any time prior to the Closing, the Company discovers any information, event or circumstance relating to the Company or any of its Affiliates, officers, directors or employees that should be set forth in an amendment or a supplement to the Proxy Statement so that the Proxy Statement would not include any misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, then the Company shall promptly inform Purchaser of such information, event or circumstance.

(e) Purchaser shall make all filings required to be made by Purchaser with respect to the transactions contemplated hereby under the Securities Act, the Exchange Act, applicable "blue sky" laws and any rules and regulations thereunder.

(f) The Company shall use its commercially reasonable efforts to promptly provide Purchaser with all information concerning the Company reasonably requested by Purchaser for inclusion in the Proxy Statement and any amendment or supplement to the Proxy Statement (if any) and in any other filing required to be made by Purchaser with respect to the transactions contemplated hereby under the Securities Act, the Exchange Act, applicable "blue sky" laws and any rules and regulations thereunder. The Company shall cause the officers and employees of the Company to be reasonably available to Purchaser and its counsel in connection with the drafting of the Proxy Statement and such other filings and responding in a timely manner to comments relating to the Proxy Statement from the SEC.

6.6 Purchaser Shareholder Meeting. Purchaser shall, as promptly as practicable after being advised by the staff of the SEC that the staff of the SEC has no further comments on the Proxy Documents, establish a record date (which date shall be mutually agreed with the Company) for, duly call, give notice of, convene and hold the Purchaser Shareholder Meeting. Purchaser shall use its reasonable best efforts to obtain the approval of the Required Approval Matters, including by soliciting proxies as promptly as practicable in accordance with applicable Law and the Purchaser's constitutional documents for the purpose of approving the Required Approval Matters. Notwithstanding anything to the contrary contained in this Agreement, Purchaser shall be entitled to adjourn the Purchaser Shareholder Meeting (a) to ensure that any supplement or amendment to the Proxy Statement that the board of directors of Purchaser has determined in good faith is required by applicable Law is disclosed to Purchaser's shareholders and for such supplement or amendment to be promptly disseminated to Purchaser's shareholders prior to the Purchaser Shareholder Meeting, (b) if, as of the time for which the Purchaser Shareholder Meeting is originally scheduled (as set forth in the Proxy Statement), there are insufficient Purchaser Ordinary Shares represented (either in person or by proxy) to constitute a quorum necessary to conduct the business to be conducted at the Purchaser Shareholder Meeting, or (c) by ten (10) Business Days in order to solicit additional proxies from shareholders in favor of the adoption of the Required Approval Matters; provided, that in the event of an adjournment pursuant to clauses (a) or (b) above, the Purchaser Shareholder Meeting shall be reconvened as promptly as practicable following such time as the matters described in such clauses have been resolved, and in no event shall the Purchaser Shareholder Meeting be reconvened on a date that is later than five (5) Business Days prior to April 25, 2019 (the "Outside Closing Date").

6.7 Trust Account. Purchaser shall make appropriate arrangements to cause the funds in the Trust Account to be disbursed in accordance with the Trust Agreement and for the payment of (i) all amounts payable to shareholders of Purchaser holding Purchaser Units or Purchaser Ordinary Shares who shall have validly redeemed their Purchaser Units or Purchaser Ordinary Shares upon acceptance by the Purchaser of such Purchaser Units or Purchaser Ordinary Shares, (ii) the expenses to the third parties to which they are owed in an amount not to exceed US$3,000,000 and (iii) the Deferred Underwriting Amount to the underwriter in the IPO. Following the payments described in the preceding sentence, the Trust Account shall terminate, except as otherwise provided in the Trust Agreement. Purchaser shall not agree to, or permit, any amendment or modification of, or waiver under, the Trust Agreement without the prior written consent of the Company.

6.8 Employees of the Company and the Manager. Schedule 6.8 lists those employees designated by the Company as key personnel of the Company (the "Key Personnel"). The Company shall use commercially reasonable efforts to enter into Labor Agreements with each of its employees to the extent required by law prior to the Closing Date.

6.9 Trust Extension. If Purchaser reasonably believes that the Closing may not occur on or prior to January 25, 2019 but that the parties are reasonably capable of causing the Closing to occur on or prior to April 25, 2019, then Purchaser shall extend its life for an additional three (3) months pursuant to the terms of the Purchasers constitutional documents and the Trust Agreement. In the event that Purchaser elects to, or is required to, extend its life for an additional three (3) months, Company shall, upon notice from the Purchaser, but no later than January 15, 2019, loan the Purchaser US$1.05 million on the form of note attached as Schedule 6.9 hereof.

6.10 Listing. Purchaser shall (a) cause the Closing Payment Shares to be approved for listing on and tradable over the Nasdaq Capital Market on a tier no lower than the Purchaser Ordinary Shares trade on the date hereof, (b) cause the Purchaser Units, Purchaser Ordinary Shares and the Purchaser Warrants to remain listed on the Nasdaq Capital Market from and after the date hereof until the earlier of the Closing Date and the termination of this Agreement in accordance with Article XII.

6.11 Section 16 of the Exchange Act. Prior to the Closing, the board of directors of Purchaser, or an appropriate committee thereof, shall adopt a resolution consistent with the interpretive guidance of the SEC relating to Rule 16b-3(d) under the Exchange Act, such that the acquisition of Purchaser Ordinary Shares pursuant to this Agreement by any officer or director of the Company who is expected to become a "covered person" of the Purchaser for purposes of Section 16 of the Exchange Act and the rules and regulations thereunder ("Section 16") shall be exempt acquisitions for purposes of Section 16.

ARTICLE VII
COVENANTS OF THE COMPANY

The Company agrees that:

7.1 Reporting and Compliance with Laws. From the date hereof through the Closing Date, the Company shall duly and timely file all Tax Returns required to be filed with the applicable Taxing Authorities and pay any and all Taxes required by any Taxing Authority.

7.2 Reasonable Efforts to Obtain Consents. The Company shall use commercially reasonable efforts to obtain each of the third party consents identified on Schedule 7.2 as promptly as practicable hereafter.

7.3 Share Pledge Registration. The Company shall use its reasonable best efforts to procure the shareholders of Qianxiang Changda to complete the share pledge registration with the local AIC as soon as possible.

7.4 Dealership and After Sale Agreements Amendments. The Company shall use its reasonable best efforts to negotiate and enter into Amendments to the Dealership Agreements and After Sale Agreements to provide that the share consideration payable to counterparties thereunder will comply with the terms of the Transaction, in the substantially agreed form of Exhibit D.

7.5 Licenses of Qianxiang Changda. The Company shall use its reasonable best efforts to procure Qianxiang Changda to obtain or review its internet content provider certification (namely the "ICP", a permit issued by the Chinese Ministry of Industry and Information Technology) if needed and where Qianxiang Changda continues to engage in Business and providing for users profitable internet information based or related services.

ARTICLE VIII
COVENANTS OF ALL PARTIES HERETO

The parties hereto covenant and agree that:

8.1 Reasonable Best Efforts; Further Assurances. Subject to the terms and conditions of this Agreement, each party shall use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under applicable Laws, and to cooperated as reasonably requested by the other parties, to consummate and implement expeditiously each of the transactions contemplated by this Agreement. The parties hereto shall execute and deliver such other documents, certificates, agreements and other writings and take such other actions as may be necessary or reasonably desirable in order to consummate or implement expeditiously each of the transactions contemplated by this Agreement.

8.2 Tax Matters.

(a) Purchaser, Seller and their Affiliates will cooperate fully, as and to the extent reasonably requested by the other party, in connection with any Tax matters relating to the Company Parties (including by the provision of reasonably relevant records or information). The party requesting such cooperation will pay the reasonable out-of-pocket expenses of the other party.

(b) PRC Tax Bulletin No. 7

(i) The Parties hereby acknowledge, covenant and agree that (x) Purchaser shall have no obligation to pay any Tax assessed by the applicable PRC Authority on the Seller, or any other Tax of a nature that is required by applicable Law to be paid by the Seller with respect to the sale of the Purchased Shares pursuant to this Agreement, and (y) the Seller agree to bear and pay any Tax assessed by the applicable PRC Authority on any Company Party with respect to the sale of the Purchased Shares pursuant to this Agreement.

(ii) The Seller shall (x) at their own expense, as soon as possible within thirty (30) days following the date of this Agreement and prior to the Closing Date, report the sale of the Purchased Shares to the applicable PRC Authority in accordance with the reporting provisions under the State Administration of Taxation's Bulletin on Several Issues of Enterprise Income Tax on Income Arising from Indirect Transfers of Property by Non-resident Enterprises (State Administration of Taxation Bulletin [2015] No. 7 on February 3, 2015, as amended, supplemented, modified or interpreted from time to time by any implementing rules and regulations, and any successor rule or regulation thereof under the Laws of the PRC, the "PRC Tax Bulletin No. 7") (and make such filings and disclosures in accordance therewith) and (y) timely pay any Tax assessed by the applicable PRC Authority (to the extent that such PRC Authority requires any Taxes to be paid) on any Company Party with respect to the transactions contemplated under this Agreement in accordance with applicable Law. After such Tax reporting, the Company Parties and Seller agree to use their commercially reasonable efforts to promptly submit all documents lawfully requested by the applicable PRC Authority in connection with such Tax reporting and shall deliver to Purchaser a duplicate of the PRC Tax Bulletin No. 7 filing documents as well as a copy of proof issued by the applicable PRC Authority with respect to any Tax payment made by the Seller pursuant to this subsection (ii) (or written assessment notice issued by the PRC Authority if payment is not required).

(iii) Purchaser shall have the right, but are under no obligation, to make applicable tax filings with a relevant PRC Authority, and Seller and Company Parties shall cooperate in good faith in such Purchaser's filing and provide all necessary assistance and information of Seller and Company Parties to Purchaser in a timely manner, provided that Purchaser's failure to so make the filings shall not relieve Seller from any obligation to indemnify, defend and hold harmless Purchaser in this regard.

8.3 Settlement of Purchaser Liabilities. Concurrently with the Closing, the Liabilities of the Purchaser set forth on a schedule to be provided by Purchaser to the Company and the Seller, which include reimbursement of out-of-pocket expenses reasonably incurred by Purchaser's officers, directors, or any of their respective Affiliates, in connection with identifying, investigating and consummating a business combination shall be settled and paid in full by the Purchaser from the Trust Account, subject to the limitations of Section 6.7 hereof.

8.4 Compliance with SPAC Agreements. The Company and Purchaser shall comply with each of the applicable agreements entered into in connection with the IPO and included as an exhibit in the Purchaser's most recently filed annual report on Form 10-K, including that certain registration rights agreement, dated as of October 25, 2017 by and between Purchaser and the investors named therein.

8.5 Confidentiality. Each of the Company and Seller, on the one hand, and Purchaser, on the other hand, shall hold and shall cause their respective representatives to hold in strict confidence, unless required or compelled to disclose by judicial or administrative process or by other requirements of Law, all documents and information concerning the other party furnished to it by such other party or its representatives in connection with the transactions contemplated by this Agreement, including in each case the existence of this Agreement and the transactions contemplated hereby or any negotiations or discussions with respect thereto (except to the extent that such information can be shown to have been (a) previously known by the party to which it was furnished, (b) in the public domain through no fault of such party or (c) later lawfully acquired on a non-confidential basis from another source, which source is not the agent of the other party, by the party to which it was furnished, without any breach by such source of any obligation of confidentiality to the other party), and each party shall not release or disclose such information to any other Person, except its representatives in connection with this Agreement. In the event that any party believes that it is required to disclose any such confidential information pursuant to applicable Laws, such party shall, to the extent permitted by applicable Law, give timely written notice to the other party so that such party may have an opportunity to obtain a protective order or other appropriate relief, and such party shall only disclose the minimum amount of such confidential information that is so required to be disclosed. The parties acknowledge that some previously confidential information will be required under applicable Law to be disclosed in the Proxy Statement.

8.6 Directors' and Officers' Tail Policy. Prior to the Closing Date, Purchaser shall purchase a directors' and officers' tail liability insurance policy, with respect to claims arising from facts and events that occurred prior to the Closing Date.

ARTICLE IX
CONDITIONS TO CLOSING

9.1 Condition to the Obligations of the Parties. The obligations of all of the parties to consummate the Closing are subject to the satisfaction of all the following conditions:

(a) No governmental Authority of competent jurisdiction shall have (i) enacted, issued or promulgated any Law that is in effect and has the effect of making the transactions contemplated by this Agreement illegal or which has the effect of prohibiting or otherwise prevent the consummation thereof or (ii) issued or granted any Order that is in effect and has the effect of making the transactions contemplated by this Agreement illegal or which has the effect of prohibiting or otherwise preventing the consummation thereof.

(b) The Purchaser Required Vote shall have been obtained at the Purchaser Shareholders Meeting.

(c) Purchaser shall have at least US$5,000,001 of net tangible assets upon consummation of the Closing (which amount shall not include any amounts contributed by the Company or the Seller or by investors or financial introduced or procured by the Company or the Seller).

9.2 Conditions to Obligations of Purchaser. The obligation of Purchaser to consummate the Closing is subject to the satisfaction, or the waiver at Purchaser's sole and absolute discretion, of all the following further conditions:

(a) The Company shall have duly performed in all material respects all of its obligations hereunder required to be performed by it at or prior to the Closing Date.

(b) All of the representations and warranties of the Company contained in this Agreement and in any certificate delivered by the Company pursuant hereto, disregarding all qualifications and exceptions contained therein relating to materiality or Company Material Adverse Effect, shall be true and correct at and as of the date of this Agreement and as of the Closing Date as if made at and as of such date, in each case except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, and provided that in each case in that to the extent such representation or warranty is made in ARTICLE IV only as of a specific date, such representation or warranty shall speak only as of such specific date.

(c) Since the Agreement Date, no Company Material Adverse Effect shall have occurred and be continuing.

(d) Purchaser shall have received a certificate signed by either the Chief Executive Officer or the Chief Financial Officer of the Company certifying that each of the conditions set forth in Sections 9.2(a), 9.2(b) and 9.2(c) have been satisfied.

(e) Purchaser shall have received certificates signed by the corporate secretary of the Company and the Sellers, respectively, attaching and certifying to the accuracy of the following: (i) a copy of the memorandum and articles of association of the Company, certified as of a recent date by the Secretary of the Company, (ii) copies of the Company's certificate of incorporation and certificates of incorporation on change of name; (iii) copies of resolutions duly adopted by the board of directors of the Company and the Seller authorizing this Agreement and the transactions contemplated hereby and thereby, (iv) signatures of the officer(s) executing this Agreement and any certificate or document to be delivered pursuant hereto, together with evidence of the incumbency of such Secretary, and (v) a recent good standing certificate regarding the Company and the Seller from each jurisdiction in which the Company and the Seller organized or is qualified to do business.

(g) Each of the Additional Agreements shall have been duly executed (in each case, in a form reasonably acceptable to the Purchaser, the Seller and the Company) and delivered to the Purchaser by the parties thereto other than the Purchaser and any Affiliate thereof, if applicable, and such Additional Agreements shall be in full force and effect in accordance with the terms thereof as of the Closing.

(h) Purchaser shall have received either: (i) a revised Company Disclosure Schedule updated as of the Closing Date, which, in the cause of this clause (i), shall be deemed to update the disclosure schedule for purposes of ARTICLE IV in connection with this Section 9.2, or (ii) confirmation that there are no supplemental disclosures to the Company Disclosure Schedule delivered at the date of this Agreement.

(i) The Purchaser shall have received an extract of the Company's register of members reflecting the transfer of the Purchased Shares to the Purchaser.

(j) All loans set forth on Schedule 9.2(j) hereto shall have been, in their entirety, forfeited and waived without recourse by the Seller and any other outstanding loans made to the Company and/or any of the Company's Subsidiaries by Seller or any of Seller's Subsidiaries shall have been in their entirety, forfeited and waived without recourse by the Seller or any of the Seller's Subsidiaries.

(k) Each of the guarantees for the benefit of the Company and/or any of the Company's Subsidiaries set forth on Schedule 9.2(k) shall remain in effect immediately after the Closing on the terms provided in the Master Transactional Agreement.

(l) The Purchaser shall have received duly executed legal opinions (each in a form reasonably acceptable to the Purchaser) addressed to the Purchaser and dated as of the Closing Date from each of the Company's PRC legal counsel and Cayman Islands legal counsel, each as in the respective form set forth on Schedule 9.2(l).

(m) The Company (through an Affiliate of the Company as sole shareholder) shall have completed the transfer of its equity interest in its Ji'nan subsidiary and related assets to an Affiliate of the Seller for consideration equal to their carrying value on the Balance Sheet (for the avoidance of doubt, (A) such consideration may include forgiveness of indebtedness extended by Seller to the Company or other members of the Company Group, (B), any such forgiveness of indebtedness shall not violate the other provisions of this Agreement, including Sections 6.1 or 9.2(j) and (C) the Company and any Affiliate of the Company will be released from any and all historic, present and future Liabilities associated with its Ji'nan subsidiary).

9.3 Conditions to Obligations of the Company and the Seller. The obligations of the Company and the Seller to consummate the Closing is subject to the satisfaction, or the waiver by each of the Company and Seller at their sole and absolute discretion, of all of the following further conditions:

(a) The Purchaser shall have performed in all material respects all of its obligations hereunder required to be performed by it at or prior to the Closing Date.

(b) (i) The representations and warranties of Purchaser contained in this Agreement (except in Section 5.11), and in any certificate or other writing delivered by the Purchaser pursuant hereto, disregarding all qualifications and expectations contained therein relating to materiality shall be true and correct in all material respects at and as of the date of this Agreement and as of the Closing Date, as if made at and as of such date, provided that in each case to the extent such representation or warranty is made in ARTICLE V only as of a specific date, such representation or warranty shall speak only as of such specific date and (ii) the representations and warranties of Purchaser contained in Section 5.11 shall be true and correct in all respects at and as of the date of this Agreement and as of the Closing Date, as if made at and as of such date.

(c) Since the Agreement Date, no Purchaser Material Adverse Effect shall have occurred and be continuing.

(d) The Company shall have received a certificate signed by either the chief executive officer or the chief financial officer of the Company certifying that each of the conditions set forth in Sections 9.3(a), 9.3(b) and 9.3(c) have been satisfied.

(e) Each of the Additional Agreements shall have been duly executed (in each case, in a form reasonably acceptable to the Purchaser, the Seller and the Company) and delivered to the Company and the Seller by the parties thereto other than the Company and the Seller and any Affiliate thereof, if applicable, and such Additional Agreements shall be in full force and effect in accordance with the terms thereof as of the Closing.

(f) The Company shall have received a certificate signed by the corporate secretary of the Purchaser attaching and certifying to the accuracy of the following: (i) a copy of the Purchaser's Amended and Restated Memorandum and Articles of Association as effective on the Closing Date; (ii) copies of resolutions duly adopted by the board of directors of the Purchaser authorizing this Agreement and the transactions contemplated hereby and thereby, (iii) signatures of the officer(s) executing this Agreement and any certificate or document to be delivered pursuant hereto, together with evidence of the incumbency of such Secretary, and (v) a recent good standing certificate regarding the Purchaser from each jurisdiction in which the Purchaser is organized or is qualified to do business.

(g) The Company shall have received a duly executed legal opinion addressed to the Company and the Seller and dated as of the Closing Date from the Purchaser's Cayman Islands counsel (in a form reasonably acceptable to the Company and the Seller) reasonably acceptable to the Seller and Company, addressing the due incorporation, existence and good standing of the Purchaser, its due authorization of this Agreement and the transactions contemplated hereby, the valid issuance of the Closing Payment Shares to the Seller.

(h) Purchaser shall have adopted an amended and restated equity incentive plan, substantially in the form of the Kaixin Auto Group 2018 Equity Incentive Plan, with a number of Awards (as defined therein) issuable by the Purchaser pursuant thereto corresponding to exactly 4,715,700 Purchaser Ordinary Shares.

(i) Purchaser's shareholders shall have approved and adopted an amended and restated memorandum and articles of Purchaser, substantially in the form of Exhibit E hereto, at the Purchaser Shareholder Meeting in accordance with applicable Law ("Amended and Restated Memorandum and Articles").

(j) From the date hereof until the Closing, Purchaser shall have been in material compliance with the reporting requirements under the Securities Act and the Exchange Act applicable to Purchaser.

(k) The Company and Seller shall have received an extract of the Purchaser's register of members reflecting the issue and allotment of the Closing Payment Shares (less the Escrow Shares) to the Seller.

ARTICLE X
INDEMNIFICATION

10.1 Indemnification of Purchaser. Subject to Sections 10.3 and 10.6 and the other provisions of this ARTICLE X, from and after the Closing Date, the Indemnifying Party hereby, agrees to indemnify, defend and hold harmless Purchaser, each of its Affiliates and each of its and their respective members, managers, partners, directors, officers, employees, shareholders, agents, successors and permitted assignees (the "Indemnified Party"), against and in respect of any and all losses, payments, interest, demands, penalties, forfeitures, costs, expenses, Actions, Liabilities, Taxes, Liens, judgments, deficiencies or damages (including actual costs of investigation, court costs and reasonable attorneys' fees and other reasonable costs and expenses) but for the avoidance of doubt not including any such amounts incurred in connection with any indemnification claim hereunder by a Indemnified Party to the extent that such Indemnified Party is not successful in such claim (all of the foregoing collectively, "Losses") paid, suffered, incurred or sustained by, or imposed upon any Indemnified Party to the extent arising in whole or in part out of or as a result of or in connection with (whether or not involving a Third Party Claim):

(a) the failure of any representation or warranty of the Company and/or the Seller contained herein to be true and correct as of the date hereof and as of the Closing Date as if made at the Closing;

(b) any breach or nonfulfillment of any covenant of the Company and/or the Seller contained herein except for any breach of Section 6.3; or

(c) additional taxes payable to PRC tax authorities reflected in the Company's audited financial statements as of and for the year ended December, 31 2018 in relation to the Company's used auto sales business resulting from a materially different tax treatment as compared to the corresponding tax treatment reflected in the Company's audited financial statements as of and for the year ended December, 31 2017 ("Special Tax Indemnity");

(d) obligations incurred by the Purchaser relating to any contingent consideration due and owing to the (i) Dealer Partners under the Dealership Agreements and (ii) After Care Partners under the After Care Agreements in the form of equity in the Company ("Special Dealer Indemnity").

10.2 Payment by the Escrow Agent Any amounts payable by the Indemnifying Party hereunder after Final Resolution of any claim for indemnification pursuant to this ARTICLE X (a "Claim") shall first be paid with Accrued Dividends held in the Escrow Account, then with any cash or cash equivalents that are held in the Escrow Account, then with the Escrow Shares, and then with any remaining property in the Escrow Account. With respect to any indemnification payment that includes Escrow Shares, the value of each Escrow Share for purposes of determining the indemnification payment shall be the Purchaser Share Price on the date that the indemnification claim is finally determined in accordance with this ARTICLE X. For successful indemnification Claims by an Indemnified Party, within five (5) Business Days after Final Resolution, the Purchaser and the Seller will provide the Escrow Agent with joint written instructions to disburse and irrevocably surrender to Purchaser a number of Escrow Shares and other Escrow Property equal to the amount provided in such Final Resolution with respect to such Claim (as determined in accordance with this ARTICLE X) from the Escrow Account (and the Purchaser and the Seller will provide or cause to be provided to the Escrow Agent any written instructions or other information or documents required by the Escrow Agent to do so). The Purchaser will cancel any Escrow Shares surrendered to the Purchaser by the Escrow Agent promptly after its receipt thereof. The Seller is deemed to have waived its entitlement to any Accrued Dividend payable in respect of such Escrow Shares. Notwithstanding anything to the contrary contained in this Agreement, only the Earnout Payment paid pursuant to Section 3.4(c) shall be reduced by the amount of any indemnification claims by any Indemnified Party under this Article X, and only with respect to any such claims that (i) are pending, (ii) have been finally determined as due and owing but are unpaid by the Escrow Agent in accordance with this Article X or (iii) have been paid from the Escrow Account in accordance with this Article X but have not previously been used to reduce the amount of such Earnout Payment. No other Earnout Payments shall be reduced with respect to indemnification claims by the Indemnified Party. For the avoidance of doubt, (y) the Escrow Agent shall at all times prior to the final determination of amounts payable pursuant to Section 3.4(a) and (b) retain sufficient Escrow Shares and Escrow Property to pay the maximum possible amount payable to Seller thereunder, and (x) all amounts payable by the Escrow Agent to Seller in respect Sections 3.4(a) and (b) shall be paid to Seller, regardless of whether any Indemnified Party is entitled to any Losses under any Claim, and shall not be reduced by any such Claim. In the event that the conditions of Section 3.4(d) are satisfied, the Escrow Shares and Escrow Property shall be disbursed by the Escrow Agent pursuant to the terms thereof. Upon the final determination of any such pending indemnification claim, if the final amount determined to be payable to the Indemnified Party is less than the amount reserved for such claim, then to the extent that such pending claim reduced and would otherwise continue to reduce the amount of the Earnout Payment (after first giving effect for other reductions to the amount of such prior Earnout Payment pursuant to the preceding sentence, including other pending indemnification claims, taking into account the following events occurring after the time that the Earnout Payment was initially reduced: (x) any adjustments to the claimed amount for any other indemnification claims existing at such time; and (y) the amount of any new pending or finally determined indemnification claims made since such time), such amount of Escrow Property will be promptly thereafter disbursed by the Escrow Agent to the Sellers (and Purchaser shall pay the Accrued Dividends).

10.3 Limitations and General Indemnification Provisions:

(a) Notwithstanding anything to the contrary in this Agreement and except for Fraud Claims and Special Indemnity Claims:

(i) no Indemnified Party shall be entitled to any Losses under a Claim unless and until the aggregate amount of all Losses under all Claims of all Indemnified Party shall exceed US$3,000,000 (the "Deductible"), at which time those additional Losses incurred exceeding and excluding the amount of the Deductible shall be subject to indemnification hereunder;

(ii) the Indemnifying Party's aggregate Liability for indemnification pursuant to this ARTICLE X shall not exceed the value of 13,050,000 Escrow Shares (the "Indemnity Escrow Share Amount"), and any Losses that the Indemnifying Party is entitled to recover pursuant to this ARTICLE X shall be payable solely from the Escrow Shares and the Escrow Account in accordance with this ARTICLE X;

(iii) in no event shall any Loss be recoverable under the terms of this Agreement to the extent it consists of or is based upon punitive, special or exemplary damages, except to the extent awarded to a third party in connection with a Third Party Claim;

(iv) after the expiration of the Survival Period, the Indemnifying Party shall have no further Liability for indemnification pursuant to this ARTICLE X other than with respect to Claims already made as provided in this ARTICLE X.

(b) In the event that any Released 2020 Escrow Property or Released Provisional Indemnification Property is disbursed to the Seller, if there is an indemnification claim against the Indemnifying Party that is finally determined to be due and owing to an Indemnified Party in accordance with the terms of this Agreement, to the extent that there is insufficient Escrow Property in the Escrow Account (with each Escrow Share valued at the Purchaser Share Price) to pay for such indemnification claim in accordance with this Agreement, the Indemnifying Party shall be liable for such difference, provided that (except for Fraud Claims and Special Indemnity Claims) the aggregate liability of the Indemnifying Party pursuant to this Section 10.3(b) shall not exceed the aggregate value of the Released 2020 Escrow Property and/or Released Provisional Indemnification Property that is actually disbursed to the Seller (with each Escrow Share valued at the Purchaser Share Price).

(c) No investigation or knowledge by an Indemnified Party or the Purchaser or their respective representatives of a breach of a representation, warranty, covenant or agreement of an Indemnifying Party shall affect the recourse available to the Indemnified Party under this ARTICLE X.

(d) Promptly after an Indemnified Party becomes aware of any event or circumstance that could reasonably be expected to constitute or give rise to any breach of any representation, warranty or covenant of the Warrantors contained in this Agreement or any other claim for indemnification pursuant to this ARTICLE X, the Indemnified Party shall take all commercially reasonable steps to mitigate and minimize all Losses that could result from or relate to such breach or claim.

10.4 Procedure. The following shall apply with respect to all claims by any Indemnified Party for indemnification:

(a) In the event any Indemnified Party desires to make a Claim, Purchaser shall deliver a written notice (a "Claim Notice") to the Indemnifying Party, setting forth (i) the nature of and factual and legal basis for the Claim in reasonable detail and (ii) the aggregate amount of Losses for which indemnification is being sought that have been incurred, or to the extent not yet incurred, a good faith estimate of the amount of such Losses reasonably expected to be incurred (the "Claim Amount"). Any Claim Amount or any other matter set forth in a Claim Notice will be deemed to be finally resolved for purposes of this ARTICLE X when (A) resolved by a written agreement executed by Purchaser, the Company and the Seller or (B) resolved by a final, nonappealable order, decision or ruling of a court of competent jurisdiction or arbitrator (clauses (A) and (B), together, a "Final Resolution").

(b) An Indemnified Party shall give the Indemnifying Party, as applicable, prompt notice (and within no more than 10 days) of any Third Party Claim with respect to which such Indemnified Party seeks indemnification pursuant to Section 10.1 (a "Third Party Claim Notice") which include the same information as a Claim Notice. The failure to give the Third- Party Claim Notice shall not impair any of the rights or benefits of such Indemnified Party to indemnification under this ARTICLE X, except to the extent such failure actually prejudices any right, defense or claim available to the Indemnifying Party with respect to such Third Party Claim. Thereafter, the Indemnified Party shall deliver to the Indemnifying Party, promptly after the Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received from the counterparty in such third party Action by the Indemnified Party relating to the claim.

(c) The Indemnifying Party shall have the right to exercise full control of the defense, compromise or settlement of any Third Party Claim by written notice to Purchaser within sixty (60) days of delivery of the Third Party Claim Notice. If the Indemnifying Party assumes the defense of any such Third Party Claim pursuant to this Section 10.4(c), then the Indemnified Party shall cooperate with the Indemnifying Party in any manner reasonably requested in connection with the defense, and the Indemnified Party shall have the right to be kept reasonably informed by the Indemnifying Party and its legal counsel with respect to the status of any legal proceedings, to the extent not inconsistent with the preservation of attorney-client or work product privilege. If the Indemnifying Party so assumes the defense of any such Third Party Claim, the Indemnified Party shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but the fees and expenses of such counsel employed by the Indemnified Party shall be at the expense of such Indemnified Party unless (i) the Indemnifying Party has agreed to pay such fees and expenses, or (ii) the named parties to such Third Party Claim (including any impleaded parties) include an Indemnified Party and counsel for Purchaser and the Indemnifying Party agrees that there is an actual conflict of interest between such Indemnified Party and the Indemnifying Party in connection with the defense thereof, in which case the reasonable fees and expenses of such separate counsel shall be Losses eligible for submission in a Claim, subject to the other terms of this ARTICLE X. The Indemnifying Party shall seek the prior written consent of the Purchaser (which consent will not be unreasonably withheld or delayed) to any settlement or compromise of any Third Party Claim to the extent such settlement or compromise: (A) includes equitable relief against the Indemnified Party, (B) involves the resolution of criminal allegations against the Indemnified Party or (C) will impose liability that will not be satisfied in full by the Indemnity Escrow Share Amount or amounts or property from the Escrow Account.

(d) To the extent the Indemnifying Party does not elect to assume the defense of any Third Party Claim pursuant to the terms of Section 10.4(c), Purchaser may elect to conduct such defense, using legal counsel reasonably satisfactory to the Indemnifying Party. The Indemnified Party will not settle any Third Party Claim without the prior written consent of the Indemnifying Party, which consent will not be unreasonably withheld or delayed.

10.5 Insurance. Any indemnification payments hereunder shall take into account any insurance proceeds or other third party reimbursement actually received. In the event that a recovery is made by an Indemnified Party or any Affiliate of an Indemnified Party with respect to any Losses for which such Indemnified Party has already been indemnified hereunder, then a refund equal to the aggregate amount of the recovery shall be made promptly to the Indemnifying Party.

10.6 Exclusive Remedy. Notwithstanding any other provision of this Agreement to the contrary, except as expressly set forth otherwise, this ARTICLE X shall be the sole and exclusive remedy of the Indemnified Party from and after the Closing and shall be in lieu of any other remedies that may be available to the Indemnified Party under any other agreement or pursuant to any statutory or common law with respect to any Losses directly or indirectly resulting from or arising out of any claims arising under this Agreement or the Transactions; *provided*, *however*, that the foregoing sentence shall not be deemed a waiver by any party of any right to specific performance or injunctive relief, or any right or remedy arising by reason of any Fraud Claims.

10.7 Survival of Indemnification Rights. All representations and warranties of the Warrantors contained in this Agreement (including all schedules and exhibits hereto and all certificates, documents, instruments and undertakings furnished pursuant to this Agreement) shall survive the Closing through and until April 30, 2021 (the "Survival Period"); provided, however, that Fraud Claims against the Warrantors shall survive indefinitely, and that claims in respect of the Special Tax Indemnity shall survive until April 30, 2019. If written notice of a claim for breach of any representation or warranty has been given before the applicable date when such representation or warranty no longer survives in accordance with this Section 10.7, then the relevant representations and warranties shall survive as to such claim, until the claim has been finally resolved. All covenants, obligations and agreements of the Warrantors contained in this Agreement (including all schedules and exhibits hereto and all certificates, documents, instruments and undertakings furnished pursuant to this Agreement), including any indemnification obligations, shall survive the Closing and continue until fully performed in accordance with their terms.

ARTICLE XI
DISPUTE RESOLUTION

11.1 Arbitration

(a) The parties agree that any dispute, difference, claim, or controversy arising out of or relating to this Agreement (including the existence, meaning, effect, validity, termination, interpretation, performance, breach or termination thereof (including any action in tort, contract, equity, or otherwise) or enforcement of this Agreement), or any dispute regarding non-contractual obligations arising out of or relating to it shall (except as specifically set forth in Section 3.6 of this Agreement) be referred to and finally resolved by binding arbitration under the then current provisions of the rules of the American Arbitration Association in force when the notice of arbitration is submitted.

(b) The law of this arbitration clause shall be New York law.

(c) The seat of arbitration shall be New York, New York.

(d) The number of arbitrators shall be three. The Purchaser, on the one hand, and the Company and Seller, on the other hand, shall each select one arbitrator, and the two arbitrators so selected shall select a third arbitrator (collectively the "Arbitrators"). None of the Arbitrators shall have any competitive interests with the Company, Seller or Purchaser.

(e) The arbitration proceedings shall be conducted in English.

(f) The Arbitrators shall issue a written decision, setting forth findings of fact and conclusions of law. The Arbitrators shall have no authority to award punitive or other exemplary damages.

(h) The parties agree that all costs and expenses (including counsel fees) of any such arbitration shall be borne by the non-prevailing party, and the non-prevailing party waives its right to seek an order compelling the prevailing party to pay its portion of its costs and expenses (including counsel fees) for any arbitration. The determination of a majority of the Arbitrators shall be final and binding upon the parties and not subject to appeal.

(i) Any judgment upon any award rendered by the Arbitrators may be entered in and enforced by any court of competent jurisdiction. The parties expressly consent to the personal and subject matter jurisdiction of the Arbitrators to arbitrate any and all matters to be submitted to arbitration hereunder pursuant to the terms hereof. None of the parties hereto shall challenge any arbitration hereunder on the grounds that any party necessary to such arbitration (including the parties hereto) shall have been absent from such arbitration for any reason, including that such party shall have been the subject of any bankruptcy, reorganization, or insolvency proceeding.

(j) The parties to the arbitration may apply to a court of competent jurisdiction for a temporary restraining order, preliminary injunction or other interim or conservatory relief, as necessary, without breach of this arbitration provision and without abridgement of the powers of the Arbitrators.

(k) This arbitration section shall survive the termination of this Agreement.

11.2 Waiver of Jury Trial; Exemplary Damages.

(a) THE PARTIES TO THIS AGREEMENT HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVE ANY RIGHT EACH SUCH PARTY MAY HAVE TO TRIAL BY JURY IN ANY ACTION OF ANY KIND OR NATURE, IN ANY COURT IN WHICH AN ACTION MAY BE COMMENCED, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY ADDITIONAL AGREEMENT. NO PARTY SHALL BE AWARDED PUNITIVE OR OTHER EXEMPLARY DAMAGES RESPECTING ANY DISPUTE ARISING UNDER THIS AGREEMENT OR ANY ADDITIONAL AGREEMENT.

(b) Each of the parties to this Agreement acknowledge that each has been represented in connection with the signing of this waiver by independent legal counsel selected by the respective party and that such party has discussed the legal consequences and import of this waiver with legal counsel. Each of the parties to this Agreement further acknowledge that each has read and understands the meaning of this waiver and grants this waiver knowingly, voluntarily, without duress and only after consideration of the consequences of this waiver with legal counsel.

ARTICLE XII
TERMINATION

12.1 Termination Without Default.

(a) In the event that the Closing of the transactions contemplated hereunder has not occurred by the Outside Closing Date, Purchaser, Seller and the Company shall each have the right, at its sole option, to terminate this Agreement without liability to the other party, provided that this right to terminate shall not be available to any party whose material breach under this Agreement has been the cause of, or resulted in, the failure of the Closing to have been consummated on or before such date. Such right may be exercised by Purchaser or the Company, as the case may be, giving written notice to the other at any time after the Outside Closing Date.

(b) In the event that the Proxy Statement with respect to the transactions hereunder has not been filed with the SEC by December 31, 2018 (the "Outside Filing Date"), each of Seller and the Company shall have the right, at its sole option, to terminate this Agreement without liability to any other party, provided that this right to terminate shall not be available to any party whose material breach under this Agreement has been the cause of, or resulted in, the failure of the Proxy Statement to have been filed on or before such date. Such right may be exercised by Seller or the Company, as the case may be, giving written notice to the other parties at any time after the Outside Filing Date.

(c) In the event that any governmental Authority shall have issued an Order or taken any other action, in each case which has become final and non-appealable and which restrains, enjoins or otherwise prohibits the Closing of the transactions contemplated hereunder, Purchaser, Seller and the Company shall each have the right, at its sole option, to terminate this Agreement without liability to the other party.

12.2 Termination Upon Default.

(a) The Purchaser may terminate this Agreement by giving notice to the Company on or prior to the Closing Date, if the Company shall have materially breached any representation, warranty, agreement or covenant contained herein to be performed on or prior to the Closing Date such that the condition to closing set forth in Section 9.2(a) or 9.2(b) would not be satisfied (treating such time as if it were the Closing Date) and such breach shall not be cured by the earlier of the Outside Closing Date and thirty (30) days following receipt by the Company of a notice describing in reasonable detail the nature of such breach.

(b) The Company may terminate this Agreement by giving notice to Purchaser, if Purchaser shall have materially breached any of its covenants, agreements, representations, and warranties contained herein to be performed on or prior to the Closing Date such that the condition to closing set forth in Section 9.3(a) would not be satisfied (treating such time as if it were the Closing Date) and such breach shall not be cured by the earlier of the Outside Closing Date and thirty (30) days following receipt by Purchaser of a notice describing in reasonable detail the nature of such breach.

12.3 Effect of Termination. If this Agreement is terminated pursuant to Section 12.1 or 12.2, then all further obligations of the parties under this Agreement and any Additional Agreement will terminate except for obligations under ARTICLE XI (Dispute Resolution), and Sections 13.1 (Notices), 13.4 (Publicity), 13.5 (Expenses), and 13.7 (Governing Law), provided that such termination will not relieve any party from any liability for any willful breach of this Agreement or fraud occurring prior to such termination.

ARTICLE XIII
MISCELLANEOUS

13.1 Notices. Any notice hereunder shall be sent in writing, addressed as specified below, and shall be deemed given: (a) if by hand or recognized courier service, by 4:00PM on a Business Day, addressee's day and time, on the date of delivery, and otherwise on the first Business Day after such delivery; (b) if by fax or email, on the date that transmission is confirmed electronically, if by 4:00PM on a Business Day, addressee's day and time, and otherwise on the first Business Day after the date of such confirmation; or (c) five (5) days after mailing by certified or registered mail, return receipt requested. Notices shall be addressed to the respective parties as follows (excluding telephone numbers, which are for convenience only), or to such other address as a party shall specify to the others in accordance with these notice provisions:

if to the Company (following the Closing), to:

Address: 5/F, North Wing, 18 Jiuxianqiao Middle Road, Chaoyang
District, Beijing 100016, People's Republic of China

Attention: Thomas Jintao Ren

Tel: +86 (10) 8448-1818
Email: jintao.ren@renren-inc.com

With a copy to:

Simpson Thacher & Bartlett

Address: 35/F ICBC Tower, 3 Garden Road, Central, Hong Kong SAR

Attention: Chris K.H. Lin

Tel: +852 2514 7600
Email: clin@stblaw.com

if to the Seller:

Address: 5/F, North Wing, 18 Jiuxianqiao Middle Road, Chaoyang District, Beijing 100016, People's Republic of China

Attention: James Jian Liu

Tel: +86 (10) 8448-1818
Email: james.liu@renren-inc.com

With a copy to:

Skadden, Arps, Slate, Meagher & Flom

Address: 42/F, Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong SAR

Attention: Will H. Cai and Kenneth W. Chase

Tel: +852 3740 4700
Email: will.cai@skadden.com; kenneth.chase@skadden.com

if to the Purchaser:

Address: Suite 1306, 13/F. AIA Central, 1 Connaught Road, Central, Hong Kong

Attention: Sing Wang, Anthony Ho and Adrian Cheung

Tel: +852 3796 2750

13.2 Amendments; No Waivers; Remedies.

(a) This Agreement cannot be amended, except by a writing signed by each party, and cannot be terminated orally or by course of conduct. No provision hereof can be waived, except by a writing signed by the party against whom such waiver is to be enforced, and any such waiver shall apply only in the particular instance in which such waiver shall have been given.

(b) Neither any failure or delay in exercising any right or remedy hereunder or in requiring satisfaction of any condition herein nor any course of dealing shall constitute a waiver of or prevent any party from enforcing any right or remedy or from requiring satisfaction of any condition. No notice to or demand on a party waives or otherwise affects any obligation of that party or impairs any right of the party giving such notice or making such demand, including any right to take any action without notice or demand not otherwise required by this Agreement. No exercise of any right or remedy with respect to a breach of this Agreement shall preclude exercise of any other right or remedy, as appropriate to make the aggrieved party whole with respect to such breach, or subsequent exercise of any right or remedy with respect to any other breach.

(c) Except as otherwise expressly provided herein, no statement herein of any right or remedy shall impair any other right or remedy stated herein or that otherwise may be available.

(d) Notwithstanding anything else contained herein, neither shall any party seek, nor shall any party be liable for, punitive or exemplary damages, under any tort, contract, equity, or other legal theory, with respect to any breach (or alleged breach) of this Agreement or any provision hereof or any matter otherwise relating hereto or arising in connection herewith.

13.3 Arm's length bargaining; no presumption against drafter. This Agreement has been negotiated at arm's-length by parties of equal bargaining strength, each represented by counsel or having had but declined the opportunity to be represented by counsel and having participated in the drafting of this Agreement. This Agreement creates no fiduciary or other special relationship between the parties, and no such relationship otherwise exists. No presumption in favor of or against any party in the construction or interpretation of this Agreement or any provision hereof shall be made based upon which Person might have drafted this Agreement or such provision.

13.4 Publicity. Except as required by law and except with respect to the Purchaser SEC Documents, the parties agree that neither they nor their agents shall issue any press release or make any other public disclosure concerning the transactions contemplated hereunder without the prior approval of the other party hereto. If a party is required to make such a disclosure as required by law, the parties will use their best efforts to cause a mutually agreeable release or public disclosure to be issued.

13.5 Expenses. Each party shall bear its own costs and expenses in connection with this Agreement and the transactions contemplated hereby, unless otherwise specified herein.

13.6 No Assignment or Delegation. No party may assign any right or delegate any obligation hereunder, including by merger, consolidation, operation of law, or otherwise, without the written consent of the other party. Any purported assignment or delegation without such consent shall be void, in addition to constituting a material breach of this Agreement.

13.7 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of New York, without giving effect to the conflict of laws principles thereof that would result in the application of the laws of another jurisdiction.

13.8 Counterparts; facsimile signatures. This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which shall constitute one agreement. This Agreement shall become effective upon delivery to each party of an executed counterpart or the earlier delivery to each party of original, photocopied, or electronically transmitted signature pages that together (but need not individually) bear the signatures of all other parties.

13.9 Entire Agreement. This Agreement together with the Additional Agreements, sets forth the entire agreement of the parties with respect to the subject matter hereof and thereof and supersedes all prior and contemporaneous understandings and agreements related thereto (whether written or oral), all of which are merged herein. No provision of this Agreement or any Additional Agreement may be explained or qualified by any agreement, negotiations, understanding, discussion, conduct or course of conduct or by any trade usage. Except as otherwise expressly stated herein or any Additional Agreement, there is no condition precedent to the effectiveness of any provision hereof or thereof. No party has relied on any representation from, or warranty or agreement of, any person in entering into this Agreement, prior hereto or contemporaneous herewith or any Additional Agreement, except those expressly stated herein or therein.

13.10 Severability. A determination by a court or other legal authority that any provision that is not of the essence of this Agreement is legally invalid shall not affect the validity or enforceability of any other provision hereof. The parties shall cooperate in good faith to substitute (or cause such court or other legal authority to substitute) for any provision so held to be invalid a valid provision, as alike in substance to such invalid provision as is lawful.

13.11 Construction of certain terms and references; captions. In this Agreement:

(a) References to particular sections and subsections, schedules, and exhibits not otherwise specified are cross-references to sections and subsections, schedules, and exhibits of this Agreement.

(b) The words "herein," "hereof," "hereunder," and words of similar import refer to this Agreement as a whole and not to any particular provision of this Agreement, and, unless the context requires otherwise, "party" means a party signatory hereto.

(c) Any use of the singular or plural, or the masculine, feminine, or neuter gender, includes the others, unless the context otherwise requires; "including" means "including without limitation;" "or" means "and/or;" "any" means "any one, more than one, or all;" and, unless otherwise specified, any financial or accounting term has the meaning of the term under United States generally accepted accounting principles as consistently applied heretofore by the Company.

(d) Unless otherwise specified, any reference to any agreement (including this Agreement), instrument, or other document includes all schedules, exhibits, or other attachments referred to therein, and any reference to a statute or other law includes any rule, regulation, ordinance, or the like promulgated thereunder, in each case, as amended, restated, supplemented, or otherwise modified from time to time. Any reference to a numbered schedule means the same-numbered section of the disclosure schedule. Any reference in a schedule contained in the disclosure schedules delivered by a party hereunder shall be deemed to be an exception to (or, as applicable, a disclosure for purposes of) the applicable representations and warranties (or applicable covenants) that are contained in the section of this Agreement that corresponds to such schedule and any other representations and warranties of such party that are contained in this Agreement to which the relevance of such item thereto is reasonably apparent on its face. The mere inclusion of an item in a schedule as an exception to (or, as applicable, a disclosure for purposes of) a representation or warranty shall not be deemed an admission that such item represents a material exception or material fact, event or circumstance or that such item would have a Company Material Adverse Effect or Purchaser Material Adverse Effect, as applicable, or establish any standard of materiality to define further the meaning of such terms for purposes of this Agreement.

(e) If any action is required to be taken or notice is required to be given within a specified number of days following a specific date or event, the day of such date or event is not counted in determining the last day for such action or notice. If any action is required to be taken or notice is required to be given on or before a particular day which is not a Business Day, such action or notice shall be considered timely if it is taken or given on or before the next Business Day.

(f) Captions are not a part of this Agreement, but are included for convenience, only.

(g) For the avoidance of any doubt, all references in this Agreement to "the knowledge or best knowledge of the Company" or similar terms shall be deemed to include the actual or constructive (e.g., implied by Law) knowledge of the Key Personnel.

13.12 Further Assurances. Each party shall execute and deliver such documents and take such action, as may reasonably be considered within the scope of such party's obligations hereunder, necessary to effectuate the transactions contemplated by this Agreement and the Additional Agreements.

13.13 Third Party Beneficiaries. Neither this Agreement nor any provision hereof confers any benefit or right upon or may be enforced by any Person not a signatory hereto.

13.14 Waiver. Reference is made to the final IPO prospectus of the Purchaser, dated October 25, 2017 (the "Prospectus"). The Company and the Seller have read the Prospectus and understand that the Purchaser has established the Trust Account for the benefit of the public shareholders of the Purchaser and the underwriters of the IPO pursuant to the Trust Agreement and that, except for a portion of the interest earned on the amounts held in the Trust Account, the Purchaser may disburse monies from the Trust Account only for the purposes set forth in the Trust Agreement. For and in consideration of the Purchaser agreeing to enter into this Agreement, the Company and the Seller each hereby agrees that it does not have any right, title, interest or claim of any kind in or to any monies in the Trust Account and hereby agrees that it will not seek recourse against the Trust Account for any claim it may have in the future as a result of, or arising out of, any negotiations, contracts or agreements with the Purchaser; provided that (x) nothing herein shall serve to limit or prohibit the Company's right to pursue a claim against Purchaser for legal relief against monies or other assets held outside the Trust Account, for specific performance or other equitable relief in connection with the consummation of the transactions contemplated hereby (including a claim for Purchaser to specifically perform its obligations under this Agreement) so long as such claim would not affect Purchaser's ability to fulfill its obligation to effectuate the Purchaser Shareholder Redemption, and (y) nothing herein shall serve to limit or prohibit any claims that the Company may have in the future against Purchaser's assets or funds that are not held in the Trust Account (including any funds that have been released from the Trust Account upon completion of a "Business Combination" as such term is defined in Purchaser's constitutional documents (except such amounts that are paid or payable to shareholders of Purchaser holding Purchaser Ordinary Shares sold in the IPO who shall have elected to redeem their Purchaser Ordinary Shares pursuant to Purchaser's constitutional documents) and any assets that have been purchased or acquired with any such funds).

13.15 Non-Recourse. This Agreement may be enforced only against, and any dispute, claim or controversy based upon, arising out of or related to this Agreement or the transactions contemplated hereby may be brought only against, the entities that are expressly named as parties hereto and then only with respect to the specific obligations set forth in this Agreement with respect to such party. No past, present or future director, officer, employee, incorporator, member, partner, shareholder, agent, attorney, advisor, lender or representative or Affiliate of any named party to this Agreement (which Persons are intended third party beneficiaries of this Section 13.15) shall have any liability (whether in contract or tort, at law or in equity or otherwise, or based upon any theory that seeks to impose liability of an entity party against its owners or Affiliates) for any one or more of the representations, warranties, covenants, agreements or other obligations or liabilities of such named party or for any dispute, claim or controversy based on, arising out of, or related to this Agreement or the transactions contemplated hereby.

[The remainder of this page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

Purchaser:

CM SEVEN STAR ACQUISITION CORPORATION

By: _____
Name:
Title:

Company:

KAIXIN AUTO GROUP

By: _____
Name:
Title:

Seller:

RENREN INC.

By: _____
Name:
Title:

Execution Version

Exhibit 10.24

CONFIDENTIAL

MASTER TRANSACTION AGREEMENT

Between

RENREN INC.,

CM SEVEN STAR ACQUISITION CORPORATION

And

KAIXIN AUTO GROUP

Dated as of April 30, 2019

TABLE OF CONTENTS

This Master Transaction Agreement is dated as of April 30, 2019, by and among Renren Inc., an exempted company with limited liability incorporated under the laws of the Cayman Islands ("**Renren**"), CM Seven Star Acquisition Corporation, an exempted company with limited liability incorporated under the laws of the Cayman Islands ("**CM Seven Star**"), and Kaixin Auto Group, an exempted company with limited liability incorporated under the laws of the Cayman Islands ("**Kaixin**") (each of Renren, CM Seven Star and Kaixin a "**Party**" and, together, the "**Parties**").

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in ARTICLE 1 hereof.

R E C I T A L S

WHEREAS, as of the date hereof, Renren owns 160,000,000 issued and outstanding Ordinary Shares of Kaixin, representing 100% of total number of Ordinary Shares of Kaixin on an as-converted basis;

WHEREAS, Kaixin is primarily in the business of (i) owning and operating car dealerships in China through its various subsidiaries; (ii) offering value added services, including insurance, extended warranties and after sales services to its customers through its various subsidiaries; (iii) developing, maintaining and operating technologies that support its operating platforms (including a mobile application used to browse for cars and purchase value added services, big data analytics for procurement and operational management and an auto dealership SaaS platform to enhance the management and operations of its car dealerships through its various subsidiaries; and (iv) provision of financing channels to customers and other in-network dealers through partnerships with one or more financial institutions through its various subsidiaries (the "**Kaixin Business**");

WHEREAS, prior to the date hereof, all of the then existing assets and liabilities in connection with the Kaixin Business have already been transferred to or assumed by the Kaixin Group;

WHEREAS, Renren and Kaixin have entered into a share exchange agreement (the "**Exchange Agreement**") with CM Seven Star, dated as of November 2, 2018; and

WHEREAS, pursuant to the Exchange Agreement, Renren is to obtain 47,784,300 ordinary shares of CM Seven Star, par value US$0.0001 per share, subject to the terms and conditions thereof;

WHEREAS, the Parties intend in this Agreement to set forth and memorialize the principal arrangements between Renren and Kaixin regarding the relationship of the Parties following the closing of the transactions contemplated by the Exchange Agreement (the "**Closing,**" and the date thereof the "**Closing Date**");

NOW, THEREFORE, in consideration of the mutual agreements, covenants and provisions contained in this Agreement, the Parties, intending to be legally bound, agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1 Defined Terms. The following capitalized terms have the meanings given to them in this Section 1.1:

"**Action**" means any demand, action, suit, countersuit, claim, counterclaim, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority or any arbitration or mediation tribunal.

"**Affiliate**" of any Person means a Person that controls, is controlled by, or is under common control with such Person; provided that, under this Agreement, "Affiliate" of any member of Renren Group excludes members of Kaixin Group, and "Affiliate" of any member of Kaixin Group excludes members of Renren Group. As used herein, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise.

"**Agreement**" means this Master Transaction Agreement, together with the Schedules and Exhibits hereto, as the same may be amended from time to time in accordance with the provisions hereof.

"**Closing Date**" has the meaning set forth in the recitals to this Agreement.

"**CM Seven Star**" has the meaning set forth in the preamble to this Agreement.

"**CM Seven Star Proxy Statement**" means the proxy statement on Schedule 14A of CM Seven Star relating to the Exchange Agreement and related transactions, filed with the Securities Exchange Commission on March 29, 2019.

"**Confidential Business Information**" has the meaning set forth in Section 3.7(a)(iii) of this Agreement.

"**Confidential Information**" has the meaning set forth in Section 3.7(a)(i) of this Agreement.

"**Confidential Technical Information**" has the meaning set forth in Section 3.7(a)(ii) of this Agreement.

"**Contract**" means any contract, agreement, lease, license, sales order, purchase order, instrument or other commitment that is binding on any Person or any part of its property under applicable law.

"**Control Ending Date**" means the first date upon which members of the Renren Group no longer collectively control at least twenty percent (20%) of the voting power of the then outstanding securities of CM Seven Star.

"**Direct Costs**" has the meaning set forth in Section 3.11 of this Agreement.

"**Dispute**" has the meaning set forth in Section 5.1(a) of this Agreement.

"**Dispute Resolution Commencement Date**" has the meaning set forth in Section 5.1(a) of this Agreement.

"**Employees Transferred to Kaixin**" has the meaning set forth in Section 3.13.

"**Employees Transferred to Renren**" has the meaning set forth in Section 3.13.

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended.

"**Exchange Agreement**" has the meaning set forth in the recital to this Agreement.

"**Existing Agreements**" has the meaning set forth in Section 3.1(a).

"**Governmental Authority**" shall mean any national, state or local, foreign or international court, government, department, commission, board, bureau, agency, official or other regulatory, administrative or governmental authority.

"**Indemnifying Party**" means any party which may be obligated to provide indemnification to an Indemnitee pursuant to Section 4.2 or Section 4.3 hereof or any other section of this Agreement or any Inter-Company Agreement.

"**Indemnitee**" means any party which may be entitled to indemnification from an Indemnifying Party pursuant to ARTICLE 4 hereof or any other section of this Agreement or any Inter-Company Agreement.

"**Indirect Costs**" has the meaning set forth in Section 3.11 of this Agreement.

"**Information**" means information, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, records, books, contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, computer programs or other software, marketing plans, customer names, communications by or to attorneys (including attorney-client privileged communications), memos and other materials prepared by attorneys or under their direction (including attorney work product), and other technical, financial, employee or business information or data.

"**Inter-Company Agreements**" means the Transitional Services Agreement and Non-Competition Agreement.

"**Kaixin**" has the meaning set forth in the preamble to this Agreement.

"**Kaixin's/CM Seven Star's Auditors**" has the meaning set forth in Section 3.6(a)(i) of this Agreement.

"**Kaixin Balance Sheet**" means Kaixin's unaudited consolidated balance sheet as of the end of the most recently completed fiscal quarter prior to the Closing Date.

"**Kaixin Business**" has the meaning set forth in the recitals to this Agreement, as more completely described in the CM Seven Star Proxy Statement.

"**Kaixin Group**" means Kaixin and its subsidiaries and VIEs.

"**Kaixin Indemnitees**" means any member of the Kaixin Group and each of their respective directors, officers and employees.

"**Kaixin Liabilities**" means (without duplication) the following Liabilities:

(i) all Liabilities reflected in the Kaixin Balance Sheet;

(ii) all Liabilities that should have been reflected in the Kaixin Balance Sheet but are not reflected in the Kaixin Balance Sheet due to mistake or unintentional omission;

(iii) all Liabilities, whether arising before, on or after the Closing Date, that relate to, arise or result from: (1) the operation of the Kaixin Business or (2) the operation of any business conducted by the Kaixin Group at any time after the Closing Date; and

(iv) Liabilities of the Kaixin Group under this Agreement or any of the Inter-Company Agreements.

"**Liabilities**" means all debts, liabilities, guarantees, assurances, commitments and obligations, whether fixed, contingent or absolute, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any Contract or tort based on negligence or strict liability) and whether or not the same would be required by U.S. GAAP to be reflected in financial statements or disclosed in the notes thereto.

"**Loss**" and "**Losses**" mean any and all damages, losses, deficiencies, Liabilities, obligations, penalties, judgments, settlements, claims, payments, fines, interest, costs and expenses (including, without limitation, the costs and expenses of any and all Actions and demands, assessments, judgments, settlements and compromises relating thereto and the reasonable costs and expenses of attorneys', accountants', consultants' and other professionals' fees and expenses incurred in the investigation or defense thereof or the enforcement of rights hereunder), but excluding punitive damages (other than punitive damages awarded to any third party against an indemnified party).

"**Non-Competition Agreement**" has the meaning set forth in Section 2.1 of this Agreement.

"**Ordinary Shares**" means the ordinary shares of Kaixin, par value $0.0001 per share.

"**Party**" or "**Parties**" has the meaning set forth in the preamble of this Agreement.

"**Person**" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof.

"**Premises Lease**" has the meaning set forth in Section 4.13(a) of this Agreement.

"**Privileged Information**" has the meaning set forth in Section 3.8(a) of this Agreement.

"**Privileges**" has the meaning set forth in Section 3.8(a) of this Agreement.

"**Renren**" has the meaning set forth in the preamble to this Agreement.

"**Renren's Auditors**" has the meaning set forth in Section 3.6(a)(i) of this Agreement.

"**Renren Business**" means any business that is conducted by the Renren Group and described in its periodic filings with the SEC, other than the Kaixin Business.

"**Renren Group**" means Renren and its subsidiaries and VIEs, other than the Kaixin Group.

"**Renren Indemnitees**" means the Renren Group (excluding the Kaixin Group) and each of their respective directors, officers and employees.

"**Renren Liabilities**" means (without duplication) the following Liabilities:

(i) all Liabilities, whether arising before, on or after the Closing Date, that relate to, arise or result from the operation of the Renren Business, other than Kaixin Liabilities; and

(ii) Liabilities of the Renren Group under this Agreement or any of the Inter-Company Agreements.

"**Rule 10A-3(b)(2)**" means Rule 10A-3(b)(2) (or any successor rule to similar effect) promulgated under the Exchange Act.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Third Party Claim**" has the meaning set forth in Section 4.4(a) of this Agreement.

"**Transitional Services Agreement**" has the meaning set forth in Section 2.1 of this Agreement.

"**U.S. GAAP**" means generally accepted accounting principles in the United States as in effect from time to time.

"**VIE**" of any Person means any entity that controls, is controlled by, or is under common control with such Person and is deemed to be a variable interest entity consolidated with such Person for purposes of U.S. GAAP. As used herein, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise.

ARTICLE 2

DOCUMENTS AND ITEMS DELIVERED PRIOR TO THE CLOSING DATE

Section 2.1 Documents to be delivered by Renren. Renren has delivered and its subsidiaries and VIEs have delivered, as appropriate, or Renren will deliver, or will cause its subsidiaries and VIEs to deliver, as appropriate, prior to the Closing Date, to Kaixin and/or its subsidiaries and VIEs, as appropriate: (a) a duly executed Transitional Services Agreement, substantially in the form attached to the Exchange Agreement as an exhibit, with such changes, if any, to such form as may be agreed to by the Parties prior to such execution (the "**Transitional Services Agreement**"); (b) duly executed Non-Competition Agreement, substantially in the form attached to the Exchange Agreement as an exhibit, with such changes, if any, to such form as may be agreed to by the Parties prior to such execution (the "**Non-Competition Agreement**"); and (c) such other agreements, documents or instruments as the Parties may agree are necessary or desirable in order to achieve the purposes hereof. For purposes of this Agreement, Kaixin Group will not be considered subsidiaries or VIEs of Renren.

Section 2.2 Documents to be delivered by Kaixin. Kaixin has delivered and its subsidiaries and VIEs have delivered, as appropriate, or Kaixin will deliver, or will cause its subsidiaries and VIEs to deliver, as appropriate, prior to the Closing Date, to Renren or its subsidiaries or VIEs, as appropriate: (a) in each case where Kaixin or any of its subsidiaries or VIEs is a party to any agreement or instrument referred to in Section 2.1, a duly executed counterpart of such agreement or instrument; and (b) such other agreements, documents or instruments as the Parties may agree are necessary or desirable in order to achieve the purposes hereof.

ARTICLE 3

COVENANTS AND OTHER MATTERS

Section 3.1 Existing Contractual Arrangements.

(a) Renren and Kaixin each hereby confirms that the Schedule 3.1(a) hereto exclusively contains a complete list of all material agreements relating to guarantees of Kaixin Liabilities by the Renren Group between the Renren Group, on one hand, and the Kaixin Group, on the other hand, or between the Renren Group on one hand, and a third party, on the other hand for the benefit of the Kaixin Group, material to the operations of the Kaixin Business as currently conducted and which will be required to be maintained following the Closing Date to allow the Kaixin Business to continue in all material respects as presently conducted (the "**Existing Agreements**").

(b) Kaixin and Renren hereby agree to use commercially reasonable efforts to comply with and maintain in force the Existing Agreements for the duration of their current effective terms. The Parties further agree to consult in good faith regarding the extension and renewal of the Existing Agreements for such Existing Agreements which will terminate, lapse or expire in the period from the Closing Date until the fifth (5^{th}) anniversary thereof.

Section 3.2 Other Agreements and Instruments. Each of the Parties agrees to execute or cause to be executed by the appropriate parties and deliver, as appropriate, such other agreements, instruments and other documents as may be necessary or desirable in order to effect the purposes of this Agreement and the Inter-Company Agreements.

Section 3.3 Further Instruments

(a) To the extent it has not been done prior to the date hereof, Renren will execute and deliver, and will cause its subsidiaries and VIEs to execute and deliver, to Kaixin and/or its subsidiaries and VIEs, as the case may be, such instruments of transfer, conveyance, assignment, substitution and confirmation, and will take such action as may be reasonably necessary or desirable in order to transfer, convey and assign to Kaixin and/or its subsidiaries and VIEs and confirm Kaixin's and/or its subsidiaries' and VIEs' title to all assets, rights, interests and other things of value used in or necessary for the conduct and operation of the Kaixin Business on or prior to the Closing Date or to be transferred or licensed to Kaixin and/or its subsidiaries and VIEs pursuant to this Agreement or any document referred to herein, to put Kaixin Group in actual possession and operating control thereof and to permit Kaixin Group to exercise all rights with respect thereto (including, without limitation, rights under Contracts and other arrangements as to which the consent of any third party to the transfer thereof have not previously been obtained) relating to the Kaixin Business; provided, however, that in the absence of such execution and delivery by Renren and/or its subsidiaries and/or VIEs, such execution and delivery shall be deemed for all purposes to have occurred subject only to Kaixin's obligation to pay to Renren or its applicable subsidiary or VIE an amount equal to the book value thereof to the extent not previously so paid.

(b) Renren will execute and deliver, and will cause its appropriate subsidiaries and VIEs to execute and deliver, to Kaixin and/or its subsidiaries and VIEs, as the case may be, all instruments, assumptions, novations, undertakings, substitutions or other documents and take such other action as may be reasonably necessary or desirable in order to have Renren and/or its subsidiaries and/or VIEs, as the case may be, fully and unconditionally assume and discharge the Renren Liabilities; provided, however, that in the absence of such execution and delivery by Renren and/or such appropriate subsidiaries and/or such appropriate VIEs, such execution and delivery shall be deemed for all purposes to have occurred.

(c) Kaixin will, and will cause its appropriate subsidiaries and VIEs to, execute and deliver to Renren and its subsidiaries all instruments, assumptions, novations, undertakings, substitutions or other documents and take such other action as may be reasonably necessary or desirable in order to have Kaixin and/or its subsidiaries and/or VIEs, as the case may be, fully and unconditionally assume and discharge the Kaixin Liabilities; provided, however, that in the absence of such execution and delivery by Kaixin and/or such appropriate subsidiaries and and/or such appropriate VIEs, such execution and delivery shall be deemed for all purposes to have occurred.

(d) Except as hereinabove provided, neither Renren, Kaixin, nor their respective subsidiaries and VIEs shall be obligated, in connection with the foregoing matters set forth in this Section, to expend money other than reasonable out-of-pocket expenses, attorneys' fees and recording or similar fees, unless reimbursed by the other relevant Party. Furthermore, each Party, at the request of the other Party hereto, shall execute and deliver such other instruments and do and perform such other acts and things as may be necessary or desirable for effecting completely the consummation of the transactions contemplated hereby.

Section 3.4 Agreement on Exchange of Information.

(a) Generally. Each of the Parties agrees to provide, or cause to be provided, to the other Party, at any time, promptly after written request therefor, all reports and other Information regularly provided by one Party to the other Party prior to the Closing Date and any Information in the possession or under the control of such Party to the extent reasonably requested by the requesting Party (i) to comply with reporting, disclosure, filing or other requirements imposed on the requesting Party (including under applicable securities laws) by a Governmental Authority having jurisdiction over the requesting Party, (ii) for use in any other judicial, regulatory, administrative or other proceeding or in order to satisfy audit, accounting, claims, regulatory, litigation or other similar requirements, or (iii) to comply with its obligations under this Agreement or any Inter-Company Agreement, and at any time after the Closing Date to the extent such Information and cooperation are necessary to comply with such reporting, filing and disclosure obligations, for the preparation of financial statements or completing an audit, and as reasonably necessary to conduct the ongoing businesses of Renren or Kaixin, as the case may be. Each of the Parties agrees to make their respective personnel available to discuss the Information exchanged pursuant to this Section 3.4. In the event that any Party determines that any such provision of Information or other actions contemplated by this Section 3.4 could be commercially detrimental, violate any law or agreement, or waive any attorney-client privilege, the Parties shall take all commercially reasonable measures to permit the compliance with such obligations in a manner that avoids any such harm or consequence.

(b) Internal Accounting Controls; Financial Information. After the Closing Date, (i) each Party shall maintain in effect at its own cost and expense adequate systems and controls for its business to the extent necessary to enable the other Party to satisfy its reporting, tax return, accounting, audit and other obligations, and (ii) each Party shall provide, or cause to be provided, to the other Party and its subsidiaries and VIEs in such form as such requesting Party shall request, at no charge to the requesting Party, all financial and other data and information as the requesting Party determines necessary or advisable in order to prepare its financial statements and reports or filings with any Governmental Authority.

(c) Ownership of Information. Any Information owned by a Party that is provided to a requesting Party pursuant to this Section 3.4 shall be deemed to remain the property of the providing Party. Unless specifically set forth herein, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any such Information.

(d) Record Retention. To facilitate the possible exchange of Information pursuant to this Section 3.4 and other provisions of this Agreement, each Party agrees to use its commercially reasonable efforts for a period of five (5) years to retain all Information in its respective possession or control substantially in accordance with its respective record retention policies and/or practices as in effect on the Closing Date, and for such longer period as may be required by any Governmental Authority, any litigation matter, any applicable law or any Inter-Company Agreement. However, at any time after such five-year period each Party may amend its respective record retention policies at such Party's discretion; provided, however, that the amending Party must give thirty (30) days prior written notice of such change in the policy to the other Party. No Party will destroy, or permit any of its subsidiaries or VIEs to destroy, any Information that exists on the Closing Date (other than Information that is permitted to be destroyed under the current respective record retention policies of each Party) and that falls under the categories listed in Section 3.4(a), without first notifying the other Party of the proposed destruction and giving the other Party the opportunity to take possession or make copies of such Information prior to such destruction.

(e) Limitation of Liability. Each Party will use its commercially reasonable efforts to ensure that Information provided to the other Party hereunder is accurate and complete; provided, however, that no Party shall have any liability to the other Party if any Information exchanged or provided pursuant to this Section 3.4 is found to be inaccurate, in the absence of gross negligence, bad faith, or willful misconduct by the Party providing the Information. No Party shall have any liability to the other Party if any Information is destroyed or lost after the relevant Party has complied with the provisions of Section 3.4(d).

(f) Other Agreements Providing For Exchange of Information. The rights and obligations granted under this Section 3.4 are subject to any specific limitations, qualifications or additional provisions on the sharing, exchange or confidential treatment of Information set forth in this Agreement and any Inter-Company Agreement.

(g) Production of Witnesses; Records; Cooperation. For a period of five (5) years after the Control Ending Date, and except in the case of a legal or other proceeding by one Party against the other Party, each Party shall use its commercially reasonable efforts to make available to the other Party, upon written request, the former, current and future directors, officers, employees, other personnel and agents of such Party as witnesses and any books, records or other documents within its control or which it otherwise has the ability to make available, to the extent that any such individual (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with any legal, administrative or other proceeding in which the requesting Party may from time to time be involved, regardless of whether such legal, administrative or other proceeding is a matter with respect to which indemnification may be sought hereunder. The requesting Party shall bear all costs and expenses in connection therewith.

Section 3.5 Agreement on Share of Information and Data. To the extent permitted under applicable laws and regulations, each Party agrees to share with the other Party and its Affiliates information and data that such Party acquires in the ordinary course of its business operation, including without limited to user information and data relating to user activities, free of charge in the following manners:

(a) each Party agrees to provide the other Party and its Affiliates with interfaces of its database or the data base operated by its Affiliates such that the other Party and its Affiliates will have unlimited access to these databases;

(b) each Party agrees to provide, or cause to be provided, to the other Party, at any time, promptly after written request therefor, all information and data regularly provided by one Party to the other Party prior to the Closing Date and any information in the possession or under the control of such Party to the extent reasonably requested by the requesting Party.

Section 3.6 Auditors and Audits; Financial Statements; Accounting Matters. Each Party agrees that:

(a) Selection of Auditors.

(i) Until the first Renren fiscal year end occurring after the Control Ending Date, CM Seven Star/Kaixin shall use its commercially reasonable efforts to select the independent registered public accounting firm used by Renren ("**Renren's Auditors**" and, for the avoidance of doubt, should Renren at any time change the independent registered public accounting firm serving as its auditors, "**Renren's Auditors**" shall thereafter mean the new firm serving as Renren's auditors) to serve as its auditors ("**Kaixin's/CM Seven Star's Auditors**") for purposes of providing an opinion on its consolidated financial statements; provided, however, that Kaixin's/CM Seven Star's Auditors may be different from Renren's Auditors if necessary to comply with applicable laws regarding auditor independence and qualifications (provided, however, that Kaixin/CM Seven Star shall not take any actions, and shall use its commercially reasonable efforts to cause its directors, officers and employees not to take any actions, that could reasonably be expected to require Kaixin/CM Seven Star to engage auditors other than Renren's Auditors). After the Closing Date, the foregoing shall not be construed so as to unlawfully limit any responsibility of the audit committee of Kaixin's/CM Seven Star's board of directors, pursuant to SEC Rule 10A-3(b)(2) and rules of the NASDAQ Capital Market or the New York Stock Exchange, as applicable, to appoint, compensate, retain and oversee the work of the registered public accounting firm Kaixin/CM Seven Star engages.

(ii) Until the first Renren fiscal year end occurring after the Control Ending Date, Kaixin/CM Seven Star shall provide to Renren as much prior notice as reasonably practical of any change in Kaixin's/CM Seven Star's Auditors for purposes of providing an opinion on its consolidated financial statements.

(b) Date of Auditors' Opinion and Quarterly Reviews. Until the first fiscal year end for Renren occurring after the Control Ending Date, and thereafter to the extent necessary for the purpose of preparing financial statements or completing a financial statement audit, Kaixin/CM Seven Star shall use its commercially reasonable efforts to enable Kaixin's/CM Seven Star's Auditors to complete their audit such that they will date their opinion on Kaixin's/CM Seven Star's audited annual financial statements no later than the date that Renren's Auditors date their opinion on Renren's audited annual financial statements, and to enable Renren to meet its timetable for the printing, filing and public dissemination of Renren's annual financial statements. Until the first fiscal year end for Renren occurring after the Control Ending Date, and thereafter to the extent necessary for the purpose of preparing financial statements or completing a financial statement audit, Kaixin/CM Seven Star shall use its commercially reasonable efforts to enable Kaixin's/CM Seven Star's Auditors to complete their annual audit and quarterly review procedures such that they will provide clearance on such Party's annual and quarterly financial statements no later than the date that Renren's Auditors provide clearance on Renren's annual and quarterly financial statements.

(c) Annual and Quarterly Financial Statements. Until the Control Ending Date, Kaixin/CM Seven Star shall not change its fiscal year and, until the first fiscal year end for Renren occurring after the Control Ending Date, and thereafter to the extent necessary for the purpose of preparing financial statements or completing a financial statement audit, shall provide to Renren on a timely basis all Information that Renren reasonably requires to meet its schedule for the preparation, printing, filing, and public dissemination of Renren's annual and quarterly financial statements. Without limiting the generality of the foregoing, Kaixin/CM Seven Star will provide all required financial Information with respect to Kaixin/CM Seven Star and its subsidiaries and VIEs to Kaixin's/CM Seven Star's Auditors in a sufficient and reasonable time and in sufficient detail to permit Kaixin's/CM Seven Star's Auditors to take all steps and perform all procedures necessary to provide sufficient assistance to Renren's Auditors with respect to financial Information to be included or contained in Renren's annual and quarterly financial statements. Without limiting the generality of the foregoing, Kaixin/CM Seven Star shall provide to Renren its audited annual consolidated financial statements within ninety (90) days after the close of each fiscal year, and its unaudited quarterly consolidated financial statements within thirty (30) days after the end of each fiscal quarter. Similarly, Renren shall provide to Kaixin/CM Seven Star on a timely basis all financial Information that Kaixin/CM Seven Star reasonably requires to meet its schedule for the preparation, printing, filing, and public dissemination of Kaixin's/CM Seven Star's annual and quarterly financial statements. Without limiting the generality of the foregoing, Renren will provide all required financial Information with respect to Renren Group to Renren's Auditors in a sufficient and reasonable time and in sufficient detail to permit Renren's Auditors to take all steps and perform all procedures necessary to provide sufficient assistance to Kaixin's/CM Seven Star's Auditors with respect to Information to be included or contained in Kaixin's/CM Seven Star's annual and quarterly financial statements.

(d) Certifications and Attestations.

(i) Until the first fiscal year end for Renren occurring after the Control Ending Date, and thereafter to the extent necessary for the timely filing by Renren of annual and quarterly reports under the Exchange Act or in connection with any investigations of prior periods, Kaixin/CM Seven Star shall cause its principal executive officer and principal financial officer to provide to Renren on a timely basis and as reasonably requested by Renren (A) any certificates requested as support for the certifications and attestations required by Sections 302, 906 and 404 of the Sarbanes-Oxley Act of 2002 to be filed with such annual and quarterly reports, (B) any certificates or other written Information which such principal executive officer or principal financial officer received as support for the certificates provided to Renren and (C) a reasonable opportunity to discuss with such principal financial officer and other appropriate officers and employees of Kaixin/CM Seven Star any issues reasonably related to the foregoing.

(ii) To the extent necessary for the timely filing by Kaixin/CM Seven Star of annual and quarterly reports under the Exchange Act or in connection with any investigations of prior periods, Renren shall cause its appropriate officers and employees to provide to Kaixin/CM Seven Star on a timely basis and as reasonably requested by such Party (A) any certificates requested as support for the certifications and attestations required by Sections 302, 906 and 404 of the Sarbanes-Oxley Act of 2002 to be filed with such annual and quarterly reports, (B) any certificates or other Information which such appropriate officers and employees received as support for the certificates provided to Kaixin/CM Seven Star and (C) a reasonable opportunity to discuss with such appropriate officers and employees any issues reasonably related to the foregoing.

(e) Compliance with Laws, Policies and Regulations. Until the Control Ending Date, Kaixin/CM Seven Star shall comply with all financial accounting and reporting rules, policies and directives of Renren, to the extent such rules, policies and directives have been previously communicated to Kaixin/CM Seven Star, and fulfill all timing and reporting requirements, applicable to Renren subsidiaries and VIEs that are consolidated with Renren for financial statement purposes. Without limiting the foregoing, Kaixin/CM Seven Star shall comply with all financial accounting and reporting rules and policies, and fulfill all timing and reporting requirements, under applicable federal securities laws and the rules of the NASDAQ Capital Market or the New York Stock Exchange, as applicable. Kaixin/CM Seven Star shall not be deemed to be in breach of its obligations set forth in this provision to the extent that it is unable to comply with such obligations as a result of the actions or inactions of Renren.

(f) Identity of Personnel Performing the Annual Audit and Quarterly Reviews. Until the Control Ending Date, and thereafter to the extent such information and cooperation is necessary for the preparation of financial statements or completing a financial statements audit, Kaixin/CM Seven Star shall authorize Kaixin's/CM Seven Star's Auditors to make available to Renren's Auditors both the personnel who performed or will perform the annual audits and quarterly reviews of Kaixin/CM Seven Star and work papers related to the annual audits and quarterly reviews of Kaixin/CM Seven Star, in all cases within a reasonable time prior to Kaixin's/CM Seven Star's Auditors' opinion date, so that Renren's Auditors are able to perform the procedures they consider necessary to take responsibility for the work of Kaixin's/CM Seven Star's Auditors as it relates to Renren's Auditors' report on Renren's financial statements, all within sufficient time to enable Renren to meet its timetable for the printing, filing and public dissemination of Renren's annual and quarterly financial statements. Similarly, Renren shall authorize Renren's Auditors to make available to Kaixin's/CM Seven Star's Auditors both the personnel who performed or will perform the annual audits and quarterly reviews of Renren and work papers related to the annual audits and quarterly reviews of Renren, in all cases within a reasonable time prior to Renren's Auditors' opinion date, so that Kaixin's/CM Seven Star's Auditors are able to perform the procedures they consider necessary to take responsibility for the work of Renren's Auditors as it relates to Kaixin's/CM Seven Star's Auditors' report on Kaixin's/CM Seven Star's financial statements, all within sufficient time to enable Kaixin/CM Seven Star to meet its timetable for the printing, filing and public dissemination of Kaixin's/CM Seven Star's annual and quarterly financial statements.

(g) Access to Books and Records. Until the Control Ending Date, and thereafter to the extent such information and cooperation is necessary for the preparation of financial statements or completing a financial statements audit all governmental audits are complete and the applicable statute of limitations for tax matters has expired, Kaixin/CM Seven Star shall provide Renren's internal auditors, counsel and other designated representatives of Renren access during normal business hours to (i) the premises of Kaixin/CM Seven Star and its subsidiaries and VIEs and all Information (and duplicating rights) within the knowledge, possession or control of Kaixin/CM Seven Star and its subsidiaries and VIEs and (ii) the officers and employees of Kaixin/CM Seven Star and its subsidiaries and VIEs, so that Renren may conduct reasonable audits relating to the financial statements provided by Kaixin/CM Seven Star pursuant hereto as well as to the internal accounting controls and operations of Kaixin/CM Seven Star. Similarly, Renren shall provide Kaixin's/CM Seven Star's internal auditors, counsel and other designated representatives of Kaixin/CM Seven Star access during normal business hours to (x) the premises of Renren Group and all Information (and duplicating rights with respect thereto) within the knowledge, possession or control of Renren Group and (y) the officers and employees of Renren Group, so that Kaixin/CM Seven Star may conduct reasonable audits relating to the financial statements provided by Renren pursuant hereto as well as to the internal accounting controls and operations of Renren Group.

(h) Notice of Change in Accounting Principles. Until the Control Ending Date, and thereafter if a change in accounting principles by a Party would affect the historical financial statements of the other Party, no such Party shall make or adopt any significant changes in its accounting estimates or accounting principles from those in effect on the Closing Date without first consulting with the other Party, and if requested by the other Party, such other Party's independent registered public accounting firm with respect thereto. Renren shall give Kaixin/CM Seven Star as much prior notice as reasonably practical of any proposed determination of, or any significant changes in, its accounting estimates or accounting principles from those in effect on the Closing Date. Renren will consult with Kaixin/CM Seven Star and, if requested by Kaixin/CM Seven Star, Kaixin's/CM Seven Star's independent registered public accounting firm with respect thereto. Kaixin/CM Seven Star shall give Renren as much prior notice as reasonably practical of any proposed determination of, or any significant changes in, its accounting estimates or accounting principles from those in effect on the Closing Date. Kaixin/CM Seven Star will consult with Renren and, if requested by Renren, Renren's independent registered public accounting firm with respect thereto.

(i) Conflict with Third-Party Agreements. Nothing in Section 3.4 or this Section 3.6 shall require a Party to violate any agreement with any third party regarding the confidentiality of confidential and proprietary Information relating to that third party or its business; provided, however, that in the event that a Party is required under Section 3.4 or this Section 3.6 to disclose any such Information, such Party shall use its commercially reasonable efforts to seek to obtain such third party's consent to the disclosure of such Information.

Section 3.7 Confidentiality. Each of the Parties shall hold and shall cause each of their respective subsidiaries and VIEs to hold, and shall each cause their respective officers, employees, agents, consultants and advisors and those of their respective subsidiaries and VIEs to hold, in strict confidence and not to disclose or release without the prior written consent of the other Party, any and all Confidential Information concerning such other Party and its respective subsidiaries and VIEs; provided, that each of the Parties may disclose, or may permit disclosure of, Confidential Information (i) to their respective subsidiaries and VIEs, auditors, attorneys, financial advisors, bankers and other appropriate consultants and advisors who have a need to know such information and, in each case, are informed of their obligation to hold such information confidential to the same extent as is applicable to the Parties hereto and in respect of whose failure to comply with such obligations, Kaixin or Renren, as the case may be, will be responsible, (ii) if the Parties or any of their respective subsidiaries or VIEs are compelled to disclose any such Confidential Information by judicial or administrative process or (iii) if the Parties reasonably determine in good faith that such disclosure is required by other requirements of law. Notwithstanding the foregoing, in the event that any demand or request for disclosure of Confidential Information is made in connection with any judicial or administrative process, or a Party determines in good faith that disclosure is otherwise required by law, such Party shall promptly notify the other Party of the existence of such request, demand, or conclusion, and shall provide such other Party a reasonable opportunity to seek an appropriate protective order or other remedy, which the notifying Party will cooperate in obtaining. In the event that an appropriate protective order or other remedy is not obtained, the Party whose Confidential Information is required to be disclosed shall or shall cause the notifying Party to furnish, or cause to be furnished, only that portion of the Confidential Information that is required to be disclosed and shall use its commercially reasonable efforts to obtain reasonable assurances that confidential treatment will be accorded to such Information.

(a) As used in this Section 3.7:

(i) "**Confidential Information**" shall mean Confidential Business Information and Confidential Technical Information concerning one Party which, prior to, on or following Closing Date, has been disclosed by such Party or its subsidiaries or VIEs, that (1) is in written, recorded, graphical or other tangible form and is marked "Proprietary," "Confidential" or "Trade Secret," or where it is evident from the nature and content of such Information that the disclosing Party considers it to be confidential, (2) is in oral form and identified by the disclosing Party as "Proprietary", "Confidential" or "Trade Secret" at the time of oral disclosure, including pursuant to the access provisions of Section 3.4 or Section 3.6 hereof or any other provision of this Agreement or where it is evident from the nature and content of such Information that the disclosing Party considers it to be confidential, or (3) in the case of such Information disclosed on or prior to the date hereof, either such Information is identified by the owning Party to the other relevant Party as Confidential Business Information or Confidential Technical Information, orally or in writing on or prior to the Closing Date, or it is evident from the nature and content of such Information that the disclosing Party considers it to be confidential, and includes any modifications or derivatives prepared by the receiving Party that contain or are based upon any Confidential Information obtained from the disclosing Party, including any analysis, reports, or summaries of the Confidential Information. Confidential Information may also include Information disclosed to a disclosing Party by third parties. Confidential Information shall not, however, include any information which (A) was publicly known and made generally available in the public domain prior to the time of disclosure by the disclosing Party; (B) becomes publicly known and made generally available after disclosure by the disclosing Party to the receiving Party through no action or inaction of the receiving Party; (C) is obtained by the receiving Party from a third party without a breach of such third party's obligations of confidentiality; or (D) is on or after the Closing Date independently developed by the receiving Party without use of or reference to the disclosing Party's Confidential Information.

(ii) "**Confidential Technical Information**" shall mean all proprietary scientific, engineering, mathematical or design information, data and material of the disclosing Party including, without limitation, (a) specifications, ideas, concepts, models, and strategies for products or services, (b) quality assurance policies, procedures and specifications, (c) source code and object code, (d) training materials and information, and (e) all other know-how, methodology, processes, procedures, techniques and trade secrets related to product or service design, development, manufacture, implementation, use, support and maintenance.

(iii) "**Confidential Business Information**" shall mean all proprietary information, data or material of the disclosing Party other than Confidential Technical Information, including, but not limited to (a) proprietary earnings reports and forecasts, (b) proprietary macro-economic reports and forecasts, (c) proprietary business plans, (d) proprietary general market evaluations and surveys, (e) proprietary financing and credit-related information, and (f) customer information.

(b) Nothing in this Agreement shall restrict (i) the disclosing Party from using, disclosing, or disseminating its own Confidential Information in any way, or (ii) reassignment of the receiving Party's employees. Moreover, nothing in the Agreement supersedes any restriction imposed by third parties on their Confidential Information, and there is no obligation on the disclosing Party to conform third party agreements to the terms of this Agreement except as expressly set forth therein.

(c) Notwithstanding anything to the contrary set forth herein, (i) a Party and its subsidiaries and VIEs shall be deemed to have satisfied their obligations hereunder with respect to Confidential Information if they exercise the same degree of care (but no less than a reasonable degree of care) as they take to preserve confidentiality for their own similar Information and (ii) confidentiality obligations provided for in any agreement between a Party or any of its subsidiaries or VIEs and any employee of such Party or any of its subsidiaries or VIEs shall remain in full force and effect.

(d) Confidential Information of a Party and its subsidiaries and VIEs in the possession of and used by the other Party as of the Closing Date may continue to be used by such Party in possession of the Confidential Information in and only in the operation of the Renren Business in the case of the Renren Group, or the Kaixin Business in the case of the Kaixin Group, and may be used only so long as the Confidential Information is maintained in confidence and not disclosed in violation of Section 3.7(a). Such continued right to use Confidential Information may not be transferred, including by merger, consolidation, reorganization, operation of law, or otherwise, to any third party unless such third party (A) purchases all or substantially all of the business or business line and assets in one transaction or in a series of related transactions for which or in which the relevant Confidential Information is used or employed and (B) expressly agrees in writing to be bound by the provisions of this Section 3.7. In the event that such right to use is transferred in accordance with the preceding sentence, the transferring Party shall not disclose the source of the relevant Confidential Information.

Section 3.8 Privileged Matters. The Parties agree that their respective rights and obligations to maintain, preserve, assert or waive any or all privileges belonging to each such Party or its subsidiaries or VIEs including but not limited to the attorney-client and work product privileges (collectively, "**Privileges**"), shall be governed by the provisions of this Section 3.8. With respect to Privileged Information (as defined below) of Renren, Renren shall have sole authority in perpetuity to determine whether to assert or waive any or all Privileges, and Kaixin shall take no action (nor permit any of its subsidiaries or VIEs to take action) without the prior written consent of Renren that could result in any waiver of any Privilege that could be asserted by Renren or any of its subsidiaries or VIEs under applicable law and this Agreement. With respect to Privileged Information of Kaixin, Kaixin shall have sole authority in perpetuity to determine whether to assert or waive any or all Privileges, and Renren shall take no action (nor permit any of its subsidiaries or VIEs to take action) without the prior written consent of Kaixin that could result in any waiver of any Privilege that could be asserted by Kaixin or any of its subsidiaries or VIEs under applicable law and this Agreement.

(a) The rights and obligations created by this Section 3.8 shall apply to all Information as to which the Parties or their respective subsidiaries or VIEs would be entitled to assert or has asserted a Privilege ("**Privileged Information**"). Privileged Information of Renren includes but is not limited to (i) any and all Information regarding the business of Renren Group, whether or not it is in the possession of Kaixin or any of its subsidiaries and VIEs; (ii) all communications subject to a Privilege between counsel for Renren (including in-house counsel) and any individual who, at the time of the communication, was an employee of Renren, regardless of whether such employee is or becomes an employee of Kaixin or any of its subsidiaries and VIE and (iii) all Information generated, received or arising after the Closing Date that refers or relates to Privileged Information of Renren generated, received or arising prior to the Closing Date. Privileged Information of Kaixin includes but is not limited to (x) any and all Information regarding the Kaixin Business, whether or not it is in the possession of Renren or any of its subsidiaries and VIEs; (y) all communications subject to a Privilege occurring after the Closing Date between counsel for Kaixin (including in-house counsel and former in-house counsel who are or were employees of Renren) and any person who, at the time of the communication, was an employee of Kaixin, regardless of whether such employee was, is or becomes an employee of Renren or any of its subsidiaries or VIEs and (z) all Information generated, received or arising after the Closing Date that refers or relates to Privileged Information of Kaixin generated, received or arising prior to the Closing Date.

(b) Upon receipt by a Party or its subsidiaries or VIE(s) of any subpoena, discovery or other request from any third party that actually or arguably calls for the production or disclosure of Privileged Information of the other Party or its subsidiaries or VIE(s), or if a Party or any of its subsidiaries or VIE(s) obtains knowledge that any of its current or former employees has received any subpoena, discovery or other request from any third party that actually or arguably calls for the production or disclosure of Privileged Information of the other Party or its subsidiaries or VIE(s), such Party shall promptly notify that other Party of the existence of the request and shall provide that other Party a reasonable opportunity to review the Information and to assert any rights such other Party may have under this Section 3.8 or otherwise to prevent the production or disclosure of Privileged Information. Renren or its subsidiaries or VIEs, or Kaixin or its subsidiaries and VIE, as the case may be, will not produce or disclose to any third party any of the other Party's Privileged Information under this Section 3.8 unless (a) such other Party has provided its express written consent to such production or disclosure or (b) a court of competent jurisdiction has entered an order not subject to interlocutory appeal or review finding that the Information is not entitled to protection from disclosure under any applicable privilege, doctrine or rule.

(c) Renren's transfer of books and records pertaining to the Kaixin Business and other Information pertaining to Kaixin, if any, Renren's agreement to permit Kaixin to obtain Information existing prior to the Closing Date, Kaixin's/CM Seven Star's transfer of books and records and other Information pertaining to Renren, if any, and Kaixin's agreement to permit Renren to obtain Information existing prior to the Closing Date are made in reliance on Renren's and Kaixin's respective agreements, as set forth in Section 3.7 and this Section 3.8, to maintain the confidentiality of such Information and to take the steps provided herein for the preservation of all Privileges that may belong to or be asserted by Renren, or Kaixin, as the case may be. The access to Information, witnesses and individuals being granted pursuant to Section 3.4 and Section 3.6 and the disclosure to one Party of Privileged Information relating to the other Party's businesses pursuant to this Agreement shall not be asserted by Renren or Kaixin to constitute, or otherwise be deemed, a waiver of any Privilege that has been or may be asserted under this Section 3.8 or otherwise. Nothing in this Agreement shall operate to reduce, minimize or condition the rights granted to, or the obligations imposed upon, Renren and Kaixin by this Section 3.8.

Section 3.9 Future Litigation and Other Proceedings. In the event that Kaixin (or any of its subsidiaries or VIEs or any of its or their respective officers or directors) or Renren (or any of its subsidiaries or VIEs or any of its or their respective officers or directors) at any time after the date hereof initiates or becomes subject to any litigation or other proceedings before any Governmental Authority or arbitration panel with respect to which the Parties have no prior agreements (as to indemnification or otherwise), the Party (and its subsidiaries and VIEs and its and their respective officers and directors) that has not initiated and is not subject to such litigation or other proceedings shall comply, at the litigant Party's expense, with any reasonable requests by the litigant Party for assistance in connection with such litigation or other proceedings (including by way of provision of Information and making available of employees as witnesses). In the event that Kaixin (or any of its subsidiaries or VIEs or any of its or their respective officers or directors) and Renren (or any of its subsidiaries or VIEs or any of its or their respective officers or directors), or any combination thereof, at any time after the date hereof initiate or become subject to any litigation or other proceedings before any Governmental Authority or arbitration panel with respect to which the litigant Parties have no prior agreements (as to indemnification or otherwise), each litigant Party (and its officers and directors) shall, at their own expense, coordinate their strategies and actions with respect to such litigation or other proceedings to the extent such coordination would not be detrimental to their respective interests and shall comply, at the expense of the requesting Party, with any reasonable requests of such Party for assistance in connection therewith (including by way of provision of information and making available of employees as witnesses).

Section 3.10 Mail and other Communications. Each of Renren and Kaixin may receive mail, facsimiles, packages and other communications properly belonging to the other. Accordingly, each Party authorizes each of the other Party to receive and open all mail, telegrams, packages and other communications received by it and not unambiguously intended for the other Party or any of the other Party's officers or directors, and to retain the same to the extent that they relate to the business of the receiving Party or, to the extent that they do not relate to the business of the receiving Party, the receiving Party shall promptly deliver such mail, telegrams, packages or other communications, including, without limitation, notices of any liens or encumbrances on any asset transferred to Kaixin or its subsidiaries or VIEs in connection with the separation from Renren, if any, (or, in case the same relate to both businesses, copies thereof) to the other Party as provided for in Section 6.6 hereof. The provisions of this Section 3.10 are not intended to, and shall not, be deemed to constitute (a) an authorization by either Renren or Kaixin to permit the other to accept service of process on its behalf and no Party is or shall be deemed to be the agent of the other Party for service of process purposes or (b) a waiver of any Privilege with respect to Privileged Information contained in such mail, telegrams, packages or other communications.

Section 3.11 Other Inter-Company Services Agreements. To the extent not covered under the Inter-Company Agreements, a member of the Renren Group, on the one hand, and a member of the Kaixin Group, on the other, may enter into interim services agreements from time to time covering the provision of various interim services, if any, including financial, accounting, legal, and other services by Renren Group to Kaixin Group or, in certain circumstances, vice versa. Such services will generally be provided for a fee equal to the actual Direct Costs and Indirect Costs of providing such services plus an additional amount as agreed to by the Parties, subject to other consideration's being agreed to by the Parties. "**Direct Costs**" shall include labor-related compensation and travel expenses, materials and supplies consumed and agency fees arising from performing the services. "**Indirect Costs**" shall include occupancy, information technology support and other overhead costs of the department incurring the direct costs of providing the service. Payment for any such services will be due within thirty (30) days after Renren renders an invoice for such services and vice versa.

Section 3.12 Payment of Expenses. Except as otherwise provided in this Agreement, the Inter-Company Agreements or any other agreement between the Parties relating to the Exchange Agreement and the transactions contemplated thereby, (i) all costs and expenses of the Parties in connection with the Exchange Agreement and the transactions contemplated thereby (including costs associated with drafting this Agreement, the Inter-Company Agreements and the documents relating to the formation of Kaixin Group) shall be paid by the Party which incurs such cost or expense. Kaixin and Renren shall each be responsible for their own internal fees, costs and expenses (e.g., salaries of personnel) incurred in connection with the Exchange Agreement and the transactions contemplated thereby.

Section 3.13 Employees.

(a) Renren shall cause each of the individuals listed on Schedule 3.13(a) (the "**Employees Transferred to Kaixin**") to (i) resign from each member of the Renren Group with whom such employee has an employment relationship immediately prior to the separation and (ii) enter into an employment agreement with members of the Kaixin Group, in each case effective as of the Closing Date.

(b) Renren shall (i) cause each of the individuals listed on Schedule 3.13(b) (the "**Employees Transferred to Renren**") to (i) resign from each member of the Kaixin Group with whom such employee has an employment relationship immediately prior to the separation and (ii) enter into an employment agreement with members of the Renren Group, in each case effective as of the date of the Closing Date.

(c) Renren shall (i) cause each of the individuals listed on Schedule 3.13(c) (the "**Employees Employed by Each of Renren and Kaixin**") to (i) if applicable, amend his or her employment arrangement with each member of the Renren Group and/or the Kaixin Group, as applicable, with whom such employee has an employment relationship immediately prior to the separation, and (ii) enter into an employment agreement with members of the Renren Group or the Kaixin Group, as applicable, in each case effective as of the date of the Closing Date, such that the services provided to the Renren Group and the Kaixin Group by such Employee Employed by Each of Renren and Kaixin will be covered in the applicable employment agreement of each of Renren Group and Kaixin Group.

(d) Notwithstanding any provision to the contrary set forth herein, (i) the Renren Group and the Kaixin Group, respectively, shall be solely liable for any Action brought by or against any Employee Transferred to Kaixin and any Employee Transferred to Renren, respectively, if and to the extent such Action arises from or is based on facts, events or actions occurring prior to the Closing Date; (ii) the Renren Group and the Kaixin Group, respectively, shall be solely liable for any Action brought by or against any Employee Transferred to Renren and any Employee Transferred to Kaixin, respectively, if and to the extent such Action arises from or is based on facts, events or actions occurring after the Closing Date, (iii) the Renren Group and the Kaixin Group shall be liable for any Action brought by or against any Employee Employed by Each of Renren and Kaixin in accordance with the contractual employment relationship that existed prior to the Closing Date.

Section 3.14 Intercompany Loan.

(a) The Parties acknowledge that funds in the aggregate principal amount of US$75,616,183 have been extended by Renren to Kaixin prior to the date hereof (the "**Loan**").

(b) The Loan does not carry any interest.

(c) In consideration of the mutual promises, duties and obligations set forth herein of this agreement, the sufficiency of which is hereby acknowledged, Renren hereby agrees to forfeit and waive (without recourse) the Loan along with any other outstanding loans made to the Kaixin Group by the Renren Group, effective as of the date of this Agreement.

ARTICLE 4

MUTUAL RELEASES; INDEMNIFICATION

Section 4.1 Release of Claims

(a) Kaixin Release. Except as provided in Section 4.1(c) and Section 4.7, Kaixin, for itself and as agent for each of its subsidiaries and VIEs, does hereby assume, and does hereby remise, release and forever discharge the Renren Indemnitees from, any and all Liabilities whatsoever, whether at law or in equity (including any right of contribution), whether arising under any contract or agreement, by operation of law or otherwise, existing or arising from any past acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Closing Date, including in connection with the transactions and all other activities to implement the Exchange Agreement.

(b) Renren Release. Except as provided in Section 4.1(c), Renren, for itself and as agent for each of its subsidiaries and VIEs, does hereby remise, release and forever discharge the Kaixin Indemnitees from any and all Liabilities whatsoever, whether at law or in equity (including any right of contribution), whether arising under any contract or agreement, by operation of law or otherwise, existing or arising from any past acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Closing Date, including in connection with the transactions and all other activities to implement the Exchange Agreement.

(c) No Impairment. Nothing contained in Section 4.1(a) or Section 4.1(b) shall limit or otherwise affect any Party's rights or obligations pursuant to or contemplated by this Agreement or any Inter-Company Agreement, in each case in accordance with its terms, including, without limitation, any obligations relating to indemnification, including indemnification pursuant to Section 4.2 and Section 4.3 of this Agreement.

Section 4.2 Indemnification by Kaixin. Except as otherwise provided in this Agreement, Kaixin shall, for itself and as agent for each of its subsidiaries and VIEs, indemnify, defend (or, where applicable, pay the defense costs for) and hold harmless the Renren Indemnitees from and against, and shall reimburse the Renren Indemnitees with respect to, any and all Losses that any third party seeks to impose upon the Renren Indemnitees, or which are imposed upon the Renren Indemnitees, and that relate to, arise or result from, whether prior to, on or following the Closing Date, any of the following items (without duplication):

(a) any Kaixin Liability;

(b) any breach by Kaixin or any of its subsidiaries and VIEs of this Agreement or any of the Inter-Company Agreements; and

(c) any Liabilities relating to, arising out of or resulting from any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to all information (i) contained in the CM Seven Star Proxy Statement provided by Kaixin or its Affiliates for inclusion therein, (other than information provided in writing by Renren or any of its subsidiaries or VIEs specifically for inclusion in the CM Seven Star Proxy Statement, (ii) contained in any public filings made by CM Seven Star with the SEC following the Closing Date or (iii) provided in writing by Kaixin or its subsidiaries or VIEs to Renren specifically for inclusion in Renren's annual or quarterly reports following the Closing Date to the extent (A) such information pertains to (x) Kaixin or its subsidiaries or VIEs or (y) the Kaixin Business or (B) Renren has provided prior written notice to Kaixin that such information will be included in one or more annual or quarterly reports, specifying how such information will be presented, and the information is included in such annual or quarterly reports; provided that this sub-clause (B) shall not apply to the extent that any such Liability arises out of or results from, or in connection with, any action or inaction of Renren or any of its subsidiaries or VIEs, including as a result of any misstatement or omission of any information by Renren or its subsidiaries or VIEs to Kaixin.

In the event that Kaixin or any of its subsidiaries or VIEs makes a payment to the Renren Indemnitees hereunder, and any of the Renren Indemnitees subsequently diminishes the Liability on account of which such payment was made, either directly or through a third-party recovery (other than a recovery indirectly from Renren or its subsidiaries or VIEs), Renren will promptly repay (or will procure an Renren Indemnitee to promptly repay) Kaixin (or its subsidiary or VIE that has made the payment) the amount by which the payment made by Kaixin (or its subsidiary or VIE that has made the payment) exceeds the actual cost of the associated indemnified Liability.

Section 4.3 Indemnification by Renren. Except as otherwise provided in this Agreement, Renren shall, for itself and as agent for each of its subsidiaries and VIEs, indemnify, defend (or, where applicable, pay the defense costs for) and hold harmless the Kaixin Indemnitees from and against, and shall reimburse each such Kaixin Indemnitee with respect to, any and all Losses that any third party seeks to impose upon the Kaixin Indemnitees or which are imposed upon the Kaixin Indemnitees to the extent relating to, arising from or resulting from, whether prior to, on or following the Closing Date, any of the following items (without duplication):

(a) any Liability of Renren or its subsidiaries or VIEs and all Liabilities arising out of the operation or conduct of the Renren Business (in each case excluding the Kaixin Liabilities);

(b) any breach by Renren or any member of the Renren Group of this Agreement or any of the Inter-Company Agreements; and

(c) any Liabilities relating to, arising out of or resulting from any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to all information (i) contained in the CM Seven Star Proxy Statement provided by Renren or its Affiliates for inclusion therein, (other than information provided in writing by Kaixin or any of its subsidiaries or VIEs specifically for inclusion in the CM Seven Star Proxy Statement, (ii) contained in any public filings made by Renren with the SEC following the Closing Date, or (iii) provided in writing by Renren or its subsidiaries or VIEs to Kaixin specifically for inclusion in CM Seven Star's annual or quarterly reports following the Closing Date to the extent (A) such information pertains to (x) Renren or any of its subsidiaries or VIEs or (y) the Renren Business or (B) Kaixin or CM Seven Star has provided prior written notice to Renren that such information will be included in one or more annual or quarterly reports, specifying how such information will be presented, and the information is included in such annual or quarterly reports; provided that this sub-clause (B) shall not apply to the extent that any such Liability arises out of or results from, or in connection with, any action or inaction of Kaixin or any of its subsidiaries or VIEs, including as a result of any misstatement or omission of any information by Kaixin or any of its subsidiaries or VIEs to Renren.

In the event that Renren or any of its subsidiaries or VIEs makes a payment to the Kaixin Indemnitees hereunder, and any of the Kaixin Indemnitees subsequently diminishes the Liability on account of which such payment was made, either directly or through a third-party recovery (other than a recovery indirectly from Kaixin or its subsidiaries or VIEs), Kaixin will promptly repay (or will procure a Kaixin Indemnitee to promptly repay) Renren (or its subsidiary or VIE that has made the payment) the amount by which the payment made by Renren (or its subsidiary or VIE that has made the payment) exceeds the actual cost of the indemnified Liability.

Section 4.4 Procedures for Defense, Settlement and Indemnification of the Third Party Claims.

(a) Notice of Claims. If an Indemnitee shall receive notice or otherwise learn of the assertion by a Person (including any Governmental Authority) other than Renren, Kaixin and their subsidiaries and VIEs and CM Seven Star of any claim or of the commencement by any such Person of any Action (collectively, a "**Third Party Claim**") with respect to which an Indemnifying Party may be obligated to provide indemnification, Renren or Kaixin, as applicable, will ensure that such Indemnitee shall give such Indemnifying Party written notice thereof within thirty (30) days after becoming aware of such Third Party Claim. Any such notice shall describe the Third Party Claim in reasonable detail. Notwithstanding the foregoing, the delay or failure of any Indemnitee or other Person to give notice as provided in this Section 4.4 shall not relieve the related Indemnifying Party of its obligations under this ARTICLE 4, except to the extent that such Indemnifying Party is actually and substantially prejudiced by such delay or failure to give notice.

(b) Defense by Indemnifying Party. An Indemnifying Party shall be entitled to participate in the defense of any Third Party Claim and, to the extent that it wishes, at its cost, risk and expense, to assume the defense thereof, with counsel reasonably satisfactory to the Indemnitee, unless the Indemnifying Party is also a party to such proceeding and the Indemnitee determines in good faith that joint representation would be materially prejudicial to the Indemnitee's defense. After timely notice from the Indemnifying Party to the Indemnitee of such election to so assume the defense thereof, the Indemnifying Party shall not be liable to the Indemnitee for any legal expenses of other counsel or any other expenses subsequently incurred by the Indemnitee in connection with the defense thereof. The Indemnitee agrees to cooperate in all reasonable respects with the Indemnifying Party and its counsel in the defense against any Third Party Claim. The Indemnifying Party shall be entitled to compromise or settle any Third Party Claim as to which it is providing indemnification, provided that any compromise or settlement shall be made only with the written consent of the Indemnitee, such consent not to be unreasonably withheld.

(c) Defense by Indemnitee. If an Indemnifying Party fails to assume the defense of a Third Party Claim within thirty (30) days after receipt of notice of such claim, the Indemnitee will, upon delivering notice to such effect to the Indemnifying Party, have the right to undertake the defense, compromise or settlement of such Third Party Claim on behalf of and for the account of the Indemnifying Party subject to the limitations as set forth in this Section 4.4; provided, however, that such Third Party Claim shall not be compromised or settled without the written consent of the Indemnifying Party, which consent shall not be unreasonably withheld. If the Indemnitee assumes the defense of any Third Party Claim, it shall keep the Indemnifying Party reasonably informed of the progress of any such defense, compromise or settlement. The Indemnifying Party shall reimburse all such costs and expenses of the Indemnitee in the event it is ultimately determined that the Indemnifying Party is obligated to indemnify the Indemnitee with respect to such Third Party Claim. In no event shall an Indemnifying Party be liable for any settlement effected without its consent, which consent shall not be unreasonably withheld.

Section 4.5 Additional Matters.

(a) Cooperation in Defense and Settlement. With respect to any Third Party Claim that implicates both the Kaixin Group and Renren Group in a material way due to the allocation of Liabilities, responsibilities for management of defense and related indemnities set forth in this Agreement or any of the Inter-Company Agreements, the Parties agree to cooperate fully and maintain a joint defense (in a manner that will preserve the attorney-client privilege, joint defense or other privilege with respect thereto) so as to minimize such Liabilities and defense costs associated therewith. Any Party that is not responsible for managing the defense of such Third Party Claims shall, upon reasonable request, be consulted with respect to significant matters relating thereto and may, if necessary or helpful, engage counsel to assist in the defense of such claims.

(b) Subrogation. In the event of payment by or on behalf of any Indemnifying Party to or on behalf of any Indemnitee in connection with any Third Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnitee, in whole or in part based upon whether the Indemnifying Party has paid all or only part of the Indemnitee's Liability, as to any events or circumstances in respect of which such Indemnitee may have any right, defense or claim relating to such Third Party Claim against any claimant or plaintiff asserting such Third Party Claim or against any other person. Such Indemnitee shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

Section 4.6 Survival of Indemnities. The rights and obligations of the Parties under this ARTICLE 4 shall survive the sale or other transfer by any Party of any of its assets or businesses or the assignment by it of any Liabilities or the acquisition of control of such Party (by sale of capital stock or other equity interests, merger, consolidation or otherwise).

Section 4.7 Precedence. None of the provisions in this Agreement is intended to limit or affect the indemnification of CM Seven Star by Renren pursuant to the Exchange Agreement. In the event of conflict between this Agreement and the Exchange Agreement in respect of the indemnification of CM Seven Star by Renren, the Exchange Agreement shall prevail.

ARTICLE 5

DISPUTE RESOLUTION

Section 5.1 Dispute Resolution.

(a) Any dispute, controversy or claim arising out of or relating to this Agreement, Transitional Services Agreement or Non-Competition Agreement, or the breach, termination or validity thereof ("**Dispute**") which arises between the Parties shall first be negotiated between appropriate senior executives of each Party who shall have the authority to resolve the matter. Such executives shall meet to attempt in good faith to negotiate a resolution of the Dispute prior to pursuing other available remedies, within ten (10) days of receipt by a Party of written notice of a Dispute, which date of receipt shall be referred to herein as the "**Dispute Resolution Commencement Date**." Discussions and correspondence relating to trying to resolve such Dispute shall be treated as Confidential Information and Privileged Information of each of Renren and Kaixin developed for the purpose of settlement and shall be exempt from discovery or production and shall not be admissible in any subsequent proceeding between the Parties.

(b) If the senior executives are unable to resolve the Dispute within sixty (60) days from the Dispute Resolution Commencement Date, then, the Dispute will be submitted to the boards of directors of Renren and Kaixin. Representatives of each board of directors shall meet as soon as practicable to attempt in good faith to negotiate a resolution of the Dispute.

(c) If the representatives of the two boards of directors are unable to resolve the Dispute within one hundred twenty (120) days from the Dispute Resolution Commencement Date, on the request of any Party, the Dispute will be mediated by a mediator appointed pursuant to the mediation rules of the American Arbitration Association. Both Parties will share the administrative costs of the mediation and the mediator's fees and expenses equally, and each Party shall bear all of its other costs and expenses related to the mediation, including but not limited to attorney's fees, witness fees, and travel expenses. The mediation shall take place in Beijing, China or in whatever alternative forum on which the Parties may agree.

(d) If the Parties cannot resolve any Dispute through mediation within forty-five (45) days after the appointment of the mediator (or the earlier withdrawal thereof), each Party shall be entitled to seek relief in a court of competent jurisdiction.

Unless otherwise agreed in writing, the Parties will continue to provide service and honor all other commitments under this Agreement and each Inter-Company Agreement during the course of dispute resolution pursuant to the provisions of this Section 5.1 with respect to all matters not subject to such dispute, controversy or claim.

ARTICLE 6

MISCELLANEOUS

Section 6.1 Consent of the Parties

(a) Any consent of Renren pursuant to this Agreement or any of the Inter-Company Agreements shall not be effective unless it is in writing and evidenced by the signature of the Chief Executive Officer or Chief Financial Officer of Renren (or such other person that the Chief Executive Officer, Chief Financial Officer or board of directors of Renren has specifically authorized in writing to give such consent).

(b) Any consent of Kaixin or CM Seven Star pursuant to this Agreement or any of the Inter-Company Agreements shall not be effective unless it is in writing and evidenced by the signature of the Chief Executive Officer or Chief Financial Officer of Kaixin or CM Seven Star (or such other person that the Chief Executive Officer, Chief Financial Officer or board of directors of Kaixin or CM Seven Star has specifically authorized in writing to give such consent).

Section 6.2 Limitation of Liability. IN NO EVENT SHALL RENREN OR ANY OTHER MEMBER OF THE RENREN GROUP OR KAIXIN OR ANY OTHER MEMBER OF THE KAIXIN GROUP TO THE OTHER PARTY, OR ITS AFFILIATED COMPANIES FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT, INCIDENTAL OR PUNITIVE DAMAGES OR LOST PROFITS, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY (INCLUDING NEGLIGENCE) ARISING IN ANY WAY OUT OF THIS AGREEMENT, WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; *PROVIDED*, *HOWEVER*, THAT THE FOREGOING LIMITATIONS SHALL NOT LIMIT EACH PARTY'S INDEMNIFICATION OBLIGATIONS FOR LIABILITIES AS SET FORTH IN THIS AGREEMENT OR IN ANY INTER-COMPANY AGREEMENT.

Section 6.3 Entire Agreement. This Agreement, the Inter-Company Agreements and the Exhibits and Schedules referenced or attached hereto and thereto constitute the entire agreement among the Parties with respect to the subject matter hereof and thereof and shall supersede all prior written and oral and all contemporaneous oral agreements and understandings with respect to the subject matter hereof and thereof.

Section 6.4 Governing Law and Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of Hong Kong. Subject to Section 5.1, each of the Parties hereby submits unconditionally to the jurisdiction of, and agrees that venue shall lie exclusively in, the courts of Hong Kong for purposes of the resolution of any disputes arising under this Agreement.

Section 6.5 Termination; Amendment. This Agreement may be terminated or amended by mutual consent of the Parties, evidenced by an instrument in writing signed on behalf of each of the Parties. In the event of termination pursuant to this Section 6.5, no Party shall have any liability of any kind to the other Party. This Agreement shall terminate on the date that is one (1) year after the first date upon which members of the Renren Group no longer collectively own at least twenty percent (20%) of the voting power of the then outstanding securities of CM Seven Star *provided*, *however*, that (i) the provisions of Section 3.9 shall survive for a period of seven (7) years after the termination of this Agreement, (ii) the provisions of Section 3.7, ARTICLE 4, ARTICLE 5 and ARTICLE 6 shall survive indefinitely after the termination of this Agreement; and (iii) the provision of Section 3.5 shall terminate on the earlier of (i) the fifth (5^{th}) anniversary of the commencement of the cooperation period, or (ii) one (1) year after the first date upon which members of the Renren Group no longer collectively control at least twenty percent (20%) of the voting power of the then outstanding securities of CM Seven Star. For avoidance of doubt, the termination of this Agreement shall not affect the validity and effectiveness of the Transitional Services Agreement and the Non-Competition Agreement.

Section 6.6 Notices. Notices, offers, requests or other communications required or permitted to be given by a Party pursuant to the terms of this Agreement shall be given in writing to the other Party to the following addresses:

if to Renren:
5/F, North Wing
18 Jiuxianqiao Middle Road, Chaoyang District
Beijing 100016
People's Republic of China
Attention: James Jian Liu
Email: james.liu@renren-inc.com

if to Kaixin:
5/F, North Wing
18 Jiuxianqiao Middle Road, Chaoyang District
Beijing 100016
People's Republic of China
Attention: Thomas Jintao Ren
Email: jintao.ren@renren-inc.com

or to such other address, facsimile number or email address as the Party to whom notice is given may have previously furnished to the other in writing as provided herein. Any notice involving non-performance or termination shall be sent by hand delivery or recognized overnight courier. All other notices may also be sent by facsimile or email, confirmed by mail. All notices shall be deemed to have been given when received, if hand delivered; when transmitted, if transmitted by facsimile or email; upon confirmation of delivery, if sent by recognized overnight courier; and upon receipt if mailed.

Section 6.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement.

Section 6.8 Binding Effect; Assignment. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective legal representatives and successors, and nothing in this Agreement, express or implied, is intended to confer upon any other Person any rights or remedies of any nature whatsoever under or by reason of this Agreement. This Agreement may be enforced separately by each Party's subsidiaries and VIEs. No Party may assign this Agreement or any rights or obligations hereunder, without the prior written consent of the other Party, and any such assignment shall be void; *provided*, *however*, each Party may assign this Agreement to a successor entity in conjunction with such Party's reincorporation in another jurisdiction or into another business form.

Section 6.9 Severability. If any term or other provision of this Agreement or the Exhibits or Schedules attached hereto is determined by a court, administrative agency or arbitrator to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the fullest extent possible.

Section 6.10 Failure or Indulgence not Waiver; Remedies Cumulative. No failure or delay on the part of any Party hereto in the exercise of any right hereunder shall impair such right or be construed to be a waiver of, or acquiescence in, any breach of any representation, warranty or agreement herein, nor shall any single or partial exercise of any such right preclude other or further exercise thereof or of any other right. All rights and remedies existing under this Agreement or the Exhibits or Schedules attached hereto are cumulative to, and not exclusive of, any rights or remedies otherwise available.

Section 6.11 Authority. Each of the Parties hereto represents to the others that (a) it has the corporate or other requisite power and authority to execute, deliver and perform this Agreement, (b) the execution, delivery and performance of this Agreement by it have been duly authorized by all necessary corporate or other actions, (c) it has duly and validly executed and delivered this Agreement, and (d) this Agreement is a legal, valid and binding obligation, enforceable against it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and general equity principles.

Section 6.12 Interpretation. The headings contained in this Agreement, in any Exhibit or Schedule hereto and in the table of contents to this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Any capitalized term used in any Exhibit or Schedule but not otherwise defined therein, has the meaning assigned to such term in this Agreement. For all purposes of this Agreement: (i) all references in this Agreement to designated "Sections", "Schedules", "Exhibits" and other subdivisions are to the designated Sections, Schedules, Exhibits and other subdivisions of the body of this Agreement unless otherwise indicated; (ii) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision; (iii) "or" is not exclusive; (iv) "including" and "includes" will be deemed to be followed by "but not limited to" and "but is not limited to", respectively; (v) any definition of, or reference to, any law, agreement, instrument or other document herein will be construed as referring to such law, agreement, instrument or other document as from time to time amended, supplemented or otherwise modified; and (vi) any definition of, or reference to, any statute will be construed as referring also to any rules and regulations promulgated thereunder.

Section 6.13 Conflicting Agreements. None of the provisions of this Agreement is intended to supersede any provision in any Inter-Company Agreement or any other agreement with respect to the respective subject matters thereof. In the event of conflict between this Agreement and any Inter-Company Agreement or other agreement executed in connection herewith, the provisions of such other agreement shall prevail.

Section 6.14 Third Party Beneficiaries. None of the provisions of this Agreement shall be for the benefit of or enforceable by any third party, including any creditor of any Person. No such third party shall obtain any right under any provision of this Agreement or shall by reasons of any such provision make any claim in respect of any Liability (or otherwise) against either Party hereto.

Section 6.15 No Representations or Warranties. EXCEPT AS EXPRESSLY SET FORTH HEREIN OR IN ANY OTHER DOCUMENT, NO MEMBER OF EITHER OF THE KAIXIN GROUP AND THE RENREN GROUP MAKES ANY REPRESENTATION OR WARRANTY OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, TO ANY MEMBER OF THE OTHER GROUP OR ANY OTHER PERSON WITH RESPECT TO ANY OF THE TRANSACTIONS CONTEMPLATED HEREUNDER OR UNDER ANY OTHER DOCUMENT, OR THE BUSINESS, ASSETS, CONDITION OR PROSPECTS (FINANCIAL OR OTHERWISE) OF, OR ANY OTHER MATTER INVOLVING, EITHER BUSINESS, OR THE SUFFICIENCY OF ANY ASSETS TRANSFERRED TO THE APPLICABLE GROUP, OR THE TITLE TO ANY SUCH ASSETS, OR THAT ANY REQUIREMENTS OF APPLICABLE LAW ARE COMPLIED WITH RESPECT TO THE CONTRIBUTION OR ANY ASPECT OF OR ANY TRANSACTION EFFECTED IN CONNECTION WITH THE SEPARATION. EACH MEMBER OF EACH GROUP SHALL TAKE ALL OF THE BUSINESS, ASSETS AND LIABILITIES TRANSFERRED TO OR ASSUMED BY IT PURSUANT TO THIS AGREEMENT OR ANY DOCUMENT ON AN “AS IS, WHERE IS” BASIS, AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A SPECIFIC PURPOSE OR OTHERWISE ARE HEREBY EXPRESSLY DISCLAIMED.

[*Signature pages follow*]

WHEREFORE, the Parties have signed this Master Transaction Agreement effective as of the date first set forth above.

RENREN INC.

Name:
Title:

KAIXIN AUTO GROUP

Name:
Title:

CM Seven Star Acquisition Corporation

Name:
Title:

Execution Version

Exhibit 10.25

CONFIDENTIAL

NON-COMPETITION AGREEMENT

Between

RENREN INC.

And

KAIXIN AUTO GROUP

Dated as of April 30, 2019

TABLE OF CONTENTS

This Non-Competition Agreement is dated as of April 30, 2019, by and between Renren Inc., an exempted company with limited liability incorporated under the laws of the Cayman Islands ("**Renren**"), and Kaixin Auto Group, an exempted company with limited liability incorporated under the laws of the Cayman Islands ("**Kaixin**") (each of Renren and Kaixin a "**Party**" and, together, the "**Parties**").

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in Article 1 hereof.

R E C I T A L S

WHEREAS, as of the date hereof, Renren owns 160,000,000 issued and outstanding Ordinary Shares of Kaixin, representing 100% of total number of Ordinary Shares of Kaixin on an as-converted basis;

WHEREAS, Renren has historically been engaged in the Kaixin Business through the Kaixin Group;

WHEREAS, prior to the date hereof, all of the then existing assets and liabilities in connection with the Kaixin Business have already been transferred to or assumed by the Kaixin Group;

WHEREAS, Kaixin is primarily in the business of (i) owning and operating car dealerships in China through its various subsidiaries; (ii) offering value added services, including insurance, extended warranties and after sales services to its customers through its various subsidiaries; (iii) developing, maintaining and operating technologies that support its operating platforms (including a mobile application used to browse for cars and purchase value added services, big data analytics for procurement and operational management and an auto dealership SaaS platform to enhance the management and operations of its car dealerships through its various subsidiaries; and (iv) provision of financing channels to customers and other in-network dealers through partnerships with one or more financial institutions through its various subsidiaries (the "**Kaixin Business**");

WHEREAS, Renren and Kaixin have entered into a share exchange agreement (the "**Exchange Agreement**") with CM Seven Star Acquisition Corp., an exempted company with limited liability incorporated under the laws of the Cayman Islands ("**CM Seven Star**"), dated as of November 2, 2018;

WHEREAS, pursuant to the Exchange Agreement, Renren is to obtain 47,784,300 ordinary shares of CM Seven Star, par value US$0.0001 per share, subject to the terms and conditions thereof, and CM Seven Star acquired 100% of Ordinary Shares of Kaixin from Renren; and

WHEREAS, the Parties intend in this Agreement to set forth the principal terms and conditions with respect to their agreement not to compete with each other or solicit the employees of each other following the closing of the transactions contemplated by the Exchange Agreement (the "**Closing,**" and the date thereof the "**Closing Date**").

NOW, THEREFORE, in consideration of the mutual agreements, covenants and provisions contained in this Agreement, the Parties, intending to be legally bound, agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1 Defined Terms. The following capitalized terms have the meanings given to them in this Section 1.1:

"**Agreement**" means this Non-Competition Agreement, as the same may be amended from time to time in accordance with the provisions hereof.

"**CM Seven Star**" has the meaning set forth in the recitals to this Agreement.

"**CM Seven Star Proxy Statement**" means the proxy statement on Schedule 14A of CM Seven Star relating to the Exchange Agreement and related transactions, filed with the Securities Exchange Commission on March 29, 2019.

"**Dispute Resolution Commencement Date**" as the meaning set forth in Section 5.1(a) of the Master Transaction Agreement.

"**Exchange Agreement**" has the meaning set forth in the preamble to this Agreement.

"**Kaixin**" has the meaning set forth in the preamble to this Agreement.

"**Kaixin Business**" has the meaning set forth in the recitals to this Agreement, as more completely described in the CM Seven Star Proxy Statement.

"**Kaixin Group**" means Kaixin and its subsidiaries and VIEs.

"**Master Transaction Agreement**" means the Master Transaction Agreement between the Parties dated the date hereof, as the same may be amended and supplemented in accordance with the provisions thereof.

"**Non-Competition Period**" means the period beginning upon the Closing Date and ending on the later of:

(a) the date that is two (2) years after the first date upon which members of the Renren Group cease to control in the aggregate at least twenty percent (20%) of the voting power of the then outstanding securities of CM Seven Star; and

(b) the tenth (10^{th}) anniversary of the Closing Date.

"Ordinary Shares" means the shares of Kaixin, par value $0.0001 per share.

"**Party**" or "**Parties**" has the meaning set forth in the preamble of this Agreement.

"**Person**" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof.

"**Renren**" has the meaning set forth in the preamble to this Agreement.

"**Renren Business**" means any business that is conducted by the Renren Group as of the date hereof and described in its periodic filings with the SEC filed prior to the date hereof, other than the Kaixin Business.

"**Renren Group**" means Renren and its subsidiaries and VIEs, other than the Kaixin Group.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**VIE**" of any Person means any entity that controls, is controlled by, or is under common control with such Person and is deemed to be a variable interest entity consolidated with such Person for purposes of generally accepted accounting principles in the United States as in effect from time to time. As used herein, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise.

ARTICLE 2

NON-COMPETITION

Section 2.1 Undertaking of the Renren Group. During the Non-Competition Period, Renren will not, and will cause each of the other members of the Renren Group not to, other than through the Kaixin Group, directly or indirectly, engage or invest in any business that is of the same nature as the Kaixin Business, whether as a principal or for its own account, or as a shareholder or other equity owner in any Person (other than Kaixin); *provided* that the foregoing shall not prohibit any member of the Renren Group from owning beneficially or of record, non-controlling ownership (calculated on an aggregate basis combining any such ownership by any members of the Renren Group) of the equity or its equivalent of any company (other than Kaixin) that sells or otherwise provides any product or service or otherwise engages in any business that is of the same nature as the Kaixin Business.

Section 2.2 Undertaking of the Kaixin Group. During the Non-Competition Period, Kaixin will not, and will cause each of the other members of the Kaixin Group not to, directly or indirectly, engage or invest in any business that competes in any way with the Renren Business, whether as a principal or for its own account, or as a shareholder or other equity owner in any Person; *provided* that the foregoing shall not prohibit any member of the Kaixin Group from owning beneficially or of record, non-controlling ownership (calculated on an aggregate basis combining any such ownership by any member of the Kaixin Group) of the equity or its equivalent of any company that sells or otherwise provides any such product or service in competition with the Renren Business.

ARTICLE 3

NON-SOLICITATION

Section 3.1 Non-Solicitation by the Renren Group. During the Non-Competition Period, Renren will not, and will cause each other member of the Renren Group not to, directly or indirectly, hire, or solicit for hire, any active employees of or individuals providing consulting services to any member of the Kaixin Group, or any former employees of or individuals providing consulting services to any member of the Kaixin Group within six (6) months of the termination of their employment with or consulting services to the member of the Kaixin Group, without Kaixin's consent; *provided* that the foregoing shall not prohibit any solicitation activities through generalized non-targeted advertisement not directed to such employees or individuals that do not result in the hiring of any such employees or individuals by the Renren Group within the Non-Competition Period.

Section 3.2 Non-Solicitation by the Kaixin Group. During the Non-Competition Period, Kaixin will not, and will cause each other member of the Kaixin Group not to, directly or indirectly, solicit or hire any active employees of or individuals providing consulting services to any member of the Renren Group, or any former employees of or individuals providing consulting services to any member of the Renren Group within six (6) months of the termination of their employment with or consulting to the member of the Renren Group, without Renren's consent; *provided* that the foregoing shall not prohibit any solicitation activities through generalized non-targeted advertisement not directed to such employees or individuals that do not result in the hiring of any such employees or individuals by the Kaixin Group within the Non-Competition Period.

ARTICLE 4

MISCELLANEOUS

Section 4.1 Consent of Renren. Any consent of Renren pursuant to this Agreement shall not be effective unless it is in writing and evidenced by the signature of the Chief Executive Officer or Chief Financial Officer of Renren (or such other person that the Chief Executive Officer, Chief Financial Officer or board of directors of Renren has specifically authorized in writing to give such consent).

Section 4.2 Consent of Kaixin. Any consent of Kaixin pursuant to this Agreement shall not be effective unless it is in writing and evidenced by the signature of the Chief Executive Officer or Chief Financial Officer of Kaixin (or such other person that the Chief Executive Officer, Chief Financial Officer or board of directors of Kaixin has specifically authorized in writing to give such consent).

Section 4.3 Entire Agreement. This Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof and shall supersede all prior written and oral and all contemporaneous oral agreements and understandings with respect to the subject matter hereof.

Section 4.4 Governing Law and Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of Hong Kong SAR. Subject to Section 5.1 of the Master Transaction Agreement, each of the Parties hereby submits unconditionally to jurisdiction of, and agrees that venue shall lie exclusively in, the courts of Hong Kong SAR for purposes of the resolution of any disputes arising under this Agreement.

Section 4.5 Dispute Resolution.

(a) Any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or validity thereof ("**Dispute**") which arises between the Parties shall first be negotiated between appropriate senior executives of each Party who shall have the authority to resolve the matter. Such executives shall meet to attempt in good faith to negotiate a resolution of the Dispute prior to pursuing other available remedies, within ten (10) days of receipt by a Party of written notice of a Dispute, which date of receipt shall be referred to herein as the "**Dispute Resolution Commencement Date**." Discussions and correspondence relating to trying to resolve such Dispute shall be treated as confidential information and privileged information of each of Renren and Kaixin developed for the purpose of settlement and shall be exempt from discovery or production and shall not be admissible in any subsequent proceeding between the Parties.

(b) If the senior executives are unable to resolve the Dispute within sixty (60) days from the Dispute Resolution Commencement Date, then, the Dispute will be submitted to the boards of directors of Renren and Kaixin. Representatives of each board of directors shall meet as soon as practicable to attempt in good faith to negotiate a resolution of the Dispute.

(c) If the representatives of the two boards of directors are unable to resolve the Dispute within one hundred twenty (120) days from the Dispute Resolution Commencement Date, on the request of any Party, the Dispute will be mediated by a mediator appointed pursuant to the mediation rules of the American Arbitration Association. Both Parties will share the administrative costs of the mediation and the mediator's fees and expenses equally, and each Party shall bear all of its other costs and expenses related to the mediation, including but not limited to attorney's fees, witness fees, and travel expenses. The mediation shall take place in Beijing, China or in whatever alternative forum on which the Parties may agree.

(d) If the Parties cannot resolve any Dispute through mediation within forty-five (45) days after the appointment of the mediator (or the earlier withdrawal thereof), each Party shall be entitled to seek relief in a court of competent jurisdiction.

Unless otherwise agreed in writing, the Parties will continue to honor all commitments under this Agreement during the course of dispute resolution pursuant to the provisions of this Section 4.5 with respect to all matters not subject to such dispute, controversy or claim.

Section 4.6 Termination; Amendment. This Agreement may be terminated or amended by mutual written consent of the Parties, evidenced by an instrument in writing signed on behalf of each of the Parties.

Section 4.7 Notices. Notices or other communications required or permitted to be given by a Party pursuant to the terms of this Agreement shall be given in writing to the other Party to the following addresses:

if to Renren:

5/F, North Wing
18 Jiuxianqiao Middle Road, Chaoyang District
Beijing 100016
People's Republic of China
Attention: James Jian Liu
Telephone: +86 (10) 8448-1818
Email: james.liu@renren-inc.com

if to Kaixin:

5/F, North Wing
18 Jiuxianqiao Middle Road, Chaoyang District
Beijing 100016
People's Republic of China
Attention: Thomas Jintao Ren
Telephone: +86 (10) 8448-1818
Email: jintao.ren@renren-inc.com

or to such other address, facsimile number or email address as the Party to whom notice is given may have previously furnished to the other in writing as provided herein. Any notice involving non-performance or termination shall be sent by hand delivery or recognized overnight courier. All other notices may also be sent by facsimile or email, confirmed by mail. All notices shall be deemed to have been given when received, if hand delivered; when transmitted, if transmitted by facsimile or email; upon confirmation of delivery, if sent by recognized overnight courier; and upon receipt if mailed.

Section 4.8 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement.

Section 4.9 Binding Effect; Assignment. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective legal representatives and successors, and nothing in this Agreement, express or implied, is intended to confer upon any other Person any rights or remedies of any nature whatsoever under or by reason of this Agreement. No party may assign this Agreement or any rights or obligations hereunder, without the prior written consent of the other Party, and any such assignment without such consent shall be void; *provided, however,* each Party may assign this Agreement to a successor entity in conjunction with the transfer of substantially all of the Party's business, whether by sale of substantially all assets, merger, consolidation or otherwise.

Section 4.10 Severability. If any term or other provision of this Agreement is determined by a court, administrative agency or arbitrator to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that transactions contemplated hereby are fulfilled to the fullest extent possible.

Section 4.11 Failure or Indulgence not Waiver; Specific Performance; Remedies Cumulative. No failure or delay on the part of any Party in the exercise of any right hereunder shall impair such right or be construed to be a waiver of, or acquiescence in, any breach of any representation, warranty or agreement herein, nor shall any single or partial exercise of any such right preclude other or further exercise thereof or of any other right. Each Party recognizes and agrees that the other Party's remedy at law for any breach of this Agreement would be inadequate and that the non-breaching Party shall, in addition to such other remedies as may be available to it at law or in equity, be entitled to injunctive relief and to enforce its rights by an action for specific performance to the extent permitted by law (without the posting of any bond and without proof of actual damages). All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

Section 4.12 Authority. Each of the Parties hereto represents to the others that (a) it has the corporate or other requisite power and authority to execute, deliver and perform this Agreement, (b) the execution, delivery and performance of this Agreement by it have been duly authorized by all necessary corporate or other actions, (c) it has duly and validly executed and delivered this Agreement, and (d) this Agreement is a legal, valid and binding obligation, enforceable against it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and general equity principles.

Section 4.13 Interpretation. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. For all purposes of this Agreement: (i) all references in this Agreement to designated "Sections", "Schedules", "Exhibits" and other subdivisions are to the designated Sections, Schedules, Exhibits and other subdivisions of the body of this Agreement unless otherwise indicated; (ii) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision; (iii) "or" is not exclusive; (iv) "including" and "includes" will be deemed to be followed by "but not limited to" and "but is not limited to", respectively; (v) any definition of, or reference to, any law, agreement, instrument or other document herein will be construed as referring to such law, agreement, instrument or other document as from time to time amended, supplemented or otherwise modified; and (vi) any definition of, or reference to, any statute will be construed as referring also to any rules and regulations promulgated thereunder.

[*Signature pages follow*]

WHEREFORE, the Parties have signed this Non-Competition Agreement effective as of the date first set forth above.

RENREN INC.

Name:
Title:

KAIXIN AUTO GROUP

Name:
Title:

Exhibit 10.26

Execution Version

CONFIDENTIAL

TRANSITIONAL SERVICES AGREEMENT

Between

RENREN INC.

and

KAIXIN AUTO GROUP

Dated as of April 30, 2019

TABLE OF CONTENTS

ARTICLE 5

MISCELLANEOUS.

This Transitional Services Agreement is dated as of April 30, 2019, by and between, Renren Inc., an exempted company with limited liability incorporated under the laws of the Cayman Islands ("**Renren**"), and Kaixin Auto Group, an exempted company with limited liability incorporated under the laws of the Cayman Islands ("**Kaixin**").

R E C I T A L S

WHEREAS, as of the date hereof, Renren owns 160,000,000 issued and outstanding Ordinary Shares of Kaixin, representing 100% of total number of Ordinary Shares of Kaixin on an as-converted basis;

WHEREAS, Renren and Kaixin have entered into a share exchange agreement (the "**Exchange Agreement**") with CM Seven Star Acquisition Corp, an exempted company with limited liability incorporated under the laws of the Cayman Islands ("**CM Seven Star**"), dated as of November 2, 2018;

WHEREAS, Kaixin is primarily in the business of (i) owning and operating car dealerships in China through its various subsidiaries; (ii) offering value added services, including insurance, extended warranties and after sales services to its customers through its various subsidiaries; (iii) developing, maintaining and operating technologies that support its operating platforms (including a mobile application used to browse for cars and purchase value added services, big data analytics for procurement and operational management and an auto dealership SaaS platform to enhance the management and operations of its car dealerships through its various subsidiaries; and (iv) provision of financing channels to customers and other in-network dealers through partnerships with one or more financial institutions through its various subsidiaries (the "**Kaixin Business**");

WHEREAS, Renren, CM Seven Star and Kaixin have entered into that certain Master Transaction Agreement, dated as of April 30, 2019 (the "**Master Transaction Agreement**"), which sets forth and memorializes the principal arrangements between Renren and Kaixin regarding their relationship from and after the Closing Date, including the entering into of this Agreement; and

WHEREAS, the parties desire that members of Renren Group will continue to provide certain services to members of Kaixin Group and that members of Kaixin Group will also provide certain services to members of Renren Group, following the closing of the transactions contemplated by the Exchange Agreement (the "**Closing**," and the date thereof the "**Closing Date**");

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants and undertakings contained herein and the transactions contemplated by the Master Transaction Agreement, the receipt and sufficiency of which are acknowledged, the parties hereby mutually agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1 Defined Terms. Capitalized terms used and not otherwise defined herein will have the meanings ascribed to such terms in the Master Transaction Agreement. Capitalized terms used in the Schedule but not otherwise defined therein, will have the meaning ascribed to such word in this Agreement. For purposes of this Agreement, the following words and phrases will have the following meanings:

"**Actual Cost**" has the meaning set forth in Section 2.6 of this Agreement.

"**Additional Services**" has the meaning set forth in Section 2.2 of this Agreement.

"**Affiliate**" of any Person means a Person that controls, is controlled by, or is under common control with such Person; *provided that*, under this Agreement, "Affiliate" of any member of Renren Group excludes members of Kaixin Group, and "Affiliate" of any member of Kaixin Group excludes members of Renren Group. As used herein, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise.

"**Agreement**" means this Transitional Services Agreement, together with the Schedule hereto, as the same may be amended from time to time in accordance with the provisions hereof.

"**Ancillary Agreements**" means any agreement between Renren, CM Seven Star and/or Kaixin including the Master Transaction Agreement and Non-Competition Agreement.

"**Claims**" has the meaning set forth in Section 5.2(d) of this Agreement.

"**Closing Date**" has the meaning set forth in the recitals to this Agreement.

"**CM Seven Star**" has the meaning set forth in the recitals to this Agreement.

"**CM Seven Star Proxy Statement**" means the proxy statement on Schedule 14A of CM Seven Star relating to the Exchange Agreement and related transactions, filed with the Securities Exchange Commission on March 29, 2019.

"**Dispute**" has the meaning set forth in Section 5.1(a) of the Master Transaction Agreement.

"**Force Majeure Event**" has the meaning set forth in Section 2.4(a) of this Agreement.

"**Governmental Authority**" means any federal, state, local, foreign or international court, government, department, commission, board, bureau, agency, official or other regulatory, administrative or governmental authority.

"**Indemnitee**" has the meaning set forth in Section 5.2(d) of this Agreement.

"**Indemnitor**" has the meaning set forth in Section 5.2(d) of this Agreement.

"**Information**" means information in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, records, books, contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, computer programs or other software, marketing plans, customer names, communications by or to attorneys (including attorney-client privileged communications), memoranda and other materials prepared by attorneys or under their direction (including attorney work product), and other technical, financial, employee or business information or data.

"**Initial Services**" has the meaning set forth in Section 2.1 of this Agreement.

"**Kaixin**" has the meaning set forth in the preamble of this Agreement.

"**Kaixin Business**" has the meaning set forth in the recitals to this Agreement, as more completely described in the CM Seven Star Proxy Statement.

"**Kaixin Group**" means Kaixin and its subsidiaries and VIE.

"**Law**" means any law, statute, rule, regulation or other requirement imposed by a Governmental Authority.

"**Master Transaction Agreement**" has the meaning set forth in the recitals to this Agreement.

"**Non-Competition Agreement**" has the meaning set forth in Section 2.1 of the Master Transaction Agreement.

"**Person**" means an individual, a general or limited partnership, a corporation, a trust, a joint venture, an unincorporated organization, a limited liability entity, any other entity and any Governmental Authority.

"**PRC**" means the People's Republic of China, which, for purposes of this Agreement only, does not include the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

"**Provider**" means, with respect to any particular Service, the entity or entities identified on the Schedule as the party to provide such Service.

"**Provider Personnel**" has the meaning set forth in Section 2.9 of this Agreement.

"**Recipient**" means, with respect to any particular Service, the entity or entities identified on the Schedule as the party to receive such Service.

"**Renren**" has the meaning set forth in the preamble of this Agreement.

"**Renren Group**" means Renren and its subsidiaries and VIEs, other than the Kaixin Group.

"**Review Meetings**" has the meaning set forth in Section 2.11 of this Agreement.

"**Schedule**" has the meaning set forth in Section 2.1 of this Agreement.

"**Service Period**" means, with respect to any Service, the period commencing on the Closing Date and ending on the earlier of (i) the date the Recipient terminates the provision of such Service pursuant to Section 4.2, (ii) the date the Provider terminates the provision of such Service pursuant to Section 4.3, or (iii) the fifth anniversary of the Closing Date.

"**Services**" has the meaning set forth in Section 2.2 of this Agreement.

"**System**" means the software, hardware, data store or maintenance and support components or portions of such components of a set of information assets identified in a Schedule.

"**Tax**" means all forms of direct and indirect taxation or duties imposed, or required to be collected or withheld, including charges, together with any related interest, penalties or other additional amounts.

"**Termination Fees**" has the meaning set forth in Section 4.2 of this Agreement.

"**U.S. GAAP**" means generally accepted accounting principles in the United States as in effect from time to time.

"**VAT**" means value added tax, goods and services tax and any sales, transfer, services, consumption, business, use or transaction tax.

"**VIE**" of any Person means any entity that controls, is controlled by, or is under common control with such Person and is deemed to be a variable interest entity consolidated with such Person for purposes of U.S. GAAP.

"**Work Product**" has the meaning set forth in Section 2.10 of this Agreement.

ARTICLE 2

SERVICES

Section 2.1 Initial Services. Except as otherwise provided herein, during the applicable Service Period, each Provider agrees to provide, or with respect to any service to be provided by an Affiliate of the Provider, to cause such Affiliate to provide, to the Recipient, or with respect to any service to be provided to an Affiliate of the Recipient, to such Affiliate, the services that have been provided by the Provider and/or its Affiliates to the Recipient or its Affiliate (the "**Initial Services**"), including but not limited to the services set forth on Schedule 1 (the "**Schedule**") annexed hereto.

Section 2.2 Additional Services. From time to time during the applicable Service Period, the parties may identify additional services that the Provider will provide to the Recipient in accordance with the terms of this Agreement (the "**Additional Services**" and, together with the Initial Services, the "**Services**"). If the parties agree to add any Additional Services, the parties will mutually create a schedule or amend the existing Schedule for each such Additional Service setting forth the identities of the Provider and the Recipient, a description of such Service, the term during which such Service will be provided, the cost, if any, for such Service and any other provisions applicable thereto. In order to become a part of this Agreement, such amendment to the Schedule must be executed by a duly authorized representative of each party, at which time such Additional Service will, together with the Initial Services, be deemed to constitute a "Service" for the purposes hereof and will be subject to the terms and conditions of this Agreement. The parties may, but will not be required to, agree on Additional Services during the applicable Service Period. Notwithstanding anything to the contrary in the foregoing or anywhere else in this Agreement, any service actually performed by the Provider upon written or oral request by the Recipient in connection with this Agreement will be deemed to constitute a "Service" for the purposes of ARTICLE 3 and Section 5.2, but such "Service" will only be incorporated into this Agreement by an amendment as set forth in this Section 2.2 and Section 5.11. Notwithstanding the foregoing, neither party will have any obligation to agree to provide Additional Services.

Section 2.3 Scope of Services. Notwithstanding anything to the contrary herein, (i) neither the Provider nor any of its Affiliates will be required to perform or to cause to be performed any of the Services for the benefit of any third party or any other person other than the applicable Recipient or its Affiliates, and (ii) the Provider makes no warranties, express or implied, with respect to the Services, except as provided in Section 2.5.

Section 2.4 Limitation on Provision of Services.

(a) In case performance of any terms or provisions hereof will be delayed or prevented, in whole or in part, because of, or related to, compliance with any Law, decree, request or order of any Governmental Authority, either local, state, federal or foreign, or because of riots, war, public disturbance, strike, labor dispute, fire explosion, storm, flood, acts of God, major breakdown or failure of transportation, manufacturing, distribution or storage facilities, or for any other reason which is not within the control of the party whose performance is interfered with and which by the exercise of reasonable diligence such party is unable to prevent (each, a "**Force Majeure Event**"), then upon prompt notice by the party so suffering to the other party, the party suffering will be excused from its obligations hereunder during the period such Force Majeure Event continues, and no liability will attach against either party on account thereof. No party will be excused from performance if such party fails to use reasonable diligence to remedy the situation and remove the cause and effect of the Force Majeure Event.

(b) If the Provider is unable to provide a Service hereunder because it does not have the necessary assets because such asset was transferred from the Provider to the Recipient, the parties will determine a mutually acceptable arrangement to provide the necessary access to such asset and until such time as access is provided, the Provider's failure to provide such Service will not be a breach of this Agreement.

(c) Notwithstanding anything to the contrary contained herein, this Agreement will not constitute an agreement for the Provider to provide Services to the Recipient to the extent that the provision of any such Services would not be in compliance with applicable Laws.

Section 2.5 Standard of Performance; Standard of Care.

(a) The Provider will use its commercially reasonable efforts to provide and cause its Affiliates to provide the Services in a manner which is substantially similar in nature, quality and timeliness to the services provided by the applicable Provider to the applicable Recipient immediately prior to the date hereof; provided, however, that nothing in this Agreement will require the Provider to prioritize or otherwise favor the Recipient over any third parties or any of the Provider's or the Provider's Affiliates' business operations. The Recipient acknowledges that the Provider's obligation to provide the Services is contingent upon the Recipient (A) providing in a timely manner all information, documentation, materials, resources and access requested by the Provider and (B) making timely decisions, approvals and acceptances and taking in a timely manner such other actions requested by the Provider, in each case that the Provider (in its reasonable business judgment) believes is necessary or desirable to enable the Provider to provide the Services; provided, however, that the Provider requests such approvals, information, materials or services with reasonable prior notice to the extent practicable. Notwithstanding anything to the contrary herein, the Provider shall not be responsible for any failure to provide any Service in the event that the Recipient has not fully complied with the immediately preceding sentence. The parties acknowledge and agree that nothing contained in the Schedule will be deemed to (A) increase or decrease the standard of care imposed on the Provider, (B) expand the scope of the Services to be provided as set forth in ARTICLE 2, except to the extent that the Schedule references a Service that was not provided immediately prior to the date hereof, or (C) limit Sections 5.1 and 5.2.

(b) In providing the Services, except to the extent necessary to maintain the level of Service provided on the date hereof (or with respect to any Additional Service, the agreed-upon level), the Provider will not be obligated to: (A) hire any additional employees or (B) purchase, lease or license any additional equipment, software or other assets; and in no event will the Provider be obligated to (x) maintain the employment of any specific employee or (y) pay any costs related to the transfer or conversion of the Recipient's data to the Provider or any alternate supplier of Services. Further, the Provider will have the right to designate which personnel it will assign to perform the Services, and it will have the right to remove and replace any such personnel at any time or designate any of its Affiliates or a third party provider at any time to perform the Services. At the Recipient's request, the Provider will consult in good faith with the Recipient regarding the specific personnel to provide any particular Services; provided, however, that the Provider's decision will control and be final and binding.

(c) The Provider's sole responsibility to the Recipient for errors or omissions committed by the Provider in performing the Services will be to correct such errors or omissions in the Services at no additional cost to the Recipient; provided, however, that the Recipient must promptly advise the Provider of any such error or omission of which it becomes aware after having used commercially reasonable efforts to detect any such errors or omissions.

(d) The Parties and their respective Affiliates will use good faith efforts to cooperate with each other in connection with the performance of the Services hereunder, including producing on a timely basis all information that is reasonably requested with respect to the performance of Services; provided, however, that such cooperation not unreasonably disrupt the normal operations of the parties and their respective Affiliates; provided further, that the party requesting cooperation will pay all reasonable out-of-pocket costs and expenses incurred by the party furnishing cooperation, unless otherwise expressly provided in this Agreement or the Master Transaction Agreement. Such cooperation will include exchanging information, providing electronic access to systems used in connection with the Services and obtaining or granting all consents, licenses, sublicenses or approvals necessary to permit each party to perform its obligations hereunder. Notwithstanding anything in this Agreement to the contrary, the Recipient will be solely responsible for paying for the costs of obtaining such consents, licenses, sublicenses or approvals, including reasonable legal fees and expenses. Either party providing electronic access to systems used in connection with Services may limit the scope of access to the applicable requirements of the relevant matter through any reasonable means available, and any such access will be subject to the terms of Section 5.8. The exchange of information or records (in any format, electronic or otherwise) related to the provision of Services under this Agreement will be made to the extent that (A) such records/information exist and are created in the ordinary course, (B) do not involve the incurrence of any material expense, and (C) are reasonably necessary for any such party to comply with its obligations hereunder or under applicable Law. Subject to the foregoing terms, the parties will cooperate with each other in making information available as needed in the event of a Tax audit or in connection with statutory or governmental compliance issues, whether in the PRC or any other country; provided, however, that the provision of such information will be without representation or warranty as to the accuracy or completeness of such information. For the avoidance of doubt, and without limiting any privilege or protection that now or hereafter may be shared by the Provider and the Recipient, neither party will be required to provide any document if the party who would provide such document reasonably believes that so doing would waive any privilege or protection (e.g., attorney-client privilege) applicable to such document.

(e) If the Provider reasonably believes it is unable to provide any Service because of a failure to obtain necessary consents (e.g., third-party approvals or instructions or approvals from the Recipient required in the ordinary course of providing a Service), licenses, sublicenses or approvals contemplated by Section 2.5(d), such failure shall not constitute a breach hereof by the Provider and the parties will cooperate to determine the best alternative approach; provided, however, that in no event will the Provider be required to provide such Service until an alternative approach reasonably satisfactory to the Provider is found or the consents, licenses, sublicenses or approvals have been obtained.

Section 2.6 Prices for Services. Services provided to any Recipient pursuant to the terms of this Agreement will be charged at the prices set forth for such Service on the Schedule. At the end of each twelve (12) months during the Service Period, the Provider will review the charges, costs and expenses actually incurred by the Provider in providing any Service (collectively, "**Actual Cost**") during the previous twelve (12) months. In the event the Provider determines that the Actual Cost for any service materially differs from the aggregate costs charged to Recipient for that Service for that period, the Provider will deliver to Recipient documentation for such Actual Cost and the parties will renegotiate in good faith to adjust the appropriate costs charged to the Recipient prospectively.

Section 2.7 Changes in Services. The parties agree and acknowledge that any Provider may make changes from time to time in the manner of performing the applicable Services if such Provider is making similar changes in performing similar services for itself, its Affiliates or other third parties, if any, and if such Provider furnishes to the Recipient substantially the same notice (in content and timing) as such Provider provides to its Affiliates or other third parties, if any, respecting such changes. In addition, and without limiting the immediately preceding sentence in any way, and notwithstanding any provision of this Agreement to the contrary, such Provider may make any of the following changes without obtaining the prior consent of the Recipient: (i) changes to the process of performing a particular Service that do not adversely affect the benefits to the Recipient of such Provider's provision or quality of such Service in any material respect or materially increase the charge for such Service; (ii) emergency changes on a temporary and short-term basis; and (iii) changes to a particular Service in order to comply with applicable Law or regulatory requirements.

Section 2.8 Services Performed by Third Parties. Nothing in this Agreement will prevent the Provider from using its Affiliates or third parties to perform all or any part of a Service hereunder. The Provider will remain fully responsible for the performance of its obligations under this Agreement in accordance with its terms, including any obligations it performs through its Affiliates or third parties, and the Provider will be solely responsible for payments due any such Affiliates or third parties.

Section 2.9 Responsibility for Provider Personnel. All personnel employed, engaged or otherwise furnished by the Provider in connection with its rendering of the Services will be the Provider's employees, agents or subcontractors, as the case may be (collectively, "**Provider Personnel**"). The Provider will have the sole and exclusive responsibility for Provider Personnel, will supervise Provider Personnel and will cause Provider Personnel to cooperate with the Recipient in performing the Services in accordance with the terms and conditions of Section 2.5. The Provider will pay and be responsible for the payment of any and all premiums, contributions and taxes for workers' compensation insurance, unemployment compensation, disability insurance, and all similar provisions now or hereafter imposed by any Governmental Authority with respect to, or measured by, wages, salaries or other compensation paid, or to be paid, by the Provider to Provider Personnel.

Section 2.10 Services Rendered as a Work-For-Hire; Return of Equipment; Internal Use; No Sale, Transfer, Assignment; Copies. All materials, software, tools, data, inventions, works of authorship, documentation, and other innovations of any kind, including any improvements or modifications to the Provider's proprietary computer software programs and related materials, that the Provider, or personnel working for or through the Provider, may make, conceive, develop or reduce to practice, alone or jointly with others, in the course of performing Services or as a result of such Services, whether or not eligible for patent, copyright, trademark, trade secret or other legal protection (collectively the "**Work Product**"), as between the Provider and the Recipient, will be solely owned by the Provider. Upon the termination of any of the Services, (i) the Recipient will return to the Provider, as soon as practicable, any equipment or other property of the Provider relating to such terminated Services which is owned or leased by the Provider and is, or was, in the Recipient's possession or control; and (ii) the Provider will transfer to the Recipient, as soon as practicable, any and all supporting, back-up or organizational data or information of the Recipient used in supplying the Service to the Recipient. In addition, the parties will use good-faith efforts at the termination of this Agreement or any specific Service provided hereunder, to ensure that all user identifications and passwords related thereto, if any, are canceled, and that any other data (as well as any and all back-up of that data) pertaining solely to the other party and related to such Service will be returned to such other party and deleted or removed from the applicable computer systems. All systems, procedures and related materials provided to the Recipient are for the Recipient's internal use only and only as related to the Services or any of the underlying Systems used to provide the Services, and unless the Provider gives its prior written consent in each and every instance (in its sole discretion), the Recipient may not sell, transfer, assign or otherwise use the Services provided hereunder, in whole or in part, for the benefit of any person other than an Affiliate of the Recipient. The Recipient will not copy, modify, reverse engineer, decompile or in any way alter Systems without the Provider's express written consent (in its sole discretion).

Section 2.11 Cooperation. Each party will designate in writing to the other party one (1) representative to act as a contact person with respect to all issues relating to the provision of the Services pursuant to this Agreement. Such representatives will hold review meetings by telephone or in person, as mutually agreed upon, approximately once every quarter to discuss issues relating to the provision of the Services under this Agreement ("**Review Meetings**"). In the Review Meetings such representatives will be responsible for (A) discussing any problems identified relating to the provision of Services and, to the extent changes are agreed upon, implementing such changes and (B) providing notice that any Service has since the prior Review Meeting for the first time exceeded, or is anticipated to exceed, the usual and customary volume for such Service as described in the Schedule.

ARTICLE 3

CHARGES AND PAYMENT.

Section 3.1 Procedure. Charges for the Services will be charged to and payable by the Recipient. Amounts payable pursuant to the terms of this Agreement will be paid to the Provider on a quarterly basis.

Section 3.2 Late Payments. Charges not paid within twenty-five (25) days after the date when payable will bear interest at the rate of 0.75% per month for the period commencing on the due date and ending on the date that is twenty-five (25) days after such due date, and thereafter at the rate of 1.5% per month until the date payment is received in full by the Provider.

ARTICLE 4

TERM AND TERMINATION.

Section 4.1 Termination Dates. Unless otherwise terminated pursuant to this ARTICLE 4, this Agreement will terminate with respect to any Service at the close of business on the last day of the Service Period for such Service, unless the parties have agreed in writing to an extension of the Service Period.

Section 4.2 Early Termination by the Recipient. As provided in the Schedule (regarding the required number of days for written notice), the Recipient may terminate this Agreement with respect to either all or any one or more of the Services, at any time and from time to time (except in the event such termination will constitute a breach by Provider of a third party agreement related to providing such Services), by giving the required written notice to the Provider of such termination (each, a "**Termination Notice**"). Early termination by the Recipient will obligate the Recipient to pay to the Provider a termination fee equal to the direct costs incurred by the Provider and/or its Affiliates in connection with their provision of Services at the time of the early termination (the "**Termination Fees**"). Unless provided otherwise in the Schedule, all Services of the same type must be terminated simultaneously. As soon as reasonably practicable after its receipt of a Termination Notice, the Provider will advise the Recipient as to whether early termination of such Services will require the termination or partial termination, or otherwise affect the provision of, certain other Services. If this will be the case, the Recipient may withdraw its Termination Notice within thirty (30) days. If the Recipient does not withdraw the Termination Notice within such period, such termination will be final and the Recipient will be deemed to have agreed to the termination, partial termination or affected provision of such other Services and to pay the Termination Fees.

Section 4.3 Termination by the Provider. The Provider may terminate this Agreement with respect to either all or any one or more of the Services, at any time and from time to time, by giving the required written notice to the Recipient of such termination, if (i) members of the Renren Group no longer collectively control at least twenty percent (20%) of the voting power of the then outstanding securities of CM Seven Star, or (ii) Renren, collectively with the other members of the Renren Group, ceases to be the largest beneficial owner of the then outstanding voting securities of CM Seven Star (for purposes of this clause (ii), without considering holdings of institutional investors that have acquired CM Seven Star securities in the ordinary course of their business and not with a purpose nor with the effect of changing or influencing the control of CM Seven Star). Additionally, the Provider may terminate this Agreement by giving written notice of such termination to the Recipient, if the Recipient breaches any material provision of this Agreement (including a failure to timely pay an invoiced amount); *provided*, *however*, that the Recipient will have thirty (30) days after receiving such written notice to cure any breach which is curable before the termination becomes effective.

Section 4.4 Effect of Termination of Services. In the event of any termination with respect to one or more, but less than all, of the Services, this Agreement will continue in full force and effect with respect to any Services not so terminated. Upon the termination of any or all of the Services, the Provider will cease, or cause its applicable Affiliates or third-party providers to cease, providing the terminated Services. Upon each such termination, the Recipient will promptly (i) pay to the Provider all fees accrued through the effective date of the Termination Notice, and (ii) reimburse the Provider for the termination costs actually incurred by the Provider resulting from the Recipient's early termination of such Services, if any, including those costs owed to third-party providers, but excluding costs related to the termination of any particular Provider employees in connection with such termination of Services (including wrongful termination claims) unless the Recipient was notified in writing that such particular employees were being engaged in order for the Provider to provide such Services.

Section 4.5 Data Transmission. In connection with the termination of a particular Service, on or prior to the last day of each relevant Service Period, the Provider will cooperate fully and will cause its Affiliates to cooperate fully to support any transfer of data concerning the relevant Services to the applicable Recipient. If requested by the Recipient in connection with the prior sentence, the Provider will deliver and will cause its Affiliates to deliver to the applicable Recipient, within such time periods as the parties may reasonably agree, all records, data, files and other information received or computed for the benefit of such Recipient during the Service Period, in electronic and/or hard copy form; *provided*, *however*, that (i) the Provider will not have any obligation to provide or cause to provide data in any non-standard format and (ii) if the Provider, in its sole discretion, upon request of the Recipient, chooses to provide data in any non-standard format, the Provider and its Affiliates will be reimbursed for their reasonable out-of-pocket costs for providing data electronically in any format other than its standard format, unless expressly provided otherwise in the Schedule.

ARTICLE 5

MISCELLANEOUS.

Section 5.1 DISCLAIMER OF WARRANTIES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, THE PROVIDER MAKES NO AND DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT, WITH RESPECT TO THE SERVICES, TO THE EXTENT PERMITTED BY APPLICABLE LAW. THE PROVIDER MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE QUALITY, SUITABILITY OR ADEQUACY OF THE SERVICES FOR ANY PURPOSE OR USE.

Section 5.2 Limitation of Liability; Indemnification

(a) Each party acknowledges and agrees that the obligations of the other party hereunder are exclusively the obligations of such other party and are not guaranteed directly or indirectly by such other party's shareholders, members, managers, officers, directors, agents or any other person. Except as otherwise specifically set forth in the Master Transaction Agreement, and subject to the terms of this Agreement, each party will look only to the other party and not to any manager, director, officer, employee or agent for satisfaction of any claims, demands or causes of action for damages, injuries or losses sustained by any party as a result of the other party's action or inaction.

(b) Notwithstanding (A) the Provider's agreement to perform the Services in accordance with the provisions hereof, or (B) any term or provision of the Schedule to the contrary, the Recipient acknowledges that performance by the Provider of the Services pursuant to this Agreement will not subject the Provider, any of its Affiliates or their respective members, shareholders, managers, directors, officers, employees or agents to any liability whatsoever, except as directly caused by the gross negligence or willful misconduct on the part of the Provider or any of its members, shareholders, managers, directors, officers, employees and agents; provided, however, that the Provider's liability as a result of such gross negligence or willful misconduct will be limited to an amount not to exceed the lesser of (i) the price paid for the particular Service, (ii) the Recipient's or its Affiliate's cost of performing the Service itself during the remainder of the applicable Service Period or (iii) the Recipient's cost of obtaining the Service from a third party during the remainder of the applicable Service Period; provided further that the Recipient and its Affiliates will exercise their commercially reasonable efforts to minimize the cost of any such alternatives to the Services by selecting the most cost effective alternatives which provide the functional equivalent of the Services replaced.

(c) NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT TO THE CONTRARY, IN NO EVENT WILL EITHER PARTY OR ITS RESPECTIVE AFFILIATES BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, COLLATERAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOST PROFITS SUFFERED BY THE OTHER PARTY OR ITS AFFILIATES, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, IN CONNECTION WITH ANY DAMAGES ARISING HEREUNDER; PROVIDED, HOWEVER, THAT TO THE EXTENT EITHER PARTY OR ITS RESPECTIVE AFFILIATES IS REQUIRED TO PAY (A) ANY AMOUNT ARISING OUT OF THE INDEMNITY SET FORTH IN Section 5.2(b) AND (B) ANY SPECIAL, INCIDENTAL, INDIRECT, COLLATERAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOST PROFITS TO A THIRD PARTY WHO IS NOT AN AFFILIATE OF EITHER PARTY, IN EACH CASE IN CONNECTION WITH A THIRD-PARTY CLAIM, SUCH DAMAGES WILL CONSTITUTE DIRECT DAMAGES OF THE INDEMNIFIED PARTY AND WILL NOT BE SUBJECT TO THE LIMITATION SET FORTH IN THIS Section 5.2(c).

(d) The Recipient agrees to indemnify and hold harmless the Provider, the Provider or its Affiliates and their respective members, shareholders, managers, directors, officers, employees and agents with respect to any claims or liabilities (including reasonable attorneys' fees) ("**Claims**"), which may be asserted or imposed against the Provider or such persons by a third party who is not an affiliate of either party, as a result of (A) the provision of the Services pursuant to this Agreement, or (B) the material breach by the Recipient of a third-party agreement that causes or constitutes a material breach of such agreement by the Provider, except (with respect to both of the foregoing) for any claims which are directly caused by the gross negligence or willful misconduct of the Provider or such persons. Each party as indemnitee ("**Indemnitee**") will give the other party as indemnitor ("**Indemnitor**") prompt written notice of any Claims. If Indemnitor does not notify Indemnitee within a reasonable period after Indemnitor's receipt of notice of any Claim that Indemnitor is assuming the defense of Indemnitee, then until such defense is assumed by Indemnitor, Indemnitee shall have the right to defend, contest, settle or compromise such Claim in the exercise of its reasonable judgment and all costs and expenses of such defense, contest, settlement or compromise (including reasonable outside attorneys' fees and expenses) will be reimbursed to Indemnitee by Indemnitor. Upon assumption of the defense of any such Claim, Indemnitor will, at its own cost and expense, select legal counsel, conduct and control the defense and settlement of any suit or action which is covered by Indemnitor's indemnity. Indemnitee shall render all cooperation and assistance reasonably requested by the Indemnitor and Indemnitor will keep Indemnitee fully apprised of the status of any Claim. Notwithstanding the foregoing, Indemnitee may, at its election and sole expense, be represented in such action by separate counsel and Indemnitee may, at its election and sole expense, assume the defense of any such action, if Indemnitee hereby waives Indemnitor's indemnity hereunder. Unless Indemnitee waives the indemnity hereunder, in no event shall Indemnitee, as part of the settlement of any claim or proceeding covered by this indemnity or otherwise, stipulate to, admit or acknowledge any liability or wrongdoing (whether in contract, tort or otherwise) of any issue which may be covered by this indemnity without the consent of the Indemnitor (such consent not to be unreasonably withheld or delayed).

Section 5.3 Compliance with Law and Governmental Regulations. The Recipient will be solely responsible for (i) compliance with all Laws affecting its business and (ii) any use the Recipient may make of the Services to assist it in complying with such Laws. Without limiting any other provisions of this Agreement, the parties agree and acknowledge that neither party has any responsibility or liability for advising the other party with respect to, or ensuring the other party's compliance with, any public disclosure, compliance or reporting obligations of such other party (including the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the Sarbanes-Oxley Act of 2002 and rules and regulations promulgated under such Acts or any successor provisions), regardless of whether any failure to comply results from information provided hereunder.

Section 5.4 No Partnership or Joint Venture; Independent Contractor. Nothing contained in this Agreement will constitute or be construed to be or create a partnership or joint venture between the parties or any of their respective Affiliates, successors or assigns. The parties understand and agree that this Agreement does not make either of them an agent or legal representative of the other for any purpose whatsoever. No party is granted, by this Agreement or otherwise, any right or authority to assume or create any obligation or responsibilities, express or implied, on behalf of or in the name of any other party, or to bind any other party in any manner whatsoever. The parties expressly acknowledge that the Provider is an independent contractor with respect to the Recipient in all respects, including with respect to the provision of the Services.

Section 5.5 Non-Exclusivity. The Provider and its Affiliates may provide services of a nature similar to the Services to any other Person. There is no obligation for the Provider to provide the Services to the Recipient on an exclusive basis.

Section 5.6 Expenses. Except as otherwise provided herein, each party will pay its own expenses incident to the negotiation, preparation and performance of this Agreement, including the fees, expenses and disbursements of their respective investment bankers, accountants and counsel.

Section 5.7 Further Assurances. From time to time, each party will use its commercially reasonable efforts to take or cause to be taken, at the cost and expense of the requesting party, such further actions as may be reasonably necessary to consummate or implement the transactions contemplated hereby or to evidence such matters.

Section 5.8 Confidentiality.

(a) Subject to Section 5.8(c), each party, on behalf of itself and its respective Affiliates, agrees to hold, and to cause its respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives to hold, in strict confidence, with at least the same degree of care that applies to such party's confidential and proprietary information pursuant to policies in effect as of the date hereof, all Information concerning the other party and its Affiliates that is either in its possession (including Information in its possession prior to the date hereof) or furnished by the other party, its Affiliates or their respective directors, officers, managers, employees, agents, accountants, counsel and other advisors and representatives at any time pursuant to this Agreement or otherwise, and will not use any such Information other than for such purposes as will be expressly permitted hereunder or thereunder, except, in each case, to the extent that such Information has been (i) in the public domain through no fault of such party or its Affiliates or any of their respective directors, officers, managers, employees, agents, accountants, counsel and other advisors and representatives, (ii) later lawfully acquired from other sources by such party (or its Affiliates) which sources are not themselves bound by a confidentiality obligation, or (iii) independently generated without reference or prior access to any proprietary or confidential Information of the other party.

(b) Each party agrees not to release or disclose, or permit to be released or disclosed, any Information of the other party or its Affiliates to any other Person, except its directors, officers, employees, agents, accountants, counsel and other advisors and representatives who need to know such Information (who will be advised of their obligations hereunder with respect to such Information), except in compliance with Section 5.8(c); provided, however, that any Information may be disclosed to third parties (who will be advised of their obligation hereunder with respect to such Information) retained by the Provider as the Provider reasonably deems necessary to perform the Services.

(c) In the event that any party or any of its Affiliates either determines on the advice of its counsel that it is required to disclose any Information pursuant to applicable Law (including pursuant to any rule or regulation of any Governmental Authority) or receives any demand under lawful process or from any Governmental Authority to disclose or provide Information of any other party (or of the other party's Affiliates) that is subject to the confidentiality provisions hereof, such party will notify the other party prior to disclosing or providing such Information and will cooperate at the expense of such other party in seeking any reasonable protective arrangements (including by seeking confidential treatment of such Information) requested or required by such other party. Subject to the foregoing, the person that received such a request or determined that it is required to disclose Information may thereafter disclose or provide Information to the extent required by such Law (as so advised by counsel) or by lawful process or such Governmental Authority; provided, however, that such Person provides the other party upon request with a copy of the Information so disclosed.

Section 5.9 Headings. The Section and paragraph headings contained in this Agreement or in the Schedule hereto and in the table of contents to this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement.

Section 5.10 Interpretation. For all purposes of this Agreement and the Schedule delivered pursuant to this Agreement: (i) the terms defined in Section 1.1 have the meanings assigned to them in Section 1.1 and include the plural as well as the singular; (ii) all accounting terms not otherwise defined herein have the meanings assigned under U.S. GAAP; (iii) all references in this Agreement to designated "Sections", "Schedule" and other subdivisions are to the designated Sections, Schedule and other subdivisions of the body of this Agreement; (iv) pronouns of either gender or neuter will include, as appropriate, the other pronoun forms; (v) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision; (vi) "or" is not exclusive; (vii) "including" and "includes" will be deemed to be followed by "but not limited to" and "but is not limited to", respectively; (viii) "party" or "parties" refer to a party or parties to this Agreement unless otherwise indicated; (ix) any definition of, or reference to, any law, agreement, instrument or other document herein will be construed as referring to such law, agreement, instrument or other document as from time to time amended, supplemented or otherwise modified; and (x) any definition of, or reference to, any statute will be construed as referring also to any rules and regulations promulgated thereunder.

Section 5.11 Amendments. This Agreement (including the Schedule) may not be amended except by an instrument in writing executed by a duly authorized representative of each party. By an instrument in writing, the Provider, on the one hand, or the Recipient, on the other hand, may waive compliance by the other with any term or provision of this Agreement (including the Schedule) that such other party was or is obligated to comply with or perform. Any such waiver will only be effective in the specific instance and for the specific and limited purpose for which it was given and will not be deemed a waiver of any other provision of this Agreement (including the Schedule) or of the same breach or default upon any recurrence thereof. No failure on the part of any party to exercise and no delay in exercising any right hereunder will operate as a waiver thereof nor will any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right.

Section 5.12 Inconsistency. Neither the making nor the acceptance of this Agreement will enlarge, restrict or otherwise modify the terms of the Master Transaction Agreement or constitute a waiver or release by any party of any liabilities, obligations or commitments imposed upon them by the terms of the Master Transaction Agreement, including the representations, warranties, covenants, agreements and other provisions of the Master Transaction Agreement. In the event of any conflict between the terms of this Agreement (including the Schedule), on the one hand, and the terms of the Master Transaction Agreement, on the other hand, with respect to the subject matters of this Agreement, the terms of this Agreement will control. In the event of any inconsistency between the terms of this Agreement, on the one hand, and any of the Schedule, on the other hand, the terms of this Agreement (other than charges for Services) will control.

Section 5.13 Notices. Notices, offers, requests or other communications required or permitted to be given by a party pursuant to the terms of this Agreement shall be given in writing to the other party to the following addresses:

if to Renren:
5/F, North Wing
18 Jiuxianqiao Middle Road, Chaoyang District
Beijing 100016
People's Republic of China
Attention: James Jian Liu
Email: james.liu@renren-inc.com

if to Kaixin:
5/F, North Wing
18 Jiuxianqiao Middle Road, Chaoyang District
Beijing 100016
People's Republic of China
Attention: Thomas Jintao Ren
Email: jintao.ren@renren-inc.com

or to such other address, facsimile number or email address as the party to whom notice is given may have previously furnished to the other in writing as provided herein. Any notice involving non-performance or termination shall be sent by hand delivery or recognized overnight courier. All other notices may also be sent by facsimile or email, confirmed by mail. All notices shall be deemed to have been given when received, if hand delivered; when transmitted, if transmitted by facsimile or email; upon confirmation of delivery, if sent by recognized overnight courier; and upon receipt if mailed.

Section 5.14 Assignment; No Third-Party Beneficiaries. Neither this Agreement nor any of the rights and obligations of the parties may be assigned by any party without the prior written consent of the other party, except that (i) the Recipient may assign its rights under this Agreement to any Affiliate or Affiliates of the Recipient without the prior written consent of the Provider, (ii) the Provider may assign any rights and obligations hereunder to (A) any Affiliate or Affiliates of the Provider capable of providing such Services hereunder or (B) third parties to the extent such third parties are routinely used to provide the Services to Affiliates and businesses of the Provider, in either case without the prior written consent of the Recipient, and (iii) an assignment by operation of Law in connection with a merger or consolidation will not require the consent of the other party. Notwithstanding the foregoing, each party will remain liable for all of its respective obligations under this Agreement. Subject to the first sentence of this Section 5.14, this Agreement will be binding upon and inure to the benefit of the parties and their respective successors and assigns and no other person will have any right, obligation or benefit hereunder. Any attempted assignment or transfer in violation of this Section 5.14 will be void.

Section 5.15 Entire Agreement. This Agreement, the Ancillary Agreements, the Schedule and appendices hereto and thereto contain the entire agreement between the parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the parties with respect to such subject matter other than those set forth or referred to herein or therein.

Section 5.16 Counterparts. This Agreement may be executed in one or more counterparts, all of which will be considered one and the same agreement, and will become effective when one or more such counterparts have been signed by each of the parties and delivered to the other party. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging means will be effective as delivery of a manually executed counterpart of this Agreement.

Section 5.17 Severability. If any term or provision of this Agreement is invalid, illegal or incapable of being enforced by any applicable Law or public policy, all other conditions and provisions of this Agreement will nonetheless remain in full force and effect so long as the economic and legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties will negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement are consummated as originally contemplated to the fullest extent possible.

Section 5.18 Incorporation by Reference. The Schedule to this Agreement is incorporated herein by reference and made a part of this Agreement as if set forth in full herein.

Section 5.19 Governing Law and Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of Hong Kong SAR. Subject to Section 5.1 of the Master Transaction Agreement, each of the parties hereby submits unconditionally to the jurisdiction of, and agrees that venue shall lie exclusively in, the courts Hong Kong SAR for purposes of the resolution of any disputes arising under this Agreement.

[*Signature pages follow*]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed as of the date first written above.

RENREN INC.

Name:
Title:

KAIXIN AUTO GROUP

Name:
Title:

Exhibit 10.27

Execution Version

STRICTLY CONFIDENTIAL

INVESTOR RIGHTS AGREEMENT

dated as of April 30, 2019

between

CM SEVEN STAR ACQUISITION CORPORATION

SHAREHOLDER VALUE FUND

and

RENREN INC.

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INVESTOR RIGHTS AGREEMENT

THIS INVESTOR RIGHTS AGREEMENT (this "**Agreement**") is made and entered into as of April 30, 2019 by and between CM Seven Star Acquisition Corporation, an exempted company incorporated under the laws of the Cayman Islands (the "**Company**"), Shareholder Value Fund, an exempted company incorporated under the laws of the Cayman Islands ("**SVF**"), and Renren Inc. ("**Renren**"), a company incorporated under the laws of the Cayman Islands.

RECITALS

WHEREAS, the Company, Renren and Kaixin Auto Group ("**Kaixin**"), a company incorporated under the laws of the Cayman Islands, have entered into a share exchange agreement, dated November 2, 2018 (the "**Exchange Agreement**") relating to the acquisition by the Company of the entire issued share capital of Kaixin; and

WHEREAS, it is a condition to the Closing that the parties hereto enter into this Agreement to set forth certain rights and obligations of the parties hereto in connection with the transactions contemplated under the Exchange Agreement.

NOW, THEREFORE, in consideration of the premises set forth above, the mutual promises and covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions. In this Agreement, except to the extent otherwise provided or that the context otherwise requires:

"**Affiliate**" means, in respect of a Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person, and (i) in the case of a natural person, shall include, without limitation, such Person's spouse, parents, children, siblings, mother-in-law and father-in-law and brothers and sisters-in-law, (ii) in the case of a Shareholder, shall include (A) any Person who holds shares as a nominee for such Shareholder, (B) any shareholder of such Shareholder, (C) any Person which has a direct and indirect interest in such Shareholder (including, if applicable, any general partner or limited partner) or any fund manager thereof; (D) any Person that directly or indirectly controls, is controlled by, under common control with, or is managed by such Shareholder or its fund manager, (E) the relatives of any individual referred to in (B) above, and (F) any trust controlled by or held for the benefit of such individuals. For the purpose of this definition, "control" (and correlative terms) shall mean the direct or indirect power, whether by contract, equity ownership or otherwise, to direct the policies or management of a Person, provided that the direct or indirect ownership of twenty-five percent (25%) or more of the voting power of a Person is deemed to constitute control of that Person;

"**Agreement**" has the meaning set forth in the Preamble;

"**Amendments**" has the meaning set forth in Section 5.1(a)

"**Arbitration**" has the meaning set forth in Section 5.6;

"**Articles**" means the Company's Articles of Association, as amended from time to time;

"**beneficial ownership**" or "**beneficially own**" or similar term means beneficial ownership as defined under Rule 13d-3 under the Exchange Act;

"**Board**" and "**Board of Directors**" means the Board of Directors of the Company;

"**Business Day**" has the meaning as defined in the Exchange Agreement;

"**Claim Notice**" has the meaning set forth in Section 3.8(c);

"**Closing**" means the closing of the transactions contemplated under the Exchange Agreement, being the date hereof;

"**Commission**" means the United States Securities and Exchange Commission or any other federal agency at the time administering the Securities Act or other governmental agency administering the securities laws in the jurisdiction in which the Company's securities are registered or being registered;

"**Company**" has the meaning set forth in the Preamble;

"**Confidential Information**" has the meaning set forth in Section 5.1;

"**Director(s)**" means the director(s) of the Company;

"**Disposition** " has the meaning set forth in Section 3.1;

"**Dispute**" has the meaning set forth in Section 5.6;

"**Email**" has the meaning set forth in Section 5.4;

"**Equity Purchase Agreements**" has the meanings set forth in Section 5.2(a)

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended;

"**Exchange Agreement**" has the meaning set forth in the Recitals;

"**Form S-3/F-3**" has the meaning set forth in Section 3.3(a)(iii);

"**fully-diluted basis**" means, with respect to any determination of a number or percentage of Ordinary Shares, the total number of Ordinary Shares then outstanding determined according to the treasury method under generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession that are in effect from time to time, as codified and described in FASB Statement No. 18, the FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles, and applied consistently throughout the periods involved;

"**HKIAC**" has the meaning set forth in Section 5.6;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China;

"**Independent Committee**" has the meaning set forth in Section 5.2;

"**Kaixin**" has the meaning set forth in the recitals.

Material Exchange Agreement Breach" means a breach of the Exchange Agreement by the Company that results in a Purchaser Material Adverse Effect, as defined therein.

"**Nasdaq**" means the Nasdaq Stock Market;

"**Notice of Arbitration**" has the meaning set forth in Section 5.6;

"**NYSE**" means the New York Stock Exchange;

"**Ordinary Shares**" means ordinary shares, par value US$0.0001 per share, of the Company;

"**Permitted Transferee**" means any permitted transferee pursuant to Section 4.1 hereof, provided that, in the case of a permitted transfer to an Affiliate, such Affiliate shall be bound by this Agreement as if such Affiliate were a party (including without limitation the Lock-up set forth in Article IV), provided that, prior to such Affiliate ceasing to be an Affiliate of Renren, such Affiliate shall transfer such Subject Shares back to Renren or another Affiliate of Renren;

"**Person**" means an individual, corporation, partnership, limited liability company, association, trust, unincorporated organization, or other entity;

"**Recapitalization**" means any share split, share dividend, share combination or consolidation, recapitalization, reclassification or other similar event in relation to the shares of the Company;

"**register**," "**registered**" and "**registration**" means (i) a registration effected by preparing and filing a registration statement in compliance with the Securities Act, and the declaration or ordering of the effectiveness of such registration statement, or (ii) in the context of a public offering in a jurisdiction other than the United States, a registration, qualification or filing under the applicable securities laws of such other jurisdiction;

"**Registrable Securities**" means (i) the Subject Shares, (ii) Ordinary Shares of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, any of the foregoing; (iii) any other Ordinary Shares owned or hereafter acquired by Renren; (iv) Ordinary Shares issued or issuable in respect of the Ordinary Shares described in (i) to (iii) above upon any Recapitalization or otherwise issued or issuable with respect to such Ordinary Shares; and (v) any depositary receipts issued by an institutional depositary upon deposit of any of the foregoing. Notwithstanding the foregoing, "**Registrable Securities**" shall not include any Registrable Securities sold by a Person in a transaction in which rights under Section 2 are not assigned in accordance with this Agreement or any Registrable Securities sold in a public offering, whether sold pursuant to Rule 144, or in a registered offering, or otherwise;

"**Registration Expenses**" means all expenses incurred by the Company in complying with Sections 3.3, 3.4 or 3.5 hereof, including, without limitation, all registration, qualification and filing fees, printing expenses, escrow fees, fees and disbursements of counsel for the Company, blue sky fees and expenses, the expense of any special audits incident to or required by any such registration and the reasonable fees and disbursements of one counsel for all Shareholders, and any fee charged by any depositary bank, transfer agent or share registrar, but excluding Selling Expenses. For the avoidance of doubt and subject to Section 3.3(d), the Company shall pay all expenses incurred in connection with a registration pursuant to Section 3 notwithstanding the cancellation or delay of the registration process for any reason;

"**Renren**" has the meaning set forth in the Preamble;

"**Renren Nominee**" has the meaning set forth in Section 2.1(a);

"**Restricted Securities**" means the securities of the Company required to bear the legend set forth in Section 3.2(b) of the Exchange Agreement;

"**Rule 144**" means Rule 144 as promulgated under the Securities Act;

"**Rule 145**" has the meaning set forth in Section 3.3(a)(i);

"**Securities**" means any Ordinary Share or any equity interest of, or shares of any class in the share capital (ordinary, preferred or otherwise) of, the Company and any convertible securities, options, warrants and any other type of equity or equity-linked securities convertible, exercisable or exchangeable for any such equity interest or shares of any class in the share capital of the Company;

"**Securities Act**" means the United States Securities Act of 1933 as amended from time to time;

"**Selling Expenses**" means all underwriting discounts and selling commissions;

"**Shareholder**" or "**Shareholders**" means Persons who hold the Ordinary Shares from time to time;

"**Subject Shares**" means the Ordinary Shares issued to Renren at the Closing and subsequently pursuant to the other provisions of the Exchange Agreement;

"**Subsidiary**" means any corporation, partnership, trust or other entity of which the Company directly or indirectly owns at the time shares or interests representing a majority of the voting power of such corporation, partnership, trust or other entity;

"**SVF**" has the meaning set forth in the Preamble.

"**SVF Nominee**" has the meaning set forth in Section 2.1(a).

"**Transaction Documents**" means this Agreement, the Exchange Agreement and each of the other agreements and documents entered into or delivered by the parties hereto in connection with the transactions contemplated by the Exchange Agreement;

"**Threshold Ownership Amount**" means, as of a given time, twenty percent (20%) of the then outstanding Ordinary Shares of the Company;

"**Tribunal**" has the meaning set forth in Section 5.6; and

"**Violation**" has the meaning set forth in Section 3.8(a).

Section 1.2 Interpretation and Rules of Construction. In this Agreement, except to the extent otherwise provided or that the context otherwise requires:

(a) when a reference is made in this Agreement to an Article or Section, such reference is to an Article or Section of this Agreement;

(b) the headings for this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement;

(c) the words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) all terms defined in this Agreement have the defined meanings when used in any certificate or other document made or delivered pursuant hereto, unless otherwise defined therein;

(e) the definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms;

(f) references to a Person are also to its successors and permitted assigns; and

(g) the use of the term "or" is not intended to be exclusive.

ARTICLE II
BOARD OF DIRECTORS

Section 2.1 Board Representation

(a) Each of Renren, the Company and Shareholder Value Fund shall cause to be appointed, nominated and elected, in each case subject to the Articles and applicable law, (i) while the Company is not a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act, four (4) designees of Renren (each, a "**Renren Nominee**") to the Board, and while the Company is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act six (6) designees of Renren, or such number of Directors as needed to cause Renren Nominees to constitute a majority of the Directors, and (ii) one (1) designee (the "**SVF Nominee**") of Shareholder Value Fund ("**SVF**") to the Board, in each case on as soon as reasonably practicable following the date of the Closing. Renren shall ensure that any Renren Nominee, and SVF shall ensure that any SVF Nominee, meets any applicable requirements under the Articles, Cayman Islands law and the Listing Rules of the Nasdaq Stock Market (or other applicable stock exchange) to act as a Director. Any Renren Nominee or SVF Nominee shall be subject to the terms of the Articles with respect to his or her directorship, including the term of office as a member of the designated class of director.

(b) Notwithstanding anything to the contrary contained herein, if any Renren Nominee or SVF Nominee resigns, is removed pursuant to Section 2.1(c) or otherwise, or is unable to continue to serve as a Director of the Company, Renren or SVF (as applicable) may designate a replacement Director and each of the Company, Renren and SVF shall cause such person to be elected a Director, including through the exercise of their respective nomination, appointment and and/or voting powers described in Section 2.1(a). (For the avoidance of doubt, and notwithstanding the resignation or removal of a Director pursuant to this Section 2.1(b), Renren and SVF (as applicable) shall remain entitled to nominate and designate one Director pursuant to and subject to Section 2.1(a)).

(c) Any Director of the Company may be removed from the Board of Directors in accordance with applicable law and the governing documents of the Company; provided, however, that (i) with respect to any Renren Nominee, SVF shall not take any action to cause any such removal without the prior written consent of Renren unless such removal is required by applicable law or such Director is no longer qualified to serve as a Director pursuant to applicable Commission or regulatory requirements, and (ii) with respect to any SVF Nominee, Renren shall not take any action to cause any such removal without the prior written consent of SVF unless such removal is required by applicable law or such Director is no longer qualified to serve as a Director pursuant to applicable Commission or regulatory requirements.

(d) The Company shall ensure, to the extent permitted by applicable law, that any Directors, including any Renren Nominee or SVF Nominee, nominated or designated pursuant to this Section 2.1 shall enjoy the same rights, capacities, entitlements, indemnification rights and compensation as any other members of the Board of Directors. Any Renren Nominee or SVF Nominee shall be entitled to reimbursement for documented, reasonable out-of-pocket expenses incurred in attending meetings of the Board of Directors to the same extent as other members of the Board of Directors. The Company shall notify the Renren Nominees and the SVF Nominee of all regular meetings and special meetings of the Board of Directors. The Company shall provide the Renren Nominees and the SVF Nominee with copies of all notices, minutes, consents and other material that it provides to all other members of the Board of Directors concurrently with such materials being provided to the other members.

(e) Each of Renren, SVF and the Company agrees that the Board shall consist of (i) five (5) Directors while the Company is not a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act or (ii) seven (7) Directors while the Company is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act, other than as required by applicable laws and regulations. In the event that applicable laws and/or regulations require the Company to appoint additional members to the Board, in order to fulfill applicable independence requirements, SFV agrees to grant a proxy to Renren with respect to the vote of all Ordinary Shares beneficially owned by it with respect to the appointment of any such independent Director(s) or Director nominee(s) (and any of their successors or replacements).

(f) In the event that Renren, together with its Affiliates, beneficially owns fewer Ordinary Shares than the Threshold Ownership Amount or Renren is not the single largest Shareholder of the Company, Renren's rights, under this Section 2.1 shall terminate immediately. For the avoidance of doubt, the rights of Renren set forth in this Section 2.1 shall reattach following any termination thereof pursuant to this Section 2.1(f) in the event that the number of Ordinary Shares owned by Renren and its Affiliates subsequently surpasses the Threshold Ownership Amount and Renren is the single largest Shareholder of the Company.

Section 2.2 Other Matters

(a) Renren and SVF agree that for a period of two (2) years following the date of the Closing, subject to applicable law (including laws related to fiduciary duties), without the prior written consent of SVF, no Renren Nominee nor Renren in its capacity as shareholder of the Company shall propose or vote for (i) any amendment to the Company's equity incentive plan which would have the effect of increasing the number of Ordinary Shares issuable pursuant to such plan, or (ii) any additional equity incentive plan.

(b) Renren and SVF agree that for a period of six (6) months following the date of the Closing, subject to applicable law (including laws related to fiduciary duties), without the prior written consent of Renren, no SVF Nominee nor SVF in its capacity as a shareholder of the Company shall propose or vote for any change, replacement, separation, dismissal or decrease in compensation of any director of the Company.

ARTICLE III
REGISTRATION RIGHTS

Section 3.1 Applicability of Rights. Renren shall be entitled to the following rights with respect to any potential public offering of Ordinary Shares in the United States, and to any analogous or equivalent rights with respect to any other offering of shares in any other jurisdiction pursuant to which the Company undertakes to publicly offer or list such securities for trading on a recognized securities exchange.

Section 3.2 Restrictive Legend; Execution by the Company.

The Company, by its execution in the space provided below, agrees that it will cause the certificates evidencing the Ordinary Shares to bear the legend required by Section 3.2(b) of the Exchange Agreement, and it shall supply, free of charge, a copy of this Agreement to any holder of a certificate evidencing Ordinary Shares containing such legend upon written request from such holder to the Company at its principal office. The parties hereto do hereby agree that the failure to cause the certificates evidencing the appropriate Ordinary Shares to bear the legend required by Section 3.2(b) of the Exchange Agreement and/or failure of the Company to supply, free of charge, a copy of this Agreement as provided under this Section 3.2 shall not affect the validity or enforcement of this Agreement.

Section 3.3 Demand Registration.

(a) Request by Renren. If the Company shall at any time after six (6) months after the date of this Agreement receive a written request from Renren that the Company effect a registration, qualification or compliance with respect to the Registrable Securities pursuant to this Section 2.3, then the Company shall use its best efforts to effect, within 45 Business Days of such request, such registration, qualification or compliance (including, without limitation, appropriate qualification under applicable blue sky or other state securities laws and appropriate compliance with applicable regulations issued under the Securities Act and any other governmental requirements or regulations) as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Registrable Securities as are specified in such request, subject only to the limitations of this Section 2.3; provided that the Company shall not be obligated to effect any such registration:

(i) During the period starting with the date sixty (60) days prior to the Company's estimated date of filing of, and ending on the date six (6) months immediately following the effective date of, any registration statement pertaining to securities of the Company (other than a registration of securities in a transaction under Rule 145 promulgated under the Securities Act ("**Rule 145**") or with respect to an employee benefit plan), provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective;

(ii) After the Company has effected two such registrations pursuant to this Section 3.3(a), and each such registration has been declared or ordered effective; or

(iii) If Renren may dispose of shares of Registrable Securities pursuant to an effective registration statement on Form S-3 or Form F-3 under the Securities Act as in effect on the date hereof or any successor form under the Securities Act ("**Form S-3/F-3**") pursuant to a request made under Section 3.5 hereof.

The Company shall not undertake, or be required to undertake, any action to qualify, register or list any securities on any exchange other than the Nasdaq in connection with this Section 3.3, provided that the Ordinary Shares continue to be listed on the Nasdaq.

(b) Underwriting. If Renren intends to distribute the Registrable Securities covered by its request by means of an underwriting, then it shall so advise the Company as a part of its request made pursuant to this Section 3.3. In the event of an underwritten offering, the right of Renren to include its Registrable Securities in such registration shall be conditioned upon Renren's participation in such underwriting and the inclusion of Renren's Registrable Securities in the underwriting to the extent provided herein. If Renren proposes to distribute its securities through such an underwriting, it shall enter into an underwriting agreement in customary form with the managing underwriter or underwriters selected for such underwriting by it and reasonably acceptable to the Company. Notwithstanding any other provision of this Section 3.3, if the underwriter(s) advise(s) the Company in writing that marketing factors require a limitation of the number of securities to be underwritten, then the Company shall so advise Renren, and the number of Registrable Securities that may be included in the underwriting shall be reduced as required by the underwriter(s) and allocated among the holders of Registrable Securities on a *pro rata* basis according to the number of Registrable Securities then held by each Shareholder requesting registration (including Renren); provided, however, that the number of Registrable Securities to be included in such underwriting and registration shall not be reduced unless all other securities are first entirely excluded from the underwriting and registration including, without limitation, all shares that are not Registrable Securities and are held by any other Person, including, without limitation, any Person who is an employee, officer or director of any of the Group Companies. If Renren disapproves of the terms of any such underwriting, Renren may elect to withdraw therefrom by written notice to the Company and the underwriter(s), delivered at least ten (10) Business Days prior to the effective date of the registration statement. Any Registrable Securities and/or other securities so excluded or withdrawn from such underwriting shall be excluded and withdrawn from the registration. Renren and all corporations that are Affiliates of Renren shall be deemed to be a single "Shareholder," and any *pro rata* reduction with respect to such "Shareholder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "Shareholder," as defined in this sentence.

(c) Deferral. Notwithstanding the foregoing, if the Company shall furnish to Renren following its request of the filing of a registration statement pursuant to this Section 3.3, a certificate signed by CEO of the Company stating that in the good faith judgment of the Board, it would be materially detrimental to the Company and its shareholders for such registration statement to be filed, then the Company shall have the right to defer such filing for a period of not more than ninety (90) days after receipt of the request of Renren; provided, however, that the Company may not utilize this right more than once in any twelve (12) month period; provided, further that during such ninety (90) day period, the Company shall not file any registration statement pertaining to the public offering of any securities of the Company.

(d) Expenses. The Company shall pay all Registration Expenses. If Renren participates in a registration pursuant to Section 3.3(b), Renren shall bear its proportionate share (based on the total number of shares sold in such registration other than for the account of the Company) of all Selling Expenses incurred in connection with such registration of securities on behalf of Renren. Notwithstanding the foregoing, the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to this Section 3.3 if the registration request is subsequently withdrawn at the request of Renren, unless Renren agrees that such registration constitutes the use by Renren of one (1) demand registration pursuant to this Section 3.3; provided, further, however, that if at the time of such withdrawal, Renren has learned of a material adverse change in the condition, business, or prospects of the Company not known to Renren at the time of their request for such registration and has withdrawn its request for registration with reasonable promptness after learning of such material adverse change, then Renren shall not be required to pay any of such expenses and such registration shall not constitute the use of a demand registration pursuant to this Section 3.3.

Section 3.4 Piggyback Registrations.

(a) Notice of Registration. The Company shall notify Renren in writing of registration of any of its securities, either for its own account or the account of a security holder or holders (including, but not limited to, registration statements relating to secondary offerings of securities of the Company, but excluding registration statements relating to (i) any registration under Section 3.3 or Section 3.5 of this Agreement, (ii) any employee benefit plan, or (iii) any corporate reorganization) and will afford Renren an opportunity to include in such registration all or any part of the Registrable Securities then held by it. If Renren desires to include in any such registration (and any related qualifications under blue sky laws or other compliance) and in any underwriting involved therein, all or any part of the Registrable Securities held by Renren, it shall after receipt of the above-described notice from the Company, so notify the Company in writing, and in such notice shall inform the Company of the number of Registrable Securities Renren wishes to include in such registration statement. If Renren decides not to include all of its Registrable Securities in any registration statement thereafter filed by the Company, Renren shall nevertheless continue to have the right to include any Registrable Securities in any subsequent registration statement or registration statements as may be filed by the Company with respect to offerings of its securities, all upon the terms and conditions set forth herein.

(b) Underwriting. If a registration under which the Company gives notice under this Section 3.4 is for an underwritten offering, then the Company shall so advise Renren. In such event, the right of Renren's Registrable Securities to be included in a registration pursuant to this Section 3.4 shall be conditioned upon Renren's participation in such underwriting and the inclusion of Renren's Registrable Securities in the underwriting to the extent provided herein. If Renren proposes to distribute its Registrable Securities through such underwriting, Renren shall enter into an underwriting agreement in customary form with the managing underwriter or underwriters selected by the Company for such underwriting. Notwithstanding any other provision of this Agreement, if the managing underwriter(s) determine(s) in good faith that marketing factors require a limitation of the number of shares to be underwritten, then the managing underwriter(s) may exclude shares from the registration and the underwriting, and the number of shares that may be included in the registration and the underwriting shall be allocated, first to the Company, and second, to each of the Shareholders requesting inclusion of their Registrable Securities in such registration statement on a *pro rata* basis based on the total number of Registrable Securities then held by each such Shareholder; provided, however, that the right of the underwriter(s) to exclude shares (including Registrable Securities) from the registration and underwriting as described above shall be restricted so that (i) the number of Registrable Securities included in any such registration is not reduced below thirty percent (30%) of the aggregate number of Registrable Securities for which inclusion has been requested, even if this will cause the Company to reduce the number of shares it wishes to offer; and (ii) all shares that are not Registrable Securities and are held by any other Person, including, without limitation, any Person who is an employee, officer or director of any of the Group Companies shall first be excluded from such registration and underwriting before any Registrable Securities are so excluded. If Renren disapproves of the terms of any such underwriting, Renren may elect to withdraw therefrom by written notice to the Company and the underwriter(s), delivered at least ten (10) Business Days prior to the effective date of the registration statement. Any Registrable Securities excluded or withdrawn from such underwriting shall be excluded and withdrawn from the registration. Renren and all corporations that are Affiliates of Renren shall be deemed to be a single Shareholder, and any *pro rata* reduction with respect to Renren shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "Shareholder", as defined in this sentence.

(i) If the registration is being undertaken on behalf of the Company, first to the Company, and second, to each of the Shareholders requesting inclusion of their securities pursuant to piggyback registration rights (including those pursuant to this Agreement) in such registration statement on a *pro rata* basis based on the total number of securities then held by each such Shareholder. If Renren disapproves of the terms of any such underwriting, Renren may elect to withdraw therefrom by written notice to the Company and the underwriter(s), delivered at least ten (10) Business Days prior to the effective date of the registration statement. Any Registrable Securities excluded or withdrawn from such underwriting shall be excluded and withdrawn from the registration. Renren and all corporations that are Affiliates of Renren shall be deemed to be a single Shareholder, and any *pro rata* reduction with respect to Renren shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "Shareholder", as defined in this sentence.

(ii) If the registration is being undertaken on behalf of securityholders (not including Renren) making a written demand for registration pursuant to demand registration rights, first to such shareholders making a written demand for registration, and second, to each of the shareholders requesting inclusion of their securities pursuant to piggyback registration rights (including Renren, pursuant to this Agreement) in such registration statement on a *pro rata* basis based on the total number of securities then held by each such shareholder. If Renren disapproves of the terms of any such underwriting, Renren may elect to withdraw therefrom by written notice to the Company and the underwriter(s), delivered at least ten (10) Business Days prior to the effective date of the registration statement. Any Registrable Securities excluded or withdrawn from such underwriting shall be excluded and withdrawn from the registration. Renren and all corporations that are Affiliates of Renren shall be deemed to be a single Shareholder, and any *pro rata* reduction with respect to Renren shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "Shareholder", as defined in this sentence.

(c) Expenses. The Company shall pay all Registration Expenses incurred in connection with each registration under this Section 3.4. If Renren participates in a registration pursuant to this Section 3.4, Renren shall bear its proportionate share (based upon the total number of shares sold in such registration other than for the account of the Company) of all Selling Expenses incurred in connection with such registration of securities on behalf of Shareholders.

(d) Not a Demand Registration. Registration pursuant to this Section 3.4 shall not be deemed to be a demand registration as described in Section 3.3 above. Except as otherwise provided herein, there shall be no limit on the number of times Renren may request registration of Registrable Securities under this Section 3.4.

Section 3.5 Form S-3/F-3 Registration.

(a) The Company shall use its best efforts to qualify for registration on Form S-3/F-3 or any comparable or successor form as early as possible and use best efforts to maintain such qualification thereafter. If the Company is qualified to use Form S-3/F-3, Renren shall have a right to request at such time from time to time (such request shall be in writing) that the Company effect a registration on either Form S-3/F-3 and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by Renren, and upon receipt of each such request, the Company will:

(i) Registration. As soon as practicable, effect such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of Renren's Registrable Securities as are specified in such request; provided, however, that the Company shall not be obligated to effect any such registration, qualification or compliance pursuant to this Section 3.5:

(1) if Form S-3/F-3 becomes unavailable for such offering by Renren;

(2) if Renren, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public of less than US$1,000,000; or

(3) if the Company has effected a registration pursuant to this Section 3.5 during the preceding six (6) month period.

(b) Expenses. The Company shall pay all Registration Expenses incurred in connection with each registration requested pursuant to this Section 3.5. Renren shall bear such its proportionate share (based upon the total number of shares sold in such registration other than for the account of the Company) of all Selling Expenses incurred in connection with such registration of securities.

(c) Maximum Frequency. Except as otherwise provided herein, Renren may request registration of Registrable Securities three (3) times under this Section 3.5.

(d) Deferral. Notwithstanding the foregoing, if the Company shall furnish to Renren a certificate signed by the CEO of the Company stating that in the good faith judgment of the Board, it would be materially detrimental to the Company and its shareholders for such Form S-3/F-3 registration statement to be filed, then the Company shall have the right to defer such filing for a period of not more than ninety (90) days after receipt of the request of Renren; provided, however, that the Company may not utilize this right more than once in any twelve (12) month period; provided, further that during such ninety (90) day period, the Company shall not file any registration statement pertaining to the public offering of any securities of the Company.

(e) Not Demand Registration. Form S-3/F-3 registrations shall not be deemed to be demand registrations as described in Section 3.3 above.

(f) Underwriting. If the requested registration under this Section 3.5 is for an underwritten offering, the provisions of Section 3.3(b) shall apply.

Section 3.6 Obligations of the Company.

Whenever required to effect the registration of any Registrable Securities under this Agreement, the Company shall keep Renren advised in writing as to the initiation of such registration and as to the completion thereof, and shall, at its expense and as expeditiously and as reasonably possible:

(a) Registration Statement. Prepare and file with the Commission a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective, and keep any such registration statement effective for a period of one hundred and twenty (120) days or until Renren has completed the distribution described in the registration statement relating thereto, whichever occurs first.

(b) Amendments and Supplements. Prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act or other applicable securities laws with respect to the disposition of all securities covered by such registration statement.

(c) Registration Statements and Prospectuses. Furnish to Renren such number of copies of registration statements and prospectuses, including a preliminary prospectus, in conformity with the requirements of the Securities Act or other applicable securities laws, and such other documents as it may reasonably request in order to facilitate the disposition of the Registrable Securities owned by it that are included in such registration.

(d) Blue Sky. Use its best efforts to register and qualify the securities covered by such registration statement under such other securities or blue sky laws of such jurisdictions as shall be reasonably requested by Renren, provided that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions.

(e) Deposit Agreement. If the registration relates to an offering of depositary shares or other securities representing Ordinary Shares deposited pursuant to a deposit agreement or similar facility, cause the depositary under such agreement or facility to accept for deposit under such agreement or facility all Registrable Securities requested by Renren to be included in such registration in accordance with this Section 3.

(f) Underwriting. In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement in usual and customary form, with the managing underwriter(s) of such offering. Renren shall also enter into and perform its obligations under such an agreement.

(g) Notification. Notify Renren at any time when a prospectus relating to its Registrable Securities is required to be delivered under the Securities Act or other applicable securities laws of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing.

(h) Opinion and Comfort Letter. Furnish, at the request of Renren, on the date that such Registrable Securities are delivered to the underwriter(s) for sale, if such securities are being sold through underwriters, or, if such securities are not being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (i) an opinion, dated as of such date, of the counsel representing the Company for the purpose of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering and reasonably satisfactory to Renren, addressed to the underwriters, if any, and to Renren and (ii) a "comfort" letter dated as of such date, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering and reasonably satisfactory to Renren, addressed to the underwriters, if any, and Renren.

(i) Listing on Securities Exchange(s). Cause all such Registrable Securities registered pursuant hereto to be listed on the Nasdaq, or such other internationally recognized exchange, for long as the Company's securities are listed on such exchange.

If the Company fails to perform any of the Company's obligations set forth above in this Section 3.6 relating to a demand registration made pursuant to Section 3.3, such registration shall not constitute the use of a demand registration under Section 3.3.

Section 3.7 Furnish Information.

It shall be a condition precedent to the obligations of the Company to take any action pursuant to Sections 2.3, 2.4 or 2.5 with respect to the Registrable Securities of Renren, that Renren shall furnish to the Company such information regarding itself, the Registrable Securities held by it and the intended method of disposition of such securities as shall be reasonably requested in writing by the Company to timely effect the registration of its Registrable Securities.

Section 3.8 Indemnification.

The following indemnification provisions shall apply in the event any Registrable Securities are included in a registration statement under Sections 2.3, 2.4 or 2.5:

(a) By the Company. To the extent permitted by law, the Company will indemnify and hold harmless Renren, its partners, officers, directors, employees, trustees, legal counsel and any underwriter (as determined in the Securities Act) for Renren and each Person, if any, who controls Renren or underwriter within the meaning of Section 15 of the Securities Act against any expenses, losses, claims, damages, or liabilities (joint or several) (or actions in respect thereof) to which they may become subject under the Securities Act, the Exchange Act or other applicable law, insofar as such expenses, losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (each a "**Violation**"):

(i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement, offering circular, preliminary prospectus, final prospectus or other document, or any amendments or supplements thereto;

(ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; or

(iii) any violation or alleged violation of the Securities Act, the Exchange Act, any federal or state or foreign securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or other applicable securities law in connection with the offering covered by such registration statement; and the Company will reimburse Renren, its partners, officers, directors, employees, legal counsel, underwriters or controlling Person for any legal or other expenses reasonably incurred by them, as incurred, in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the indemnity agreement contained in this Section 3.8(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by Renren, underwriter or controlling Person of Renren.

(b) By Renren. To the extent permitted by law, Renren will indemnify and hold harmless the Company, each of its directors, each of its officers who have signed the registration statement, each Person, if any, who controls the Company within the meaning of Section 15 of the Securities Act, any underwriter (as determined in the Securities Act) and any other Shareholder selling securities under such registration statement or any of such other Shareholder's partners, directors, officers, employees, trustees, legal counsel and any underwriter (as determined in the Securities Act) for such Shareholder and each Person, if any, who controls such Shareholder within the meaning of Section 15 of the Securities Act, against any expenses, losses, claims, damages or liabilities (joint or several) (or actions in respect thereof) to which the Company or any such director, officer, employee, trustee, legal counsel, controlling Person, underwriter or other such Shareholder, partner or director, officer, employee or controlling Person of such other Shareholder may become subject under the Securities Act, the Exchange Act or other applicable law, insofar as such expenses, losses, claims, damages or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by Renren expressly for use in connection with such registration; and Renren will reimburse any legal or other expenses reasonably incurred by the Company or any such director, officer, employee, controlling Person, underwriter or other Shareholder, partner, officer, employee, director or controlling Person of such other Shareholder in connection with investigating or defending any such loss, claim, damage, liability or action: provided, however, that the indemnity agreement contained in this Section 3.8(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of Renren, which consent shall not be unreasonably withheld; and provided, further that the total amounts payable in indemnity by Renren under this Section 3.8(b) plus any amount under Section 3.8(e) in respect of any Violation shall not exceed the net proceeds received by Renren in the registered offering out of which such Violation arises.

(c) Notice. Promptly after receipt by an indemnified party under this Section 3.8 of notice of the commencement of any claim or action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 3.8, deliver to the indemnifying party a written notice of the commencement thereof (a "**Claim Notice**") and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party shall have the right to retain its own counsel, with the fees and expenses to be paid by the indemnifying party, (i) during the period from the delivery of a Claim Notice until retention of counsel by the indemnifying party; and (ii) if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential conflict of interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of liability to the indemnified party under this Section 3.8 to the extent the indemnifying party is prejudiced as a result thereof, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 3.8.

(d) Defect Eliminated in Final Prospectus. The foregoing indemnity agreements of the Company and Renren are subject to the condition that, insofar as they relate to any untrue statement, alleged untrue statement, omission or alleged omission made in a preliminary prospectus or free writing prospectus on file with the Commission at the time the registration statement becomes effective, such indemnity agreement shall not inure to the benefit of any Person if an amended prospectus is filed with the Commission and delivered pursuant to the Securities Act at or prior to the time of sale (including, without limitation, a contract of sale, and as further contemplated by Rule 159 promulgated under the Securities Act) to the Person asserting the loss, liability, claim or damage.

(e) Contribution. In order to provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (i) Renren exercising rights under this Agreement, or any controlling Person of Renren, makes a claim for indemnification pursuant to this Section 3.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this Section 3.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of Renren or any such controlling Person in circumstances for which indemnification is provided under this Section 3.8; then, and in each such case, the Company and Renren will contribute to the aggregate losses, claims, damages or liabilities to which they may be subject (after contribution from others) in such proportion so that Renren is responsible for the portion represented by the percentage that the public offering price of its Registrable Securities offered by and sold under the registration statement bears to the public offering price of all securities offered by and sold under such registration statement, and the Company and any other selling Shareholders are responsible for the remaining portion; provided, however, that, in any such case: (A) Renren will not be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by Renren pursuant to such registration statement; and (B) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(f) Survival. The obligations of the Company and Renren under this Section 3.8 shall survive until the fifth (5th) anniversary of the completion of any offering of Registrable Securities pursuant to a registration statement, regardless of the expiration of any statutes of limitation or extensions of such statutes.

Section 3.9 Rule 144 Reporting.

With a view to making available to Renren the benefits of certain rules and regulations of the Commission which may permit the sale of the Restricted Securities to the public without registration, the Company agrees to use its best efforts to:

(a) Make and keep public information available, as those terms are understood and defined in Rule 144 or any similar or analogous rule promulgated under the Securities Act, at all times after the effective date of the first registration filed by the Company for an offering of its securities to the general public;

(b) File with the Commission, in a timely manner, all reports and other documents required of the Company under the Securities Act or the Exchange Act, at all times after the effective date of the first registration under the Securities Act filed by the Company; and

(c) So long as Renren owns any Restricted Securities, furnish to Renren forthwith upon request, (i) a written statement by the Company as to its compliance with the reporting requirements of said Rule 144, and of the Exchange Act (at any time after it has become subject to such reporting requirements), (ii) a copy of the most recent annual, interim, quarterly or other report of the Company, and (iii) such other reports and documents as Renren may reasonably request in availing itself of any rule or regulation of the Commission allowing it to sell any such securities without registration.

Section 3.10 Termination of the Company's Obligations.

Notwithstanding the foregoing, the Company shall have no obligations pursuant to Sections 2.3, 2.4 or 2.5 with respect to any Registrable Securities proposed to be sold by Renren in a registered public offering if, in the opinion of counsel to the Company, all such Registrable Securities proposed to be sold by Renren may then be sold under Rule 144 (i) in one three (3) month period without exceeding the volume limitations thereunder or (ii) without volume limitations.

Section 3.11 Re-Sale Rights.

The Company shall use its best efforts to assist Renren in the sale or disposition of its Registrable Securities, including the prompt delivery of applicable instruction letters by the Company and legal opinions from the Company's counsels in forms reasonably satisfactory to Renren's counsel. In the event the Company has depositary receipts listed or traded on any stock exchange or inter-dealer quotation system, the Company shall pay all costs and fees related to such depositary facility, including conversion fees and maintenance fees for Registrable Securities held by Renren.

Section 3.12 Transfer of Registration Rights.

The rights to cause the Company to register securities granted to Renren under Sections 2.3, 2.4 or 2.5 may be assigned to a transferee or assignee in connection with any transfer or assignment of Registrable Securities by Renren; provided that: (a) such transfer may otherwise be effected in accordance with applicable securities laws, (b) the Company is given prompt notice of the transfer, (c) such assignee or transferee agrees to be bound by the terms of this Agreement by executing and delivering a Deed of Adherence (in the same form and substance as set out in Schedule 1 hereto), and(d) such assignee or transferee is (i) an Affiliate or affiliated fund (United States based or non-United States based) of Renren, (ii) a family member or trust for the benefit of any shareholder of Renren, or (iii) a transferee of the Registrable Securities originally issued to Renren (as adjusted for Recapitalization) equal to at least at least five percent (5%) of the total outstanding share capital of the Company (calculated on a fully-diluted basis.

ARTICLE IV
OTHER PROVISIONS

SECTION 4.1. Lock-Up. Renren agrees that it will not, and Renren shall procure that its Affiliates will not, without the prior written consent of the Board, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, lend or otherwise dispose of or transfer any of its Subject Shares or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any of its Subject Shares (each of the foregoing in (i) and (ii) a "**Disposition**") prior to the date that is 180 days following the date of this Agreement, *provided, however,* that nothing in this Section 4.1 shall apply to or restrict a Disposition by Renren in connection with a transaction in which (a) any person or group shall have acquired or entered into a binding definitive agreement that has been approved by the Board (or any duly constituted committee thereof) to acquire (i) more than 50% of the voting securities of the Company or (ii) assets of the Company and/or its Group Companies representing more than 50% of the consolidated earnings power of the Company and its Group Companies, taken as a whole, or (b) any person shall have commenced a tender or exchange offer which, if consummated, would result in such person's acquisition of Beneficial Ownership of more than 50% of the voting securities of the Company, and in connection therewith, the Company files with the Commission a Schedule 14D-9 with respect to such offer that does not either (i) recommend that the Company's shareholders reject such offer or (ii) advise the Company's shareholders that the Board of Directors is considering its response to the offer, (c) Renren transfers its Subject Shares to an Affiliate of Renren to any direct or indirect shareholder of Renren, or (d) any Dealer Partners or After Sale Partners (each as defined in the Exchange Agreement) pursuant to their arrangements with Renren. If the Company commits a Material Exchange Agreement Breach, the provisions of this Section 4.1 shall terminate and not be binding upon Renren from such termination date.

SECTION 4.2. Transfers to Certain Shareholders. The Company acknowledges that, pursuant to the terms of the Exchange Agreement, Renren has received and will hold certain Ordinary Shares subject to arrangements with Dealer Partners and After Sale Partners (each as defined in the Exchange Agreement), which will require Renren to transfer certain Ordinary Shares to the Dealer Partners and After Sale Partners. The Company further commits to the obligations contained in Section 3.9 hereof with respect to the facilitation of resales of Ordinary Shares by the Dealer Partners and After Sale Partners, and to take commercially reasonable efforts to make such notations and instructions on its books and records and/or with the registrar of the Ordinary Shares to reflect such transfers.

ARTICLE V
GENERAL PROVISIONS

Section 5.1 Confidentiality. Each party hereto hereby agrees that it will, and will cause its respective Affiliates and its and their respective representatives to, hold in strict confidence any non-public records, books, contracts, instruments, computer data and other data and information concerning the other parties hereto, whether in written, verbal, graphic, electronic or any other form provided by any party hereto (except to the extent that such information has been (a) previously known by such party on a non-confidential basis from a source other than the other parties hereto or its representatives, provided that, to such party's knowledge, such source is not prohibited from disclosing such information to such party or its representatives by a contractual, legal or fiduciary obligation to the other parties hereto or its representatives, (b) in the public domain through no breach of this Agreement by such party, (c) independently developed by such party or on its behalf, or (d) later lawfully acquired from other sources) (the "**Confidential Information**"). In the event that a party hereto is requested or required by law, governmental authority, rules of stock exchanges, or other applicable judicial or governmental order to disclose any Confidential Information concerning any of the other parties hereto, such party shall, to the extent legally permissible, notify the other party prior to making any such disclosure by providing the other party with the text of the disclosure requirement and draft disclosure at least 24 hours prior to making any such disclosure, and, if requested by another party, assist such other party to limit or minimize such disclosure.

Section 5.2 Termination. Unless expressly provided otherwise herein, in addition to the other termination provisions in this Agreement, this Agreement shall terminate, and have no further force and effect, upon the earliest of: (a) a written agreement to that effect, signed by all parties hereto, and (b) the date following the Closing on which Renren (together with its Affiliates and Permitted Transferees) no longer holds any Ordinary Shares of the Company; provided that, notwithstanding the foregoing, Article II shall survive (including with respect to any transferee or assignee of Renren's Registrable Securities to whom the rights and obligations of Renren under Article II were assigned in accordance with this Agreement) any termination of this Agreement until the specific provisions thereof terminate in accordance with their express terms.

Section 5.3 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission and electronic mail transmission ("**Email**"), so long as a receipt of such Email is requested and received) and shall be given:

If to the Company:

CM Seven Star Acquisition Corporation
Address: Suite 1306, 13/F. AIA Central, 1 Connaught Road, Central, Hong Kong SAR
Attention: Sing Wang, Anthony Ho and Adrian Cheung

If to Renren:

Renren Inc.
Address: 5/F, North Wing, 18 Jiuxianqiao Middle Road, Chaoyang District, Beijing 100016, People's Republic of China
Email: james.liu@renren-inc.com
Tel: +86 (10) 8448-1818
Attention: James Jian Liu

with a copy to:

Skadden, Arps, Slate, Meagher & Flom
Address: 42/F, Edinburgh Tower, The Landmark, 15 Queen's Road Central Hong Kong SAR
Email: kenneth.chase@skadden.com
Tel: +852 3740 4700
Attention: Kenneth W. Chase

A party may change or supplement the addresses given above, or designate additional addresses, for the purposes of this Section 5.3 by giving the other parties written notice of the new address in the manner set forth above.

Section 5.4 Entire Agreement. This Agreement and the other Transaction Documents, together with all the schedules and exhibits hereto and thereto and the certificates and other written instruments delivered in connection therewith from time to time on and following the date hereof, constitute and contain the entire agreement and understanding of the parties with respect to the subject matter hereof and thereof, and supersedes any and all prior negotiations, correspondence, agreements, understandings, duties or obligations between the parties respecting the subject matter hereof and thereof. Each party expressly represents and warrants that it is not relying on any oral or written representations, warranties, covenants or agreements outside of this Agreement and the other Transaction Documents.

Section 5.5 Governing Law. This Agreement shall be governed by and construed in accordance with the law of Hong Kong SAR, without regard to conflict of law principles.

Section 5.6 Dispute Resolution. Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination and the Parties' rights and obligations hereunder (each, a "**Dispute**") shall be referred to and finally resolved by arbitration (the "**Arbitration**") in the following manner:

(a) The Arbitration shall be administered by the Hong Kong International Arbitration Centre ("**HKIAC**");

(b) The Arbitration shall be procedurally governed by the HKIAC Administered Arbitration Rules as in force at the date on which the claimant party notifies the respondent party in writing (such notice, a "**Notice of Arbitration**") of its intent to pursue Arbitration, which are deemed to be incorporated by reference and may be amended by this Section 5.6;

(c) The seat and venue of the Arbitration shall be Hong Kong and the language of the Arbitration shall be English;

(d) A Dispute subject to Arbitration shall be determined by a panel of three (3) arbitrators (the "**Tribunal**"). One (1) arbitrator shall be nominated by the claimant party (and to the extent that there is more than one (1) claimant party, by mutual agreement among the claimant parties) and one (1) arbitrator shall be nominated by the respondent party (and to the extent that there is more than one (1) respondent party, by mutual agreement among the respondent parties). The third arbitrator shall be jointly nominated by the claimant party's and respondent party's respectively nominated arbitrators and shall act as the presiding arbitrator. If the claimant party or the respondent party fails to nominate its arbitrator within thirty (30) days from the date of receipt of the Notice of Arbitration by the respondent party or the claimant and respondent parties' nominated arbitrators fail to jointly nominate the presiding arbitrator within thirty (30) days of the nomination of the respondent-nominated arbitrator, either party to the Dispute may request the Chairperson of the HKIAC to appoint such arbitrator; and

(e) The parties agree that all documents and evidence submitted in the Arbitration (including any statements of case and any interim or final award, as well as the fact that an arbitral award has been made) shall remain confidential both during and after any final award that is rendered unless the parties otherwise agree in writing. The arbitral award is final and binding upon the parties to the Arbitration.

Section 5.7 Severability. If any provision of this Agreement is found to be invalid or unenforceable, then such provision shall be construed, to the extent feasible, so as to render the provision enforceable and to provide for the consummation of the transactions contemplated hereby on substantially the same terms as originally set forth herein, and if no feasible interpretation would save such provision, it shall be severed from the remainder of this Agreement, which shall remain in full force and effect unless the severed provision is essential to the rights or benefits intended by the parties. In such event, the parties shall use commercially reasonable efforts to negotiate, in good faith, a substitute, valid and enforceable provision or agreement, which most nearly effects the parties' intent in entering into this Agreement.

Section 5.8 Assignments and Transfers; No Third Party Beneficiaries. Except as otherwise provided herein, this Agreement and the rights and obligations of the parties hereto hereunder shall inure to the benefit of, and be binding upon, their respective successors and permitted assigns (and shall inure to the benefit of and be enforceable by any transferee of equity securities held by Renren but only to the extent of such transfer), but shall not otherwise be for the benefit of any third party. Subject to Section 5.2 hereof, (a) the rights of Renren under this Agreement are assignable in connection with the transfer of any Ordinary Shares held by Renren but only to the extent of such transfer, and (b) the rights of Renren hereunder (including without limitation its rights under Article III of this Agreement) are assignable in the connection with the transfer of any Ordinary Shares held by Renren to any of its Affiliates (in each case subject to applicable securities laws and other laws), provided, however, that in either case (y) no party may be assigned any of the foregoing rights unless the Company is given written notice by the assigning party stating the name and address of the assignee and identifying the securities of the Company as to which the rights in question are being assigned; and (z) any such transferee shall execute and deliver to the Company and Renren a Deed of Adherence (in the same form and substance as set out in Schedule 1 hereto), subject to the terms and conditions hereof. This Agreement and the rights and obligations of any party hereunder shall not otherwise be assigned without the mutual written consent of the other parties hereto,

Section 5.9 Construction. Each of the parties has participated in the drafting and negotiation of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement must be construed as if it is drafted by all the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Agreement.

Section 5.10 Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other parties. A facsimile or "PDF" signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original.

Section 5.11 Aggregation of Shares. All Securities held or acquired by Renren and/or its Affiliates and Permitted Transferees shall be aggregated together for the purpose of determining the availability of any rights of Renren under this Agreement.

Section 5.12 Conflict with Articles or Other Agreements. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of the Articles, the parties shall, notwithstanding the conflict or inconsistency, act so as to effect the intent of this Agreement to the greatest extent possible under the circumstances. The Company agrees that in the event that any holder of Ordinary Shares is, after the date of this Agreement, granted any registration rights that are more favorable to such other holder than those rights provided to Renren pursuant to Article II hereof, Renren shall be promptly notified in writing of such modification to the rights and the Company shall amend this Agreement to grant Renren the same rights from the date that those rights are provided to such other holder.

Section 5.13 Specific Performance. The parties hereto acknowledge and agree irreparable harm may occur for which money damages would not be an adequate remedy in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, in addition to any other remedies at law or in equity, the parties to this Agreement shall be entitled to injunction to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement without posting any bond or other undertaking.

Section 5.14 Amendment; Waiver. This Agreement may be amended, modified or supplemented only by a written instrument duly executed by all the parties hereto. The observance of any provision in this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only by the written consent of the party against whom such waiver is to be effective. Any amendment or waiver effected in accordance with this Section 5.14 shall be binding upon the parties hereof and their respective assigns. It is agreed that no delay or omission to exercise any right, power or remedy accruing to any party, upon any breach, default or noncompliance by another party under this Agreement, shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach, default or noncompliance, or any acquiescence therein, or of or in any similar breach, default or noncompliance thereafter occurring.

Section 5.15 Public Announcements. Without limiting any other provision of this Agreement, the parties hereto, to the extent permitted by applicable law, will consult with each other before issuance, and provide each other the opportunity to review, comment upon and agree on any press release or public statement with respect to this Agreement, the other Transaction Documents and the transactions contemplated hereby and thereby and the ongoing business relationship among the parties. The parties hereto will not issue any such press release or make any such public statement without the prior written consent of the other party, except as may be required by law or any listing agreement with or requirement of the Nasdaq, the NYSE or any other applicable securities exchange, provided that the disclosing party shall, to the extent permitted by applicable law or any listing agreement with or requirement of the Nasdaq, the NYSE or any other applicable securities exchange, and if reasonably practicable, inform the other parties about the disclosure to be made pursuant to such requirements prior to the disclosure.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties have caused their respective duly authorized representatives to execute this Agreement as of the date and year first above written.

CM SEVEN STAR ACQUISITION CORPORATION

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties have caused their respective duly authorized representatives to execute this Agreement as of the date and year first above written.

SHAREHOLDER VALUE FUND

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties have caused their respective duly authorized representatives to execute this Agreement as of the date and year first above written.

RENREN INC.

By: _____
Name:
Title:

Schedule 1
FORM OF DEED OF ADHERENCE

THIS DEED is made the day of 20[ ] by [ ] of [ ] (the "**Permitted Transferee**") and is supplemental to the Investor Rights Agreement dated [ ], 2019 made between CM Seven Star Acquisition Corporation (the "**Company**"), Shareholder Value Fund and Renren Inc. (such agreement as amended, restated or supplemented from time to time, the "**Investor Rights Agreement**").

WITNESSETH as follows:

The [Permitted Transferee] confirms that it has been provided with a copy of the Investor Rights Agreement and all amendments, restatements and supplements thereto and hereby covenants with each of the parties to the Investor Rights Agreement from time to time to observe, perform and be bound by all the terms and conditions of the Investor Rights Agreement which are capable of applying to the Permitted Transferee to the intent and effect that the Permitted Transferee shall be deemed as and with effect from the date hereof to be a party to the Investor Rights Agreement and to be subject to the obligations thereof.

The address and facsimile number at which notices are to be served on the Permitted Transferee under the Investor Rights Agreement and the person for whose attention notices are to be addressed are as follows:

[*to insert contact details*]

Words and expressions defined in the Investor Rights Agreement shall have the same meaning in this Deed. This Deed shall be governed by and construed in accordance with the laws of the State of New York.

This Deed shall take effect as a deed poll for the benefit of the Company, Renren Inc. and any other parties to the Investor Rights Agreement.

IN WITNESS whereof the Permitted Transferee has executed this Deed the day and year first above written.

THE COMMON SEAL of [ ].

was hereunto affixed)

in the presence of:)

_____
(Director)

_____
(Director/Secretary)

ESCROW AGREEMENT

This ESCROW AGREEMENT ("Escrow Agreement") is made as of 30 April 2019 by and among RENREN INC., (the "Seller"), CM SEVEN STAR ACQUISITION CORPORATION, a Cayman Islands exempted company (the "Purchaser"), and VISTRA CORPORATE SERVICES (HK) LIMITED, a Hong Kong company with registered office address at 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong ("Escrow Agent").

WHEREAS the Seller, the Purchaser and Kaixin Auto Group, a Cayman Islands exempted company ("Kaixin"), are parties to a share exchange agreement, dated as of November 2, 2018 (the "Share Exchange Agreement"), pursuant to which the parties thereof will consummate a share exchange where Kaixin will become a wholly-owned subsidiary of the Purchaser (the "Transaction");

WHEREAS, pursuant to and subject to the terms and conditions of the Share Exchange Agreement, the Purchaser has agreed to issue 22,800,000 ordinary shares in the Purchaser, being withheld from the closing payment of the Transaction (the "Escrow Shares"), to the Escrow Agent to be held pursuant to the terms of the Share Exchange Agreement and this Escrow Agreement, which, subject to the terms and conditions set forth in the Share Exchange Agreement, may be distributed to the Seller in whole or in part;

WHEREAS, in accordance with the Share Exchange Agreement, Kaixin, the Seller and the Purchaser have agreed to establish a segregated escrow account (the "Escrow Account") under this Escrow Agreement for the purposes of holding any dividends or distributions paid or otherwise accruing to the Escrow Shares during the time such Escrow Shares are held ("Accrued Dividends");

WHEREAS, the Purchaser will cause the Escrow Shares to be transferred in escrow to the Escrow Agent on terms and conditions more particularly described herein on the date of this Escrow Agreement; and

WHEREAS, pursuant to ARTICLE III of the Share Exchange Agreement, (i) the Escrow Shares and Accrued Dividends (if any) will be released and transferred to the Seller as Earnout Payment (as defined in the Share Exchange Agreement) in the event that Kaixin and its subsidiaries meet certain minimum performance requirements; and (ii) all remaining Escrow Shares and Accrued Dividends (if any) held in the Escrow Account will be released and transferred to the Seller, less the amount of any Payment Offset (as defined in the Share Exchange Agreement), after April 30, 2021, subject to the satisfaction of the terms and conditions of ARTICLES III and X of the Share Exchange Agreement.

NOW, THEREFORE, in consideration of the premises, the undersigned hereby agree as follows:

ARTICLE I
TERMS AND CONDITIONS

1.1 **Appointment.** The Purchaser and the Seller hereby appoint the Escrow Agent to act as an independent escrow agent in relation to the Escrow Shares and Accrued Dividends (if any) with effect from the date of this Escrow Agreement. The Escrow Agent shall provide services pursuant to this Escrow Agreement to the Purchaser and the Seller with reasonable skill and care.

1.2 Issue of Escrow Shares. The Purchaser shall issue the Escrow Shares to the Escrow Agent on the date of this Escrow Agreement. To effect this, the Purchaser will cause to be entered in its register of members the Escrow Agent or an agent thereof (the "Nominee") to hold the Escrow Shares on its behalf as a nominee (provided that such agent shall be a company within the Escrow Agent's group of companies) as the registered holder of the Escrow Shares and thereafter will issue to the Escrow Agent a duly executed original share certificate(s) in respect of the Escrow Shares in the name of the Escrow Agent or the Nominee. The Escrow Agent will issue to Kaixin, the Seller and the Purchaser its written confirmation of receipt of the Escrow Shares. The Escrow Agent or the Nominee will become the registered owner of the Escrow Shares upon being noted the same on the Purchaser's register of members until such time as is set out in, and in accordance with, the Share Exchange Agreement and this Escrow Agreement.

1.2 Held in Trust. The Escrow Agent declares that the Escrow Shares are held in trust for the Seller until released and transferred in accordance with the terms and conditions of the Share Exchange Agreement and this Escrow Agreement. The Escrow Agent further declares that any Accrued Dividends (if any) and any accruing interest on the Accrued Dividends (if any) that are paid into the Escrow Account are held in trust for the Seller until released and transferred in accordance with the terms and conditions of the Share Exchange Agreement and this Escrow Agreement.

1.3 Treatment of Escrow Shares. Until released and transferred in accordance with the terms and conditions of the Share Exchange Agreement and this Escrow Agreement, the Escrow Shares cannot be sold, transferred, assigned, mortgaged otherwise dealt with in any way, except as provided for in this Escrow Agreement in accordance with the terms and conditions of the Share Exchange Agreement.

1.4 Escrow Account. The Escrow Agent has confirmed that it has opened/ will open the Escrow Account on the terms and subject to the conditions of this Escrow Agreement. The Escrow Account details are/ will be the following:

Currency: USD
Name of Bank: Standard Chartered Bank (Hong Kong)
Account Number: Escrow Agent to confirm
IBAN: Escrow Agent to confirm
Sort Code: Escrow Agent to confirm
Account Holder: Escrow Agent

1.5 Accrued Dividends. The Escrow Agent shall hold the Accrued Dividends as Escrow Agent on behalf of the Seller and accept deposits in, make distributions from, and otherwise operate the Escrow Account only in accordance with the joint written instructions of the Purchaser and the Seller. The Escrow Agent shall also collect any tax and other regulatory forms from the Seller and/or Purchaser and the Seller and Purchaser agree to calculate the withholding tax payable (if any) by the Seller that may be deductible from such Dividends. The Escrow Agent will rely on the Seller and the Purchaser as to the accuracy of this calculation and may use independent tax and legal advice to confirm and file such form with any applicable authority and such costs and expenses will be paid by the Seller and the Purchaser in accordance with Clause 2.2(C) hereof.

1.6 Voting of the Escrow Shares. All and any voting rights attached to the Escrow Shares shall at all times be exercised by the Seller by giving written instructions to the Escrow Agent, until such Escrow Shares are released and transferred to the Seller.

1.7 Authorized Signatories. The Seller and the Purchaser have provided on Schedule A (as it may be amended from time to time) to this Escrow Agreement, the names and specimen signatures of those persons who are authorized to issue notices and instructions to the Escrow Agent and execute required documents ("Authorized Signatories") under the Share Exchange Agreement and this Escrow Agreement. The Seller and Purchaser can amend their respective Authorized Signatories by issuing an amended Schedule A to the Escrow Agent in the manner described in Section 3.2. No instruction pursuant to this Escrow Agreement may be made other than by duly authorized signatories from the Seller and the Purchaser. In no event shall the Seller or the Purchaser issue or cause to be issued any instruction in contravention of the Share Exchange Agreement.

1.8 Escrow Procedure and Release Instruction. The Escrow Shares and Accrued Dividends (as applicable) shall be held, released and transferred in accordance with the Share Exchange Agreement and the following terms:

A. The Seller and Purchaser shall jointly provide release instructions signed by their respective Authorized Signatory to the Escrow Agent in the form attached hereto as Schedule B, the "Notice".

B. The Purchaser shall issue new share certificate(s) in the name of each recipient in respect of the amount of Escrow Shares to be transferred to such recipient as specified in the Notice within two (2) business days after receipt of the Notice. The old share certificate(s) in respect of the Escrow Shares so transferred shall be cancelled by the Purchaser immediately upon issuance of the new share certificate(s).

C. Any Escrow Shares and Accrued Dividends (if any) that remain after deducting all Earnout Payments made/ to be made to the Seller will be returned to the Purchaser the later of (i) five (5) business days after April 30, 2021 upon the Escrow Agent's receipt of a Notice jointly issued by the Seller and the Purchaser, or (ii) in the event of a dispute between the Purchaser and Seller, fifty (50) business days after the engagement of an Independent Expert (as defined in the Share Exchange Agreement), upon the Escrow's Agent receipt of a Notice jointly issued by the Seller and the Purchaser.

1.9 Termination. This Escrow Agreement shall terminate upon the final, proper and complete release and transfer of all Escrow Shares and Accrued Dividends (if any) in accordance with the provisions of this Escrow Agreement.

ARTICLE II
PROVISIONS AS TO ESCROW AGENT

2.1 Limitation of Escrow Agent's Capacity.

A. This Escrow Agreement expressly and exclusively sets forth the duties of Escrow Agent with respect to any and all matters pertinent hereto, and no implied duties or obligations shall be read into this Escrow Agreement against Escrow Agent. This Escrow Agreement constitutes the entire agreement between the Escrow Agent and the other parties hereto in connection with the subject matter of this escrow, and no other agreement entered into between the parties, or any of them, shall be considered as adopted or binding, in whole or in part, upon the Escrow Agent notwithstanding that any such other agreement may be referred to herein or deposited with Escrow Agent or the Escrow Agent may have knowledge thereof, and Escrow Agent's rights and responsibilities shall be governed solely by this Escrow Agreement.

B. Escrow Agent acts hereunder as a depository only, and is not responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of the subject matter of this Escrow Agreement or any part thereof, or for the form of execution thereof, or for the identity or authority of any person executing or depositing such subject matter. Escrow Agent shall be under no duty to investigate or inquire as to the validity or accuracy of any document, agreement, joint written instruction or request furnished to it hereunder believed by it to be genuine and Escrow Agent may rely and act upon, and shall not be liable for acting or not acting upon, any such document, agreement, joint written instruction or request, except to the extent of Escrow Agent's gross negligence or willful misconduct. Escrow Agent shall in no way be responsible for notifying, nor shall it be its duty to notify, any party hereto or any other party interested in this Escrow Agreement or any payment required or maturity occurring under this Escrow Agreement or under the terms of any instrument deposited herewith.

2.2 Authority to Act.

A. Escrow Agent is hereby authorized and directed by the Seller and Purchaser to release, transfer and/or deliver the subject matter of this Escrow Agreement only in accordance with the provisions of Article I of this Escrow Agreement.

B. Escrow Agent shall be protected in acting upon any joint written instructions, notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other paper or document which Escrow Agent in good faith believes to be genuine and what it purports to be, including, but not limited to, items requesting or authorizing release or retainage of the subject matter of this Escrow Agreement and items amending the terms of this Escrow Agreement.

C. Escrow Agent may consult with legal counsel at the several, but not joint cost and expense of the Seller and the Purchaser ("Legal Fees"), which shall each bear such half of such Legal Fees (provided that such Legal Fees must be reasonably incurred by the Escrow Agent in connection with the performance of its obligations under this Agreement) in the event of any dispute or question as to the construction of any of the provisions hereof or its duties hereunder, and it shall incur no liability and shall be fully protected in acting in accordance with the advice of such counsel. The Escrow Agent shall obtain written consent from both the Seller and the Purchaser (not to be unreasonably withheld) prior to incurring Legal Fees. Subject to the prior sentence, the Escrow Agent may request the Seller and the Purchaser to pay for the Legal Fees in advance.

D. In the event of any disagreement between any of the parties to this Escrow Agreement, or between any of them and any other person, resulting in adverse claims or demands being made in connection with the matters covered by this Escrow Agreement, or in the event that Escrow Agent, in good faith, be in doubt as to what action it should take hereunder, Escrow Agent may, at its option, refuse to comply with any claims or demands on it, or refuse to take any other action hereunder, so long as such disagreement continues or such doubt exists, and in any such event, Escrow Agent shall not be or become liable in any way or to any person for its failure or refusal to act, and Escrow Agent shall be entitled to continue so to refrain from acting until (i) the rights of all interested parties shall have been fully and finally adjudicated by a court of competent jurisdiction, or (ii) all differences shall have been adjudged and all doubt resolved by agreement among all of the interested persons, and Escrow Agent shall have been notified thereof in writing signed by all such persons. Notwithstanding the foregoing, Escrow Agent may in its discretion obey the order, judgment, decree or levy of any court, and Escrow Agent is hereby authorized in its sole discretion, to comply with and obey any such orders, judgments, decrees or levies. The rights of Escrow Agent under this sub-paragraph are cumulative of all other rights which it may have by law or otherwise.

E. In the event that any controversy should arise among the parties with respect to the Escrow Agreement, or should the Escrow Agent resign and the parties fail to select another Escrow Agent to act in its stead, the Escrow Agent shall have the right to institute a bill of interpleader in any court of competent jurisdiction to determine the rights of the parties, in each case as of 5 business days after the date of the first written notice given to the parties in respect of the controversy or 5 business days after the date of resignation of the Escrow Agent.

2.3 **Compensation.** Escrow Agent shall be entitled to a set-up fee of US$10,000 and an additional fee of US$5,000 (per annum) as escrow responsibility fees as well as expenses incurred in connection with the performance by the Escrow Agent of services under this Escrow Agreement (including reasonable fees and expenses of Escrow Agent's counsel) and the Seller and the Purchaser jointly and severally agree to pay to the Escrow Agent such fees and reimburse Escrow Agent for reasonable costs and expenses. The Seller and the Purchaser agree to cause to be paid to the Escrow Agent an advance fee of US$15,000 within 14 business days after the closing of the Transaction in satisfaction of the set-up fee and the annual fee in respect of the first year of service.

2.4 **Indemnification.** Seller and the Purchaser hereby jointly and severally agree to indemnify and hold Escrow Agent, its affiliates and their officers, employees, successors, assigns, attorneys and agents (each an "Indemnified Party") harmless from all losses, costs, claims, demands, expenses, damages, penalties and attorney's fees suffered or incurred by any Indemnified Party or Escrow Agent as a result of anything which it may do or refrain from doing in connection with this Escrow Agreement or any litigation or cause of action arising from or in conjunction with this Escrow Agreement or involving the subject matter hereof, including, without limitation, arising out of the negligence (other than gross negligence) of Escrow Agent; provided that the foregoing indemnification shall not extend to fraud, dishonesty, the gross negligence or willful misconduct of Escrow Agent. Subject to the immediately preceding proviso, this indemnity shall include, but not be limited to, all costs incurred in conjunction with any interpleader which the Escrow Agent may enter into regarding this Escrow Agreement.

2.5 **Miscellaneous.**

A. Escrow Agent shall make no disbursement, investment or other use of the Escrow Shares and Accrued Dividends (if any).

B. Escrow Agent may resign by giving not fewer than 60 days written notice to Kaixin, Seller and the Purchaser, whereupon the Seller and the Purchaser will immediately appoint a successor Escrow Agent. Until a successor Escrow Agent has been named and accepts its appointment or until another disposition of the subject matter of this Escrow Agreement has been agreed upon by all parties hereto, Escrow Agent shall not be discharged of all of its duties hereunder.

C. All representations, covenants, and indemnifications contained in this Article II shall survive the termination of this Escrow Agreement.

ARTICLE III
GENERAL PROVISIONS

3.1 **Discharge of Escrow Agent.** Upon the release, transfer and/or delivery of all of the subject matter or monies pursuant to the terms of this Escrow Agreement, the duties of the Escrow Agent shall terminate and the Escrow Agent shall be discharged from any further obligation hereunder.

3.2 **Notice.** Any payment, notice, request for consent, report, or any other communication required or permitted in this Escrow Agreement shall be sent in writing, addressed as specified below, and shall be deemed given: (a) if by hand or recognized courier service, by 4:00PM on a business day, addressee's day and time, on the date of delivery, and otherwise on the first business day after such delivery; (b) if by fax or email, on the date that transmission is confirmed electronically, if by 4:00PM on a business day, addressee's day and time, and otherwise on the first business day after the date of such confirmation; or (c) five (5) days after mailing by certified or registered mail, return receipt requested. Notices shall be addressed to the respective parties as follows:

If to Escrow Agent:

Vistra Corporate Services (HK) Limited
19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong
Email: Joe.Cheung@vistra.com
Fax: (852) 2845-9198
Attn: Joe Cheung, Managing Director

If to Kaixin:

5/F, North Wing
18 Jiuxianqiao Middle Road,
Chaoyang District, Beijing 100016
People's Republic of China
Email: jintao.ren@renren-inc.com
Attn: Thomas Jintao Ren

With a copy to:

Simpson Thacher & Bartlett
35/F ICBC Tower
3 Garden Road, Central, Hong Kong
Email: clin@stblaw.com
Attn: Chris K.H. Lin

If to the Seller:

5/F, North Wing
18 Jiuxianqiao Middle Road,
Chaoyang District, Beijing 100016
People's Republic of China
Email: james.liu@renren-inc.com
Attn: James Jian Liu

With a copy to:

Skadden, Arps, Slate, Meagher & Flom
42/F, Edinburgh Tower, The Landmark
15 Queen's Road Central,
Hong Kong
Email: julie.gao@skadden.com; kenneth.chase@skadden.com
Attn: Z. Julie Gao and Kenneth W. Chase

If to the Purchaser:

Suite 1306, 13/F. AIA Central
1 Connaught Road, Central,
Hong Kong
Attn: Sing Wang, Anthony Ho and Adrian Cheung

Any party may unilaterally designate a different address by giving notice of each such change in the manner specified above to each other party. Notwithstanding the foregoing, no notice to the Escrow Agent shall be deemed given to or received by the Escrow Agent unless actually delivered to an officer of the Escrow Agent having responsibility under this Escrow Agreement. The Escrow Agent shall issue a written acknowledgment of receipt to the notice sender within two (2) business days after receipt of such notice.

3.4 Governing Law and Inurement. This Escrow Agreement shall be construed in accordance with and governed by the laws of the Hong Kong Special Administrative Region of the People's Republic of China and the courts thereof shall have non-exclusive jurisdiction to adjudicate all claims, actions or other proceedings relating to this Escrow Agreement. It shall inure to and be binding upon the parties hereto and their respective successors, heirs and assigns.

3.5 Construction. Words used in the singular number may include the plural and the plural may include the singular. The section headings appearing in this instrument have been inserted for convenience only and shall be given no substantive meaning or significance whatsoever in construing the terms and conditions of this Escrow Agreement.

3.5 Supremacy. Notwithstanding anything to the contrary in this Escrow Agreement, in the event of any conflict or inconsistency between this Escrow Agreement and the Share Exchange Agreement, the Share Exchange Agreement shall prevail.

3.6 Amendment. The terms of this Escrow Agreement may be altered, amended, modified or revoked only by an instrument in writing signed by the undersigned and Escrow Agent.

3.7 Force Majeure. Escrow Agent shall not be liable to the undersigned for any loss or damage arising out of any acts of God, strikes, equipment or transmission failure, war, terrorism, or any other act or circumstance beyond the reasonable control of Escrow Agent.

3.8 Written Agreement. This Escrow Agreement represents the final agreement between the parties, and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

3.9 No Partnership or Agency. None of the provisions of this Escrow Agreement shall be deemed to constitute or create any partnership or joint venture between the parties hereof and none of them shall have any authority to bind the other party in any way other than as expressly provided for herein.

3.10 No Third Party Beneficiaries. Nothing expressed or referred to in this Escrow Agreement is intended or will be construed to give any person other than the parties hereto and their respective successors and assigns any legal or equitable right, remedy or claim under or with respect to this Escrow Agreement, or any provision hereof, it being the intention of the parties hereto that this Escrow Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the parties to this Escrow Agreement and their respective successors and assigns. A person, including but not limited to any Investors, who is not a party to this Escrow Agreement shall not have any rights under the Contracts (Rights of Third Parties) Ordinance (Cap 623) to enforce any term of this Escrow Agreement.

3.11 Counterparts. This Escrow Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. This Escrow Agreement may be executed and delivered by facsimile, PDF, electronic signatures or other means of electronic transmission and such execution and delivery shall be deemed to have the same legal effect as delivery of an original signed copy of this Escrow Agreement and deemed to be valid and enforceable against the parties hereof.

The Seller:

By: _____
Name: _____
Title: _____

The Purchaser:

By: _____
Name: _____
Title: _____

The Escrow Agent, hereby accepts its appointment as Escrow Agent as described in the foregoing Escrow Agreement, subject to the terms and conditions set forth therein.

The Escrow Agent:

By: _____
Name: _____
Title: _____

SCHEDULE A

AUTHORIZED SIGNATORIES

SCHEDULE B

NOTICE

Pursuant to that certain Escrow Agreement dated and effective as of _____ made between the Seller, the Purchaser and the Escrow Agent:

The undersigned Purchaser and Seller hereby jointly request the release and transfer of the Escrow Shares and the Accrued Dividends (if applicable) in the amount and manner described below.

Please release and transfer to the below Recipient:

_____

Amount of Escrow Shares to release and transfer:

_____

Amount of dividends to release and transfer:

_____(if any)

IN WITNESS WHEREOF: the parties hereto have executed this Notice in multiple counterparts, each of which is and shall be considered an original for all intents and purposes, effective as of the date first written above.

PURCHASER:
Authorized Signatory

By: _____

Name: _____

Title: _____

Date: _____

SELLER:
Authorized Signatory

By: _____

Name: _____

Title: _____

Date: _____

Exhibit 10.29

KAIXIN AUTO GROUP

2018 Equity Incentive Plan

The Kaixin Auto Group 2018 Equity Incentive Plan (the ***"Plan"***) was adopted by the Sole Director of Kaixin Auto Group, an exempted company with limited liability incorporated in Cayman Islands (the ***"Company"***) under the applicable laws and regulations of that jurisdiction.

ARTICLE 1
PURPOSE

The purpose of the Plan is to foster and promote the long-term financial success of the Company and its Subsidiaries and materially increase the value of the Company and its Subsidiaries by (a) encouraging the long-term commitment of the Employees, Consultants, and Outside Directors of the Company and its Subsidiaries; (b) motivating performance of the Employees, Consultants, and Outside Directors of the Company and its Subsidiaries by means of long-term performance related incentives; (c) encouraging and providing Employees, Consultants, and Outside Directors of the Company and its Subsidiaries with an opportunity to obtain an ownership interest in the Company; (d) attracting and retaining outstanding Employees, Consultants, and Outside Directors by providing incentive compensation opportunities; and (e) enabling participation by Employees, Consultants, and Outside Directors in the long-term growth and financial success of the Company and its Subsidiaries.

ARTICLE 2
DEFINITIONS

For the purpose of the Plan, unless the context requires otherwise, the following term shall have the meanings indicated:

"Award" means the grant of any Incentive Share Option, Nonqualified Share Option, or Restricted Shares Whether granted singly or in combination (each individually referred to herein as an ***"Incentive"***).

"Award Agreement" means a written agreement between a Participant and the Company which sets out the terms of the grant of an Award.

"Award Period" means the period set forth in the Award Agreement with respect to a Share Option during which the Share Option may be exercised, which shall commence on the Date of Grant and expire at the time set forth in the Award Agreement.

"Board" means the board of directors of the Company at a time when there are at least two (2) directors serving at the same time or the Sole Director at a time when there is only one (1) director serving.

"Change of Control" means any of the following: (i) Continuing Directors cease to constitute at least fifty percent (50%) of the members of the Board; (ii) the shareholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company; (iii) any consolidation, merger or share exchange of the Company in which the Company is not the continuing or surviving corporation or pursuant to which the Company's Ordinary Shares would be converted into cash, securities or other property; or (iv) any sale, lease, exchange or other transfer (excluding transfer by way of pledge or hypothecation) in one transaction or a series of related transactions, of all or substantially all of the assets of the Company; *provided, however,* that a transaction described in clause (iii) or (iv) shall not constitute a Change in Control hereunder if after such transaction (I) Continuing Directors constitute at least fifty percent (50%) of the members of the Board of Directors of the continuing, surviving or acquiring entity, as the case may be or, if such entity has a parent entity directly or indirectly holding at least a majority of the voting power of the voting securities of the continuing, surviving or acquiring entity, Continuing Directors constitute at least fifty percent (50%) of the members of the Board of Directors of the entity that is the ultimate parent of the continuing, surviving or acquiring entity, and (II) the continuing, surviving or acquiring entity (or the ultimate parent of such continuing, surviving or acquiring entity) assumes all outstanding Share Options granted under this Plan.

"Code" means the United States Internal Revenue Code of 1986, as amended.

"Committee" means the committee appointed or designated by the Board to administer the Plan in accordance with Article 3 of this Plan or, in the case no such committee is appointed, the Board.

"Company" means Kaixin Auto Group, an exempted company with limited liability incorporated in Cayman Islands (the **"**Company") under the applicable laws and regulations of that jurisdiction, and any successor entity.

"Consultant" means any person performing advisory or consulting services for the Company or a Subsidiary, with or without compensation, to whom the Company chooses to grant an Award in accordance with the Plan, *provided that bona fide* services must be rendered by such person and such services shall not be rendered in connection with the offer or sale of securities in a capital raising transaction.

"Continuing Director(s)" means the Sole Director at the date of this Plan or Board members who (x) at the date of this Plan were directors or (y) become directors after the date of this Plan and whose election or nomination for election by the Company's shareholders was approved by a vote of a majority of the directors then in office who were directors at the date of this Plan or whose election or nomination for election was previously so approved.

"Corporation" means any entity that (i) is defined as a corporation under Code Section 7701 and (ii) is the Company or is in an unbroken chain of corporations (other than the Company) beginning with the Company, if each of the corporations other than the last corporation in the unbroken chain owns shares possessing a majority of the total combined voting power of all classes of shares in one of the other corporations in the chain. For purposes of clause (ii) hereof, an entity shall be treated as a Corporation if it satisfies the definition of a corporation under Section 7701 of the Code.

"Date of Grant" means the effective date on which an Award is made to a Participant as set forth in the applicable Award Agreement.

"Employee" means common law employee (as defined in accordance with the Regulations and Revenue Rulings then applicable under Section 3401(c) of the Code) of the Company or any Subsidiary of the Company.

"Equity Securities" means the Ordinary Shares, the Preferred Shares, any securities having voting rights in the election of the Board not contingent upon default, any securities evidencing an ownership interest in the Company, any securities convertible into or exercisable for any shares of the foregoing, and any agreement or commitment to issue any of the foregoing.

"Fair Market Value" means, as of a particular date, (a) if the Ordinary Shares are listed on a national securities exchange, the closing sales price per Ordinary Share on the consolidated transaction reporting system for the principal securities exchange for the Ordinary Shares on that date, or, if there shall have been no such sale so reported on that date, on the last preceding date on which such a sale was so reported, (b) if the Ordinary Shares are not so listed or quoted, such amount as may be determined by the Committee (acting on the advice of an Independent Third Party, should the Board elect in its sole discretion to utilize an Independent Third Party for this purpose), in good faith, to be the fair market value per share of Ordinary Shares.

"Incentive Share Option" means an incentive stock option within the meaning of Section 422 of the Code, granted pursuant to this Plan.

"Independent Third Party" means an individual or entity independent of the Company having experience in providing investment banking or similar appraisal or valuation services and with expertise generally in the valuation of securities or other property for purposes of this Plan. The Board may utilize one or more Independent Third Parties.

"Nonpublicly Traded" means not listed on a national securities exchange.

"Nonqualified Share Option" means a stock option granted pursuant to this Plan which does not satisfy the requirements of Section 422 of the Code.

"Option Price" means the price which must be paid by a Participant upon exercise of a Share Option to purchase one Ordinary Share.

"Ordinary Share" means the Ordinary Shares which the Company is currently authorized to issue or may in the future be authorized to issue, or any securities into which or for which the Ordinary Shares of the Company may be converted or exchanged, as the case may be, pursuant to the terms of this Plan.

"Outside Director" means a director of the Company who is not an Employee.

"Participant" shall mean an Employee, Consultant, or Outside Director of the Company or a Subsidiary to whom an Award is granted under this Plan.

"Permitted Transferee" means a Shareholder who acquires shares through one or more of the following transfers: (a) any transfer of Equity Securities by a Shareholder to such Shareholders' Relative or to a trust for their benefit, *provided that* all of the beneficial interests in such trust are owned or controlled by such Shareholder; (b) any transfer of Equity Securities by a Shareholder to its Affiliate.

"Plan" means this Kaixin Auto Group 2018 Equity Incentive Plan, as amended from time to time.

"PRC" *means* the People's Republic of China and, for the purposes of this Plan only, excludes the Special Administrative Region of Hong Kong, the Special Administrative Region of Macau, and Taiwan area.

"Relative" *of* a natural person means any spouse of such person and any parent, child, grandparent, grandchild, sibling, uncle, aunt, nephew, niece or great-grandparent of such person or such spouse.

"Restricted Share" means Ordinary Shares issued or transferred to a Participant pursuant to Section 6.5 of this Plan which are subject to restrictions or limitations set forth in this Plan and in the related Award Agreement.

"Retirement" means any Termination of Service solely due to retirement upon or after attainment of age sixty-five (65), or permitted early retirement as determined by the Committee.

"Share Option" means a Nonqualified Share Option or an Incentive Share Option.

"Sole Director" means the director of the Company when there is only one director serving at any given time.

"Subsidiary" means (i) any Corporation (as defined herein), (ii) any limited partnership, if the Company or any Corporation owns a majority of the general partnership interest and a majority of the limited partnership interests entitled to vote on the removal and replacement of the general partner, and (iii) any partnership or limited liability company, if the partners or members thereof are composed only of the Company, any Corporation or any limited partnership listed in item (ii) above. ***"Subsidiaries"*** means more than one of any such Corporations, limited partnerships, partnerships or limited liability companies.

"Termination of Service" occurs when a Participant who is an Employee or a Consultant of the Company or any Subsidiary shall cease to serve as an Employee or Consultant of the Company and its Subsidiaries, for any reason; or, when a Participant who is an Outside Director of the Company or a Subsidiary shall cease to serve as a director of the Company and its Subsidiaries for any reason.

"Total and Permanent Disability" means a Participant is qualified for long-term disability benefits under the Company's or Subsidiary's disability plan or insurance policy; or, if no such plan or policy is then in existence or if the Participant is not eligible to participate in such plan or policy, that the Participant, because of ill health, physical or mental disability or any other reason beyond his or her control, is unable to perform his or her duties of employment for a period of six (6) continuous months, as determined in good faith by the Committee; *provided that,* with respect to any Incentive Share Option, Total and Permanent Disability shall have the meaning given it under the rules governing incentive stock options under the Code.

ARTICLE 3
ADMINISTRATION

Subject to the terms of this Article 3, the Plan shall be administered by the Sole Director or the Board as the case may be, or by such committee of the Board as is designated by resolution of the Board to administer the Plan (the ***"Committee"***).

The Committee shall consist of not fewer than two (2) persons. Any member of the Committee may be removed at any time, with or without cause, by resolution of the Board. Any vacancy occurring in the membership of the Committee may be filled by appointment by the Board. At any time there is no Committee to administer the Plan, any references in this Plan to the Committee shall be deemed to refer to the Sole Director or the Board as the case may be at that time.

The Committee shall select one of its members to act as its Chairman. A majority of the Committee shall constitute a quorum, and the act of a majority of the members of the Committee present at a meeting at which a quorum is present shall be the act of the Committee.

The Committee shall determine and designate from time to time the eligible persons to whom Awards will be granted and shall set forth in each related Award Agreement, where applicable, the Award Period, the Date of Grant, and such other terms, provisions, limitations, and performance requirements, as are approved by the Committee, but not inconsistent with the Plan. The Committee shall determine whether an Award shall include one type of Incentive or two or more Incentives granted in combination. All decisions with respect to any Award, and the terms and conditions thereof, to be granted under the Plan to any member of the Committee shall be made solely and exclusively by the other members of the Committee, or if such member is the only member of the Committee, by the Board.

The Committee, in its discretion, shall (i) interpret the Plan, (ii) prescribe, amend, and rescind any rules and regulations necessary or appropriate for the administration of the Plan, (iii) establish performance goals for an Award and certify the extent of their achievement, (iv) make such other determinations or certifications and take such other action as it deems necessary or advisable in the administration of the Plan and (v) implement any procedures or steps or additional or different requirements as may be necessary to comply with any relevant laws of the PRC that may be applicable to this Plan, any Award pursuant to this Plan or any related documents, including but not limited to foreign exchange laws, tax laws and securities law of the PRC. Any interpretation, determination, or other action made or taken by the Committee shall be final, binding, and conclusive on all interested parties.

The Committee may delegate to officers of the Company, pursuant to a written delegation, the authority to perform specified functions under the Plan. Any actions taken by any officers of the Company pursuant to such written delegation of authority shall be deemed to have been taken by the Committee.

ARTICLE 4
ELIGIBILITY

Any Employee (including an Employee who is also a director or an officer), Outside Director, or Consultant of the Company whose judgment, initiative, and efforts contributed or may be expected to contribute to the successful performance of the Company is eligible to participate in the Plan; *provided that* only Employees of a Corporation shall be eligible to receive Incentive Share Options.

The Committee, upon its own action, may grant, but shall not be required to grant, an Award to any Employee, Outside Director, or Consultant of the Company or any Subsidiary. Awards may be granted by the Committee at any time and from time to time to new Participants, or to then Participants, or to a greater or lesser number of Participants, and may include or exclude previous Participants, as the Committee shall determine.

Except as required by this Plan, Awards granted at different times need not contain similar provisions. The Committee's determinations under the Plan (including without limitation determinations of Which Employees, Outside Directors, or Consultants, if any, are to receive Awards; the form, amount and timing of such Awards, the terms and provisions of such Awards and the agreements evidencing same) need not be uniform and may be made by it selectively among Participants who receive, or are eligible to receive, Awards under the Plan.

ARTICLE 5
SHARES SUBJECT TO PLAN

5.1 ***Number Available for Awards.*** Subject to adjustment as provided in Articles 11 and 12 hereof, the maximum number of Ordinary Shares that may be delivered pursuant to Awards granted under this Plan is 40,000,000. As required under U.S. Treasury Regulation Section 1.422-2(b)(3)(i), in no event will the number of Ordinary Shares that may be delivered pursuant to Incentive Share Options granted under this Plan exceed 40,000,000.

Shares to be issued may be made available from authorized but unissued Ordinary Shares, Ordinary Shares held by the Company in its treasury, or Ordinary Shares purchased by the Company on the open market or otherwise. During the term of this Plan, the Company will at all times reserve and keep available the number of Ordinary Shares that shall be sufficient to satisfy the requirements of this Plan.

5.2 ***Reuse of Shares.*** Subject to Section 5.2(c) of this Plan, if, and to the extent:

(a) A Share Option shall expire or terminate for any reason without having been exercised in full, or in the event that a Share Option is exercised or settled in a manner such that some or all of the Ordinary Shares relating to the Share Option are not issued to the Participant (or beneficiary) (including as the result of the use of shares for withholding taxes), the Ordinary Shares subject thereto which have not become issued and outstanding shall (unless the Plan shall have sooner terminated) become available for issuance under the Plan; in addition, with respect to any share-for-share exercise or cashless exercise pursuant to Section 8.3 of this Plan or otherwise, only the *"net"* shares issued shall be deemed to have become issued and outstanding for purposes of the Plan as a result thereof.

(b) If Restricted Shares under the Plan are repurchased for any reason, such Restricted Shares shall (unless the Plan shall have sooner terminated) become available for issuance under the Plan; *provided, however,* that if any dividends paid with respect to Restricted Shares were paid to the Participant prior to the repurchase thereof, such shares shall not be reused for grants or awards.

(c) In no event shall the number of Ordinary Shares subject to Incentive Share Options exceed, in the aggregate, twenty percent (20%) of the authorized Ordinary Shares plus shares subject to Incentive Share Options which are forfeited or terminated, or expire unexercised.

ARTICLE 6
GRANT OF AWARDS

6.1 ***In General.*** The Company shall execute an Award Agreement with a Participant after the Committee approves the issuance of an Award. Any Award granted pursuant to this Plan must be granted within ten (10) years after the date of adoption of this Plan. The Plan shall be submitted to the Company's shareholders for approval; however, the Committee may grant Awards under the Plan prior to the time of shareholder approval. Any such Award granted prior to such shareholder approval shall be made subject to such shareholder approval. The grant of an Award to a Participant shall not be deemed either to entitle the Participant to, or to disqualify the Participant from, receipt of any other Award under the Plan.

6.2 ***Share Options.*** The grant of an Award of Share Options shall be authorized by the Committee and shall be evidenced by an Award Agreement setting forth: (i) the Incentive or Incentives being granted, (ii) the total number of Ordinary Shares subject to the lncentive(s), (iii) the Option Price, (iv) the Award Period, (v) the Date of Grant, and (vi) such other terms, provisions, limitations, and performance objectives, as are approved by the Committee, but not inconsistent with the Plan.

6.3 ***Option Price.*** The Option Price for any Ordinary Shares which may be purchased under a Nonqualified Share Option for any Ordinary Shares may be less than, equal to, or greater than the Fair Market Value of the share on the Date of Grant.

The Option Price for any Ordinary Shares which may be purchased under an Incentive Share Option must be at least equal to the Fair Market Value of the share on the Date of Grant. If an Incentive Share Option is granted to an Employee who owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than ten percent (10%) of the combined voting power of all classes of shares of the Company (or any parent or Subsidiary), the Option Price shall be at least 110% of the Fair Market Value of the Ordinary Shares on the Date of Grant.

Notwithstanding the foregoing, the Option Price for any Ordinary Shares which may be purchased under any Share Option shall not be less than the par value of the Ordinary Shares.

6.4 ***Maximum Incentive Share Option Grants.*** The Committee may not grant Incentive Share Options under the Plan to any Employee which would permit the aggregate Fair Market Value (determined on the Date of Grant) of the Ordinary Shares with respect to which Incentive Share Options (under this and any other plan of the Company and its Subsidiaries) are exercisable for the first time by such Employee during any calendar year to exceed $100,000. To the extent any Share Option granted under this Plan which is designated as an Incentive Share Option exceeds this limit or otherwise fails to qualify as an Incentive Share Option, such Share Option (or any such portion thereof) shall be a Nonqualified Share Option. In such case, the Committee shall designate which shares will be treated as Incentive Share Option shares by causing the issuance of a separate share certificate and identifying such shares as Incentive Share Option shares on the Company's share transfer records.

6.5 ***Restricted Shares.*** If Restricted Shares are granted to or received by a Participant under an Award (including a Share Option), the Committee shall set forth in the related Award Agreement: (i) the number of Ordinary Shares awarded, (ii) the price, if any, to be paid by the Participant for such Restricted Shares, (iii) the time or times within which such Award may be subject to repurchase, (iv) specified performance goals of the Company, a Subsidiary, any division thereof or any group of Employees of the Company, or other criteria, which the Committee determines must be met in order to remove any restrictions (including vesting) on such Award, and (v) all other terms, limitations, restrictions, and .conditions of the Restricted Shares, which shall be consistent with this Plan. The provisions of Restricted Shares need not be the same with respect to each Participant. If the Committee establishes a purchase price for an Award of Restricted Shares, the Participant must accept such Award within a period of thirty (30) days (or such shorter period as the Committee may specify) after the Date of Grant by executing the applicable Award Agreement and paying such purchase price.

(a) Legend on Shares. Each Participant who is awarded or receives Restricted Shares shall be issued a share certificate or certificates in respect of such Ordinary Shares. Such certificate(s) shall be registered in the name of the Participant, and shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Shares, substantially as provided in Section 15.11 of the Plan.

The Committee may require that the share certificates evidencing Restricted Shares be held in custody by the Company until the restrictions thereon shall have lapsed.

(b) Restrictions and Conditions. Restricted Shares shall be subject to the following restrictions and conditions:

(i) Subject to the other provisions of this Plan and the terms of the particular Award Agreements, during such period as may be determined by the Committee commencing on the Date of Grant or the date of exercise of an Award (the ***"Restriction Period"***), the Participant shall not be permitted to sell, transfer, pledge or assign Restricted Shares. Except for these limitations, the Committee may in its sole discretion, remove any or all of the restrictions on such Restricted Shares whenever it may determine that, by reason of changes in applicable laws or other changes in circumstances arising after the date of the Award, such action is appropriate.

(ii) Except as provided in sub-paragraph (i) above or in the applicable Award Agreement, the Participant shall have, with respect to his or her Restricted Shares, all of the rights of a shareholder of the Company, including the right to vote the shares and the right to receive any dividends thereon. Certificates for Ordinary Shares free of restriction under this Plan shall be delivered to the Participant promptly after, and only after, the Restriction Period shall expire without repurchase in respect of such Ordinary Shares. Certificates for the Ordinary Shares repurchased under the provisions of the Plan and the applicable Award Agreement shall be promptly returned to the Company by the Participant. Each Award Agreement shall require that (x) each Participant, by his or her acceptance of Restricted Shares, shall irrevocably grant to the Company a power of attorney to consent to the repurchase of any shares to the Company and agrees to execute any documents requested by the Company in connection with such repurchase, and (y) such provisions regarding returns and transfers of share certificates with respect to repurchased Ordinary Shares shall be specifically performable by the Company in a court of equity or law.

(iii) The Restriction Period of Restricted Shares shall commence on the Date of Grant or the date of exercise of an Award, as specified in the Award Agreement, and, subject to Article 12 of the Plan, unless otherwise established by the Committee in the Award Agreement setting forth the terms of the Restricted Shares, shall expire upon satisfaction of the conditions set forth in the Award Agreement; such conditions may provide for vesting based on (i) length of continuous service, (ii) achievement of specific business objectives, (iii) increases in specified indices, (iv) attainment of specified growth rates, or (v) other comparable measurements of Company performance, as may be determined by the Committee in its sole discretion.

(iv) Except as otherwise provided in the particular Award Agreement, upon Termination of Service for any reason during the Restriction Period, the non-vested Restricted Shares shall be repurchased by the Company from the Participant. In the event a Participant has paid any consideration to the Company for such repurchased Restricted Shares, the Committee shall specify in the Award Agreement that either (i) the Company shall be obligated to, or (ii) the Company may, in its sole discretion, elect to pay to the Participant, as soon as practicable after the event causing repurchase, in cash an amount equal to the lesser of the total consideration paid by the Participant for such repurchased shares or the. Fair Market Value of such repurchased shares as of the date of Termination of Service, as the Committee in its sole discretion shall select. Upon any repurchase, all rights of a Participant with respect to the repurchased Restricted Shares shall cease and terminate, without any further obligation on the part of the Company.

6.6 ***Maximum Individual Grants.*** No Participant may receive during any fiscal year of the Company Awards covering an aggregate of more than one percent (1%) of the authorized Ordinary Shares.

ARTICLE 7
AWARD PERIOD; VESTING

7.1 ***Award Period.***

(a) Subject to the other provisions of this Plan, the Committee shall specify in the Award Agreement the Award Period for a Share Option. No Share Option granted under the Plan may be exercised at any time after the end of its Award Period. The Award Period for any Share Option shall be no more than ten (10) years from the Date of Grant of the Share Option. However, if an Employee owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than ten percent (10%) of the combined voting power of all classes of shares of the Company (or any parent or Subsidiary) and an Incentive Share Option is granted to such Employee, the Award Period of such Incentive Share Option (to the extent required by the Code at the time of grant) shall be no more than five (5) years from the Date of Grant.

(b) In the event of Termination of Service of a Participant, the Award Period for a Share Option shall be reduced or terminated in accordance with the Award Agreement.

7.2 ***Vesting.*** The Committee, in its sole discretion, may determine that an Incentive will be immediately vested in whole or in part, or that all or any portion may not be vested until a date, or dates, subsequent to its Date of Grant, or until the occurrence of one or more specified events, subject in any case to the terms of the Plan. If the Committee imposes conditions upon vesting, then, subsequent to the Date of Grant, the Committee may, in its sole discretion, accelerate the date on which all or any portion of the Incentive may be vested.

ARTICLE 8
EXERCISE OF INCENTIVE

8.1 ***In General.*** The Committee, in its sole discretion, may determine that a Share Option will be immediately exercisable, in whole or in part, or that all or any portion may not be exercised until a date, or dates, subsequent to its Date of Grant, or until the occurrence of one or more specified events, subject in any case to the terms of the Plan. If a Share Option is exercisable prior to the time it is vested, the Ordinary Shares obtained on the exercise of the Share Option shall be Restricted Shares which is subject to the applicable provisions of the Plan and the Award Agreement. If the Committee imposes conditions upon exercise; then subsequent to the Date of Grant, the Committee may, in its sole discretion, accelerate the date on which all or any portion of the Share Option may be exercised. No Share Option may be exercised for a fractional Ordinary Share. The granting of a Share Option shall impose no obligation upon the Participant to exercise that Share Option.

8.2 ***Securities Law and Exchange Restrictions.*** In no event may an Incentive be exercised or Ordinary Shares be issued pursuant to an Award if a necessary listing or quotation of the Ordinary Shares on a stock exchange or inter-dealer quotation system or any registration under state or federal securities laws required under the circumstances has not been accomplished.

8.3 ***Exercise of Share Option.***

(a) Notice and Payment. Subject to such administrative regulations as the Committee may from time to time adopt, a Share Option may be exercised by the delivery of written notice to the Committee setting forth the number of Ordinary Shares with respect to which the Share Option is to be exercised and the date of exercise thereof (the ***"Exercise Date"***), which shall be at least three (3) days after giving such notice unless an earlier time shall have been mutually agreed upon.

On the Exercise Date, the Participant shall deliver to the Company consideration with a value equal to the total Option Price of the shares to be purchased, payable in any one of the following methods: (a) cash, check, bank draft, or money order payable to the order of the Company, (b) the surrender of Ordinary Shares (including Restricted Shares) owned by the Participant on the Exercise Date, valued at their Fair Market Value on the Exercise Date, and which the Participant has not acquired from the Company within six (6) months prior to the Exercise Date, (c) if the Ordinary Shares are no longer Nonpublicly Traded, by delivery (including by FAX) to the Company or its designated agent of an executed irrevocable option exercise form together with irrevocable instructions from the Participant to a broker or dealer, reasonably acceptable to the Company, to sell certain of the Ordinary Shares purchased upon exercise of the Share Option or to pledge such shares as collateral for a loan and promptly deliver to the Company the amount of sale or loan proceeds necessary to pay such purchase price, and/or (d) in any other form of valid consideration that is acceptable to the Committee in its sole discretion.

In the event that Restricted Shares are tendered as consideration for the exercise of a Share Option, a number of Ordinary Shares issued upon the exercise of the Share Option equal to the value of Restricted Shares used as consideration therefor shall be subject to the same restrictions and provisions as the Restricted Shares so tendered.

The Committee may take all actions necessary to alter the method of exercise of the Share Option and the exchange and transmittal of proceeds with respect to Participants who are residents in the PRC in order to comply with applicable PRC foreign exchange and tax regulations and any other applicable PRC laws and regulations.

(b) Issuance of Certificate. Except as otherwise provided in Section 6.5 hereof (with respect to Restricted Shares) or in the applicable Award Agreement; upon payment of all amounts due from the Participant, the Company shall cause certificates for the Ordinary Shares then being purchased to be delivered as directed by the Participant (or the person exercising the Participant's Share Option in the event of his death) at its principal business office promptly after the Exercise Date; *provided that* if the Participant has exercised an Incentive Share Option, the Company may at its option retain physical possession of the certificate evidencing the shares acquired upon exercise until the expiration of the holding periods described in Section 422(a)(1) of the Code.

The obligation of the Company to deliver Ordinary Shares shall, however, be subject to the condition that, if at any time the Committee shall determine in its discretion that the listing, registration, or qualification of the Share Option or the Ordinary Shares upon any securities exchange or inter-dealer quotation system or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the Share Option or the issuance or purchase of Ordinary Shares thereunder, the Share Option may not be exercised in whole or in part unless such listing, registration, qualification, consent, or approval shall have been effected or obtained free of any conditions not reasonably acceptable to the Committee.

(c) Failure to Pay. If the Participant fails to pay for any of the Ordinary Shares specified in such notice or fails to accept delivery thereof, the Participant's Share Option and right to purchase such Ordinary Shares may be forfeited by the Company.

8.4 ***Disqualifying Disposition of Incentive Share Option.*** If Ordinary Shares acquired upon exercise of an Incentive Share Option are disposed of by a Participant prior to the expiration of either two (2) years from the Date of Grant of such Share Option or one (1) year from the transfer of Ordinary Shares to the Participant pursuant to the exercise of such Share Option, or in any other disqualifying disposition within the meaning of Section 422 of the Code, such Participant shall notify the Company in writing of the date and terms of such disposition. A disqualifying disposition by a Participant shall not affect the status of any other Share Option granted under the Plan as an incentive stock option within the meaning of Section 422 of the Code.

ARTICLE 9
AMENDMENT OR DISCONTINUANCE

Subject to the limitations set forth in this Article 9, the Board may at any time and from time to time, without the consent of the Participants, alter, amend, revise, suspend, or discontinue the Plan in whole or in part; *provided, however,* that no amendment which requires shareholder approval in order for the Plan and Incentives awarded under the Plan to continue to comply with Sections 162(m), 421, and 422 of the Code, including any successors to such Sections, shall be effective unless such amendment shall be approved by the requisite vote of the shareholders of the Company entitled to vote thereon. Any such amendment shall, to the extent deemed necessary or advisable by the Committee, be applicable to any outstanding Incentives theretofore granted under the Plan, notwithstanding any contrary provisions contained in any Award Agreement. In the event of any such amendment to the Plan, the holder of any Incentive outstanding under the Plan shall, upon request of the Committee and as a condition to the exercisability thereof, execute a conforming amendment in the form prescribed by the Committee to any Award Agreement relating thereto. Notwithstanding anything contained in this Plan to the contrary, unless required by law, no action contemplated or permitted by this Article 9 shall adversely affect any rights of Participants or obligations of the Company to Participants with respect to any Incentive theretofore granted under the Plan without the consent of the affected Participant.

ARTICLE 10
TERM

The Plan shall be effective from the date that this Plan is approved by the Board. Unless sooner terminated by action of the Board, the Plan will terminate on February 1, 2028, but Incentives granted before that date will continue to be effective in accordance with their terms and conditions.

ARTICLE 11
CAPITAL ADJUSTMENTS

In the event that the Committee shall determine that any dividend or other distribution (whether in the form of cash, Ordinary Shares, other securities, or other property), recapitalization, stock split, reverse stock split, rights offering, reorganization, merger, consolidation, split-up, spin-off, split-off, combination, subdivision, repurchase, or exchange of Ordinary Shares or other securities of the Company, issuance of warrants or other rights to purchase Ordinary Shares or other securities of the Company, or other similar corporate transaction or event affects the Ordinary Shares such that an adjustment is determined by the Committee to be appropriate to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee shall, in such manner as it may deem equitable, adjust any or all of the (i) the number of shares and type of Ordinary Shares (or the securities or property) which thereafter may be made the subject of Awards, (ii) the number of shares and type of Ordinary Shares (or other securities or property) subject to outstanding Awards,(iii) the number of shares and type of Ordinary Shares (or other securities or property) specified as the annual per-participant limitation under Section 6.6 of the Plan, (iv) the number of shares and type of Ordinary Shares (or other securities or property) specified as the annual per-participant limitation under Section 6.6 of the Plan, (v) the Option Price of each outstanding Award, and (v) the amount, if any, the Company pays for forfeited Ordinary Shares in accordance with Section 6.5; *provided, however,* that the number of Ordinary Shares (or other securities or property) subject to any Award shall always be a whole number. In lieu of the foregoing, if deemed appropriate, the Committee may make provision for a cash payment to the holder of an outstanding Award.

Notwithstanding the foregoing, no such adjustment or cash payment shall be made or authorized to the extent that such adjustment or cash payment would cause the Plan or any Share Option to violate Section 422 of the Code. Such adjustments shall be made in accordance with the rules of any securities exchange, stock market, or stock quotation system to which the Company is subject.

Upon the occurrence of any such adjustment or cash payment, the Company shall provide notice to each affected Participant of its computation of such adjustment or cash payment which shall be conclusive and shall be binding upon each such Participant.

ARTICLE 12
RECAPITALIZATION, MERGER AND CONSOLIDATION

12.1 ***No Effect on Company's Authority.*** The existence of this Plan and Incentives granted hereunder shall not affect in any way the right or power of the Company or its shareholders to make or authorize any or all adjustments, recapitalizations, reorganizations, or other changes in the Company's capital structure and its business, or any merger or consolidation of the Company, or any issuance of bonds, debentures, preferred or preference shares ranking prior to or otherwise affecting the Ordinary Shares or the rights thereof (or any rights, options, or warrants to purchase the same), or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

12.2 ***Conversion of Incentives Where Company Survives.*** Subject to any required action by the shareholders, if the Company shall be the surviving or resulting corporation in any merger, consolidation or share exchange, any Incentive granted hereunder shall pertain to and apply to the securities or rights (including cash, property, or assets) to which a holder of the number of Ordinary Shares subject to the Incentive would have been entitled.

12.3 ***Exchange or Cancellation of Incentives Where Company Does Not Survive.*** In the event of any merger, consolidation or share exchange pursuant to which the Company is not the surviving or resulting corporation, there shall be substituted for each Ordinary Share subject to the unexercised portions of outstanding Share Options, that number of shares of each class of shares or other securities or that amount of cash, property, or assets of the surviving, resulting or consolidated company which were distributed or distributable to the shareholders of the Company in respect to each Ordinary Share held by them, such outstanding Share Options to be thereafter exercisable for such shares, securities, cash, or property in accordance with their terms.

Notwithstanding the foregoing, however, all Share Options may be canceled by the Company as of the effective date of any such reorganization, merger, consolidation, or share exchange, or any dissolution or liquidation of the Company, by giving notice to each holder thereof or his personal representative of its intention to do so and by permitting the purchase during the thirty (30) day period next preceding such effective date of all of the Ordinary Shares (whether or not vested) subject to such outstanding Share Options.

ARTICLE 13
LIQUIDATION OR DISSOLUTION

Subject to Section 12.3 hereof, in case the Company shall, at any time while any Incentive under this Plan shall be in force and remain unexpired, (i) sell all or substantially all of its property, or (ii) dissolve, liquidate, or wind up its affairs, then each Participant shall be entitled to receive, in lieu of each Ordinary Share of the Company which such Participant would have been entitled to receive under the Incentive, the same kind and amount of any securities or assets as may be issuable, distributable, or payable upon any such sale, dissolution, liquidation, or winding up with respect to each Ordinary Share of the Company.

If the Company shall, at any time prior to the expiration of any Incentive, make any partial distribution of its assets, in the nature of a partial liquidation, whether payable in cash or in kind (but excluding the distribution of a cash dividend payable out of earned surplus and designated as such) then in such event the Option Prices then in effect with respect to each Share Option shall be reduced, on the payment date of such distribution, in proportion to the percentage reduction in the tangible book value of the Company's Ordinary Shares (determined in accordance with generally accepted accounting principles) resulting by reason of such distribution.

ARTICLE 14
INCENTIVES IN SUBSTITUTION FOR INCENTIVES GRANTED BY OTHER ENTITIES

Incentives may be granted under the Plan from time to time in substitution for similar instruments held by employees or directors of a corporation, partnership, or limited liability company who become or are about to become Employees or Outside Directors of the Company or any Subsidiary as a result of a merger or consolidation of the employing corporation with the Company, the acquisition by the Company of equity of the employing entity, or any other similar transaction pursuant to which the Company becomes the successor employer. The terms and conditions of the substitute Incentives so granted may vary from the terms and conditions set forth in this Plan to such extent as the Committee at the time of grant may deem appropriate to conform, in whole or in part, to the provisions of the Incentives in substitution for which they are granted.

ARTICLE 15
MISCELLANEOUS PROVISIONS

15.1 ***Investment Intent.*** The Company may require that there be presented to and filed with it by any Participant under the Plan, such evidence as it may deem necessary to establish that the Incentives granted or the Ordinary Shares to be purchased or transferred are being acquired for investment and not with a view to their distribution.

15.2 ***Nonpublicly Traded Ordinary Shares.*** In the event a Participant receives, as Restricted Shares or pursuant to the exercise of a Share Option, Ordinary Shares that are Nonpublicly Traded (as defined herein), the Committee may impose restrictions and conditions on the transfer or other disposition of those shares. The restrictions and conditions may be reflected in the Award Agreement or in a separate shareholders' agreement.

15.3 ***No Right to Continued Employment.*** Neither the Plan nor any Incentive granted under the Plan shall confer upon any Participant any right with respect to continuance of employment by the Company or any Subsidiary.

15.4 ***Indemnification of Board and Committee.*** No member of the Board or the Committee, nor any officer or Employee of the Company acting on behalf of the Board or the Committee, shall be personally liable for any action, determination, or interpretation taken or made in good faith with respect to the Plan, and all members of the Board and the Committee, each officer of the Company, and each Employee of the Company acting on behalf of the Board or the Committee shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination, or interpretation.

15.5 ***Effect of the Plan*****.** Neither the adoption of this Plan nor any action of the Board or the Committee shall be deemed to give any person any right to be granted an Award or any other rights except as may be evidenced by an Award Agreement, or any amendment thereto, duly authorized by the Committee and executed on behalf of the Company, and then only to the extent and upon the terms and conditions expressly set forth therein.

15.6 ***Compliance with Other Laws and Regulations.*** Notwithstanding anything contained herein to the contrary, the Company shall not be required to sell or issue Ordinary Shares under any Incentive if the·issuance thereof would constitute a violation by the Participant or the Company of any provisions of any law or regulation of any governmental authority or any national securities exchange or inter-dealer quotation system or other forum in which Ordinary Shares are quoted or traded; and, as a condition of any sale or issuance of Ordinary Shares under an Incentive, the Committee may require such agreements or undertakings, if any, as the Committee may deem necessary or advisable to assure compliance with any such law or regulation. The Plan, the grant and exercise of Incentives hereunder, and the obligation of the Company to sell and deliver Ordinary Shares, shall be subject to all applicable federal and state laws, rules and regulations and to such approvals by any government or regulatory agency as may be required.

15.7 ***Lock-up Agreement.*** The Company may require that an Award Agreement include a provision requiring a Participant to agree that in connection with an underwritten public offering of Ordinary Shares, upon the request of the Company or the principal underwriter managing such public offering, no Ordinary Shares received by the Participant under such Award Agreement may be sold, offered for sale or otherwise disposed of without the prior written consent of the Company or such underwriter, as the case may be, for 180 days after the effectiveness of the registration statement filed in connection with such offering, or such longer period of time as the Board may determine, if all of the Company's directors and officers agree to be similarly bound. The obligations under this Section 15.7 shall remain effective for all underwritten public offerings with respect to which the Company has filed a registration statement on or before the date five (5) years after the closing of the Company's initial public offering, *provided, however,* that this Section 15.7 shall cease to apply to any such Ordinary Shares sold to the public pursuant to an effective registration statement or an exemption from the registration requirements of the Securities Act in a transaction that complied with the terms of the applicable Award Agreement.

15.8 ***Tax Requirements.*** The Company shall have the right to deduct from all amounts hereunder paid in cash or other form, any federal, state, or local taxes required by law (including taxes in the PRC where applicable) to be withheld with respect to such payments. The Participant receiving Ordinary Shares issued under the Plan shall be required to pay the Company the amount of any taxes which the Company is required to withhold with respect to such Ordinary Shares (including the sale of Ordinary Shares as may be required to comply with foreign exchange rules in the PRC for Participants resident in the PRC).

Notwithstanding the foregoing, in the event of an assignment of a Nonqualified Share Option pursuant to Section 15.9, the Participant who assigns the Nonqualified Share Option shall remain subject to withholding taxes upon exercise of the Nonqualified Share Option by the transferee to the extent required by the Code or the rules and regulations promulgated thereunder.

Such payments shall be required to be made prior to the delivery of any certificate representing such Ordinary Shares. Such payment may be made (i) by the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligation of the Company; (ii) the actual delivery by the exercising Participant to the Company of Ordinary Shares that the Participant has not acquired from the Company within six months prior to the date of exercise, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) the Company's withholding of a number of shares to be delivered upon the exercise of the Share Option, which shares so withheld have an aggregate fair market value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii).

15.9 ***Share Option Assignability.*** Incentive Share Options may not be transferred, assigned, pledged, hypothecated or otherwise conveyed or encumbered other than by will or the laws of descent and distribution and may be exercised during the lifetime of the Participant only by the Participant or the Participant's legally authorized representative, and each Award Agreement in respect of an Incentive Share Option shall so provide. The designation by a Participant of a beneficiary will not constitute a transfer of the Share Option. The Committee may waive or modify any limitation contained in the preceding sentences of this Section 15.9 that is not required for compliance with Section 422 of the Code.

Except as otherwise provided herein, Nonqualified Share Options may not be transferred, assigned, pledged, hypothecated or otherwise conveyed or encumbered other than by will or the laws of descent and distribution. The Committee may, in its discretion, authorize all or a portion of a Nonqualified Share Option granted to a Participant to be on terms which permit transfer by such Participant to (i) the spouse, children or grandchildren of the Participant **(*"Immediate Family Members"*)** and (ii) a trust or trusts for the exclusive benefit of such Immediate Family Members, *provided that* (x) there shall be no consideration for any such transfer, (y) the Award Agreement pursuant to which such Nonqualified Share Option is granted must be approved by the Committee and must expressly provide for transferability in a manner consistent with this Section, and (z) subsequent transfers of transferred Nonqualified Share Options shall be prohibited except those by will or the laws of descent and distribution.

Following any transfer, any such Nonqualified Share Option shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer, *provided that* for purposes of Articles 8, 9, 11, 13 and 15 hereof the term ***"Participant"*** shall be deemed to include the transferee. The events of Termination of Service shall continue to be applied with respect to the original Participant, following which the Nonqualified Share Options shall be exercisable by the transferee only to the extent and for the periods specified in the Award Agreement. The Committee and the Company shall have no obligation to inform any transferee of a Nonqualified Share Option of any expiration, termination, lapse or acceleration of such Share Option. The Company shall have no obligation to register with any federal or state securities commission or agency any Ordinary Shares issuable or issued under a Nonqualified Share Option that has been transferred by a Participant under this Section 15.9.

15.10 ***Use of Proceeds.*** Proceeds from the sale of Ordinary Shares pursuant to Incentives granted under this Plan shall constitute general funds of the Company.

15.11 ***Legend.*** Each certificate representing Restricted Shares issued to a Participant shall bear the following legend, or a similar legend deemed by the Company to constitute an appropriate notice of the provisions hereof (any such certificate not having such legend shall be surrendered upon demand by the Company and so endorsed):

On the face of the certificate:

"Transfer of these shares is restricted in accordance with conditions printed on the reverse of this certificate."

On the reverse:

"The shares evidenced by this certificate are subject to and transferrable only in accordance with that certain Kaixin Auto Group 2018 Equity Incentive Plan, a copy of which is on file at the principal office of the Company. No transfer or pledge of the shares evidenced hereby may be made except in accordance with and subject to the provisions of said Plan. By acceptance of this certificate, any holder, transferee or pledgee hereof agrees to be bound by all of the provisions of said Plan."

The following legend shall be inserted on a certificate evidencing Ordinary Shares issued under the Plan if the shares were not issued in a transaction registered under the applicable federal and state securities laws:

"Shares represented by this certificate have been acquired by the holder for investment and not for resale, transfer or distribution, have been issued pursuant to exemptions from the registration requirements of applicable state and federal securities laws, and may not be offered for sale, sold or transferred other than pursuant to effective registration under such laws, or in transactions otherwise in compliance with such laws, and upon evidence satisfactory to the Company of compliance with such laws, as to which the Company may rely upon an opinion of counsel satisfactory to the Company."

A copy of this Plan shall be kept on file in the principal office of the Company.

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IN WITNESS WHEREOF, the Company has caused this instrument to be executed as of January 31, 2018 by its Sole Director.

Kaixin Auto Group

By: /s/ Joseph Chen
Joseph Chen
Sole Director

Execution Version

CM SEVEN STAR ACQUISITION CORPORATION
2019 EQUITY INCENTIVE PLAN

The CM Seven Star Acquisition Corporation 2019 Equity Incentive Plan (the "***Plan***") was adopted by the Board of CM Seven Star Acquisition Corporation, an exempted company with limited liability incorporated in the Cayman Islands (together with its successors and assigns, the "***Company***") under the applicable laws and regulations of that jurisdiction.

ARTICLE 1
PURPOSE

The purpose of the Plan is to foster and promote the long-term financial success of the Company and its Subsidiaries and materially increase the value of the Company and its Subsidiaries by (a) encouraging the long-term commitment of the Employees, Consultants, and Outside Directors; (b) motivating performance of the Employees, Consultants, and Outside Directors by means of long-term performance related incentives; (c) encouraging and providing Employees, Consultants, and Outside Directors with an opportunity to obtain an ownership interest in the Company; (d) attracting and retaining outstanding Employees, Consultants, and Outside Directors by providing incentive compensation opportunities; and (e) enabling participation by Employees, Consultants, and Outside Directors in the long-term growth and financial success of the Company and its Subsidiaries.

ARTICLE 2
DEFINITIONS

For the purpose of the Plan, unless the context requires otherwise, the following terms shall have the meanings indicated:

"***Award***" means the grant of any Incentive Share Option, Nonqualified Share Option, Restricted Shares or Restricted Share Units whether granted singly or in combination (each individually referred to herein as an "***Incentive***").

"***Award Agreement***" means a written agreement between a Participant and the Company which sets out the terms of the grant of an Award.

"***Award Period***" means the period set forth in the Award Agreement with respect to a Share Option during which the Share Option may be exercised, which shall commence on the Date of Grant and expire at the time set forth in the Award Agreement.

"***Board***" means the board of directors of the Company at a time when there are at least two (2) directors serving at the same time or the Sole Director at a time when there is only one (1) director serving.

"***Change of Control***" means any of the following: (i) Continuing Directors cease to constitute at least fifty percent (50%) of the members of the Board; (ii) the shareholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company; (iii) any consolidation, merger or share exchange of the Company in which the Company is not the continuing or surviving corporation or pursuant to which the Company's Ordinary Shares would be converted into cash, securities or other property; or (iv) any sale, lease, exchange or other transfer (excluding transfer by way of pledge or hypothecation) in one transaction or a series of related transactions, of all or substantially all of the assets of the Company; provided, however, that a transaction described in clauses (iii) or (iv) shall not constitute a Change of Control hereunder if after such transaction (I) Continuing Directors constitute at least fifty percent (50%) of the members of the board of directors of the continuing, surviving or acquiring entity, as the case may be or, if such entity has a parent entity directly or indirectly holding at least a majority of the voting power of the voting securities of the continuing, surviving or acquiring entity, Continuing Directors constitute at least fifty percent (50%) of the members of the board of directors of the entity that is the ultimate parent of the continuing, surviving or acquiring entity, and (II) the continuing, surviving or acquiring entity (or the ultimate parent of such continuing, surviving or acquiring entity) assumes all outstanding Awards granted under the Plan.

"***Code***" means the United States Internal Revenue Code of 1986, as amended.

"***Committee***" means the committee appointed or designated by the Board to administer the Plan in accordance with Article 3 of the Plan or, in the case no such committee is appointed, the Board.

"***Company***" means CM Seven Star Acquisition Corporation, an exempted company with limited liability incorporated in the Cayman Islands under the applicable laws and regulations of that jurisdiction, and any successor entity.

"***Consultant***" means any person performing advisory or consulting services for the Company or a Subsidiary of the Company, with or without compensation, to whom the Company chooses to grant an Award in accordance with the Plan; provided, that *bona fide* services must be rendered by such person and such services shall not be rendered in connection with the offer or sale of securities in a capital raising transaction.

"***Continuing Director(s)***" means the Sole Director at the date of the Plan or Board members who (x) at the date of the Plan were directors or (y) become directors after the date of the Plan and whose election or nomination for election by the Company's shareholders was approved by a vote of a majority of the directors then in office who were directors at the date of the Plan or whose election or nomination for election was previously so approved.

"***Corporation***" means any entity that (i) is defined as a corporation under Code Section 7701 and (ii) is the Company or is in an unbroken chain of corporations (other than the Company) beginning with the Company, if each of the corporations other than the last corporation in the unbroken chain owns shares possessing a majority of the total combined voting power of all classes of shares in one of the other corporations in the chain. For purposes of clause (ii) hereof, an entity shall be treated as a Corporation if it satisfies the definition of a corporation under Section 7701 of the Code.

"***Date of Grant***" means the effective date on which an Award is made to a Participant as set forth in the applicable Award Agreement.

"***Employee***" means common law employee (as defined in accordance with the Regulations and Revenue Rulings then applicable under Section 3401(c) of the Code) of the Company or any Subsidiary of the Company.

"***Equity Securities***" means the Ordinary Shares, the preferred shares of the Company, any securities having voting rights in the election of the Board not contingent upon default, any securities evidencing an ownership interest in the Company, any securities convertible into or exercisable for any shares of the foregoing, and any agreement or commitment to issue any of the foregoing.

"***Exchange Act***" means the U.S. Securities Exchange Act of 1934.

"***Fair Market Value***" means, as of a particular date, (a) if the Ordinary Shares are listed on a national securities exchange, the closing sales price per Ordinary Share on the consolidated transaction reporting system for the principal securities exchange for the Ordinary Shares on that date, or, if there shall have been no such sale so reported on that date, on the last preceding date on which such a sale was so reported, (b) if the Ordinary Shares are not so listed or quoted, such amount as may be determined by the Committee (acting on the advice of an Independent Third Party, should the Board elect in its sole discretion to utilize an Independent Third Party for this purpose), in good faith, to be the fair market value per share of Ordinary Shares.

"Immediate Family" shall have the meaning as such term is defined in Rule 16a-1(e) promulgated under the Exchange Act.

"***Incentive Share Option***" means an incentive stock option within the meaning of Section 422 of the Code, granted pursuant to the Plan.

"***Independent Third Party***" means an individual or entity independent of the Company having experience in providing investment banking or similar appraisal or valuation services and with expertise generally in the valuation of securities or other property for purposes of the Plan. The Board may utilize one or more Independent Third Parties.

"***Nonpublicly Traded***" means not listed on a national securities exchange.

"***Nonqualified Share Option***" means a stock option granted pursuant to the Plan which does not satisfy the requirements of Section 422 of the Code.

"***Option Price***" means the price which must be paid by a Participant upon exercise of a Share Option to purchase one Ordinary Share.

"***Ordinary Share***" means the ordinary shares which the Company is currently authorized to issue or may in the future be authorized to issue, or any securities into which or for which the ordinary shares of the Company may be converted or exchanged, as the case may be, pursuant to the terms of the Plan.

"***Outside Director***" means a director of the Company or any Subsidiary of the Company who is not an Employee.

"***Participant***" means an Employee, Consultant, or Outside Director to whom an Award is granted under the Plan.

"***Plan***" means this CM Seven Star Acquisition Corporation 2019 Equity Incentive Plan, as amended from time to time.

"***PRC***" means the People's Republic of China and, for the purposes of the Plan only, excludes the Special Administrative Region of Hong Kong, the Special Administrative Region of Macau, and Taiwan area.

"***Restricted Share***" means an Ordinary Share issued or transferred to a Participant pursuant to Section 6.5 of the Plan which is subject to restrictions or limitations set forth in the Plan and in the related Award Agreement.

"***Restricted Share Unit***" means the unfunded and unsecured right granted to a Participant pursuant to Section 6.6 of the Plan to receive an Ordinary Share (or equivalent) at a future date.

"***Retirement***" means any Termination of Service solely due to retirement upon or after attainment of age sixty-five (65), or permitted early retirement as determined by the Committee.

"***Share Option***" means a Nonqualified Share Option or an Incentive Share Option.

"***Sole Director***" means the director of the Company when there is only one (1) director serving at any given time.

"***Subsidiary***" means (i) any Corporation, (ii) any limited partnership, if the Company or any Corporation owns a majority of the general partnership interest and a majority of the limited partnership interests entitled to vote on the removal and replacement of the general partner, and (iii) any partnership, company or limited liability company, if the partners or members thereof are composed only of the Company, any Corporation or any limited partnership listed in clause (ii). "***Subsidiaries***" means more than one of any such Corporations, limited partnerships, partnerships, companies or limited liability companies.

"***Termination of Service***" occurs when a Participant who is an Employee or a Consultant ceases to serve as an Employee or Consultant, for any reason; or, when a Participant who is an Outside Director ceases to serve as a director of the Company and its Subsidiaries, for any reason.

"***Total and Permanent Disability***" means a Participant is qualified for long-term disability benefits under the Company's or its Subsidiary's disability plan or insurance policy; or, if no such plan or policy is then in existence or if the Participant is not eligible to participate in such plan or policy, that the Participant, because of ill health, physical or mental disability or any other reason beyond his or her control, is unable to perform his or her duties of employment for a period of six (6) continuous months, as determined in good faith by the Committee; provided, that, with respect to any Incentive Share Option, Total and Permanent Disability shall have the meaning given it under the rules governing incentive stock options under the Code.

ARTICLE 3
ADMINISTRATION

Subject to the terms of this Article 3, the Plan shall be administered by the Sole Director or the Board as the case may be, or by such committee of the Board as is designated by resolution of the Board to administer the Plan (the "***Committee***").

The Committee shall consist of not fewer than two (2) persons. Any member of the Committee may be removed at any time, with or without cause, by resolution of the Board. Any vacancy occurring in the membership of the Committee may be filled by appointment by the Board. At any time there is no Committee to administer the Plan, any references in the Plan to the Committee shall be deemed to refer to the Sole Director or the Board as the case may be at that time.

The Committee shall select one of its members to act as its Chairman. A majority of the Committee shall constitute a quorum, and the act of a majority of the members of the Committee present at a meeting at which a quorum is present shall be the act of the Committee.

The Committee shall determine and designate from time to time the eligible persons to whom Awards will be granted and shall set forth in each related Award Agreement, where applicable, the Award Period, the Date of Grant, and such other terms, provisions, limitations, and performance requirements, as are approved by the Committee, but not inconsistent with the Plan. The Committee shall determine whether an Award shall include one type of Incentive or two or more Incentives granted in combination**.** All decisions with respect to any Award, and the terms and conditions thereof, to be granted under the Plan to any member of the Committee shall be made solely and exclusively by the other members of the Committee, or if such member is the only member of the Committee, by the Board.

The Committee, in its discretion and to the fullest extent permitted by law, shall (i) interpret the Plan, (ii) prescribe, amend, and rescind any rules and regulations necessary or appropriate for the administration of the Plan, (iii) establish performance goals for an Award and certify the extent of their achievement, (iv) make such other determinations or certifications and take such other action as it deems necessary or advisable in the administration of the Plan and (v) implement any procedures or steps or additional or different requirements as may be necessary to comply with any relevant laws of the PRC that may be applicable to the Plan, any Award pursuant to the Plan or any related documents, including but not limited to foreign exchange laws, tax laws and securities laws of the PRC. Any interpretation, determination, or other action made or taken by the Committee shall be final, binding, and conclusive on all interested parties.

The Committee may delegate to officers of the Company, pursuant to a written delegation, the authority to perform specified functions under the Plan. Any actions taken by any officers of the Company pursuant to such written delegation of authority shall be deemed to have been taken by the Committee.

ARTICLE 4
ELIGIBILITY

Any Employee (including an Employee who is also a director or an officer), Outside Director, or Consultant whose judgment, initiative, and efforts contributed or may be expected to contribute to the successful performance of the Company is eligible to participate in the Plan; provided, that only Employees of a Corporation shall be eligible to receive Incentive Share Options.

The Committee, upon its own action, may grant, but shall not be required to grant, an Award to any Employee, Outside Director, or Consultant. Awards may be granted by the Committee at any time and from time to time to new Participants, or to then Participants, or to a greater or lesser number of Participants, and may include or exclude previous Participants, as the Committee shall determine.

Except as required by the Plan, Awards granted at different times need not contain similar provisions. The Committee's determinations under the Plan (including without limitation determinations of which Employees, Outside Directors, or Consultants, if any, are to receive Awards, the form, amount and timing of such Awards, the terms and provisions of such Awards and the agreements evidencing same) need not be uniform and may be made by it selectively among Participants who receive, or are eligible to receive, Awards under the Plan.

ARTICLE 5
SHARES SUBJECT TO PLAN

5.1 ***Number Available for Awards***. Subject to adjustment as provided in Articles 11 and 12 hereof, the maximum number of Ordinary Shares that may be delivered pursuant to Awards granted under the Plan is 4,715,700. As required under U.S. Treasury Regulation Section 1.422-2(b)(3)(i), in no event will the number of Ordinary Shares that may be delivered pursuant to Incentive Share Options granted under the Plan exceed 4,715,700.

Shares to be issued may be made available from authorized but unissued Ordinary Shares, Ordinary Shares held by the Company in its treasury, or Ordinary Shares purchased by the Company on the open market or otherwise. During the term of the Plan, the Company will at all times reserve and keep available the number of Ordinary Shares that shall be sufficient to satisfy the requirements of the Plan.

5.2 ***Reuse of Shares***. Subject to Section 5.2(c) of the Plan, if, and to the extent:

(a) A Share Option or a Restricted Share Unit shall expire or terminate for any reason without having been exercised or settled in full, or in the event that a Share Option or a Restricted Share Unit is exercised or settled in a manner such that some or all of the Ordinary Shares relating to the Share Option or the Restricted Share Unit are not issued to the Participant (or beneficiary) (including as the result of the use of shares for withholding taxes), the Ordinary Shares subject thereto which have not become issued and outstanding shall (unless the Plan shall have sooner terminated) become available for issuance under the Plan; in addition, with respect to any share- for-share exercise or cashless exercise pursuant to Section 8.3 of the Plan or otherwise, only the "net" shares issued shall be deemed to have become issued and outstanding for purposes of the Plan as a result thereof.

(b) If Restricted Shares under the Plan are repurchased for any reason, such Restricted Shares shall (unless the Plan shall have sooner terminated) become available for issuance under the Plan; provided, however, that if any dividends paid with respect to Restricted Shares were paid to the Participant prior to the repurchase thereof, such shares shall not be reused for grants or awards.

(c) In no event shall the number of Ordinary Shares subject to Incentive Share Options exceed, in the aggregate, twenty percent (20%) of the authorized Ordinary Shares plus shares subject to Incentive Share Options which are surrendered to the Company or terminated, or expire unexercised.

ARTICLE 6
GRANT OF AWARDS

6.1 ***In General.*** The Company shall execute an Award Agreement with a Participant after the Committee approves the issuance of an Award. Any Award granted pursuant to the Plan must be granted within ten (10) years after the date of adoption of the Plan. The Plan shall be submitted to the Company's shareholders for approval; however, the Committee may grant Awards under the Plan prior to the time of shareholder approval. Any such Award granted prior to such shareholder approval shall be made subject to such shareholder approval. The grant of an Award to a Participant shall not be deemed either to entitle the Participant to, or to disqualify the Participant from, receipt of any other Award under the Plan.

6.2 ***Share Options.*** The grant of an Award of Share Options shall be authorized by the Committee and shall be evidenced by an Award Agreement setting forth: (i) the Incentive or Incentives being granted, (ii) the total number of Ordinary Shares subject to the Incentive(s), (iii) the Option Price, (iv) the Award Period, (v) the Date of Grant, and (vi) such other terms, provisions, limitations, and performance objectives, as are approved by the Committee, but not inconsistent with the Plan.

6.3 ***Option Price.*** The Option Price for any Ordinary Shares which may be purchased under a Nonqualified Share Option for any Ordinary Shares may be less than, equal to, or greater than the Fair Market Value of the share on the Date of Grant.

The Option Price for any Ordinary Shares which may be purchased under an Incentive Share Option must be at least equal to the Fair Market Value of the share on the Date of Grant. If an Incentive Share Option is granted to an Employee who owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than ten percent (10%) of the combined voting power of all classes of shares of the Company (or any parent or Subsidiary of the Company), the Option Price shall be at least one hundred ten percent (110%) of the Fair Market Value of the Ordinary Shares on the Date of Grant.

Notwithstanding the foregoing, the Option Price for any Ordinary Shares which may be purchased under any Share Option shall not be less than the par value of the Ordinary Shares.

6.4 ***Maximum Incentive Share Option Grants.*** The Committee may not grant Incentive Share Options under the Plan to any Employee which would permit the aggregate Fair Market Value (determined on the Date of Grant) of the Ordinary Shares with respect to which Incentive Share Options (under this and any other plan of the Company and its Subsidiaries) that are exercisable for the first time by such Employee during any calendar year to exceed one hundred thousand United States dollars (US$100,000). To the extent any Share Option granted under the Plan which is designated as an Incentive Share Option exceeds this limit or otherwise fails to qualify as an Incentive Share Option, such Share Option (or any such portion thereof) shall be a Nonqualified Share Option. In such case, the Committee shall designate which shares will be treated as Incentive Share Option shares by causing the issuance of a separate share certificate and identifying such shares as Incentive Share Option shares on the Company's share transfer records.

6.5 ***Restricted Shares.*** If Restricted Shares are granted to or received by a Participant under an Award (including a Share Option), the Committee shall set forth in the related Award Agreement: (i) the number of Ordinary Shares awarded, (ii) the price, if any, to be paid by the Participant for such Restricted Shares, (iii) the time or times within which such Award may be subject to repurchase, (iv) specified performance goals of the Company, a Subsidiary of the Company, any division thereof or any group of Employees, or other criteria, which the Committee determines must be met in order to remove any restrictions (including vesting) on such Award, and (v) all other terms, limitations, restrictions, and conditions of the Restricted Shares, which shall be consistent with the Plan. The provisions of Restricted Shares need not be the same with respect to each Participant. If the Committee establishes a purchase price for an Award of Restricted Shares, the Participant must accept such Award within a period of thirty (30) days (or such shorter period as the Committee may specify) after the Date of Grant by executing the applicable Award Agreement and paying such purchase price.

(a) Legend on Shares. Each Participant who is awarded or receives Restricted Shares shall be issued a share certificate or certificates in respect of such Ordinary Shares. Such certificate(s) shall be registered in the name of the Participant, and shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Shares, substantially as provided in Section 15.12 of the Plan.

The Committee may require that the share certificates evidencing Restricted Shares be held in custody by the Company until the restrictions thereon shall have lapsed.

(b) Restrictions and Conditions. Restricted Shares shall be subject to the following restrictions and conditions:

(i) Subject to the other provisions of the Plan and the terms of the particular Award Agreements, during such period as may be determined by the Committee commencing on the Date of Grant or the date of exercise of an Award (the "***Restriction Period***"), the Participant shall not be permitted to sell, transfer, pledge or assign Restricted Shares. Except for these limitations, the Committee may in its sole discretion, remove any or all of the restrictions on such Restricted Shares whenever it may determine that, by reason of changes in applicable laws or other changes in circumstances arising after the date of the Award, such action is appropriate.

(ii) Except as provided in Section 6.5(b)(i) or in the applicable Award Agreement, the Participant shall have, with respect to his or her Restricted Shares, all of the rights of a shareholder of the Company, including the right to vote the shares and the right to receive any dividends thereon; provided, that, any dividends payable with respect to unvested Restricted Shares shall be held by the Company and shall only be paid to Participant if and when the Restriction Period lapses with respect to the Restricted Share to which such dividend relates. Certificates for Ordinary Shares free of restriction under the Plan and which have not been repurchased under the provisions of the Plan and the applicable Award Agreement shall be delivered to the Participant promptly after, and only after, the Restriction Period shall expire in respect of such Ordinary Shares. Certificates for the Ordinary Shares repurchased under the provisions of the Plan and the applicable Award Agreement shall be promptly returned to the Company by the Participant. Each Award Agreement shall require that (x) each Participant, by his or her acceptance of Restricted Shares, shall irrevocably grant to the Company a power of attorney to consent to the repurchase of any unvested shares to the Company and agrees to execute any documents requested by the Company in connection with such repurchase, and (y) such provisions regarding returns and transfers of share certificates with respect to repurchased Ordinary Shares shall be specifically performable by the Company in a court of equity or law.

(iii) The Restriction Period of Restricted Shares shall commence on the Date of Grant or the date of exercise of an Award, as specified in the Award Agreement, and, subject to Article 12 of the Plan, unless otherwise established by the Committee in the Award Agreement setting forth the terms of the Restricted Shares, shall expire upon satisfaction of the conditions set forth in the Award Agreement; such conditions may provide for vesting based on (i) length of continuous service, (ii) achievement of specific business objectives, (iii) increases in specified indices, (iv) attainment of specified growth rates, or (v) other comparable measurements of Company performance, as may be determined by the Committee in its sole discretion.

(iv) Except as otherwise provided in the particular Award Agreement, upon Termination of Service for any reason during the Restriction Period, all unvested Restricted Shares shall be repurchased by the Company from the Participant. If the Participant has paid any monetary consideration to the Company for such repurchased Restricted Shares, the Company shall pay to Participant, as soon as practicable after the event causing repurchase, in cash, an amount equal to the lesser of the total monetary consideration paid by the Participant for such repurchased shares or the aggregate Fair Market Value of such repurchased shares as of the date of Termination of Service, and, if the Participant did not pay any monetary consideration to the Company for such repurchased Restricted Shares, such repurchased Restricted Shares shall be surrendered to the Company for no consideration. Upon any repurchase or surrender, all rights of the Participant with respect to the repurchased or surrendered Restricted Shares shall cease and terminate, without any further obligation on the part of the Company. The Participant, by the Participant's acceptance of Restricted Shares, shall irrevocably grant to the Company a power of attorney to consent to the repurchase or surrender of any unvested Restricted Shares to the Company and agrees to execute any documents requested by the Company in connection with such repurchase. Provisions regarding returns and transfers of share certificates with respect to repurchased Ordinary Shares shall be specifically performable by the Company in a court of equity or law.

6.6 ***Restricted Share Units.*** The Committee, at any time and from time to time, may grant Restricted Share Units to Participants as the Committee, in its sole discretion, shall determine. The Committee, in its sole discretion, shall determine the number of Restricted Share Units to be granted to each Participant.

(a) Restricted Share Units Award Agreement. Each Award of Restricted Share Units shall be evidenced by an Award Agreement that shall specify any vesting conditions, the number of Restricted Share Units granted, and such other terms and conditions as the Committee, in its sole discretion, shall determine.

(b) Performance Objectives and Other Terms. The Committee, in its discretion, may set performance objectives or other vesting criteria which, depending on the extent to which they are met, will determine the number or value of Restricted Share Units that will be paid out to the Participants.

(c) Form and Timing of Payment of Restricted Share Units. At the time of grant, the Committee shall specify the date or dates on which the Restricted Share Units shall become fully vested. Upon vesting, the Committee, in its sole discretion, may pay Restricted Share Units in the form of cash, in Ordinary Shares or in a combination thereof.

(d) Surrender/Repurchase. Except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, upon Termination of Service during the applicable Restriction Period, Restricted Share Units that are at that time unvested shall be surrendered to the Company or repurchased in accordance with the Award Agreement; provided, however, the Committee may (i) provide in any Restricted Share Unit Award Agreement that restrictions or surrender and repurchase conditions relating to Restricted Share Units will be waived in whole or in part in the event of terminations resulting from specified causes, and (ii) in other cases waive in whole or in part restrictions or surrender and repurchase conditions relating to Restricted Share Units.

6.7 ***Maximum Individual Grants***. No Participant may receive during any fiscal year of the Company Awards covering an aggregate of more than one percent (1%) of the authorized Ordinary Shares.

ARTICLE 7
AWARD PERIOD; VESTING

7.1 ***Award Period.***

(a) Subject to the other provisions of the Plan, the Committee shall specify in the Award Agreement the Award Period for a Share Option. No Share Option granted under the Plan may be exercised at any time after the end of its Award Period. The Award Period for any Share Option shall be no more than ten (10) years from the Date of Grant of the Share Option. However, if an Employee owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than ten percent (10%) of the combined voting power of all classes of shares of the Company (or any parent or Subsidiary of the Company) and an Incentive Share Option is granted to such Employee, the Award Period of such Incentive Share Option (to the extent required by the Code at the time of grant) shall be no more than five (5) years from the Date of Grant.

(b) In the event of Termination of Service of a Participant, the Award Period for a Share Option shall be reduced or terminated in accordance with the Award Agreement.

7.2 ***Vesting.*** The Committee, in its sole discretion, may determine that an Incentive will be immediately vested in whole or in part, or that all or any portion may not be vested until a date, or dates, subsequent to its Date of Grant, or until the occurrence of one or more specified events, subject in any case to the terms of the Plan. If the Committee imposes conditions upon vesting, then, subsequent to the Date of Grant, the Committee may, in its sole discretion, accelerate the date on which all or any portion of the Incentive may be vested.

ARTICLE 8
EXERCISE OF INCENTIVE

8.1 ***In General***. The Committee, in its sole discretion, may determine that a Share Option will be immediately exercisable, in whole or in part, or that all or any portion may not be exercised until a date, or dates, subsequent to its Date of Grant, or until the occurrence of one or more specified events, subject in any case to the terms of the Plan. If a Share Option is exercisable prior to the time it is vested, the Ordinary Shares obtained on the exercise of the Share Option shall be Restricted Shares which is subject to the applicable provisions of the Plan and the Award Agreement. If the Committee imposes conditions upon exercise, then subsequent to the Date of Grant, the Committee may, in its sole discretion, accelerate the date on which all or any portion of the Share Option may be exercised. No Share Option may be exercised for a fractional Ordinary Share. The granting of a Share Option shall impose no obligation upon the Participant to exercise that Share Option.

8.2 ***Securities Law and Exchange Restrictions.*** In no event may an Incentive be exercised or Ordinary Shares be issued pursuant to an Award if a necessary listing or quotation of the Ordinary Shares on a stock exchange or inter-dealer quotation system or any registration under state or federal securities laws required under the circumstances has not been accomplished.

8.3 ***Exercise of Share Option.***

(a) Notice and Payment. Subject to such administrative regulations as the Committee may from time to time adopt, a Share Option may be exercised by the delivery of written notice to the Committee setting forth the number of Ordinary Shares with respect to which the Share Option is to be exercised and the date of exercise thereof (the "***Exercise Date***"), which shall be at least three (3) days after giving such notice unless an earlier time shall have been mutually agreed upon.

On the Exercise Date, the Participant shall deliver to the Company consideration with a value equal to the total Option Price of the shares to be purchased, payable in any one of the following methods: (a) cash, check, bank draft, or money order payable to the order of the Company, (b) the surrender of Ordinary Shares (including Restricted Shares) owned by the Participant on the Exercise Date, valued at their Fair Market Value on the Exercise Date, and which the Participant has not acquired from the Company within six (6) months prior to the Exercise Date, (c) if the Ordinary Shares are no longer Nonpublicly Traded, by delivery (including by FAX) to the Company or its designated agent of an executed irrevocable option exercise form together with irrevocable instructions from the Participant to a broker or dealer, reasonably acceptable to the Company, to sell certain of the Ordinary Shares purchased upon exercise of the Share Option or to pledge such shares as collateral for a loan and promptly deliver to the Company the amount of sale or loan proceeds necessary to pay such purchase price, and/or (d) in any other form of valid consideration that is acceptable to the Committee in its sole discretion.

In the event that Restricted Shares are tendered as consideration for the exercise of a Share Option, a number of Ordinary Shares issued upon the exercise of the Share Option equal to the value of Restricted Shares used as consideration therefor shall be subject to the same restrictions and provisions as the Restricted Shares so tendered.

The Committee may take all actions necessary to alter the method of exercise of the Share Option and the exchange and transmittal of proceeds with respect to Participants who are residents in the PRC in order to comply with applicable PRC foreign exchange and tax regulations and any other applicable PRC laws and regulations.

(b) Issuance of Certificate. Except as otherwise provided in Section 6.5 hereof (with respect to Restricted Shares) or in the applicable Award Agreement, upon payment of all amounts due from the Participant, the Company shall cause certificates for the Ordinary Shares then being purchased to be delivered as directed by the Participant (or the person exercising the Participant's Share Option in the event of his death) at its principal business office promptly after the Exercise Date; provided, that if the Participant has exercised an Incentive Share Option, the Company may at its option retain physical possession of the certificate evidencing the shares acquired upon exercise until the expiration of the holding periods described in Section 422(a)(1) of the Code.

The obligation of the Company to deliver Ordinary Shares shall, however, be subject to the condition that, if at any time the Committee shall determine in its discretion that the listing, registration, or qualification of the Share Option or the Ordinary Shares upon any securities exchange or inter-dealer quotation system or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the Share Option or the issuance or purchase of Ordinary Shares thereunder, the Share Option may not be exercised in whole or in part unless such listing, registration, qualification, consent, or approval shall have been effected or obtained free of any conditions not reasonably acceptable to the Committee.

(c) Failure to Pay. If the Participant fails to pay for any of the Ordinary Shares specified in the written notice to the Committee specified in Section 8.3(a) of the Plan or fails to accept delivery thereof, the Participant's Share Option and right to purchase such Ordinary Shares shall be surrendered to the Company.

8.4 ***Disqualifying Disposition of Incentive Share Option.*** If Ordinary Shares acquired upon exercise of an Incentive Share Option are disposed of by a Participant prior to the expiration of either two (2) years from the Date of Grant of such Share Option or one (1) year from the transfer of Ordinary Shares to the Participant pursuant to the exercise of such Share Option, or in any other disqualifying disposition within the meaning of Section 422 of the Code, such Participant shall notify the Company in writing of the date and terms of such disposition. A disqualifying disposition by a Participant shall not affect the status of any other Share Option granted under the Plan as an incentive stock option within the meaning of Section 422 of the Code.

ARTICLE 9
AMENDMENT OR DISCONTINUANCE

Subject to the limitations set forth in this Article 9, the Board may at any time and from time to time, without the consent of the Participants, alter, amend, revise, suspend, or discontinue the Plan in whole or in part; provided, however, that no amendment which requires shareholder approval in order for the Plan and Incentives awarded under the Plan to continue to comply with Sections 421 and 422 of the Code, including any successors to such Sections, shall be effective unless such amendment shall be approved by the requisite vote of the shareholders of the Company entitled to vote thereon. Any such amendment shall, to the extent deemed necessary or advisable by the Committee, be applicable to any outstanding Incentives theretofore granted under the Plan, notwithstanding any contrary provisions contained in any Award Agreement. In the event of any such amendment to the Plan, the holder of any Incentive outstanding under the Plan shall, upon request of the Committee and as a condition to the exercisability thereof, execute a conforming amendment in the form prescribed by the Committee to any Award Agreement relating thereto. Notwithstanding anything contained in the Plan to the contrary, unless required by law, no action contemplated or permitted by this Article 9 shall adversely affect any rights of Participants or obligations of the Company to Participants with respect to any Incentive theretofore granted under the Plan without the consent of the affected Participant.

ARTICLE 10
TERM

The Plan shall be effective from the date that the Plan is approved by the Board. Unless sooner terminated by action of the Board, the Plan will terminate on April 29, 2029, but Incentives granted before that date will continue to be effective in accordance with their terms and conditions.

ARTICLE 11
CAPITAL ADJUSTMENTS

In the event that the Committee shall determine that any dividend or other distribution (whether in the form of cash, Ordinary Shares, other securities, or other property), recapitalization, stock split, reverse stock split, rights offering, reorganization, merger, consolidation, split-up, spin-off, split-off, combination, subdivision, repurchase, or exchange of Ordinary Shares or other securities of the Company, issuance of warrants or other rights to purchase Ordinary Shares or other securities of the Company, or other similar corporate transaction or event (including a Change of Control) affects the Ordinary Shares such that an adjustment is determined by the Committee to be appropriate to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee shall, in such manner as it may deem equitable, adjust any or all of the (i) the number of shares and type of Ordinary Shares (or the securities or property) which thereafter may be made the subject of Awards,(ii) the number of shares and type of Ordinary Shares (or other securities or property) subject to outstanding Awards,(iii) the number of shares and type of Ordinary Shares (or other securities or property) specified as the annual per-participant limitation under Section 6.6 of the Plan, (iv) the number of shares and type of Ordinary Shares (or other securities or property) specified as the annual per-participant limitation under Section 6.6 of the Plan, (v) the Option Price of each outstanding Award, and (vi) the amount, if any, the Company pays for Ordinary Shares surrendered to the Company in accordance with Section 6.5; provided, however, that the number of Ordinary Shares (or other securities or property) subject to any Award shall always be a whole number. In lieu of the foregoing, if deemed appropriate, the Committee may make provision for a cash payment to the holder of an outstanding Award.

Notwithstanding the foregoing, no such adjustment or cash payment shall be made or authorized to the extent that such adjustment or cash payment would cause the Plan or any Share Option to violate Section 422 of the Code. Such adjustments shall be made in accordance with the rules of any securities exchange, stock market, or stock quotation system to which the Company is subject.

Upon the occurrence of any such adjustment or cash payment, the Company shall provide notice to each affected Participant of its computation of such adjustment or cash payment which shall be conclusive and shall be binding upon each such Participant.

ARTICLE 12

RECAPITALIZATION, MERGER AND CONSOLIDATION

12.1 ***No Effect on Company's Authority.*** The existence of the Plan and Incentives granted hereunder shall not affect in any way the right or power of the Company or its shareholders to make or authorize any or all adjustments, recapitalizations, reorganizations, or other changes in the Company's capital structure and its business, or any merger or consolidation of the Company, or any issuance of bonds, debentures, preferred or preference shares ranking prior to or otherwise affecting the Ordinary Shares or the rights thereof (or any rights, options, or warrants to purchase the same), or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding (including a Change of Control), whether of a similar character or otherwise.

12.2 ***Conversion of Incentives Where Company Survives.*** Subject to any required action by the shareholders, if the Company shall be the surviving or resulting corporation (or company) in any merger, consolidation, share exchange, or Change of Control, any Incentive granted hereunder shall pertain to and apply to the securities or rights (including cash, property, or assets) to which a holder of the number of Ordinary Shares subject to the Incentive would have been entitled.

12.3 ***Exchange or Cancellation of Incentives Where Company Does Not Survive.*** In the event of any merger, consolidation, share exchange, or Change of Control pursuant to which the Company is not the surviving or resulting corporation (or company), there shall be substituted for each Ordinary Share subject to the unexercised portions of outstanding Share Options, that number of shares of each class of shares or other securities or that amount of cash, property, or assets of the surviving, resulting or consolidated corporation (or company) which were distributed or distributable to the shareholders of the Company in respect to each Ordinary Share held by them, such outstanding Share Options to be thereafter exercisable for such shares, securities, cash, or property in accordance with their terms.

Notwithstanding the foregoing, however, all Share Options may be canceled by the Company as of the effective date of any such reorganization, merger, consolidation, share exchange, or Change of Control, or any dissolution or liquidation of the Company, by giving notice to each holder (or such holder's personal representative) thereof of its intention to do so and by permitting the purchase during the thirty (30) day period next preceding such effective date of all of the Ordinary Shares (whether or not vested) subject to such outstanding Share Options.

ARTICLE 13
LIQUIDATION OR DISSOLUTION

Subject to Section 12.3 hereof, in case the Company shall, at any time while any Incentive under the Plan shall be in force and remain unexpired, (i) sell all or substantially all of its property, or (ii) dissolve, liquidate, or wind up its affairs, then each Participant shall be entitled to receive, in lieu of each Ordinary Share such Participant would have been entitled to receive under the Incentive, the same kind and amount of any securities or assets as may be issuable, distributable, or payable upon any such sale, dissolution, liquidation, or winding up with respect to each Ordinary Share.

If the Company shall, at any time prior to the expiration of any Incentive, make any partial distribution of its assets, in the nature of a partial liquidation, whether payable in cash or in kind (but excluding the distribution of a cash dividend payable out of earned surplus and designated as such) then in such event the Option Prices then in effect with respect to each Share Option shall be reduced, on the payment date of such distribution, in proportion to the percentage reduction in the tangible book value of the Ordinary Shares (determined in accordance with generally accepted accounting principles) resulting by reason of such distribution.

ARTICLE 14
INCENTIVES IN SUBSTITUTION FOR INCENTIVES GRANTED BY OTHER ENTITIES

Incentives may be granted under the Plan from time to time in substitution for similar instruments held by employees or directors of a corporation, partnership, company, or limited liability company who become or are about to become Employees or Outside Directors as a result of a merger or consolidation of the employing corporation (or company) with the Company, the acquisition by the Company of equity of the employing entity, or any other similar transaction (including a Change of Control) pursuant to which the Company becomes the successor employer. The terms and conditions of the substitute Incentives so granted may vary from the terms and conditions set forth in the Plan to such extent as the Committee at the time of grant may deem appropriate to conform, in whole or in part, to the provisions of the Incentives in substitution for which they are granted.

ARTICLE 15
MISCELLANEOUS PROVISIONS

15.1 ***Investment Intent.*** The Company may require that there be presented to and filed with it by any Participant under the Plan, such evidence as it may deem necessary to establish that the Incentives granted or the Ordinary Shares to be purchased or transferred are being acquired for investment and not with a view to their distribution.

15.2 ***Nonpublicly Traded Ordinary Shares.*** In the event a Participant receives, as Restricted Shares or pursuant to the exercise of a Share Option, Ordinary Shares that are Nonpublicly Traded (as defined herein), without prejudice to Section 6.5(b)(i) of the Plan, the Committee may impose restrictions and conditions on the transfer or other disposition of those shares. The restrictions and conditions may be reflected in the Award Agreement or in a separate shareholders' agreement.

15.3 ***No Right to Continued Employment.*** Neither the Plan nor any Incentive granted under the Plan shall confer upon any Participant any right with respect to continuance of employment by the Company or any Subsidiary of the Company.

15.4 ***Indemnification of Board and Committee.*** No member of the Board or the Committee, nor any officer or Employee of the Company acting on behalf of the Board or the Committee, shall be personally liable for any action, determination, or interpretation taken or made in good faith with respect to the Plan, and all members of the Board and the Committee, each officer of the Company, and each Employee acting on behalf of the Board or the Committee shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination, or interpretation.

15.5 ***Effect of the Plan.*** Neither the adoption of the Plan nor any action of the Board or the Committee shall be deemed to give any person any right to be granted an Award or any other rights except as may be evidenced by an Award Agreement, or any amendment thereto, duly authorized by the Committee and executed on behalf of the Company, and then only to the extent and upon the terms and conditions expressly set forth therein.

15.6 ***Governing Law.*** The Plan shall be governed by and construed in accordance with laws of the Cayman Islands, without giving effect to conflicts of law principles.

15.7 ***Compliance with Other Laws and Regulations.*** Notwithstanding anything contained herein to the contrary, the Company shall not be required to sell or issue Ordinary Shares under any Incentive if the issuance thereof would constitute a violation by the Participant or the Company of any provisions of any law or regulation of any governmental authority or any national securities exchange or inter-dealer quotation system or other forum in which Ordinary Shares are quoted or traded; and, as a condition of any sale or issuance of Ordinary Shares under an Incentive, the Committee may require such agreements or undertakings, if any, as the Committee may deem necessary or advisable to assure compliance with any such law or regulation. The Plan, the grant and exercise of Incentives hereunder, and the obligation of the Company to sell and deliver Ordinary Shares, shall be subject to all applicable federal and state laws, rules and regulations and to such approvals by any government or regulatory agency as may be required.

15.8 ***Lock-up Agreement.*** The Company may require that an Award Agreement include a provision requiring a Participant to agree that in connection with an underwritten public offering of Ordinary Shares, upon the request of the Company or the principal underwriter managing such public offering, no Ordinary Shares received by the Participant under such Award Agreement may be sold, offered for sale or otherwise disposed of without the prior written consent of the Company or such underwriter, as the case may be, for one hundred eighty (180) days after the effectiveness of the registration statement filed in connection with such offering, or such longer period of time as the Board may determine, if all of the Company's directors and officers agree to be similarly bound. The obligations under this Section 15.8 shall remain effective for all underwritten public offerings with respect to which the Company has filed a registration statement on or before the date five (5) years after the closing of the Company's initial public offering, provided, however, that this Section 15.8 shall cease to apply to any such Ordinary Shares sold to the public pursuant to an effective registration statement or an exemption from the registration requirements of the United States Securities Act of 1933 in a transaction that complied with the terms of the applicable Award Agreement.

15.9 ***Tax Requirements.*** The Company shall have the right to deduct from all amounts hereunder paid in cash or other form, any federal, state, or local taxes required by law (including taxes in the PRC where applicable) to be withheld with respect to such payments. The Participant receiving Ordinary Shares issued under the Plan shall be required to pay the Company the amount of any taxes which the Company is required to withhold with respect to such Ordinary Shares (including the sale of Ordinary Shares as may be required to comply with foreign exchange rules in the PRC for Participants resident in the PRC).

Notwithstanding the foregoing, in the event of an assignment of a Nonqualified Share Option pursuant to Section 15.10, the Participant who assigns the Nonqualified Share Option shall remain subject to withholding taxes upon exercise of the Nonqualified Share Option by the transferee to the extent required by the Code or the rules and regulations promulgated thereunder.

Such payments shall be required to be made prior to the delivery of any certificate representing such Ordinary Shares. Such payment may be made (i) by the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligation of the Company; (ii) the actual delivery by the exercising Participant to the Company of Ordinary Shares that the Participant has not acquired from the Company within six (6) months prior to the date of exercise, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) the Company's withholding of a number of shares to be delivered upon the exercise of the Share Option, which shares so withheld have an aggregate Fair Market Value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii).

15.10 No Transferability; Limited Exception to Transfer Restrictions.

(a) Limits on Transfer. Unless otherwise expressly provided in (or pursuant to) this Section 15.10, by applicable law and by the Award Agreement, as the same may be amended:

(i) all Awards are nontransferable and will not be subject in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance or charge;

(ii) Awards will be exercised only by the Participant;and

(iii) amounts payable or shares issuable pursuant to an Award will be delivered only to (or for the account of), and, in the case of Ordinary Shares, registered in the name of, the Participant.

In addition, the Ordinary Shares shall be subject to the restrictions set forth in the applicable Award Agreement.

(b) Exceptions to Limits on Transfer. The exercise and transfer restrictions in Section 15.10(a) will not apply to:

(i) transfers to the Company or a Subsidiary of the Company;

(ii) the designation of a beneficiary to receive benefits if the Participant dies or, if the Participant has died, transfers to or exercises by the Participant's beneficiary, or, in the absence of a validly designated beneficiary, transfers by will or the laws of descent and distribution; or

(iii) if the Participant has suffered a disability, permitted transfers or exercises on behalf of the Participant by the Participant's duly authorized legal representative;or

(iv) subject to the prior approval of the Committee or an executive officer or director of the Company authorized by the Committee, transfer, by gift or other means, to one or more natural persons who are the Participant's Immediate Family or entities owned and controlled by the Participant and/or the Participant's Immediate Family, including but not limited to trusts or other entities whose beneficiaries or beneficial owners are the Participant and/or the Participant's Immediate Family, or to such other persons or entities as may be expressly approved by the Committee, pursuant to such conditions and procedures as the Committee may establish. Any permitted transfer shall be subject to the condition that the Committee receives evidence satisfactory to it that the transfer is being made for estate and/or tax planning purposes and on a basis consistent with the Company's lawful issue of securities.

Notwithstanding anything else in this Section 15.10(b) to the contrary, but subject to compliance with all applicable laws, Incentive Share Options, Restricted Shares and Restricted Share Units will be subject to any and all transfer restrictions under the Code applicable to such Awards or necessary to maintain the intended tax consequences of such Awards.

15.11 ***Use of Proceeds.*** Proceeds from the sale of Ordinary Shares pursuant to Incentives granted under the Plan shall constitute general funds of the Company.

15.12 ***Legend.*** Each certificate representing Restricted Shares issued to a Participant shall bear the following legend, or a similar legend deemed by the Company to constitute an appropriate notice of the provisions hereof (any such certificate not having such legend shall be surrendered upon demand by the Company and so endorsed):

On the face of the certificate:

"*Transfer of these shares is restricted in accordance with conditions printed on the reverse of this certificate.*"

On the reverse:

"*The shares evidenced by this certificate are subject to and transferrable only in accordance with that certain CM Seven Star Acquisition Corporation 2019 Equity Incentive Plan, a copy of which is on file at the principal office of the Company. No transfer or pledge of the shares evidenced hereby may be made except in accordance with and subject to the provisions of said Plan. By acceptance of this certificate, any holder, transferee or pledgee hereof agrees to be bound by all of the provisions of said Plan.*"

The following legend shall be inserted on a certificate evidencing Ordinary Shares issued under the Plan if the shares were not issued in a transaction registered under the applicable federal and state securities laws:

"*Shares represented by this certificate have been acquired by the holder for investment and not for resale, transfer or distribution, have been issued pursuant to exemptions from the registration requirements of applicable state and federal securities laws, and may not be offered for sale, sold or transferred other than pursuant to effective registration under such laws, or in transactions otherwise in compliance with such laws, and upon evidence satisfactory to the Company of compliance with such laws, as to which the Company may rely upon an opinion of counsel satisfactory to the Company.*"

A copy of the Plan shall be kept on file in the principal office of the Company.

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WHEREOF, the Company has caused this instrument to be executed as of 30 April 2019 by a director.

CM Seven Star Acquisition Corporation

By: 

Name: Sing Wang
Director

Exhibit 99.1

CM Seven Star Announces Consummation of Business Combination with Renren Inc.'s Kaixin Auto Group

BEIJING, May 01, 2019 (GLOBE NEWSWIRE) -- CM Seven Star Acquisition Corporation ("CM Seven Star") (CMSS), a blank check company formed for the purpose of entering into a business combination with one or more businesses, and Renren Inc. ("Renren") (RENN), which operates a used car business and SaaS business, today announced the successful consummation of the previously announced transaction contemplated by the share exchange agreement dated as of November 2, 2018 by and among CM Seven Star, Kaixin Auto Group ("Kaixin") and Renren (the "Share Exchange Agreement"), and approved by CM Seven Star shareholders on April 29, 2019.

Upon the closing of the transactions contemplated in the Share Exchange Agreement in which CM Seven Star acquired 100% of the issued and outstanding securities of Kaixin, Renren received approximately 28.3 million ordinary shares of CM Seven Star, representing 71.7% of the total outstanding shares of CM Seven Star. An additional 4.7 million ordinary shares of CM Seven Star will be issued in exchange for currently outstanding options in Kaixin or reserved for issuance under the equity incentive plan of CM Seven Star. Additionally, 19.5 million earnout shares were issued in escrow. Approximately 20.4 million ordinary shares were redeemed in connection with the closing of the transaction. Kaixin has raised a total of $30.9 million from the business combination and related transactions, including $2.4 million that remains in the trust account established for the benefit of CM Seven Star's public shareholders following the redemption and $28.5 million from convertible loans and a private placement.

Renren may be entitled to receive earnout shares as follows: (1) if the combined company's gross revenue for the year ended December 31, 2019 is greater than or equal to RMB 5,000,000,000, Renren is entitled to receive 1,950,000 ordinary shares of CM Seven Star; (2) if the combined company's adjusted EBITDA for the year ended December 31, 2019 is greater than or equal to RMB 150,000,000, Renren is entitled to receive 3,900,000 ordinary shares of CM Seven Star, increasing proportionally to 7,800,000 ordinary shares if Company's adjusted EBITDA is greater than or equal to RMB 200,000,000; and (3) if the combined company's adjusted EBITDA for the year ended December 31, 2020 is greater than or equal to RMB 340,000,000, Renren is entitled to receive 4,875,000 ordinary shares of CM Seven Star, increasing proportionally to 9,750,000 ordinary shares if the combined company's adjusted EBITDA is greater than or equal to RMB 480,000,000. Notwithstanding the revenue and adjusted EBITDA achieved by the combined company for any period, Renren will receive the 2019 earnout shares if the stock price of CM Seven Star is higher than $13.00 for any sixty days in any period of ninety consecutive trading days during an fifteen month period following the closing, and will receive the 2019 earnout shares and the 2020 earnout shares if the stock price of CM Seven Star is higher than $13.50 for any sixty days in any period of ninety consecutive trading days during a thirty month period following the closing.

CM Seven Star's company name has been changed to Kaixin Auto Holdings and its ticker symbol on the Nasdaq stock exchange will change from "CMSS" to "KXIN" effective at the start of trading on May 2, 2019. No action is needed from current CM Seven Star shareholders in relation to the ticker symbol change. The new CUSIP is G5223X100.

Kaixin will continue to be led by its current management team with Joseph Chen as Chairman of the Board of Directors, Ji Chen as Chief Executive Officer and Thomas Ren as Chief Financial Officer. Kaixin will remain headquartered in Beijing, China.

Sing Wang, Chief Executive Officer of CM Seven Star, said, “Kaixin’s leadership has done a terrific job creating one of the leading premium segment nationwide used car dealership networks offering value-added and after-sales services in China. The evolution of the automobile market sales cycle in China is ripe for the value-added benefits that Kaixin’s differentiated model delivers. We are excited about the ways this transaction will leverage Kaixin’s dealership network platform to bring exciting growth and solid shareholder value.”

Joseph Chen, Chairman of Kaixin and Chairman & Chief Executive Officer of Renren Inc., added, “We are delighted to achieve this milestone and welcome our new shareholder partners. Sing and his team have been exceptional partners throughout this process. We have a solid foundation in place and look forward to further scaling our operations to bring our proven market solutions to even more dealerships in China in this new chapter of growth.”

EarlyBirdCapital, Inc. acted as exclusive financial and capital markets advisor to CM Seven Star. Loeb & Loeb LLP acted as securities counsel for CM Seven Star. Skadden, Arps, Slate, Meagher & Flom LLP acted as U.S. counsel for Renren. Simpson Thacher & Bartlett LLP acted as U.S. counsel for Kaixin. Maples & Calder (Hong Kong) LLP acted as Cayman counsel for Renren and Kaixin. TransAsia Lawyers acted as PRC counsel for Kaixin.

About CM Seven Star

In October of 2017, CM Seven Star Acquisition Corporation, a Cayman Islands exempted limited liability company completed its initial public offering. Sponsored by Shareholder Value Fund, a Cayman fund controlled by members of its Board of Directors, which has selected CM Asset Management (Hongkong) Company Limited (“CMAM”) to serve as the investment manager for the fund. CMAM is a wholly owned subsidiary of China Minsheng Financial Holding Corporation Limited, a Hong Kong Stock Exchange listed Company. CM Seven Star was formed as a blank check company for the purpose of entering into a merger, share exchange, asset acquisition, share purchase, recapitalization, reorganization or similar business combination with one or more businesses or entities. CM Seven Star’s efforts to identify a prospective target business will not be limited to a particular industry or geographic location.

About Renren Inc.

Renren Inc. operates a used auto business and SaaS business. Renren’s American depositary shares, each of which represents fifteen Class A ordinary shares, trade on NYSE under the symbol “RENN”.

About Kaixin Auto Group

Founded in 2015 as a venture into China’s used car financing market by its corporate parent Renren Inc., Kaixin Auto Group is a leading premium used car dealership in China. Supported by the rapid growth of China’s used car market and leveraging its own hybrid business model that offers both strong online and offline presence, Kaixin has transformed from a tech-enabled financing platform into a nationwide dealer network that combines its own and affiliated dealers as well as value-added and after-sale services.

Important Notice Regarding Forward-Looking Statements

This press release contains certain “forward-looking statements” within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, both as amended. Statements that are not historical facts, including statements about the pending transaction between CM Seven Star Acquisition Corporation (“CM Seven Star”), Renren Inc. (“Renren”) and Kaixin Auto Group (“Kaixin”) and the transactions contemplated thereby, and the parties’ perspectives and expectations, are forward-looking statements. Such statements include, but are not limited to, statements regarding the proposed transaction, including the anticipated initial enterprise value and post-closing equity value, the benefits of the proposed transaction, integration plans, expected synergies and revenue opportunities, anticipated future financial and operating performance and results, including estimates for growth, the expected management and governance of the combined company, and the expected timing of the transactions. The words “expect,” “believe,” “estimate,” “intend,” “plan” and similar expressions indicate forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to various risks and uncertainties, assumptions (including assumptions about general economic, market, industry and operational factors), known or unknown, which could cause the actual results to vary materially from those indicated or anticipated.

Such risks and uncertainties include, but are not limited to: (i) risks related to the ability of CM Seven Star and Kaixin to successfully integrate the businesses; (ii) the occurrence of any event, change or other circumstances that could give rise to the termination of the applicable transaction agreements; (iii) the risk that there may be a material adverse change with respect to the financial position, performance, operations or prospects of Kaixin or CM Seven Star; (iv) risks related to disruption of management time from ongoing business operations due to the proposed transaction; (v) the risk that any announcements relating to the transaction could have adverse effects on the market price of CM Seven Star's common stock; (vi) the risk that the transaction and its announcement could have an adverse effect on the ability of Kaixin and CM Seven Star to retain customers and retain and hire key personnel and maintain relationships with their suppliers and customers and on their operating results and businesses generally; and (vii) the risk that the combined company may be unable to achieve cost-cutting synergies or it may take longer than expected to achieve those synergies. A further list and description of risks and uncertainties can be found in CM Seven Star's Annual Report on Form 10-K for the fiscal year ending December 31, 2018 filed with the SEC, in CM Seven Star's quarterly reports on Form 10-Q filed with the SEC subsequent thereto and in the proxy statement on Schedule 14A filed with the SEC by CM Seven Star in connection with the transaction, and other documents that the parties may file or furnish with the SEC, which you are encouraged to read. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. Accordingly, you are cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements relate only to the date they were made, and CM Seven Star, Renren, Kaixin, and their subsidiaries undertake no obligation to update forward-looking statements to reflect events or circumstances after the date they were made except as required by law or applicable regulation.

For more information, please visit: http://ir.kaixin.com

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Exhibit 99.2

KAIXIN AUTO GROUP

FINANCIAL STATEMENTS

KAIXIN AUTO GROUP

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS OF KAIXIN AUTO GROUP

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Kaixin Auto Group, its subsidiaries, its variable interest entities and the subsidiaries of its variable interest entities (collectively, the "Company") as of December 31, 2018 and 2017, the related consolidated statements of operations, comprehensive loss, changes in equity (deficit), and cash flows for each of the three years in the period ended December 31, 2018, and the related notes and the financial statement schedule included in Schedule I (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2017, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Emphasis of a Matter

As discussed in Note 1 to the financial statements, the accompanying financial statements were prepared to present the assets and liabilities and related results of operations and cash flows of Kaixin Auto Group, its subsidiaries, its variable interest entities and the subsidiaries of its variable interest entities. These financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations and cash flows if Kaixin Auto Group, its subsidiaries, its variable interest entities and the subsidiaries of its variable interest entities had operated as a stand-alone group during the periods presented.

/s/ Deloitte Touche Tohmatsu Certified Public Accountants LLP

Beijing, the People's Republic of China
May 6, 2019
We have served as the Company's auditor since 2018.

KAIXIN AUTO GROUP

CONSOLIDATED BALANCE SHEETS

(In thousands of US dollars, except share and per share data, or otherwise noted)

	As of December 31, 2017	As of December 31, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	$ 17,061	$ 7,950
Restricted cash	47,253	5,818
Accounts receivable	1,297	1,480
Financing receivable (net of allowances of $3,692 and $6,365 as of December 31, 2017 and 2018, respectively; including $78,485 and $nil from the Plans[(i)] as of December 31, 2017 and 2018, respectively)	125,353	3,486
Prepaid expenses and other current assets	22,755	38,714
Inventory	78,701	57,950
Amounts due from related parties	1,458	—
Assets of discontinued operations – current (including assets of discontinued operations - current of the consolidated VIEs without recourse to Kaixin Auto Group of $24,425 and $nil as of December 31, 2017 and 2018, respectively)	24,425	—
Total current assets	318,303	115,398
Long-term financing receivable	8	—
Goodwill	64,222	75,021
Property and equipment, net	140	813
Assets of discontinued operations – non-current (including assets of discontinued operations – non-current of the consolidated VIEs without recourse to Kaixin Auto Group of $27,422 and $nil as of December 31, 2017 and 2018, respectively)	27,422	—
TOTAL ASSETS	$ 410,095	$ 191,232
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable (including accounts payable of the consolidated VIEs without recourse to Kaixin Auto Group of $11,177 and $4,675 as of December 31, 2017 and 2018, respectively)	$ 11,177	$ 4,975
Short-term debt (including short-term debt of the consolidated VIEs without recourse to Kaixin Auto Group of $12,296 and $29,816 as of December 31, 2017 and 2018, respectively)	61,479	49,887
Accrued expenses and other current liabilities (including accrued expenses and other current liabilities of the consolidated VIEs without recourse to Kaixin Auto Group of $7,986 and $8,030, as of December 31, 2017 and 2018, respectively; including accrued expenses and other current liabilities of the Plans without recourse to Kaixin Auto Group of $4 and $nil as of December 31, 2017 and 2018, respectively)	10,868	10,644
Payable to investors (including payable to investors of the consolidated VIEs without recourse to Kaixin Auto Group of $1,425 and $nil as of December 31, 2017 and 2018, respectively; including payable to investors of the Plans without recourse to Kaixin Auto Group of $64,087 and $nil as of December 31, 2017 and 2018, respectively)	136,961	—
Amounts due to related parties (including amount due to related parties of the consolidated VIEs without recourse to Kaixin Auto Group of $13,088 and $6,683 as of December 31, 2017 and 2018, respectively)	76,578	78,108
Advance from customers (including advance from customers of the consolidated VIEs without recourse to Kaixin Auto Group of $6,220 and $4,078 as of December 31, 2017 and 2018, respectively)	6,220	4,078
Contingent consideration (including contingent consideration of the consolidated VIEs without recourse to Kaixin Auto Group of $4,188 and $11,929 as of December 31, 2017 and 2018, respectively)	4,188	11,929
Income tax payable (including income tax payable of the consolidated VIEs without recourse to Kaixin Auto Group of $6,842 and $6,845 as of December 31, 2017 and 2018, respectively)	7,158	7,590
Liabilities of discontinued operations – current (including liabilities of discontinued operations - current of the consolidated VIEs without recourse to Kaixin Auto Group of $5,520 and $nil as of December 31, 2017 and 2018, respectively)	5,520	—
Total current liabilities	320,149	167,211
Long-term liabilities:		
Long-term debt	27,665	—
Long-term contingent consideration (including long-term contingent consideration of the consolidated VIEs without recourse to Kaixin Auto Group $42,268 and $88,098 as of December 31, 2017 and 2018, respectively)	42,268	93,741
Liabilities of discontinued operations – non-current (including liabilities of discontinued operations – non-current of the consolidated VIEs without recourse to Kaixin Auto Group of $18,582 and $nil as of December 31, 2017 and 2018, respectively)	18,582	—
Total non-current liabilities	88,515	93,741
TOTAL LIABILITIES	$ 408,664	$ 260,952
Commitments (Note 20)		
Equity (Deficit)		
Ordinary shares, 800,000,000 shares authorized at par value of $0.0001 each, 160,000,000 and 160,000,000 shares issued and outstanding as of December 31, 2017 and 2018, respectively	$ 16	$ 16
Additional paid-in capital	18,654	38,561
Accumulated deficit	(56,858)	(146,073)

Subscription receivable	(16)	(16)
Statutory reserves	4,004	4,004
Accumulated other comprehensive income	978	1,382
Total Kaixin Auto Group shareholders' deficit	(33,222)	(102,126)
Non-controlling interest	34,653	32,406
Total equity (deficit)	1,431	(69,720)
TOTAL LIABILITIES AND EQUITY (DEFICIT)	$ 410,095	$ 191,232

(i) The Company consolidated Shanghai Renren Finance Leasing Asset-Backed Special Plans (the "Plans"), see Note 1.

The accompanying notes are an integral part of these consolidated financial statements.

KAIXIN AUTO GROUP

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands of US dollars, except share and per share data, or otherwise noted)

	Years ended December 31,		
	2016	**2017**	**2018**
Net revenues:			
Automobile sales	$ —	$ 88,227	$ 420,005
Financing income	20,778	26,426	2,317
Others	68	1,933	9,082
Total net revenues	20,846	116,586	431,404
Cost of revenues:			
Automobile sales	—	85,050	399,274
Cost of financing income	10,874	15,259	3,327
Provision for financing receivable	3,165	12,717	10,941
Others	32	32	429
Total cost of revenues	14,071	113,058	413,971
Gross profit	6,775	3,528	17,433
Operating expenses:			
Selling and marketing	7,999	10,698	24,077
Research and development	2,374	3,982	4,419
General and administrative	10,367	14,971	23,012
Total operating expenses	20,740	29,651	51,508
Loss from operations	(13,965)	(26,123)	(34,075)
Other (expenses) income	(339)	387	(812)
Fair value change of contingent consideration	—	(1,480)	(49,503)
Interest income	64	902	575
Interest expenses	(58)	(3,068)	(4,261)
Loss before provision of income tax and noncontrolling interest, net of tax	(14,298)	(29,382)	(88,076)
Income tax expenses	(1,690)	(1,158)	(862)
Loss from continuing operations	$ (15,988)	$ (30,540)	$ (88,938)
Discontinued operations:			
(Loss) income from discontinued operations, net of taxes of $nil, $nil and $nil for the years ended December 31, 2016, 2017 and 2018	(8,066)	1,845	(594)
Net loss	(24,054)	(28,695)	(89,532)
Net loss attributable to the noncontrolling interest	—	(76)	(317)
Net loss from continuing operations attributable to Kaixin Auto Group	(15,988)	(30,464)	(88,621)
Net (loss) income from discontinued operations attributable to Kaixin Auto Group	(8,066)	1,845	(594)
Net loss attributable to Kaixin Auto Group	$ (24,054)	$ (28,619)	$ (89,215)

The accompanying notes are an integral part of these consolidated financial statements.

KAIXIN AUTO GROUP

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(In thousands of US dollars, except share and per share data, or otherwise noted)

	Years ended December 31,		
	2016	**2017**	**2018**
Net loss per share:			
Net loss per share from continuing operations attributable to Kaixin Auto Group:			
Basic and diluted	$ (0.10)	$ (0.19)	$ (0.56)
Net (loss) income per share from discontinued operations attributable to Kaixin Auto Group:			
Basic and diluted	$ (0.05)	$ 0.01	$ (0.00)
Net loss per share attributable to Kaixin Auto Group:			
Basic and diluted	$ (0.15)	$ (0.18)	$ (0.56)
Weighted average number of shares used in calculating net loss per share from continuing operations attributable to Kaixin Auto Group:			
Basic and diluted	160,000,000	160,000,000	160,000,000
Weighted average number of shares used in calculating net (loss) income per share from discontinued operations attributable to Kaixin Auto Group:			
Basic and diluted	160,000,000	160,000,000	160,000,000

KAIXIN AUTO GROUP

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(In thousands of US dollars, except share and per share data, or otherwise noted)

	Years ended December 31,		
	2016	**2017**	**2018**
Net loss	$ (24,054)	$ (28,695)	$ (89,532)
Other comprehensive (loss) income, net of tax of nil:			
Foreign currency translation	(931)	3,598	404
Other comprehensive (loss) income	(931)	3,598	404
Comprehensive loss	(24,985)	(25,097)	(89,128)
Less: Comprehensive loss attributable to noncontrolling interest	—	(76)	(2,466)
Comprehensive loss attributable to Kaixin Auto Group	$ (24,985)	$ (25,021)	$ (86,662)

The accompanying notes are an integral part of these consolidated financial statements.

KAIXIN AUTO GROUP

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)

(In thousands of US dollars, except share and per share data, or otherwise noted)

	Ordinary shares		Subscription	Additional paid-in	Accumulated	Statutory	Accumulated other comprehensive	Total Kaixin Auto Group's	Non-controlling	Total equity
	Shares	Amount	receivable	capital	Earnings (deficit)	Reserves	(loss) income	equity (deficit)	interest	(deficit)
Balance at January 1, 2016	160,000,000	$ 16	$ (16)	$ 873	$ 51,870	$ 4,004	$ (1,689)	$ 55,058	$ —	$ 55,058
Distribution to Renren Inc.[(i)]	—	—	—	—	(56,055)	—	—	(56,055)	—	(56,055)
Other comprehensive loss	—	—	—	—	—	—	(931)	(931)	—	(931)
Contribution from Renren Inc.	—	—	—	4,504	—	—	—	4,504	—	4,504
Deemed distribution to Parent associated with tax liability	—	—	—	(169)	—	—	—	(169)	—	(169)
Net loss	—	—	—	—	(24,054)	—	—	(24,054)	—	(24,054)
Balance at December 31, 2016	160,000,000	$ 16	$ (16)	$ 5,208	$ (28,239)	$ 4,004	$ (2,620)	$ (21,647)	$ —	$(21,647)
Other comprehensive income	—	—	—	—	—	—	2,818	2,818	780	3,598
Noncontrolling interest arising from acquisitions	—	—	—	1,201	—	—	780	1,981	27,683	29,664
Capital contribution from non-controlling interest shareholders	—	—	—	8,355	—	—	—	8,355	6,266	14,621
Contribution from Renren Inc.	—	—	—	4,615	—	—	—	4,615	—	4,615
Deemed distribution to Parent associated with tax liability	—	—	—	(725)	—	—	—	(725)	—	(725)
Net loss	—	—	—	—	(28,619)	—	—	(28,619)	(76)	(28,695)
Balance at December 31, 2017	160,000,000	$ 16	$ (16)	$ 18,654	$ (56,858)	$ 4,004	$ 978	$ (33,222)	$ 34,653	$ 1,431
Share-based compensation	—	—	—	9,046	—	—	—	9,046	—	9,046
Other comprehensive income	—	—	—	—	—	—	2,553	2,553	(2,149)	404
Noncontrolling interest arising from acquisitions	—	—	—	—	—	—	(2,588)	(2,588)	6,048	3,460
Disposal of subsidiaries				2,039			439	2,478	(10,621)	(8,143)
Capital contribution from non-controlling interest shareholders	—	—	—	6,346	—	—	—	6,346	4,792	11,138
Contribution from Renren Inc.	—	—	—	2,476	—	—	—	2,476	—	2,476
Net loss	—	—	—	—	(89,215)	—	—	(89,215)	(317)	(89,532)
Balance at December 31, 2018	160,000,000	$ 16	$ (16)	$ 38,561	$ (146,073)	$ 4,004	$ 1,382	$(102,126)	$ 32,406	$(69,720)

The accompanying notes are integral part of these consolidated financial statements.

KAIXIN AUTO GROUP

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of US dollars, or otherwise noted)

	Years ended December 31,		
	2016	**2017**	**2018**
Cash flows from operating activities:			
Net loss	$ (24,054)	$ (28,695)	$ (89,532)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation	51	42	161
Share-based compensation	3,707	4,502	11,436
Allowances for financing receivable losses	12,436	12,745	11,074
Fair value change of contingent consideration	—	2,601	30,460
Gain on disposal of equipment	—	—	8
Write-offs of inventory related to Ji'nan Dealership	—	—	5,912
Provision for inventory	—	—	200
Write-offs for advance to supplier related to Ji'nan Dearlership	—	—	16,840
Changes in operating assets and liabilities:			
Accounts receivable	(104)	(1,114)	(229)
Financing receivable	10	(321)	2
Inventory	—	(67,166)	30,150
Prepaid expenses and other current assets	(6,626)	(20,048)	(22,967)
Accounts payable	10	13,592	(2,426)
Amounts due from/to related parties	3,016	2,027	4,937
Accrued expenses and other current liabilities	1,868	4,122	395
Payable to investors	(531)	(4,048)	(4,691)
Advance from customers	—	6,375	(2,275)
Income tax payable	1,680	1,702	796
Net cash used in operating activities	(8,537)	(73,684)	(9,749)
Cash flows from investing activities:			
Proceeds from principal repayments of financing receivable	626,775	925,709	109,701
Payments to provide financing receivable	(799,174)	(748,486)	(5)
Purchases of property and equipment	(106)	(21)	(764)
Loan to related parties	(883)	(9,337)	—
Proceeds from repayment of related party loans	746	8,871	—
Loans to a third party	—	(2,220)	—
Cash disposed of from deconsolidation of subsidiaries	—	(17)	—
Acquisition of business, net of cash acquired	—	(12,088)	(9,950)
Net cash (used in) provided by investing activities	(172,642)	162,411	98,982
Cash flows from financing activities:			
Proceeds from investors	844,712	1,568,938	57,767
Payment to investors	(637,931)	(1,680,932)	(187,908)
Repayment of borrowings	—	(14,060)	(107,500)
Proceeds from borrowings	7,530	92,498	71,640
Repayment of advances from related parties	(186,206)	(75,223)	(143,447)
Proceeds from advances from related parties	177,758	35,577	159,938
Capital injection by noncontrolling shareholders	—	13,468	10,873
Net cash provided by (used in) financing activities	205,863	(59,734)	(138,637)
Net increase (decrease) in cash and cash equivalents	24,684	28,993	(49,404)
Cash and cash equivalents and restricted cash at beginning of year	8,011	34,985	64,447
Effect of exchange rate changes	2,290	469	(1,275)
Cash and cash equivalents and restricted cash at end of year	$ 34,985	$ 64,447	$ 13,768
Supplemental schedule of cash flows information:			
Interest paid	$ 6,833	$ 7,741	$ 7,448
Income taxes paid	109	177	1
Schedule of non-cash activities:			
Contingent consideration	—	62,493	14,113
Acquisition consideration payable	—	9,439	—
Acquisition of business settled by forgiveness of financing receivable	—	21,201	1,428
Reconciliation to amounts on consolidated balance sheets:			
Cash and cash equivalents	$ 34,697	$ 17,194	$ 7,950
Restricted cash	288	47,253	5,818
Total cash, cash equivalents, and restricted cash	$ 34,985	$ 64,447	$ 13,768

The accompanying notes are an integral part of these consolidated financial statements

1. ORGANIZATION AND PRINCIPAL ACTIVITIES

Kaixin Auto Group ("Kaixin Auto"), formerly known as Renren Jinkong and Renren Auto, was founded in 2011 and was incorporated in the Cayman Islands. Prior to the reorganization further discussed below, Kaixin Auto's operations were insignificant. Renren Inc. (the "Parent" or "Renren") is the Company's parent company. Renren is primarily engaged in the used car trading business, operations of financial services platforms to provide used car financing services mostly to used car dealerships, as well as SaaS business. The Company, its consolidated subsidiaries, variable interest entities ("VIEs") and VIEs' subsidiaries (collectively referred to as the "Company") is primarily engaged in the operation of used car sales business and financing services provided to used car dealerships.

Reorganization

In connection with a plan to ultimately list in the United States, following steps were undertaken (the "Reorganization"):

Establishment of Shanghai Jieying. In February 2017, Shanghai Jieying Automobile Sales Co., Ltd. ("Shanghai Jieying") was established in the People Republic of China ("PRC"). Renren designated Mr. Thomas Jintao Ren and Ms. Rita Rui Yi, two PRC citizens and part of Renren's management, as the shareholders of Shanghai Jieying on behalf of Renren (referred to as "Shanghai Jieying Nominee Shareholders"). Immediately after the establishment of Shanghai Jieying, Shanghai Jieying and Shanghai Jieying Nominee Shareholders entered into a series of contractual arrangements with Beijing Jiexun Shiji Technology Development Co. Ltd. ("Jiexun Shiji") which enable Jiexun Shiji to be the primary beneficiary of Shanghai Jieying. Shanghai Jieying and its acquired subsidiaries mainly provide used car sales business.

Transfer of Equity Interests of Renren Finance Inc. ("Renren Finance") and its subsidiary. In April 2017, the equity interest of Renren Finance and its subsidiary, formerly a consolidated variable interest entity's subsidiary of Renren, were transferred to the Company for no consideration. Renren Finance's operations mainly included providing used car financing to used car dealerships.

Disposal of Equity Interests of Renren Winday Company Limited. In April 2017, Renren Winday Company Limited, a subsidiary of the Company established in July 2016 with minimal operations was transferred to Renren for a consideration of $1.3 (HK$10,000).

Transfer of Equity Interests and reorganization of Shanghai Changda. In May 2017, Shanghai Changda, formerly consolidated variable interest entity's subsidiary of Renren was transferred to Mr. James Jian Liu and Mrs. Jing Yang (referred to the "Shanghai Changda Nominee Shareholders"). Mr. James Jian Liu and Mrs. Jing Yang are two PRC citizens and part of Renren's management. In June 2017, Shanghai Changda and its Shanghai Changda Nominee Shareholders entered into a series of contractual arrangements with Jiexun Shiji, which enable Jiexun Shiji to be the primary beneficiary of Shanghai Changda. Historically, Shanghai Changda was engaged in providing used car financing services, which mainly included financing to used car dealerships, credit financing to college students, peer-to-peer lending services, wealth management services as well as apartment rental financing. Apartment rental financing services were terminated in January 2016 and were insignificant. Credit financing to college students services, known as Renren Fenqi, was terminated in May 2016 and was further transferred back to Renren in December 2017 (see below). Wealth management platform services were terminated in August 2017 and was further transferred back to Renren in November 2017 (see below). As a result, during the year ended December 31, 2017, the majority of Shanghai Changda's-financing services relate to financing provided to used car dealerships.

1. ORGANIZATION AND PRINCIPAL ACTIVITIES(cont.)

Transfer of Shanghai Changda subsidiary and business back to Renren. As part of the Reorganization, (1) in November 2017, one of Shanghai Changda subsidiary, Beijing Jingwei Zhihui Information Technology Co., Ltd, who operates the Company's wealth management services was disposed to Renren and (2) in December 2017, the credit financing to college students business was transferred to Renren. The Company's wealth management services were insignificant to the Company's consolidated results during the years ended December 31, 2017 and 2016. Additionally, the disposal of the Company's credit financing to college students was presented as discontinued operations in the accompanying consolidated financial statements. Refer to Note 4 for further details.

As a result, subsequent to the Reorganization, Shanghai Changda was only engaged in providing financing to used car dealerships.

Establishment of Shanghai Automotive and amendments of the VIE arrangements with Shanghai Changda and Shanghai Jieying. In August 2017, Shanghai Automotive was established in the PRC by the Company. At the same time, Shanghai Jieying and Shanghai Changda terminated their VIE agreements with Jiexun Shiji and entered into VIE agreements with Shanghai Automotive. See further discussions below for the current VIE arrangements.

As a result of the Reorganization, the used car trading business and the finance business were transferred to the Company. The accompanying consolidated financial statements have been prepared as if the current corporate structure has been in existence throughout the periods presented. The assets and liabilities and the related results of operations and cash flow of Kaixin Auto reflects the used car trading business and finance business. However, such presentation may not necessarily reflect the results of operations, financial position and cash flows if the Company had actually existed on a stand-alone basis during the periods presented. Transactions between the Company and Renren are herein presented and referred to as related party transactions. Because the reorganization took place with companies under common control, the related assets and liabilities have been presented at historical carrying amounts.

The accompanying consolidated financial statements includes the Company's direct expenses as well as allocation of certain general and administrative expenses, research and development expenses, selling and marketing expenses and cost of revenues paid by Renren and not directly related to the Company's used car trading business and financing business. These expenses consist primarily of share-based compensation expenses of senior management and shared marketing and management expenses including accounting, administrative, marketing, internal control, legal support services and other expenses to provide operating support to the related businesses. These allocations are made using a proportional cost allocation method and were based on revenues, headcount as well as estimates of time spent on the provision of services attributable to the Company.

Total cost of revenues, selling and marketing expenses, research and development expenses and general and administrative expenses allocated from Renren amounted to $27, $81, $261 and $4,812 for the year ended December 31, 2016, $16, $48, $283 and $7,166 for the year ended December 31, 2017 and $23, $54, $204 and $5,394 for the year ended December 31, 2018, respectively. Share-based compensation expenses incurred by Renren, which represents the majority of the allocated expenses, are recorded as capital contribution by the Company. Income tax provision reflected in the Company's consolidated statement of operations is calculated based on a separate return basis as if the Company had filed a separate tax return.

Management believes the basis and amounts of these allocations are reasonable. While the expenses allocated to the Company for these items are not necessarily indicative of the expenses that would have been incurred if the Company had been a separate, stand-alone entity, the Company does not believe that there is any significant difference between the nature and amounts of these allocated expenses and the expenses that would have been incurred if the Company had been a separate, stand-alone entity.

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (cont.)

Transfer of Ji'nan Dealership

In August 2018, Shandong Jieying Huaqi Auto Service Co. ("Ji'nan Dealership", subsidiary of the Company's VIE's) received a notice from the local police regarding an investigation of the dealership's premises. The Company believes the investigation is an isolated individual activity of the minority shareholder who holds 30% of Ji'nan Dealership's equity interest. Certain assets of Ji'nan Dealership are not assessable pursuant to the investigation. In connection with these events, the Company determined that it is probable that it cannot enforce the realization of inventory value and that suppliers to the Ji'nan Dealership are unable to fulfill the contract obligation by either delivering vehicles or returning money to the Company due to the ongoing investigation. As a result, the Company wrote off all inventory and advances to suppliers of the Ji'nan Dealership, which totaled US$5.7 million and US$16.1 million respectively in the third quarter of 2018. In addition, in November 2018, the Company has agreed to transfer its equity interest in the Ji'nan Dealership and the related assets to an affiliate of Renren. In exchange, Renren has agreed to waive RMB133.8 million (approximately US$19.5 million) of related amounts due to Renren. The difference between the net book value of the assets transferred to Renren and the waived amount due to Renren was recorded by the Company as a capital contribution from Renren. Refer to Note 4 for further details.

Share exchange with Kaixin Auto Holdings ("KAH", formerly CM Seven Star Acquisition Corporation)

On November 2, 2018, the Company, Renren and KAH (former NASDAQ ticker: CMSS) agreed to a business combination under the terms of a definitive share exchange agreement (the "Business Combination"). The business combination was consummated on April 30, 2019. The following transactions were executed pursuant to the definitive share exchange agreement:

- In the fourth quarter of 2018, Kaixin transferred its equity interests in Shandong Jieying Huaqi Auto Service Co. along with the relevant assets and liabilities to Renren for a consideration of approximately RMB133.8 million (US$20.0 million).

- In January 2019, Kaixin Auto entered into amendment agreements with the dealership and after-sales service center operators that allowed Kaixin Auto to settle the contingent consideration related to the acquisitions of dealership and after-sales service centers, as disclosed in Note 5, by using shares of KAH. Please refer to note 5 for details of the acquisition arrangements;

- On April 30, 2019, KAH acquired 100% of the issued and outstanding shares of the Company from Renren in exchange for an initial consideration of approximately 28.3 million of KAH shares upon consummation of the Business Combination;

- On April 30, 2019, all the options granted under the Kaixin Auto Group 2018 Plan had been cancelled and replaced by the awards under KAH upon consummation of the Business Combination;

- On April 30, 2019, Renren waived all the outstanding loans and receivables from Kaixin and/or Kaixin's subsidiaries without recourse by Renren or any of Renren's subsidiaries upon consummation of the Business Combination. In addition, Renren agreed to assume and be responsible for all the obligations and considerations due to the dealership and after-sales service center operators upon consummation of the Business Combination.

(In thousands of US dollars, except share and per share data, or otherwise noted)

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (cont.)

As of December 31, 2018, Kaixin Auto Group's subsidiaries, VIEs and VIEs' major subsidiaries are as follows:

Name of Subsidiaries	Later of date of incorporation or acquisition	Place of incorporation	Percentage of legal ownership by Kaixin Auto Group	Principal activities
Subsidiaries:				
Renren Finance, Inc.	December 15, 2014	Cayman Islands	100%	Internet business
Jet Sound Hong Kong Company Limited	May 7, 2011	Hong Kong	100%	Investment holding
Beijing Jiexun Shiji Technology Development Co., Ltd. ("Jiexun Shiji")	April 26, 2012	PRC	100%	Investment holding
Shanghai Renren Financial Leasing Co., Ltd.	May 25, 2015	PRC	100%	Financing business
Shanghai Renren Automotive Technology Group Co., Ltd. ("Shanghai Automotive")	August 18, 2017	PRC	100%	Investment holding
Variable Interest Entities:				
Shanghai Qianxiang Changda Internet Information Technology Development Co., Ltd. ("Shanghai Changda")	October 25, 2010	PRC	N/A	Internet business
Shanghai Jieying Automobile Sales Co., Ltd. ("Shanghai Jieying")	February 27, 2017	PRC	N/A	Used car trading business
Major subsidiaries of Variable Interest Entities:				
Beijing Kirin Wings Technology Development Co., Ltd.	January 16, 2013	PRC	N/A	Financing business
Shanghai Wangjing Investment Management Co., Ltd	April 20, 2015	PRC	N/A	Financing business
Shanghai HeiguoInternet Information Technology Co., Ltd.	February 27,2017	PRC	N/A	Inactive company
Jieying Baolufeng Automobile Sales (Shenyang) Co., Ltd.	June 14, 2017	PRC	N/A	Used car trading business
Chongqing Jieying Shangyue Automobile Sales Co., Ltd.	July 3, 2017	PRC	N/A	Used car trading business
Jiangsu Jieying Ruineng Automobile Sales Co., Ltd.	May 16, 2017	PRC	N/A	Used car trading business
Dalian Yiche Jieying Automobile Sales Co., Ltd.	June 27, 2017	PRC	N/A	Used car trading business
Henan Jieying Hengxin Automobile Sales Co., Ltd.	June 29, 2017	PRC	N/A	Used car trading business
Neimenggu Jieying Kaihang Automobile Sales Co., Ltd.	July 14, 2017	PRC	N/A	Used car trading business
Hangzhou Jieying Yifeng Automobile Sales Co., Ltd.	August 1, 2017	PRC	N/A	Used car trading business
Jilin Jieying Taocheguan Automobile Sales Co., Ltd.	October 31, 2017	PRC	N/A	Used car trading business
Suzhou Jieying Chemaishi Automobile Sales Co., Ltd.	October 27, 2017	PRC	N/A	Used car trading business
Cangzhou Jieying Bole Automobile Sales Co., Ltd.	August 10, 2017	PRC	N/A	Used car trading business
Shanghai Jieying Diyi Automobile Sales Co., Ltd.	October 19, 2017	PRC	N/A	Used car trading business
Ningxia Jieying Xianzhi Automobile Sales Co., Ltd.	July 26, 2017	PRC	N/A	Used car trading business
Wuhan Jieying Chimei Automobile Sales Co., Ltd.	November 20, 2017	PRC	N/A	Used car trading business
Fenqi Winday Company Limited	February 29, 2016	Hong Kong	N/A	Internet business
Shanghai Wangjing Commercial Factoring Co., Ltd.	July 28, 2015	PRC	N/A	Financing business
Shanxi Jieying Weilan Automobile Sales and Service Co., Ltd.	March 13,2018	PRC	N/A	Used car trading business
Shanghai Zhoushuo Automobile Technology Co., Ltd.	January 18, 2018	PRC	N/A	Used car trading business

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (cont.)

The VIE arrangements

PRC regulations currently limit direct foreign ownership of business entities providing value-added telecommunications services, and internet services in the PRC where certain licenses are required for the provision of such services. To comply with these PRC regulations, the Company conducts substantially all of its businesses through its VIEs, Shanghai Changda and Shanghai Jieying, which are mainly engaged in the internet finance business and used car trading business, respectively, as well as its respective subsidiaries.

Shanghai Automotive ("WFOE"), a wholly owned subsidiary of Jet Sound Hong Kong Company Limited, entered into a series of contractual arrangements with the VIEs that enable the Company to (1) have power to direct the activities that most significantly affects the economic performance of the VIEs, and (2) receive the economic benefits of the VIEs that could be significant to the VIEs. Accordingly, the Company is considered the primary beneficiary of the VIEs and has consolidated the VIEs' financial results of operations, assets and liabilities in the Company's consolidated financial statements. In making the conclusion that the Company is the primary beneficiary of the VIEs, the Company believes the Company's rights under the terms of the exclusive option agreement provide it with a substantive kick out right.

More specifically, the Company believes the terms of the contractual agreements are valid, binding and enforceable under PRC laws and regulations currently in effect. In particular the Company also believes that the minimum amount of consideration permitted by the applicable PRC law to exercise the exclusive option does not represent a financial barrier or disincentive for the Company to currently exercise its rights under the exclusive option agreement. A simple majority vote of the Company's board of directors is required to pass a resolution to exercise the Company's rights under the exclusive option agreement, for which the consent from Mr. Joe Chen, who holds the most voting interests in the Parent, is not required. The Company's rights under the exclusive option agreement give the Company the power to control the shareholders of the VIEs and thus the power to direct the activities that most significantly impact the VIEs' economic performance. In addition, the Company's rights under the powers of attorney also reinforce the Company's abilities to direct the activities that most significantly impact the VIEs' economic performance. The Company also believes that this ability to exercise control ensures that the VIEs will continue to execute and renew service agreements and pay service fees to the Company. By charging service fees at the sole discretion of the Company, and by ensuring that service agreements are executed and renewed indefinitely, the Company has the rights to receive substantially all of the economic benefits from the VIEs.

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (cont.)

The VIE arrangements *(cont.)*

The VIEs and their subsidiaries hold the requisite licenses and permits necessary to conduct the Company's business under the current business arrangements.

The contractual agreements below provide the Company with the power to direct the activities that most significantly affect the economic performance of the VIEs and enable the Company to receive substantially all of economic benefits and absorb the losses of the VIEs.

(1) *Power of Attorney:* The WFOE holds irrevocable power of attorney executed by the legal owners of the VIEs to exercise their voting rights on, including but not limited to dividend declaration, all matters at meetings of the legal owners of the VIEs and through such power of attorney has the right to control the operations of the VIEs. The power of attorney for Shanghai Jieying and Shanghai Changda became effective on August 18, 2017 and will remain effective as long as Shanghai Jieying and Shanghai Changda exist. The shareholders of Shanghai Jieying or Shanghai Changda didn't have the right to terminate or revoke the power of attorney without the prior written consent of Shanghai Automotive.

(2) *Business Operations Agreement:* The business operations agreements specifically and explicitly grant the WFOE the principal operating decision making rights, such as appointment of the directors and executive management, of the VIEs.

The terms of the business operations agreements are ten years and will be extended automatically for another ten years unless the WFOE provide a 30-day advance written notice to the VIEs and to each of the VIEs' shareholders requesting not to extend the term three months prior to the expiration dates of August 17, 2027. Neither the VIEs nor any of the VIEs' shareholders may terminate the agreements during the terms or the extensions of the terms.

(3) *Exclusive Equity Option Agreement:* Under the exclusive equity option agreement, the WFOE has the exclusive right to purchase the equity interests of the VIEs from the registered legal equity owners as far as PRC regulations permit a transfer of legal ownership to foreign ownership. The WFOE can exercise the purchase right at any portion and any time in the 10-year agreement period.

Without the WFOE's consent, the VIEs' shareholders shall not transfer, donate, pledge, or otherwise dispose their equity shareholdings in the VIEs in any way. The equity option agreement will remain in full force and effect until the earlier of: (i) the date on which all of the equity interests in the VIEs have been acquired by the respective WFOE or its designated representative(s); or (ii) the receipt of the 30-day advance written termination notice issued by the respective WFOE to the shareholders of the VIEs. The term of these agreements will be automatically renewed upon the extension of the term of the relevant exclusive equity option agreement.

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (cont.)

The VIE arrangements *(cont.)*

(4) *Spousal Consent Agreement:* The spouse of each of the shareholders of Shanghai Jieying and Shanghai Changda acknowledged that certain equity interests of Shanghai Jieying, held by and registered in the name of his/her spouse would be disposed of pursuant to the loan agreement, equity option agreement and equity interest pledge agreement of which they were respectively a party, and they will not take any action to interfere with such arrangement, including claiming that such equity interests constitute property or communal property between his/her spouse and himself/herself.

(5) *Exclusive Technical and Consulting Services Agreement:* The WFOE and registered shareholders irrevocably agree that the WFOE shall be the exclusive technology service provider to the VIEs in return for a service fee which is determined at the sole discretion of the WFOE.

The term of each of agreement is ten years and will be extended automatically for another ten years unless terminated by the WFOE. The WFOE can terminate the agreement at any time by providing a 30-day prior written notice. The VIEs are not permitted to terminate the agreements prior to the expiration of the terms by August 17, 2027, respectively, unless the WFOE fail to comply with any of their obligations under this agreement and such breach makes the WFOE unable to continue to perform the agreements.

(6) *Loan Agreements:* Under loan agreements between the WFOE and each of the shareholders of the VIEs, the WFOE made interest-free loans to the shareholders of exclusively for the purpose of the initial capitalization and the subsequent financial needs of the VIEs. The loans can only be repaid with the proceeds derived from the sale of all of the equity interests in the VIEs to the WFOE or their designated representatives pursuant to the equity option agreements. The term of each of these loans is ten years from the actual drawing down of such loans by the shareholders of the VIEs, and will be automatically extended for another ten years unless a written notice to the contrary is given by the WFOE to the shareholders of the VIEs three months prior to the expiration of the loan agreements.

(7) *Equity Interest Pledge Agreement:* The shareholders of the VIEs have pledged all of their equity interests in the VIEs with their respective WFOE and the WFOE are entitled to certain rights to sell the pledged equity interests through auction or other means if the VIEs or the shareholders default in their obligations under other above-stated agreements.

These agreements are substantially the same, and that the equity interest pledge has become effective and will expire on the earlier of: (i) the date on which the VIEs and their shareholders have fully performed their obligations under the loan agreements, the exclusive technical service agreement, the intellectual property right license agreement and the equity option agreements; (ii) the enforcement of the pledge by the WFOE pursuant to the terms and conditions under this agreement to fully satisfy its rights under such agreements; or (iii) the completion of the transfer of all equity interests of the VIEs by the shareholders of the VIEs to another individual or legal entity designated by the WFOE pursuant to the equity option agreement and no equity interests of the VIEs are held by such shareholders.

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (cont.)

The VIE arrangements *(cont.)*

Risks in relation to the VIE structure

The Company and the Company's legal counsel believe that Shanghai Automotive's contractual arrangements with the VIEs are in compliance with PRC law and are legally enforceable. However, uncertainties in the PRC legal system could limit the Company's ability to enforce these contractual arrangements and if the shareholders of the VIEs were to reduce their interest in the Company, their interests may diverge from that of the Company and that may potentially increase the risk that they would seek to act contrary to the contractual terms, for example by influencing the VIEs not to pay the service fees when required to do so. If the legal structure and contractual arrangements were found to be in violation of PRC laws and regulations, the PRC government could:

- Revoke the business and operating licenses of the WFOE, the VIEs and their subsidiaries;
- Discontinue or restrict the operations of any related-party transactions among the WFOE, the VIEs and their subsidiaries;
- Impose fines or other requirements on the WFOE, the VIEs and their subsidiaries;
- Require the Company or the WFOE, the VIEs and their subsidiaries to revise the relevant ownership structure or restructure operations; and/or
- Restrict or prohibit the Company's use of the proceeds of the additional offering to finance the Company's business and operations in China.

The Company's ability to conduct its business including its used car trading business and its financing services to used car dealerships may be negatively affected if the PRC government were to carry out any of the aforementioned actions. As a result, the Company may not be able to consolidate the VIEs and the VIEs' subsidiaries in its consolidated financial statements as it may lose the ability to exert effective control over the VIEs and the VIEs' subsidiaries and shareholders, and it may lose the ability to receive economic benefits from the VIEs and the VIEs' subsidiaries.

Certain shareholders of the VIEs are also shareholders of the Company. The interests of the shareholders of the VIEs may diverge from that of the Company and that may potentially increase the risk that they would seek to act contrary to the contractual terms, for example by influencing the VIEs not to pay the service fees when required to do so. The Company cannot assure that when conflicts of interest arise, shareholders of the VIEs will act in the best interests of the Company or that conflicts of interests will be resolved in the Company's favor. Currently, the Company does not have existing arrangements to address potential conflicts of interest the shareholders of the VIEs may encounter in their capacity as beneficial owners and directors of the VIEs. The Company believes the shareholders of the VIEs will not act contrary to any of the contractual arrangements and the exclusive option agreements provide the Company with a mechanism to remove the current shareholders of the VIEs as beneficial shareholders of the VIEs should they act to the detriment of the Company. The Company relies on the current shareholders of VIEs whom also are directors and executive officers of the Company, to fulfill their fiduciary duties and abide by laws of Cayman Islands and act in the best interest of the Company or that conflicts will be resolved in the Company's favor. If the Company cannot resolve any conflicts of interest or disputes between the Company and the shareholders of the VIEs, the Company would have to rely on legal proceedings, which could result in disruption of its business, and there is substantial uncertainty as to the outcome of any such legal proceedings.

(In thousands of US dollars, except share and per share data, or otherwise noted)

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (cont.)

The VIE arrangements *(cont.)*

The Company's ability to control the VIEs also depends on the power of attorney that the WFOE have to vote on all matters requiring shareholder approval in the VIEs. As noted above, the Company believes this power of attorney is legally enforceable but may not be as effective as direct equity ownership.

The following financial statement balances and amounts of the Company's VIEs were included in the accompanying consolidated financial statements after elimination of intercompany balances and transactions between the offshore companies, WFOE, VIEs and VIEs' subsidiaries. As of December 31, 2017 and 2018, the balance of the amount payable by the VIEs and their subsidiaries to the WFOE related to the service fees were $ nil.

	As of December 31,	
	2017	2018
Cash and cash equivalents	$ 2,354	$ 6,318
Restricted cash	51	—
Accounts receivable, net	1,297	3,026
Financing receivable, net	12	—
Inventory	78,701	57,859
Prepaid expenses and other current assets	17,949	27,123
Amounts due from related parties	858	—
Assets of discontinued operations - current	24,425	—
Total current assets	125,647	94,326
Long-term financing receivable, net	8	—
Goodwill	64,222	64,365
Property and equipment, net	90	155
Assets of discontinued operations - non-current	27,422	—
Total non-current assets	91,742	64,520
Total assets	$ 217,389	$ 158,846
Accounts payable	$ 11,177	$ 4,675
Short-term debt	12,296	29,816
Accrued expenses and other current liabilities	7,986	8,030
Payable to investors	1,425	—
Amounts due to related parties	13,088	6,683
Advance from customers	6,220	4,078
Contingent consideration	4,188	11,929
Income tax payable	6,842	6,845
Liabilities of discontinued operations - current	5,520	—
Total current liabilities	68,742	72,056
Long-term contingent consideration	42,268	88,098
Liabilities of discontinued operations – non-current	18,582	—
Total non-current liabilities	60,850	88,098
Total liabilities	$ 129,592	$ 160,154

(In thousands of US dollars, except share and per share data, or otherwise noted)

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (cont.)

The VIE arrangements *(cont.)*

	Years ended December 31,		
	2016	**2017**	**2018**
Net revenues	$ 4,304	$ 90,960	$ 428,492
Net loss	$ (6,843)	$ (10,541)	$ (38,561)
(Loss) income from discontinued operations	$ (8,066)	$ 1,845	$ (594)

	Years ended December 31,		
	2016	**2017**	**2018**
Net cash provided by (used in) operating activities	$ 27,738	$ 1,864	$ (8,433)
Net cash provided by (used in) investing activities	$ 47,469	$ 11,441	$ (9,980)
Net cash (used in) provided by financing activities	$ (77,643)	$ (11,596)	$ 22,193

The VIEs contributed an aggregate of 20.6%, 78.0% and 99.3% of the consolidated net revenues for the years ended December 31, 2016, 2017 and 2018, respectively. As of the fiscal years ended December 31, 2017 and 2018, the VIEs accounted for an aggregate of 53.0% and 83.1%, respectively, of the consolidated total assets, and 31.7% and 61.4%, respectively, of the consolidated total liabilities. The assets not associated with the VIEs primarily consist of cash and cash equivalents, restricted cash and financing receivable.

There are no consolidated VIEs' assets that are collateral for the VIEs' obligations and can only be used to settle the VIEs' obligations. There are no creditors (or beneficial interest holders) of the VIEs that have recourse to the general credit of the Company or any of its consolidated subsidiaries. There are no terms in any arrangements, considering both explicit arrangements and implicit variable interests, which require the Company or its subsidiaries to provide financial support to the VIEs. However, if the VIEs ever need financial support, the Company or its subsidiaries may, at its option and subject to statutory limits and restrictions, provide financial support to its VIEs through loans to the shareholders of the VIEs or entrustment loans to the VIEs.

Relevant PRC laws and regulations restrict the VIEs from transferring a portion of its net assets, equivalent to the balance of its statutory reserve and its share capital, to the Company in the form of loans and advances or cash dividends. Please refer to Note 22 for disclosure of restricted net assets.

(In thousands of US dollars, except share and per share data, or otherwise noted)

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (cont.)

Consolidated Plans

In January 2016 and September 2016, the Company originated the issuance of two Shanghai Renren Finance Leasing Asset-Backed Special Plans, approximating $46,100 (RMB299.8 million) and $78,500 (RMB510.6 million), respectively (the "Plans"). The Plans are collateralized by certain financing receivables arising from the Company's used car financing business. The Plan expired on May 17, 2018.

The Plans consist of three tranches: AAA-rated senior securities (covering 68.0% and 70.5% of the total securities issued, respectively) and AA-rated senior securities (covering 10.5% and 11.0% of the total securities issued, respectively) which were purchased by external investors, and subordinate securities (covering 21.5% and 18.5% of the total securities issued, respectively) held by the Company. The Company also provided a guarantee to secure the full repayment of the principal and interest of the external investors in the Plans.

The Company holds significant variable interests in the Plans through holding the subordinate securities and the guarantee provided, from which the Company has the right to receive benefits from the Plans that could potentially be significant to the Plans.

The Company also has power to direct the activities of the Plans that most significantly impact the economic performance of the Plans by making revolving purchases of underlying financing receivables and providing payment collection services from the underlying financing receivables.

Accordingly, the Company is considered the primary beneficiary of the Plans and has consolidated the Plans' assets, liabilities, results of operations, and cash flows in the accompanying consolidated financial statements.

The assets of the Plans are not available to creditors of the Company. In addition, the investors of the Plans have no recourse against the assets of the Company.

The following financial statement amounts and balances of the Plans were included in the accompanying consolidated financial statements after elimination of intercompany transactions and balances:

	As of December 31,	
	2017	2018
Financing receivable, net	$ 78,485	$ —
Total assets	$ 78,485	$ —
Accrued expenses and other current liabilities	$ 4	$ —
Payable to investors	64,087	—
Total liabilities	$ 64,091	$ —

	Years ended December 31,		
	2016	2017	2018
Net revenues	—	—	—
Net loss	$ (375)	$ (91)	$ (36)

	Years ended December 31,		
	2016	2017	2018
Net cash provided by operating activities	—	—	—
Net cash provided by investing activities	—	—	—
Net cash provided by financing activities	—	—	—

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Liquidity

The accompanying consolidated financial statements have been prepared assuming that we will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The realization of assets and the satisfaction of liabilities in the normal course of business are dependent on, among other things, the Company's ability to generate cash flows from operations, and the Company's ability to arrange adequate financing arrangements, including the support from its Parent to support its working capital requirements.

As of December 31, 2018, the Company had negative working capital of $51,813, a shareholders' deficit of $69,720, including an accumulated deficit of $146,073. For the year ended December 31, 2018, the Company incurred losses from operations amounting to $88,938 and generated negative cash flows from operating activities amounted to $9,749. These factors raise substantial doubt about our ability to continue as a going concern for the foreseeable future. Subsequent to December 31, 2018, the Company and KAH have entered into the following agreements which mitigate these factors:

- In January 2019, Kunlun Tech Limited ("Kunlun"), KAH and the Company entered into a convertible loan agreement pursuant to which Kunlun has agreed to invest US$23 million into Kaixin. US$20 million of the loan was advanced to the Company on January 28, 2019, and the remaining US$3 million is to be paid as of January 31, 2020.
- In January 2019, KAH entered into a subscription agreement with a third-party investor to sell 750,000 of its units (each unit having the same underlying securities as were issued in KAH's initial public offering) at a price of $10.00 per unit. The private placement of US$7.5 million had been received by KAH on May 2, 2019, which will further provide liquidity for Kaixin's future operations subsequent to the Business Combination.
- In April 2019, 58.com Holdings Inc. ("58.com"), KAH and the Company entered into a convertible loan agreement pursuant to which 58.com has agreed to invest US$1 million into Kaixin. The proceeds from the loan were received on April 30, 2019.
- In April 2019, the Company entered into a long-term borrowing agreement with East West Bank for a total credit up to US$7.3 million. The loan bears an annual interest rate of 5.22%, and has a loan period of eighteen months. On April 12, 2019, US$5.8 million had been extended to the Company by East West Bank, and the Company will be able to further utilize the remaining credit of U$1.5 million as needed during the loan period.

In addition to the above, the Company considered the following:

- On April 30, 2019, Renren waived all the outstanding loans and receivables from Kaixin and/or Kaixin's subsidiaries without recourse by Renren or any of Renren's subsidiaries amounting to US$ 75.6 million upon the consummation of the Business Combination.
- On May 6, 2019, the Company obtained a binding letter of financial support from Renren, whereas Renren agreed to provide continuing financial support to enable the Company to meet in full the financial obligations as they fall due from a period of twelve months from May 6, 2019.
- Kaixin is in the process of requesting certain of their short-term loans to be extended.
- Kaixin has the ability through inventory management techniques to raise additional liquidity.
- Kaixin's current liabilities balance at December 31, 2018 include $11,929 of contingent consideration which has subsequently been assumed by Renren as further disclosed in Note 1.

As a result of the above activities and plans, the Company believes that it will have adequate sources of liquidity and capital resources to support its daily operations for the next 12 months after the issuance of the consolidated financial statements.

Principles of consolidation

The consolidated financial statements of the Company include the financial statements of Kaixin Auto Group, its subsidiaries, its VIEs and VIEs' subsidiaries. All inter-companies transactions and balances are eliminated upon consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Business combinations

Business combinations are recorded using the acquisition method of accounting. The Company uses a screen to evaluate whether a transaction should be accounted for as an acquisition and/or disposal of a business versus assets. In order for a purchase to be considered an acquisition of a business, and receive business combination accounting treatment, the set of transferred assets and activities must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. If substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets, then the set of transferred assets and activities is not a business. The adoption of this standard requires future purchases to be evaluated under the new framework.

The purchase price of business acquisition is allocated to the tangible assets, liabilities, identifiable intangible assets acquired and non-controlling interest, if any, based on their estimated fair values as of the acquisition date. The excess of the purchase price over those fair values is recorded as goodwill. Acquisition-related expenses and restructuring costs are expensed as incurred.

Where the consideration in an acquisition includes contingent consideration and the payment of which depends on the achievement of certain specified conditions post-acquisition, the contingent consideration is recognized and measured at its fair value at the acquisition date and if recorded as a liability, it is subsequently carried at fair value with changes in fair value reflected in earnings.

Use of estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses in the financial statements and accompanying notes. Significant accounting estimates reflected in the Company's consolidated financial statements include, but are not limited to, revenue recognition, allowance for financing receivable, deferred tax valuation allowance, income taxes, value-added taxes, impairment of goodwill, cost allocation, the purchase price allocation associated with business combinations and the fair value of contingent consideration related to business acquisitions.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand.

Restricted cash

Restricted cash primarily consists of cash deposits used to secure short-term debt borrowings of the Company, which is expected to be released in accordance with the debt agreement.

The restriction will lapse when the related short-term debt agreement is paid off.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Fair value

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability.

Authoritative literature provides a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The level in the hierarchy within which the fair value measurement in its entirety falls is based upon the lowest level of input that is significant to the fair value measurement as follows:

- Level 1 — inputs are based upon unadjusted quoted prices for identical assets or liabilities traded in active markets.

- Level 2 — inputs are based upon quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 — inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

Financing receivable

Financing receivable represents receivables mostly derived from the used car financing business. Financing receivable is recorded at amortized cost, reduced by a valuation allowance estimated as of the balance sheet date. The amortized cost of a financing receivable is equal to the unpaid principal balance, plus net deferred origination costs. Net deferred origination costs are comprised of certain direct origination costs, net of origination fees received. Origination fees include fees charged to the individuals or companies that increase the financing's effective yield. Direct origination costs in excess of origination fees received are included in the financing receivable and amortized over the financing term using the effective interest method. Financing origination costs are limited to direct costs attributable to originating the financing, including commissions and personnel costs directly related to the time spent by those individuals performing activities related to the origination.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Financing receivable *(cont.)*

Allowance for financing receivable

An allowance for financing receivable is established through periodic charges to the provision for financing receivable losses when the Company believes that the future collection of principal is unlikely. Subsequent recoveries, if any, are recorded as credits against the allowance. The Company evaluates the creditworthiness of its portfolio based on a pooled basis due to the composition of homogeneous financing with similar size and general credit risk characteristics for similar financing businesses. The Company considers the credit worthiness of the individuals and the companies receiving financing, aging of the outstanding financing receivable and other specific circumstances related to the financing when determining the allowance for financing receivable. The allowance is subjective as it requires material estimates including such factors as known and inherent risks in the financing portfolio, adverse situation that may affect the ability of the individuals and the companies receiving financing to repay and current economic conditions. Recovery of the carrying value of financing receivable is dependent to a great extent on conditions that are beyond the Company's control.

Nonaccrual financing receivable

Financing income is calculated based on the contractual rate of the financing and recorded as financing income over the life of the financing using the effective interest method. Financing receivables are placed on non-accrual status when reasonable doubt exists as to the full, timely collection of the financing receivable, which happens typically upon reaching 90 days past due. When a financing receivable is placed on non-accrual status, the Company stops accruing financing income. Financing receivable is returned to accrual status if the related individual or company has performed in accordance with the contractual terms for a reasonable period of time and, in the Company's judgment, will continue to make period principal and financing income payments as scheduled. The Company writes off its nonaccrual financing receivable by considering factors including death of the borrower and its inability to reach the borrower.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Transfer of financial instruments

Sales and transfers of financial instruments are accounted under authoritative guidance for the transfers and servicing of financial assets and extinguishment of liabilities.

Through the peer-to-peer platforms and the Plans, the Company identifies individual investors and transfers creditors' rights originated from the aforementioned financing services to the individual investors. The Company further offers different investment periods to investors with various annual interest rates while those credit rights are held by the investors. The term of the sales require the Company to repurchase those creditors' rights from investors prior to or upon the maturity of the investment period. As a result, the sales of those creditors' rights are not accounted for as a sale and remain on the consolidated balance sheet and are recorded as payable to investors in the Company's consolidated balance sheet.

Inventory

Inventory consists of the purchased used and new automobiles. Inventory is stated at the lower of cost or net realizable value. Inventory cost is determined by specific identification. Net realizable value is the estimated selling price less costs to complete, dispose and transport the vehicles. Selling prices are derived from historical data and trends, such as sales price and inventory turn times of similar vehicles, as well as independent, market resources. Each reporting period the Company recognizes any necessary adjustments to reflect vehicle inventory at the lower of cost or net realizable value through cost of sales in the accompanying consolidated statements of operations.

Inventory write-downs are established based on management's review on a vehicle-by-vehicle basis for slow moving and obsolete items. On a quarterly basis, the management examines an inventory report. The vehicle is considered slow moving if it has not been sold within a 90 days period since procurement, in light of the Company's average inventory turnover days during the year ended December 31, 2017 and 2018, were 80 days and 63 days, respectively. In estimating the level of inventory write-downs for slow moving vehicles, the Company considers historical data and forecasted customer demand, such as sales price and inventory turn times of similar vehicles with similar mileage and condition, as well as independent, market information. This valuation process requires management to make judgements, based on currently available information, and assumptions about future demand and market conditions, which are inherently uncertain. To the extent that there are significant changes to estimated vehicle selling prices or decreases in demand for used vehicles, there could be significant adjustment to reflect inventory at net realizable value.

Property and equipment, net

Property and equipment, net is carried at cost less accumulated depreciation. Depreciation is calculated on a straight-line basis over the following estimated useful lives:

Computer equipment and application software	2 - 3 years
Furniture and vehicles	5 years

Goodwill

Goodwill represents the excess of the purchase price over the fair value of identifiable net assets acquired in business combinations.

Goodwill is not amortized, but tested for impairment upon first adoption and annually, or more frequently if event and circumstances indicate that they might be impaired. The Company has an option to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. In the qualitative assessment, the Company considers primary factors such as industry and market considerations, overall financial performance of the reporting unit, and other specific information related to the operations. Based on the qualitative assessment, if it is more likely than not that the fair value of each reporting unit is less than the carrying amount, the quantitative impairment test is performed.

(In thousands of US dollars, except share and per share data, or otherwise noted)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Goodwill *(cont.)*

Application of the goodwill impairment test requires judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, assignment of goodwill to reporting units, and determination of the fair value of each reporting unit. The fair value of each reporting unit is estimated using a discounted cash flow methodology. This analysis requires significant judgments, including estimation of future cash flows, which is dependent on internal forecasts, and assumptions that are consistent with the plans and estimates being used to manage the Company's business, estimation of the long-term rate of growth for the Company's business, estimation of the useful life over which cash flows will occur, and determination of the Company's weighted average cost of capital. The estimates used to calculate the fair value of a reporting unit change from year to year based on operating results and market conditions. Changes in these estimates and assumptions could materially affect the determination of fair value and goodwill impairment for the reporting unit.

In performing the two-step quantitative impairment test, the first step compares the fair values of each reporting unit to its carrying amount, including goodwill. If the fair value of a reporting unit exceeds its carrying amount, goodwill is not considered impaired and the second step will not be required. If the carrying amount of a reporting unit exceeds its fair value, the second step compares the implied fair value of the affected reporting unit's goodwill to the carrying value of that goodwill. The implied fair value of goodwill is determined in a manner similar to accounting for a business combination with the allocation of the assessed fair value determined in the first step to the assets and liabilities of the reporting unit. The excess of the fair value of the reporting unit over the amounts assigned to the assets and liabilities is the implied fair value of goodwill. This allocation process is only performed for purposes of evaluating goodwill impairment and does not result in an entry to adjust the value of any assets or liabilities. An impairment loss is recognized for any excess in the carrying value of goodwill over the implied fair value of goodwill. In estimating the fair value of each reporting unit the Company estimates the future cash flows of each reporting unit, the Company has taken into consideration the overall and industry economic conditions and trends, market risk of the Company and historical information. The Company did not record impairment charges of goodwill for the years ended December 31, 2016, 2017 and 2018, respectively.

Revenue recognition

The Company recognizes revenue when control of the good or service has been transferred to the customer, generally either at the time of sale or upon delivery to a customer. The contracts have a fixed contract price and revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services. The Company collects value added tax and other taxes from customers on behalf of governmental authorities at the time of sale. These taxes are accounted for on a net basis and are not included in net sales and operating revenues or cost of sales. The Company generally expense sales commissions when incurred because the amortization period would have been less than one year. These costs are recorded within selling expenses. The Company does not have any significant financing payment terms as payment is received at or shortly after the point of sale.

The Company adopted the Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers ("ASC 606") on January 1, 2018 using the modified retrospective method. ASC 606 prescribes a five-step model to recognize revenue. Based on the manner in which the Company historically recognized revenue, the adoption of ASC 606 did not have a material impact on the amount or timing of its revenue recognition and the Company recorded no cumulative effect adjustment upon adoption. Additionally, the Company concluded that revenue generated from used car financing services is excluded from the scope of the new revenue standard as it represents revenue within the scope of ASC 310, Receivables, which is explicitly excluded from the scope of ASC 606.

Disaggregation of Revenue

Automobile sales related to used car and new car sales. Financing income related to revenue generated from its used car financing services. Other revenue mainly included revenue generated from agency fees in connection with arrangements with third party dealers whereas the Company facilitates sales of their cars, and commissions received by the Company from insurance companies for its facilitating services.

	Years ended December 31,		
	2016	**2017**	**2018**
Automobile sales	$ —	$ 88,227	$ 420,005
Used car financing income	20,778	26,426	2,317
Others	68	1,933	9,082
Total	$ 20,846	$ 116,586	$ 431,404

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Automobile sales

The Company purchases automobiles from unrelated individuals, third party dealerships or manufacturers and suppliers and sells them directly to its customers through its local dealer shops. The prices of used vehicles are set forth in the customer contracts which are agreed prior to delivery. The Company satisfies its performance obligation for used vehicle sales upon delivery when the transfer of title, risks and awards of ownership and control pass to the owner. The Company recognizes revenue at the agreed upon purchase price stated in the contract, including any delivery charges. When cash is received from customers prior to delivery of the vehicle, the Company records such cash as advance from customers in its consolidated balance sheet, which is immaterial as of December 31, 2018.

Used car financing

The Company generates revenue from its financing services business primarily through financing provided to third party used car dealers. Specifically, the Company provides short-term financing services to third party used car dealers to fund the car dealers' cash needs for used car purchasing. The financing period is no more than six months and is secured by a pledge of the dealers' used car with total value exceeding the principal of the financing. The Company charges a one-time upfront service fee as well as financing income on a monthly basis. The Company records financing income and service fees related to those services over the life of the underlying financing using the effective interest method on the unpaid principal amounts. The service fees collected upfront, netting the direct origination costs of the financing, are deferred and recognized as financing income as an adjustment to the yield on a straight line basis over the life of the used car financing.

Other revenue

The Company's other revenues mainly include revenue generated from agency fees in connection with arrangement with third party dealers whereas the company facilitates sales of their cars. The Company does not control the ownership of the automobiles, but rather is acting as an agent for the third party dealers. Revenue is recognized for the net amount of commission the Company is entitled to retain in exchange for the agency service. Other revenues also includes commissions received by the Company from insurance companies and banks for its facilitation services provided to assist customers obtaining related insurance and financing for their automobile purchases.

Business taxes

The Company reports revenue net of business taxes. Business taxes deducted in arriving at net revenue during 2016, 2017 and 2018 were $77, $ nil and $nil, respectively.

Value added taxes

Value-added tax ("VAT") is reported as a deduction to revenue when incurred and amounted to $1,845, $7,831 and $10,757 for the years ended December 31, 2016, 2017 and 2018, respectively. Entities that are VAT general taxpayers are allowed to offset qualified input VAT paid to suppliers against their output VAT liabilities. Net VAT balance between input VAT and output VAT is recorded in accrued expense and other current liabilities on the consolidated balance sheet.

In 2018, the Company entered into a series of ancillary agreements to facilitate its sale of used cars for value-added tax optimization purposes. Under these ancillary agreements, when the Company sources a used car, the legal title of the car is transferred to a Shanghai Jieying's executive, and the registration is transferred to the name of one of the dealership's employees. The Company viewed itself as a service provider in the used car transactions, and therefore is only subject to value-added tax on the difference between the original purchase price and the retail price of the used cars.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Income taxes

Current income taxes are provided for in accordance with the laws of the relevant tax authorities.

Deferred income taxes are recognized when temporary differences exist between the tax basis of assets and liabilities and their reported amounts in the financial statements. Net operating loss carry forwards and credits are applied using enacted statutory tax rates applicable to future years. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more-likely-than-not that a portion of or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are presented as non-current in its consolidated balance sheet as of December 31, 2018 and 2017.

The impact of an uncertain income tax position on the income tax return is recognized at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant tax authority. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. Interest and penalties on income taxes will be classified as a component of the provisions for income taxes. The Company did not recognize any income tax due to uncertain tax position or incur any interest and penalties related to potential underpaid income tax expenses for the years ended December 31, 2016, 2017 and 2018, respectively.

Financial instruments

Financial instruments include cash and cash equivalents, restricted cash, accounts receivable, financing receivable, amounts due from/to related parties, long-term financing receivable, accounts payable, short-term debt, payable to investors and long-term debt. Refer to Note 15 for further details.

Research and development expenses

Research and development expenses are primarily incurred for the development of new services, features and products for the Company's financing business, used automotive business as well as the further improvement of the Company's technology infrastructure to support these businesses. The Company has expensed all research and development costs when incurred.

Foreign currency translation

The functional and reporting currency of the Company is the United States dollar ("US dollar"). The financial records of the Company's subsidiaries and VIEs located in the PRC and Hong Kong are maintained in their local currencies, Renminbi ("RMB") and Hong Kong Dollar ("HKD"), respectively, which are also the functional currencies of these entities.

Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at the rates of exchange ruling at the balance sheet date. Transactions in currencies other than the functional currency during the year are converted into functional currency at the applicable rates of exchange prevailing when the transactions occurred. Transaction gains and losses are recognized in the statements of operations.

The Company's entities with functional currency of RMB and HKD, translate their operating results and financial positions into US dollar, the Company's reporting currency. Assets and liabilities are translated using the exchange rates in effect on the balance sheet date. Equity amounts are translated at historical exchange rates. Revenues, expenses, gains and losses are translated using the average rates for the year. Translation adjustments are reported as cumulative translation adjustments and are shown as a separate component in the statements of comprehensive loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Comprehensive loss

Comprehensive loss includes net income or loss and foreign currency translation adjustments and is reported in the consolidated statements of comprehensive loss.

Share-based Compensation

Share-based compensation expense arises from share-based awards, including restricted share units and share options for the purchase of common stock granted to employees of the Company and certain members of Renren's managements who to some extents provide services to the Company ("Renren Share-based Awards"). Share-based compensation expense also arises from share-based awards granted by the Company its own employees.

In determining the fair value of share options granted, a binomial option pricing model is applied. In determining the fair value of restricted share units granted, the fair value of the underlying shares on the grant dates is applied.

Share-based compensation expense for share options and restricted share units granted is recognized on a straight - line method over the requisite service period. The Company elected to not estimate the forfeiture rate, but to account for the forfeiture when forfeitures occur.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Recent accounting pronouncements not yet adopted

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). The guidance supersedes existing guidance on accounting for leases with the main difference being that operating leases are to be recorded in the statement of financial position as right-of-use assets and lease liabilities, initially measured at the present value of the lease payments. For operating leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election not to recognize lease assets and liabilities. For public business entities, the guidance is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early application of the guidance is permitted. In transition, entities are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. In July 2018, ASU 2016-02 was updated with ASU No. 2018-11, Targeted Improvements to ASC 842, which provides entities with relief from the costs of implementing certain aspects of the new leasing standard. Specifically, under the amendments in ASU 2018-11, (1) entities may elect not to recast the comparative periods presented when transitioning to ASC 842 (the "optional transition method") and (2) lessors may elect not to separate lease and non-lease components when certain conditions are met. Before ASU 2018-11 was issued, transition to the new lease standard required application of the new guidance at the beginning of the earliest comparative period presented in the financial statements. The Group is in the process of evaluating the effect of the adoption of this ASU and expects the adoption will result in an increase in the assets and liabilities on the consolidated balance sheet for the operating leases and will have an insignificant impact on the consolidated statements of operations.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which is intended to improve financial reporting by requiring timelier recording of credit losses on loans and other financial instruments held by financial institutions and other organizations. The ASU requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. Many of the loss estimation techniques applied today will still be permitted, although the inputs to those techniques will change to reflect the full amount of expected credit losses. Organizations will continue to use judgment to determine which loss estimation method is appropriate for their circumstances. The ASU requires enhanced disclosures to help investors and other financial statement users better understand significant estimates and judgments used in estimating credit losses, as well as the credit quality and underwriting standards of an organization's portfolio. These disclosures include qualitative and quantitative requirements that provide additional information about the amounts recorded in the financial statements. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. The ASU is effective for SEC filers for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early application will be permitted for all organizations for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. Companies are required to apply the amendments of this ASU using a modified retrospective approach through a cumulative effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective. A prospective transition approach is required for debt securities for which an other-than temporary impairment has been recognized before the effective date. The Company is currently evaluating the impact on its consolidated financial statements of adopting this guidance.

In January 2017, the FASB issued ASU 2017-04: Intangibles — Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment. To simplify the subsequent measurement of goodwill, the Board eliminated Step 2 from the goodwill impairment test. Under the amendments in this Update, an entity should perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An entity should recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. An entity should apply the amendments in this Update on a prospective basis. An entity is required to disclose the nature of and reason for the change in accounting principle upon transition. A public business entity should adopt the amendments in this Update for its annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company does not expect the adoption of this guidance will have a significant effect on the Company's consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13 related to disclosure requirements for fair value measurements. The pronouncement eliminates, modifies and adds disclosure requirements for fair value measurements. The pronouncement is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2019, with early adoption permitted. The Company is currently in the process of evaluating the effects of this pronouncement on our consolidated financial statements.

In October 2018, the FASB issued ASU 2018-17, Consolidation (Topic 810): Targeted Improvements to the Related Party Guidance for Variable Interest Entities. ASU 2018-17 changes how entities evaluate decision-making fees under the variable interest entity guidance. To determine whether decision-making fees represent a variable interest, an entity considers indirect interests held through related parties under common control on a proportional basis, rather than in their entirety. This guidance will be adopted using a retrospective approach and is effective for the Company on January 1, 2020. The Company is evaluating the effect that adoption of this guidance will have on its consolidated financial statements and related disclosures.

3. SIGNIFICANT RISKS AND UNCERTAINTIES

Foreign currency risk

The Renminbi ("RMB") is not a freely convertible currency. The State Administration for Foreign Exchange, under the authority of the People's Bank of China, controls the conversion of RMB into foreign currencies. The value of the RMB is subject to changes in central government policies and to international economic and political developments affecting supply and demand in the China Foreign Exchange Trading System market. Cash and cash equivalents of the Company included aggregate amounts of $17,037 and $7,879 at December 31, 2017 and 2018, respectively, which were denominated in RMB.

Concentration of credit risk

Financial instruments that potentially expose the Company to concentrations of credit risk consist primarily of cash, cash equivalents, accounts receivable, financing receivable and amounts due from related parties. The Company places their cash and cash equivalents, with financial institutions with high-credit ratings and quality. The Company conducts credit evaluations of customers in financing business, and requires collateral or other security from the customers for most of its financing receivable as described in Note 6.

There were no customers that accounted for 10% or more of total net revenue for the years ended December 31, 2016, 2017 and 2018.

No customers accounted for 10% or more of the balance of accounts receivable or financing receivable as of December 31, 2017 and 2018.

(In thousands of US dollars, except share and per share data, or otherwise noted)

4. DISCONTINUED OPERATIONS

Deconsolidation of Student financing business

In May 2016, the Company terminated its credit financing to college students business and made the decision to stop granting any further financing related to this business. During the remaining year ended December 31, 2016 and 2017, the only substantial activity related to this business related to financing income earned on remaining financing receivable as well as collection efforts to collect on any remaining financing receivable balances outstanding. The credit financing to college students which mostly includes the related assets and liabilities remaining for the business was further transferred back to Renren in December 2017 for no consideration as part of the Reorganization discussed in Note 1. The carrying amount of the net liability at the time of transfer was insignificant.

The disposal of the business over credit financing to college students, represented a strategic shift and had a major effect on the Company's results of operations. Accordingly, assets, liabilities, revenue and expenses related to those businesses have been reclassified in the accompanying consolidated financial statements as discontinued operations for all periods presented.

The following table summarizes the carrying amounts of the major classes of assets and liabilities recorded as discontinued operations in the consolidated balance sheet as of December 31, 2016. There was no discontinued operations on the balance sheet as of December 31, 2017 as the student financing to college student business had been disposed of.

	As of December 31, 2016
Financing receivables	$ 10,043
Prepaid expenses and other current assets	427
Current assets classified as discontinued operations	$ 10,470
Accrued expenses and other current liabilities	$ 144
Deferred Revenue	—
Payable to investors	$ 10,442
Current liabilities classified as discontinued operations	$ 10,586

The operating results from discontinued operations included in the Company's consolidated statement of operations were as follows for the years ended December 31, 2016 and 2017.

	Years ended December 31, 2016	2017
Major classes of line items constituting pretax profit of discontinued operations:		
Financing income	$ 8,538	$ 2,843
Cost of financing income	11,808	1,001
Selling, research and development, and general and administrative expenses	4,796	375
(Loss) income from the operations of the discontinued operations, before income tax	$ (8,066)	$ 1,467
Income tax expenses	—	—
(Loss) income the operations of the discontinued operations, net of tax	$ (8,066)	$ 1,467

The condensed cash flow related to the discontinued operations were as follows for the years ended December 31, 2016 and 2017.

	Years ended December 31, 2016	2017
Net cash used in operating activities	$ (24,362)	$ (624)
Net cash provided by investing activities	$ 13,693	$ 10,357
Net cash provided by (used in) financing activities	$ 10,669	$ (9,733)

All notes to the accompanying consolidated financial statements have been retrospectively adjusted to reflect the effect of the discontinued operations, where applicable.

(In thousands of US dollars, except share and per share data, or otherwise noted)

4. DISCONTINUED OPERATIONS (cont.)

Deconsolidation of Ji'nan Dealership

In order to focus on the used car business, the Company reached the resolution in the third quarter of 2018 to dispose its Ji'nan Dealership, which is primarily engaged in new car sales, to an affiliate of Renren, along with related assets residing in Shanghai Jieying.

The disposal of Ji'nan Dealership represented a strategic shift and had a major effect on the Company's results of operations. Accordingly, assets, liabilities, revenue and expenses to those businesses have been reclassified in the accompanying consolidated financial statements as discontinued operations for all periods presented.

The following table summarizes the carrying amounts of the major classes of assets and liabilities recorded as discontinued operations in the consolidated balance sheet as of December 31, 2017. There was no discontinued operations on the balance sheet as of December 31, 2018 as the Ji'nan Dealership had been disposed of in December 2018.

	As of December 31, 2017
Cash and cash equivalents	$ 133
Accounts and notes receivable, net	50
Inventory	16,311
Prepaid expenses and other current assets	7,931
Current assets classified as discontinued operations	$ 24,425
Property and equipment, net	$ —
Goodwill	27,422
Non-current assets classified as discontinued operations	27,422
Accounts payable	$ 3,006
Advance from customer	400
Accrued expenses and other current liabilities	358
Contingent Consideration Liability-current	1,756
Current liabilities classified as discontinued operations	$ 5,520
Contingent Consideration Liability-non-current	$ 18,582
Non-current liabilities classified as discontinued operations	$ 18,582

The operating results from discontinued operations included in the Company's consolidated statement of operations were as follows for the years ended December 31, 2016, 2017 and 2018.

	Years ended December 31,		
	2016	2017	2018
Major classes of line items constituting pretax profit of discontinued operations:			
Net revenues	$ —	$ 33,264	$ 47,672
Cost of revenues	—	31,335	50,531
Selling, research and development, and general and administrative expenses	—	430	16,777
Fair value change of contingent consideration	—	(1,121)	19,042
Income (loss) from the operations of the discontinued operations, before income tax	—	378	(594)
Income (loss) from the operations of the discontinued operations, net of tax	$ —	$ 378	$ (594)

The condensed cash flow related to the discontinued operations were as follows for the years ended December 31, 2016, 2017 and 2018:

	Years ended December 31,		
	2016	2017	2018
Net cash (used in) provided by operating activities	$ —	$ (18,289)	$ 516
Net cash used in investing activities	—	—	(1)
Net cash provided by financing activities	—	—	—

All notes to the accompanying consolidated financial statements, except for the cash flow statement, have been retrospectively adjusted to reflect the effect of the discontinued operations, where applicable.

5. BUSINESS ACQUISITION

Acquisition of used car dealers in 2017

In the second half of 2017, in order to start and expand its business of used car trading, the Company completed 14 acquisitions. The acquired dealerships mostly operate used car sales business in various cities across China.

Each acquisition, while negotiated independently, was structured in a similar manner. Specifically, Shanghai Jieying, initially purchased all car inventories from each dealership. Subsequent to the car purchase, Shanghai Jieying and the shareholder of the existing car dealership (the "Seller") enter into an equity purchase agreement which requires the Seller to transfer majority interest of the dealership as follows:

(1) The Seller agrees to set up a new entity to which it transfers the remaining eligible assets of the dealerships, employees, and business contracts owned and leased by the existing dealership. In turn, Shanghai Jieying agrees to subscribe for 70% of the equity interest in this entity.

(2) Shanghai Jieying agrees to inject cash to the newly formed entity described in the preceding paragraph as well as to pay the Seller contingent consideration in the form of shares of the Company, the parent of Shanghai Jieying.

Shanghai Jieying believes that structuring the acquisitions as described above allows them to avoid potential exposures or liabilities associated with the acquired entities. The purchase of cars and acquisition of the new entity were accounted for as a single transaction.

The payment of the contingent consideration is contingent upon the successful offering of the Company ("offering transaction") as disclosed in Note 1, as well as the performance of the acquired dealerships. The amount of consideration is measured based on the operating performance of the acquired dealerships both prior to and subsequent to the future offering transaction of the Company, and the number of shares expected to be issued will be calculated based on the issuance price of the offering. Such contingent consideration includes two components that will require the Company to issue the shares at different times. The first issuance will be made upon the successful offering of the Company and is calculated based on a percentage of the cumulative operating results of the acquired dealerships between the acquisition date and the date of the offering. The second issuance will be made in five equal annual installments after the successful offering of the Company and will be calculated based on a percentage of the trailing 12 months operating results of the acquired dealerships leading up to the successful offering, and will be subject to adjustments based on the future financial performance of each acquired dealership. The contingent issuance of shares is not dependent on whether the previous dealership owner remains employed with the Company.

(In thousands of US dollars, except share and per share data, or otherwise noted)

5. BUSINESS ACQUISITION (cont.)

Acquisition of used car dealers in 2017 *(cont.)*

Acquired assets and liabilities were recorded at their fair value at the date of acquisition. The purchase price allocation described below was based on a valuation analysis that utilized and considered generally accepted valuation methodologies such as the income, market and cost approach. The determination and allocation of fair values to the identifiable assets acquired, liabilities assumed and noncontrolling interests is based on various assumptions and valuation methodologies requiring considerable judgment from management. The most significant variables in these valuations are discount rates, terminal values, the number of years on which to base the cash flow projections, as well as the assumptions and estimates used to determine the cash inflows and outflows. The Company determines discount rates to be used based on the risk inherent in the related activity's current business model and industry comparisons. Terminal values are based on the expected life of assets, forecasted life cycle and forecasted cash flows over that period.

Subsequent to the date of each acquisition, the Company re measured the estimated fair values of the contingent consideration at each reporting date. For the year ended December 31, 2017, the Company recorded $1,480 in changes in fair value of contingent consideration in the Company's consolidated statements of operations as a result of the Company's re-measurement of the estimated fair value of the contingent consideration at the reporting date.

Acquisition of Shandong, Chongqing and Wuhan in 2017

On July 20, July 3, and October 27, 2017, the Company entered into equity purchase agreements (as described above) with Shandong, Chongqing and Wuhan, respectively. The Company initially purchased all car inventories from each dealership which were recorded at fair value. The Company subsequently entered into equity purchase agreements to purchase the new entity set up by the owners of each used car dealership as described in the previous page. As consideration for the transactions, the Company agreed to (1) pay cash consideration which includes partial consideration for the cars purchased as well as capital injection to the entities acquired, (2) forgive financing receivable outstanding that was previously provided by the Company to the used car dealerships and (3) provide contingent consideration to be paid upon the successful offering of the Company. The allocation of the purchase prices for those three significant acquisitions as of the dates of the acquisition are summarized as below:

	Shandong	Chongqing	Wuhan
Cash	$ —	$ 2,727	$ —
Capital injection receivable	1,148	—	3,125
Inventory	3,721	2,791	8,786
Goodwill	26,550	13,277	10,405
Noncontrolling interest	7,965	4,801	3,121
The purchase price comprised of:			
— Cash consideration	2,203	2,721	8,470
— Forgiveness of financing receivable	2,666	888	3,441
— Contingent consideration	18,585	9,294	7,284
Total	**$ 23,454**	**$ 12,903**	**$ 19,195**

(In thousands of US dollars, except share and per share data, or otherwise noted)

5. BUSINESS ACQUISITION (cont.)

Acquisition of used car dealers in 2017 *(cont.)*

Other acquisitions of used car dealerships in 2017

During the second half of 2017, the Company further entered into separate equity purchase agreements with an additional 11 individually insignificant car dealerships. The Company initially purchased all car inventories from each dealership which were recorded at fair value. The Company subsequently entered into equity purchase agreements to purchase the new entity set up by the owners of each car dealership as aforementioned. As consideration for the transactions, the Company agreed to (1) pay cash consideration which includes partial consideration for the cars purchased as well as capital injection to the entity acquired, (2) forgive financing receivable outstanding that was previously provided by the Company to the used car dealership and (3) contingent consideration to be paid upon the successful offering of the Company. The allocation of the purchase price for those insignificant acquisitions is presented on a combined basis as follows:

	Other used car dealer acquisitions
Cash	$ 1,270
Capital injection receivable	10,946
Inventory	30,622
Goodwill	39,043
Noncontrolling interest	12,094
The purchase price comprised of:	
— Cash consideration	27,743
— Forgiveness of financing receivable	14,206
— Contingent consideration	27,330
Total	**$ 69,279**

The goodwill is mainly attributable to intangible assets that cannot be recognized separately as identifiable assets under US GAAP, and comprise of (a) the assembled work force and (b) the expected but unidentifiable business growth as a result of the synergies resulting from these acquisitions.

Among all the acquisitions that were completed in 2017, some had capital injections made by both the Company and the non-controlling shareholders on the acquisition date, such as Chongqing. 30% of the cash was contributed by the Company and 70% contributed by the non-controlling shareholders, while the ownership interests remained at the agreed 70% and 30%, respectively. Consequently, the fair value of the acquired assets less the fair value of the non-controlling interest does not equal to the aggregate purchase price of all the acquisitions completed in 2017.

The following information summarizes the results of operations attributable to the acquisitions included in the Company's consolidated statement of operations since the acquisition date:

	Year ended December 31, 2017			
	Shandong	Chongqing	Wuhan	Others
Net revenues	$ 33,263	$ 17,290	—	$ 71,483
Net gain (loss)	$ 1,383	$ 180	(10)	$ (1,652)

(In thousands of US dollars, except share and per share data, or otherwise noted)

5. BUSINESS ACQUISITION(cont.)

Acquisition of used car dealers and after-sales service centers in 2018

During the year ended December 31, 2018, the Company completed the acquisition of three after-sales centers, Jinan Zhoushuo Yidong Automobile Trading Co., Ltd. ("Jinan Zhoushuo"), Chongqing Zhoushuo Xingqi Automobile Service Co., Ltd. ("Chongqing Zhoushuo") and Suzhou Zhoushuo Lujie Automobile Service Co., Ltd. ("Suzhou Zhoushuo"), and one additional dealership, Shanxi Jieying Weilan Automobile Sales Co., Ltd. ("Shanxi"). The structure of these acquisitions are consistent with the acquisition in 2017. The Company initially purchased all inventories, from each dealership and after-sales service center, The Company subsequently entered into equity purchase agreement to purchase the new entity set up by the owners of each dealership and after-sales service center.

Subsequent to the date of each acquisition, the Company measured the estimated fair values of the contingent consideration at each reporting date. For the year ended December 31, 2018, the Company recorded $49,503 in fair value change of contingent consideration, which was recorded as other expenses in the Company's consolidated statements of operations as a result of the re -measurement of the estimated fair value of the contingent consideration at the reporting date.

Acquisition of Shanxi in 2018

On April 8, 2018, the Company entered into an equity purchase agreement with Shanxi. The Company initially purchased the car inventories from the dealership which were recorded at fair value. The Company subsequently entered into equity purchase agreement to purchase the new entity set up by the owner of Shanxi used car dealership. As consideration for the transaction, the Company agreed to (1) pay cash consideration which includes partial consideration for the cars purchased as well as capital injection to the entities acquired, (2) forgive financing receivable outstanding that was previously provided by the Company to the used car dealerships and (3) provide contingent consideration to be paid upon the successful offering of the Company. The allocation of the purchase price for this acquisition as of the date of the acquisition is summarized as below:

	Shanxi
Cash	$ —
Capital injection receivable	1,360
Inventory	4,604
Goodwill	3,917
Noncontrolling interest	1,175
The purchase price comprised of:	
— Cash consideration	4,536
— Forgiveness of financing receivable	1,428
— Contingent consideration	2,742
Total	**$ 8,706**

The following information summarizes the results of operations attributable to the acquisition included in the Company's consolidated statement of operations since the acquisition date:

	Year ended December 31, 2018
Net revenues	$ 20,135
Net gain	$ 752

5. BUSINESS ACQUISITION (cont.)

Acquisitions of after-sales service centers

During the first half of 2018, the Company further entered into separate equity purchase agreements with three after-sales service centers individually. Each acquisition, negotiated independently, was structured in a similar manner whereby, Shanghai Zhoushuo Automobile Technology Co., Ltd, ("Shanghai Zhoushuo"), a subsidiary of the Company, initially purchased all inventories from each after-sales service center. Subsequent to the purchase, Shanghai Zhoushuo and the shareholder of each of the existing after-sales service center (the "Seller") entered into an equity purchase agreement which requires the Seller to transfer majority interest of the dealership as follows:

(1) The Seller agrees to set up a new entity to which it transfers the remaining eligible assets of the after-sales service center, employees, and business contracts owned and leased by the existing after-sales service center. In turn, Shanghai Zhoushuo agrees to subscribe for 70% of the equity interest in this entity.

(2) Shanghai Zhoushuo agrees to inject cash to the newly formed entity described in the preceding paragraph as well as to pay the Seller contingent consideration in the form of shares of the Company, the parent of Shanghai Zhoushuo.

The Company believes that structuring the acquisitions as described above allows them to avoid potential exposures or liabilities associated with the acquired entities. The purchase of inventories and acquisition of the new entity were accounted for as a single transaction.

The payment of the contingent consideration is contingent upon the successful offering of the Company as well as the meeting performance targets of the acquired after-sales service centers. The amount of consideration is measured based on the operating performance of the acquired after-sales service centers both prior to and subsequent to the future offering transaction of the Company, and the number of shares expected to be issued will be calculated based on the offering price. Such contingent consideration will require the Company to issue the shares at different times. The issuance will be made in four installments, 12-month apart, upon the successful offering of the Company and is calculated based on a percentage of each 12-months cumulative operating results of the acquired after-sales service centers after the acquisition date under different multiples. The contingent issuance of shares is not dependent on whether the previous after-sales service centers owner remains employed with the Company.

Acquired assets and liabilities were recorded at their fair value at the date of acquisition. The purchase price allocation described below was based on a valuation analysis that utilized and considered generally accepted valuation methodologies such as the income, market and cost approach. The determination and allocation of fair values to the identifiable assets acquired, liabilities assumed and noncontrolling interests is based on various assumptions and valuation methodologies requiring considerable judgment from management. The most significant variables in these valuations are discount rates, terminal values, the number of years on which to base the cash flow projections, as well as the assumptions and estimates used to determine the cash inflows and outflows. The Company determines discount rates to be used based on the risk inherent in the related activity's current business model and industry comparisons. Terminal values are based on the expected life of assets, forecasted life cycle and forecasted cash flows over that period.

(In thousands of US dollars, except share and per share data, or otherwise noted)

5. BUSINESS ACQUISITION (cont.)

Acquisitions of after-sales service centers *(cont.)*

As consideration for the transactions, the Company agreed to (1) pay cash consideration which includes capital injection to the entity acquired and (2) contingent consideration to be paid upon the successful offering of the Company. The allocation of the purchase price for the acquisitions are presented as follows:

	After-sales service centers
Capital injection receivable	651
Inventory	35
Goodwill	16,244
Noncontrolling interest	4,873
The purchase price comprised of:	
— Cash consideration	686
— Contingent consideration	11,371
Total	**$ 12,057**

The goodwill is mainly attributable to intangible assets that cannot be recognized separately as identifiable assets under US GAAP, and comprise of (a) the assembled work force and (b) the expected but unidentifiable business growth as a result of the synergies resulting from these acquisitions.

The following information summarizes the results of operations attributable to the acquisitions included in the Company's consolidated statement of operations since the acquisition dates:

	Year ended December 31, 2018
	Chongqing/ Suzhou/ Jinan Zhoushuo
Net revenues	$ 341
Net loss	$ 582

In December 2018, the Company disposed 70% equity interest of Chongqing Zhoushuo to the minority shareholder and received US$0.1 million consideration. The transfer of equity interest registration of Chongqing Zhoushuo was completed on December 6, 2018. As a result, an immaterial gain from disposal of Chongqing Zhoushuo was recorded during the year ended December 31, 2018.

The disposal of Chongqing Zhoushuo does not constitute a strategic shift that will have a major effect on the Company's operations or financial results and as such, the disposal is not classified as discontinued operations in the Company's consolidated financial statements.

Pro forma information of acquisitions in 2017 and 2018

Supplementary pro-forma revenues and net earnings for the combined entity, as if business combination had been acquired as of January 1, 2016 were not included as it is impracticable since the used car dealerships and after-sales service centers historically did not have sound accounting systems to maintain reliable accounting records prior to the acquisitions and creating reliable accounting records would require an unreasonably significant amount of effort and resources. Post-acquisition, the newly established entities began to create and maintain accounting records.

(In thousands of US dollars, except share and per share data, or otherwise noted)

6. FINANCING RECEIVABLE

Financing receivable consists of the following:

	As of December 31,	
	2017	2018
Current financing receivable		
Used car financing	$ 129,018	$ 9,846
Other financing	27	5
Less allowance for financing receivable	(3,692)	(6,365)
Current financing receivable, net	$ 125,353	$ 3,486
Long-term financing receivable		
Used car financing	$ 8	$ —
Less allowance for long-term financing receivable	—	—
Long-term financing receivable, net	$ 8	$ —

Financing receivable mainly represents both the principal and financing income receivable associated with the used car dealership financing services expected to be collected from the used car dealerships receiving financing under the financing business at the respective balance sheet dates. Used car financing is secured with pledged assets, which are used car with value not less than the financing receivable. The Company has ceased granting new loans for the used car financing since January 2018, but continues to service the outstanding loans until maturity.

The following table presents nonaccrual financing receivable as of December 31, 2017 and 2018, respectively.

	As of December 31,	
	2017	2018
Used car financing	$ 7,373	$ 9,838
Other financing	6	5
	$ 7,379	$ 9,843

The following table presents the past-due aging of financing receivable as of December 31, 2018.

	0 – 90 days past-due aging	over 90 days past-due aging	total past due	current	total financing receivable
Used car financing	$ —	$ 9,838	$ 9,838	$ 8	$ 9,846
Other financing	—	5	5	—	5
	$ —	$ 9, 843	$ 9,843	$ 8	$ 9,851

(In thousands of US dollars, except share and per share data, or otherwise noted)

6. FINANCING RECEIVABLE (cont.)

The following table presents the past-due aging of financing receivable as of December 31, 2017.

	0 – 90 days past-due aging	over 90 days past-due aging	total past due	current	total financing receivable
Used car financing	$ 9,654	$ 7,373	$ 17,027	$ 111,999	$ 129,026
Other financing	21	6	27	—	27
	$ 9,675	$ 7,379	$ 17,054	$ 111,999	$ 129,053

Movement of allowance for financing receivable is as follows:

	As of December 31,		
	2016	2017	2018
Beginning balance	$ (431)	$ (3,357)	$ (3,692)
Charge to cost of revenues	(3,165)	(12,717)	(11,074)
Write off of financing receivable	119	12,933	7,786
Exchange difference	120	(551)	615
Ending balance	$ (3,357)	$ (3,692)	$ (6,365)

For the years ended December 31, 2016, 2017 and 2018, the Company considered loan principal and financing income receivables meeting any of the following conditions as uncollectible and has further written them off: (i) death of the borrower; or (ii) unable to reach the borrower.

(In thousands of US dollars, except share and per share data, or otherwise noted)

7. PREPAID EXPENSES AND OTHER CURRENT ASSETS

	Note	As of December 31, 2017	As of December 31, 2018
Advances to third parties	(i)	$ 6,783	$ 30,545
Prepaid expenses		1,130	2,013
Deposits		2,970	172
Funds receivable	(ii)	2,239	374
Loan to a third party	(iii)	2,305	—
Other receivable	(iv)	4,209	362
Advance to employees	(v)	—	2,812
Other current assets		3,119	2,436
Total		$ 22,755	$ 38,714

(i) Advances to third parties mainly represents cash advanced to third party dealerships for car purchase. Specifically, some of the advances to third parties relates to consignment sales, in which the Company acts as an agent and assists other third party dealerships in the sale of their cars by allowing them to move their cars to the Company's own lot. The Company pays those third party dealerships an advance amounting to the value of the car. The Company agrees to market those cars and if successfully sold, receives a commission from those third party dealerships. The Company does not take title to the cars and merely acts as an agent. The advance is subsequently settled either (1) when the car is sold by the Company or (2) if the car is not sold, the cash is remitted back to the Company by the third party dealership. The balance was substantially collected after December 31, 2018 and the commission earned from the above arrangements is immaterial for the years ended December 31, 2017 and 2018.

(ii) Funds receivable mainly represents balances paid by individuals that are held at a third party electronic payment channel as of December 31, 2017 and 2018. The balances were collected subsequent to year-end.

(iii) The balance in 2017 represents the loan to a third party, which bears an annual interest rate 10% and has a loan period of one year and has been settled in 2018.

(iv) Other receivable mainly represents cash advanced to customers of third party dealerships for purchase of cars for which loans were approved by a bank but for which the customers have not yet received the cash. The amount was subsequently collected by the Company after year-end.

(v) Advance to employees represents cash advanced to employees mainly for purchasing used cars on behalf of the Company.

(In thousands of US dollars, except share and per share data, or otherwise noted)

8. PROPERTY AND EQUIPMENT, NET

	As of December 31,	
	2017	2018
Computer equipment and application software	$ 136	$ 431
Furniture and vehicles	54	576
	$ 190	$ 1,007
Less: Accumulated depreciation	$ (50)	$ (194)
	$ 140	$ 813

Depreciation expense from continuing operations was $51, $42 and $161 for the years ended December 31, 2016, 2017 and 2018, respectively.

No impairment loss was recognized for the years ended December 31, 2016, 2017 and 2018, respectively.

9. GOODWILL

	Amount
Balance at January 1, 2018	$ 64,222
Addition in goodwill related to acquisitions	20,161
Subtraction in goodwill related to disposals	(4,741)
Exchange difference	(4,621)
Balance at December 31, 2018	$ 75,021

The Company's goodwill reflects the excess of the consideration paid or transferred including the fair value of contingent consideration over the fair values of the identifiable net assets acquired. The goodwill balance as of December 31, 2018 and 2017 relates to the various used car dealerships and after-sales service centers acquired during the year ended December 31, 2018 and 2017, as disclosed in Note 5.

To assess potential impairment of goodwill, the Company performs an assessment of the carrying value of the reporting unit at least on an annual basis or when events occur or circumstances change that would more likely than not reduce the estimated fair value of the reporting unit below its carrying value. The Company performed a goodwill impairment analysis as of December 31, 2018 and 2017, respectively. When determining the fair value of the used car business reporting unit, the Company used a discounted cash flow model that included a number of significant unobservable inputs. Key assumptions used to determine the estimated fair value include: (a) internal cash flows forecasts including expected revenue growth, operating margins and estimated capital needs, (b) an estimated terminal value using a terminal year long-term future growth rate determined based on the growth prospects of the reporting unit; and (c) a discount rate that reflects the weighted-average cost of capital adjusted for the relevant risk associated with the used car business reporting unit's operations and the uncertainty inherent in the Company's internally developed forecasts.

Based on the Company's assessment as of December 31, 2018, the fair value of used car business reporting unit exceeded its carrying value.

(In thousands of US dollars, except share and per share data, or otherwise noted)

10. SHORT-TERM DEBT AND LONG-TERM DEBT

Short-term debt

	Note	As of December 31, 2017	As of December 31, 2018
Bank of Shanghai	(i)	$ 12,296	$ 21,817
Hengfeng Bank	(ii)	49,183	—
Bank of Beijing	(iii)	—	20,798
Others	(iv)	—	7,272
Total		$ 61,479	$ 49,887

Long-term debt

	Note	As of December 31, 2017	As of December 31, 2018
Hengfeng Bank	(ii)	$ 27,665	$ —
Total		$ 27,665	$ —

(i) In May and August 2017, the Company entered into five short-term loan agreements with Bank of Shanghai for $12,296 in aggregate. The loans bear annual interest rates of 137.9% to 149.4% over the one-year loan interest rate quoted by the People's Bank of China and have loan periods ranging from eight to eleven months. The Company repaid the loans in April 2018.

In February 2018, the company entered into a loan agreement with Shanghai Bank for $10,181. The loan bears an annual interest rate of 130.0% over the one-year loan interest rate quoted by the People's Bank of China and has a loan period of one year. The Company repaid the loan in February 2019.

In April and May 2018, the Company entered into two loan agreements with Shanghai Bank for $11,636 in aggregate. Both loans bear an annual interest rate of 140.0% over the one-year loan interest rate quoted by the People's Bank of China and have a loan period of one year. $7,272 of the loan was due in April 2019 and had been repaid by the Company.

(ii) Both the short-term and long-term loan obtained from Hengfeng Bank in 2017 had been repaid by the Company in May 2018.

(iii) In March, May and June 2018, the Company entered into four loan agreements with Bank of Beijing for $20,798 in aggregate. The loans bear annual interest rates of the Loan Prime Rate plus additional interest rate ranged from 0.05% to 1.355% with loan period of one year. $14,544 and $3,491 of the loans had been repaid by the Company in March and April 2019, respectively.

(iv) In January 2018, the Company entered into two loan agreements with a third party individual for a total amounting to $6,109. The loans had an annual interest rate of 10% and were due in July 2018. In July 2018, the Company further refinanced the loans for another 6 months with the same interest rate, and subsequently repaid $6,109 of the loans in January 2019.

In April, May, June, July, August and September 2018, the Company entered into eighteen loan agreements with an individual for $17,787 in aggregate. The loans all bear an annual interest rate of 10.8% and have a period of one month. $17,496 was repaid in May and June 2018, and the remaining balance of $291 was repaid in October 2018.

In August 2018, the Company entered into two loan agreements with an individual for $872 in aggregate. The loans both bear an annual interest rate of 10.8% and have a period of two months and four months, respectively. Upon maturity, the Company further renewed the loans for another 12 months with the same interest rate.

In October 2018, the Company entered into a loan agreement with the individual for $291. The loan bears an annual interest rate of 10.8% and have a period of six months. The Company repaid the loan in April 2019.

(In thousands of US dollars, except share and per share data, or otherwise noted)

11. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	As of December 31,	
	2017	2018
Employee payroll and welfare payables	$ 1,505	$ 616
Other tax payable	5,747	6,413
Accrued professional, marketing and rental expenses	1,046	1,136
Interest payable	1,311	381
Deposits payable	123	407
Other payables	1,136	1,691
Total	$ 10,868	$ 10,644

12. PAYABLE TO INVESTORS

In the ordinary course of business, through the peer-to-peer platforms and the Company's Plans, the Company identifies investors and transfers creditors' rights to those investors. The Company further offers different investment periods to investors with various annual interest rates while those credit rights are held by the investors. The terms of the sales require the Company to repurchase those creditors' rights from investors prior to or upon the maturity of the investment period. As a result, the sales of those creditors' rights are not accounted for as a sale and remain on the consolidated balance sheet and are recorded as payable to investors in the Company's consolidated balance sheet. The financing business was terminated in May 2018 along with the expiration of the Company's Plan on May 17, 2018.

Payable to investors includes payable with terms shorter than one year as well as the current portion of the payable to investors.

		Fixed annual rate (%)	Term	As of December 31, 2017	As of December 31, 2018
Short-term payable to investors	(i)	8.6% - 11.0%	15 Days - 12 Months	$ 136,961	$ —

(i) The short-term payable to investors as of December 31, 2017 relates to the "Plans" and the balance in 2017 had been repaid by the Company in 2018.

(In thousands of US dollars, except share and per share data, or otherwise noted)

13. INCOME TAXES

The Company and Renren Finance Inc. are both incorporated in the Cayman Islands. Under the current laws of the Cayman Islands, the companies are not subject to income or capital gains taxes.

Jet Sound Hong Kong Company Limited was incorporated in Hong Kong and is subjected to Hong Kong profits tax. With effect from April 1, 2018, a two-tiered profits tax rates regime applies. The profits tax rate for the first HKD 2 million of corporate profits is 8.25%, while the standard profits tax rate of 16.5% remains for profits exceeding HKD 2 million. No provision for Hong Kong profits tax has been made as Jet Sound Hong Kong Company Limited has no assessable profits in Hong Kong in the fiscal years ended December 31, 2016, 2017 and 2018.

Other subsidiaries and VIEs of the Company domiciled in the PRC were subject to 25% statutory income tax rate in the years presented.

The EIT Law includes a provision specifying that legal entities organized outside PRC will be considered residents for Chinese income tax purposes if their place of effective management or control is within PRC. If legal entities organized outside PRC were considered residents for Chinese income tax purpose, they would become subject to the EIT Law on their worldwide income. This would cause any income from legal entities organized outside PRC earned to be subject to PRC's 25% EIT. The Implementation Rules to EIT Law provide that non-resident legal entities will be considered as PRC residents if substantial and overall management and control over the manufacturing and business operations, personnel, accounting, properties, etc. reside within PRC.

Beijing Qilin Wings Technology Development Co., Ltd., incorporated in the PRC on January 16, 2013, qualified as a "High and New Tech Enterprise" in 2017, and therefore was entitled to a preferential tax rate of 15% for the following three years.

Despite the present uncertainties resulting from the limited PRC tax guidance on the issue, the Company does not believe that the legal entities organized outside PRC should be characterized as PRC residents for EIT Law purposes.

Under the EIT Law and its implementation rules which became effective on January 1, 2008, dividends generated after January 1, 2008 and payable by a foreign-invested enterprise in PRC to its foreign investors who are non-resident enterprises are subject to a 10% withholding tax, unless any such foreign investor's jurisdiction of incorporation has a tax treaty with PRC that provides for a different withholding arrangement. The Cayman Islands, where the Company is incorporated, does not have a tax treaty with PRC.

The Company's subsidiaries and VIEs located in the PRC had aggregate accumulated deficits as of December 31, 2018. Accordingly, no deferred tax liability had been accrued for the Chinese dividend withholding taxes as of December 31, 2018.

The current and deferred component of income tax expenses which were substantially attributable to the Company's PRC subsidiaries and VIEs and VIEs' subsidiaries, are as follows:

	Years ended December 31,		
	2016	2017	2018
Current income tax expenses	$ 1,690	$ 1,158	$ 862
Deferred income tax expenses	—	—	—
Total income tax expenses	$ 1,690	$ 1,158	$ 862

The principal components of the deferred tax assets and liabilities are as follows:

	As of December 31,	
	2017	2018
Deferred tax assets		
Provision for doubtful accounts	$ 1,083	$ 1,667
Accrued payroll and welfare	330	129
Accrued liabilities	437	377
Advertising fee	223	—
Employee education fee	—	5
Net operating loss carry forwards	6,335	8,178
Less valuation allowance	(8,408)	(10,356)
Deferred tax assets, net	$ —	$ —
Deferred tax liabilities	$ —	$ —

(In thousands of US dollars, except share and per share data, or otherwise noted)

13. INCOME TAXES (cont.)

The Company operates through multiple subsidiaries and VIEs and VIEs' subsidiaries. The valuation allowance is considered on each individual entity basis. The subsidiaries and VIEs and VIEs' subsidiaries registered in the PRC have total deferred tax assets related to net operating loss carry forwards at $6,335 and $8,178 as of December 31, 2017 and 2018, respectively. The Company assessed the available evidence to estimate if sufficient future taxable income would be generated to use the existing deferred tax assets. As of December 31, 2017 and 2018, full valuation allowances were established because the Company believes that it is more likely than not that its deferred tax assets will not be utilized as it does not expect to generate sufficient taxable income in the near future.

Reconciliation between the income taxes expense computed by applying the PRC tax rate to loss before the provision of income taxes and the actual provision for income taxes is as follows:

	Years ended December 31,		
	2016	2017	2018
Loss before provision of income tax	$ (14,298)	$ (29,382)	$ (88,076)
PRC statutory income tax rate	25%	25%	25%
Income tax at statutory tax rate	(3,575)	(7,346)	(22,019)
Taxable deemed interest income from inter-company interest-free loans	2,335	2,517	2,108
Non-deductible loss and other expenses not deductible for tax purposes	1,630	2,159	15,644
Effect of income tax rate differences in jurisdictions other than the PRC	153	—	3,234
Effect of tax holiday	—	570	(53)
Changes in valuation allowance	1,147	3,258	1,948
Income tax expenses	$ 1,690	$ 1,158	$ 862

The Company did not identify significant unrecognized tax benefits for the years ended December 31, 2016, 2017 and 2018, respectively. The Company did not incur any interest and penalties related to potential underpaid income tax expenses.

Since January 1, 2008, the relevant tax authorities have not conducted a tax examination on the Company's PRC entities. In accordance with relevant PRC tax administration laws, tax years from 2014 to 2018 of the Company's PRC subsidiaries and VIEs and VIEs' subsidiaries remain subject to tax audits as of December 31, 2018, at the tax authority's discretion.

14. ORDINARY SHARES

On March 7, 2011, the Company was established with an authorized share capital of $80 divided into 800,000,000 ordinary shares of par value $0.0001 each. On March 31, 2011, Renren Inc. purchased 1 issued ordinary share in the Company and became its sole shareholder. On the same day, the Company issued 87,036,999 ordinary shares to Renren and subsequently Renren aggregately held 87,037,000 of its ordinary shares. On January 19, 2017, the Company further issued 412,963,000 ordinary shares to Renren Inc. and subsequently Renren Inc. aggregately held 500,000,000 of its ordinary shares. On January 4, 2018, Renren Inc. surrendered 340,000,000 ordinary shares to the Company and subsequently held in aggregate 160,000,000 of its ordinary shares. The issuance of 412,963,000 ordinary shares in 2017 and the surrender of 340,000,000 ordinary shares in 2018 by Renren Inc. were accounted for as share split and reverse share split, respectively, and accordingly, all references to numbers of ordinary shares and per-share data in the accompanying consolidated financial statements have been adjusted to reflect such issuance/surrender of shares on a retroactive basis.

(In thousands of US dollars, except share and per share data, or otherwise noted)

15. FAIR VALUE MEASUREMENTS

Assets and liabilities measured or disclosed at fair value

The Company measures its financial assets and liabilities, including cash and cash equivalents, restricted cash and contingent consideration at fair value on a recurring basis as of December 31, 2017 and 2018. The Company measured its financing receivables, short-term and long-term debt and payable to investors at amortized cost. Cash and cash equivalents and restricted cash are classified within Level 1 of the fair value hierarchy because they are valued based on the quoted market price in an active market. The carrying value of financing receivable and payable to investors approximate their fair value due to their short-term nature and are considered level 3 measurement. Such fair value was estimated by discounting scheduled cash flows through the estimated maturity with estimated discount rates based on current offering rates of comparable financings with similar terms. The carrying value of the debt obligations approximate fair value considering the borrowing rates are at the same level of the current market yield for the comparable debts and represent a level 2 measurement. The carrying value of amounts due from/to related parties' approximate fair value due to the relatively short maturity.

The following table presents the fair value hierarchy for assets and liabilities measured at fair value:

	As of December 31, 2018				As of December 31, 2017			
	Fair Value Measurement at the Reporting Date using				Fair Value Measurement at the Reporting Date using			
	Quoted price in active markets for identical assets Level 1	Significant other observable inputs Level 2	Significant unobservable in puts Level 3	Total	Quoted price in active markets for identical assets Level 1	Significant other observable inputs Level 2	Significant unobservable in puts Level 3	Total
Cash and cash equivalents	$ 7,950	$ —	$ —	$ 7,950	$ 17,061	$ —	$ —	$ 17,061
Restricted cash	5,818	—	—	5,818	47,253	—	—	47,253
Contingent consideration	—	—	(105,670)	(105,670)	—	—	(46,456)	(46,456)
Total	$ 13,768	$ —	$ (105,670)	$ (91,902)	$ 64,314	$ —	$ (46,456)	$ 17,858

The Company did not transfer any assets or liabilities in or out of Level 3 during the years ended December 31, 2017 and 2018. The Company determines the fair value of contingent consideration by using discounted cash flow method which includes significant unobservable inputs that are classified as level 3 in the fair value hierarchy. The key assumptions used in the valuation of the contingent consideration for the years ended December 31, 2017 and 2018 are summarized in the table below:

(1) For contingent consideration resulting from acquisition of the used car dealerships:

	As of December 31,	
	2017	2018
Planed Offering date	September 30, 2018	April 30, 2019
Discount rate (from acquisition date to Offering date)	15%	15%
Discount rate (from Offering date to the last settlement date)	2.75%	2.75%
Offering probability	50%	80%

(In thousands of US dollars, except share and per share data, or otherwise noted)

15. FAIR VALUE MEASUREMENTS (cont.)

Assets and liabilities measured or disclosed at fair value *(cont.)*

(2) For contingent consideration resulting from acquisition of the after sales service centers:

	As of December 31,	
	2017	**2018**
Planed Offering date	September 30, 2018	April 30, 2019
Discount rate (from acquisition date to the last settlement date)	15%	15%
Offering probability	50%	80%

The following is a reconciliation of the beginning and ending balances for contingent consideration measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the year ended December 31, 2018:

	Amounts
Balance at beginning of the year	$ 46,456
Contingent consideration resulting from new acquisitions	14,113
Fair value change	49,503
Exchange difference	(4,402)
Balance at December 31, 2018	$ 105,670

Assets measured at fair value on a nonrecurring basis

The Company measured its property, equipment and goodwill at fair value on a nonrecurring basis whenever events or changes in circumstances indicate that the carrying value may no longer be recoverable. The Company measures the purchase price allocation at fair value on a nonrecurring basis as of the acquisition dates.

(In thousands of US dollars, except share and per share data, or otherwise noted)

16. SHARE-BASED COMPENSATION

Kaixin Auto Group Incentive Plan (the "Kaixin Auto Group 2018 Plan")

On January 31, 2018, Kaixin Auto adopted a stock incentive plan, whereby 40,000,000 ordinary shares of Kaixin Auto Group ("Kaixin") are made available for future grant for employees or consultants of Kaixin either in the form of incentive share options or restricted shares. The plan was amended and restated in May 2018 that up to 140,000,000 ordinary shares will be made available for granting as awards.

On March 15, 2018 and July 1, 2018, Kaixin issued an aggregate of 36,461,500 options to purchase Kaixin's ordinary shares to certain of its directors, officers and employees to compensate their services. The term of the options may not exceed ten years from the date of the grant, except for the situation of amendment, modification and termination. The awards under the above plans are subject to vesting schedules ranging from immediately upon grant to four years subsequent to grant date. The weighted-average grant-date fair value of the share options granted during the period presented was $0.52. In determining the fair value of share options granted, a binomial option pricing model is applied.

		As of December 31, 2018
Risk-free interest rate [(1)]		2.82%
Volatility[(2)]		28%-55%
Expected term (in years)[(3)]		10
Exercise price[(4)]	$	0.3
Dividend yield[(5)]		—
Fair value of underlying ordinary share[(6)]	$	0.75

(1) Risk-free interest rate

Risk-free interest rate was estimated based on the yield to maturity of treasury bonds of the United States with a maturity period close to the expected life of the options.

(2) Volatility

The volatility of the underlying ordinary shares during the life of the options was estimated based on the historical stock price volatility of listed comparable companies over a period comparable to the expected term of the options.

(3) Expected term

For the options granted to employees, the Company estimated the expected term based on the vesting and contractual terms and employee demographics. For the options granted to non-employees, the Company estimated the expected term as the original contractual term.

(In thousands of US dollars, except share and per share data, or otherwise noted)

16. SHARE-BASED COMPENSATION (cont.)

Kaixin Auto Group Incentive Plan (the "Kaixin Auto Group 2018 Plan") *(cont.)*

(4) Exercise price

The exercise price of the options was determined by the Company's board of directors.

(5) Dividend yield

The dividend yield was estimated by the Company based on its expected dividend policy over the expected term of the options.

(6) Fair value of underlying ordinary shares

The estimated fair value of the ordinary shares underlying the options as of the valuation date was determined based on a contemporaneous valuation. When estimating the fair value of the ordinary shares on the valuation dates, management has considered a number of factors, including the result of a third party appraisal of the Company, while taking into account standard valuation methods and the achievement of certain events. The fair value of the ordinary shares in connection with the option grants on the valuation date was determined with the assistance of an independent third party appraiser.

The following table summarizes information with respect to share options outstanding as of December 31, 2018:

	Options outstanding			Options exercisable		
The exercise prices	Number outstanding	Weighted average remaining contractual life	Weighted average exercise price	Number of exercisable	Weighted average remaining contractual life	Weighted average exercise price
$ 0.3	35,281,500	9.19	$ 0.30	13,333,151	9.19	$ 0.30
	35,281,500			13,333,151		

	Number of shares	Weighted average exercise price	Weighted average grant date fair value
Balance, December 31, 2017	—	$ —	$ —
Granted	36,461,500	$ 0.30	$ 0.52
Exercised	—	$ —	$ —
Forfeited	(1,180,000)	$ 0.30	$ 0.52
Balance, December 31, 2018	35,281,500	$ 0.30	$ 0.52
Exercisable, December 31, 2018	13,333,151	$ 0.30	$ 0.52
Expected to vest, December 31, 2018	21,948,349	$ 0.30	$ 0.52

(In thousands of US dollars, except share and per share data, or otherwise noted)

16. SHARE-BASED COMPENSATION (cont.)

Kaixin Auto Group Incentive Plan (the "Kaixin Auto Group 2018 Plan") *(cont.)*

For employee stock options, the Company recorded share-based compensation amounting to $9,046 for the year ended December 31, 2018, based on the fair value on the grant date over the requisite service period of award using the straight-line method.

As of December 31, 2018, there was $9,259 unrecognized share-based compensation expense relating to share options. This amount is expected to be recognized over a weighted-average vesting period of 3.22 years.

Renren Inc. Incentive Plan (the "Renren Plan")

Renren Inc. ("Renren") adopted the 2006 Equity Incentive Plan (the "200cto6 Plan"), the 2008 Equity Incentive Plan (the "2008 Plan"), the 2009 Equity Incentive Plan (the "2009 Plan"), the 2011 Share Incentive Plan (the "2011 Plan"), the 2016 Share Incentive Plan (the "2016 Plan"), and the 2018 Share Incentive Plan (the "2018 Plan") for purpose of granting of stock options and incentive stock options to employees and executives to reward them for service to the parent and to provide incentives for future service. In 2006, Renren Inc. adopted the 2006 Plan to replace the 2003 Plan, 2004 Plan and 2005 Plan. On February 26, 2016, Renren Inc. amended the 2011 Plan and 45,000,000 ordinary shares have been added to the award pool under the 2011 Plan. The maximum aggregate number of shares which may be issued pursuant to all awards under the 2006 Plan, 2008 Plan, 2009 Plan, 2011 Plan, 2016 Plan and 2018 Plan is 97,430,220, 30,529,630, 40,000,000, 110,014,158, 53,596,236 and 107,100,000, respectively. The term of the options may not exceed ten years from the date of the grant, except for the situation of amendment, modification and termination. The awards under the above plans are subject to vesting schedules ranging from immediately upon grant to six years subsequent to grant date.

On August 24, 2017, Renren Inc.'s Compensation Committee approved to reduce the exercise price for all outstanding options previously granted with an exercise price higher than $0.478 per ordinary share to $0.478 per share. Such reduction was accounted by Renren Inc. as a share option modification and required the re-measurement of these share options at the time of the modification. The total incremental cost as a result of the modification was $10,382. The incremental cost related to vested options amounted to $3,442 and was recorded in the consolidated statements of operations during the year ended December 31, 2017. The incremental cost related to unvested options amounted to $6,940 and will be recorded over the remaining service period.

On June 29, 2018, Renren Inc.'s Compensation Committee approved to reduce the exercise price for all outstanding options previously granted by Renren with an exercise price higher than $0.0613 per ordinary share to $0.0613 per share. Such reduction was accounted by Renren as a share option modification and required the re measurement of these share options at the time of the modification. The total incremental cost as a result of the modification was $10,779. The incremental cost related to vested options amounted to $9,304 and was recorded in the consolidated statements of operations during year ended December 31, 2018. The incremental cost related to unvested options amounted to $1,475 and will be recorded over the remaining service periods.

Renren Inc. calculated the estimated fair value of the options on the respective grant dates using the binomial option pricing model with the assistance from independent valuation firms, with the assumptions used in 2016. Renren Inc. did not grant any options in 2017 and 2018. The weighted-average grant-date fair value of the share options granted during 2016 was $0.54.

	Year ended December 31, 2016
Risk-free interest rate	2.0%
Volatility	50%
Expected term (in years)	10
Exercise price	$ 1.227
Dividend yield	—

16. SHARE-BASED COMPENSATION (cont.)

Renren Inc. Incentive Plan (the "Renren Plan") *(cont.)*

(1) Volatility

The volatility of the underlying ordinary shares during the life of the options was estimated based on the historical stock price volatility of listed comparable companies over a period comparable to the expected term of the options.

(2) Risk-free interest rate

Risk-free interest rate was estimated based on the yield to maturity of treasury bonds of the United States with a maturity period close to the expected life of the options.

(3) Expected term

For the options granted to employees, Renren Inc. estimated the expected term based on the vesting and contractual terms and employee demographics. For the options granted to non-employees, Renren Inc. estimated the expected term as the original contractual term.

(4) Dividend yield

The dividend yield was estimated by Renren Inc. based on its expected dividend policy over the expected term of the options.

(5) Exercise price

The exercise price of the options was determined by Renren Inc.'s board of directors.

(6) Fair value of underlying ordinary shares

The closing market price of Renren Inc.'s ordinary shares on the grant date was used.

The aggregate intrinsic value was calculated as the difference between the exercise price of the underlying awards and the closing stock price of $0.53, $0.69 and $0.10 of Renren Inc.'s ordinary share on December 31, 2016, 2017 and 2018, respectively. The total intrinsic value of options exercised for the years ended December 31, 2016, 2017 and 2018 were $1,118, $293 and $21, respectively. The total fair value of options vested during the years ended December 31, 2016, 2017 and 2018 were $12,721, $16,036, and $7,532, respectively.

(In thousands of US dollars, except share and per share data, or otherwise noted)

16. SHARE-BASED COMPENSATION (cont.)

Renren Inc. Incentive Plan (the "Renren Plan") *(cont.)*

The following table summarizes information with respect to share options outstanding as of December 31, 2018:

	Options outstanding				Options exercisable			
Range of exercise prices	Number outstanding	Weighted average remaining contractual life	Weighted average exercise price	Weighted average intrinsic value	Number of exercisable	Weighted average remaining contractual life	Weighted average exercise price	Weighted average intrinsic value
$0.01 ~ $0.18	139,094,101	5.40	$ 0.06	$ 5,754	117,561,450	5.11	$ 0.06	$ 4,863
	139,094,101			$ 5,754	117,561,450			$ 4,863

	Number of Shares	Weighted average exercise price	Weighted average grant date fair value
Balance, January 1, 2018	141,481,616	$ 0.48	$ 0.64
Granted	—	—	—
Exercised	(2,268,420)	$ 0.06	$ 0.66
Forfeited	(119,095)	$ 0.16	$ 0.15
Balance, December 31, 2018	139,094,101	$ 0.06	$ 0.64
Exercisable, December 31, 2018	117,561,450	$ 0.06	
Expected to vest, December 31, 2018	21,532,651	$ 0.06	

For employee stock options, Renren Inc. recorded share-based compensation from continuing operations of $19,420, $23,904 and $18,640 and from discontinued operations of $nil for the years ended December 31, 2016, 2017 and 2018, based on the fair value on the grant dates over the requisite service period of award using the straight-line method.

As of December 31, 2018, there was $14,285 unrecognized share-based compensation expense relating to share options. This amount is expected to be recognized over a weighted-average vesting period of 3.04 years.

(In thousands of US dollars, except share and per share data, or otherwise noted)

16. SHARE-BASED COMPENSATION (cont.)

Nonvested restricted shares

A summary of the nonvested restricted shares activity is as follows:

	Weighted number of nonvested restricted shares	Weighted average fair value per ordinary share at the grant dates
Outstanding as of December 31, 2017	10,802,683	$ 0.95
Granted	88,935,342	$ 0.14
Vested	(8,404,575)	$ 0.47
Forfeited	(17,561,071)	$ 0.18
Outstanding as of December 31, 2018	73,772,379	$ 0.21

Renren Inc. recorded compensation expenses based on the fair value of nonvested restricted shares on the grant dates over the requisite service period of award using the straight line vesting attribution method. The fair value of the nonvested restricted shares on the grant date was the closing market price of the ordinary shares as of the date. Renren Inc. recorded compensation expenses related to nonvested restricted shares in an amount of $4,124, $4,112 and $3,917 during the years ended December 31, 2016, 2017 and 2018, respectively.

Total unrecognized compensation expense amounted to $15,345 related to nonvested restricted shares granted as of December 31, 2018. The expense is expected to be recognized over a weighted-average period of 5.22 years.

Share-based compensation expense under the Renren Plan allocated to the Company

The share-based compensation expense under Renren Plan allocated to the Company amounted to $3,707, $4,502 and $2,390 for the years ended December 31, 2016, 2017 and 2018, respectively. These expenses are part of selling and marketing expenses, research and development expenses, and general and administrative expenses allocated from Renren, which were waived and have been reflected as capital contributions as of the date such expenses were originally allocated.

(In thousands of US dollars, except share and per share data, or otherwise noted)

17. RELATED PARTY BALANCES AND TRANSACTIONS

The table below sets forth major related parties and their relationships with the Company:

Company Name	Relationship with the Company
Renren Inc.	Parent of the Company
Beijing Yunke Logistic Co., Ltd.	A subsidiary of investee of the Parent
OneRent Inc.	Investee of the Parent

Details of related party balances and transactions as of December 31, 2017 and 2018 are as follows:

(1) Amounts due from related parties

As of December 31, 2017 and 2018, amounts due from related parties were $1,458 and $nil, respectively, and details are as follows:

	As of December 31, 2017	As of December 31, 2018
OneRent Inc.	$ 600	$ —
Others	858	—
Total	$ 1,458	$ —

(2) Amounts due to related parties

	As of December 31, 2017	As of December 31, 2018
Renren and its subsidiaries[(1)]	$ 69,524	$ 78,108
Others	7,054	—
Total	$ 76,578	$ 78,108

(1) The amount represents advanced funds provided by Renren and its subsidiaries to finance the Company's daily operations. The amounts are interest-free and are repayable on demand. Subsequent to December 31, 2018, the total balance has been waived by Renren in exchange of the transfer of the Ji'nan dealership. Refer to Note 1.

(3) Transactions with related parties

	Note	Years ended December 31, 2016	2017	2018
Amount due from:				
Loan to 268V Limited		$ 3,000	$ —	$ —
Loan to Beijing Yunke Logistic Co., Ltd. ("Yunke"), a subsidiary of investee of the Parent	(i)	883	8,591	—
Others		—	1,317	—
Total		$ 3,883	$ 9,908	$ —

(i) The balance represents the loan to Yunke, which is an equity investee of the Parent of the Company. In June 2016, the Company entered into a revolving factoring credit facility agreement ("the Facility") with Yunke. The Facility has a two-year term with the option for extensions, which allows Yunke to receive approximately $2,889 (RMB 20 million) revolving factoring line of credit from the Company. The Facility is backed by deposits amounting to approximately $154 (RMB 1 million) paid to the Company. $883 and $8,591 was extended to Yunke during fiscal year of 2016 and 2017, respectively. During the year ended December 31, 2017, Yunke repaid the full amount and there was no outstanding balance as of December 31, 2017 and 2018.

(In thousands of US dollars, except share and per share data, or otherwise noted)

18. SEGMENT INFORMATION

The Company's Chief Operating Decision Maker (the "CODM") during the years ended December 31, 2016, 2017 and 2018 is the Chief Executive Officer of the Company, who is responsible for decisions about allocating resources and assessing performance of the Company.

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, and is identified on the basis of the internal financial reports that are provided to and regularly reviewed by the Company's CODM. For the year ended December 31, 2018, the Company's CODM reviewed the financial information of the used car sales business and used car financing business carried out by the Company on a consolidated basis. Therefore, the Company has one operating and reportable segment. The Company operates solely in the PRC and all of the Company's long-lived assets are located in the PRC.

The Company does not allocate assets to its current operating segments as management does not believe that allocating these assets is useful in evaluating these segments' performance. Accordingly, the Company has not made disclosure of total assets by reportable segment.

All of the Company's revenue for the years ended December 31, 2016, 2017 and 2018 was generated from the PRC.

As of December 31, 2017 and 2018, respectively, substantially all of long-lived assets of the Company were located in the PRC.

Other segment information

Automobile sales related to used car and new car sales. Financing income related to revenue generated from its used car financing services. Other revenue mainly included revenue generated from agency fees in connection with arrangements with third party dealers whereas the Company facilitates sales of their cars, and commissions received by the Company from insurance companies for its facilitating services.

	Years ended December 31,		
	2016	**2017**	**2018**
Automobile sales	$ —	$ 88,227	$ 420,005
Financing income	20,778	26,426	2,317
Others	68	1933	9,082
Total	$ 20,846	$ 116,586	$ 431,404

(In thousands of US dollars, except share and per share data, or otherwise noted)

19. LOSSES PER SHARE

The following table sets forth the computation of basic and diluted net loss per ordinary share for the years ended:

	Years ended December 31,		
	2016	2017	2018
Net loss:			
Loss from continuing operations	$ (15,988)	$ (30,540)	$ (88,938)
(Loss) income from discontinued operations, net of taxes	(8,066)	1,845	(594)
Net loss	(24,054)	(28,695)	(89,532)
Net loss attributable to the noncontrolling interest	—	(76)	(317)
Net loss attributable to Kaixin Auto Group	$ (24,054)	$ (28,619)	$ (89,215)
Weighted average number of ordinary shares outstanding used in computing net loss per ordinary share-basic	160,000,000	160,000,000	160,000,000
Weighted average number of ordinary shares outstanding used in computing net loss per ordinary share-diluted	160,000,000	160,000,000	160,000,000
Net loss per ordinary share attributable to Kaixin Auto Group shareholders - basic:			
Loss per ordinary share from continuing operations	$ (0.10)	$ (0.19)	$ (0.56)
(Loss) Income per ordinary share from discontinued operations	$ (0.05)	$ 0.01	$ (0.00)
Net loss per ordinary share attributable to Kaixin Auto Group shareholders - basic:	$ (0.15)	$ (0.18)	$ (0.56)
Net loss per ordinary share attributable to Kaixin Auto Group shareholders - diluted:			
Loss per ordinary share from continuing operations	$ (0.10)	$ (0.19)	$ (0.56)
(Loss) Income per ordinary share from discontinued operations	$ (0.05)	$ 0.01	$ (0.00)
Net loss per ordinary share attributable to Kaixin Auto Group shareholders - diluted:	$ (0.15)	$ (0.18)	$ (0.56)

20. COMMITMENTS

(1) Operating lease as lessee

The Company leases its facilities and offices under non-cancelable operating lease agreements. These leases expire through 2027 and are renewable upon negotiation. Rental and other expenses under operating leases for 2016, 2017 and 2018 from continuing operations were $513, $1,322 and $3,895 respectively and from discontinued operations were $nil, $177 and $234.

Future minimum lease payments under such non-cancellable leases as of December 31, 2018 are as follows:

2019	$ 3,018
2020	2,517
2021	1,189
2022	652
2023	332
2024 and thereafter	991
Total	$ 8,699

21. EMPLOYEE BENEFIT PLAN

Full time employees of the Company in the PRC participate in a government-mandated defined contribution plan pursuant to which certain pension benefits, medical care, unemployment insurance, employee housing fund and other welfare benefits are provided to employees. The Company accrues for these benefits based on certain percentages of the employees' salaries. The total provisions for such employee benefits from continuing operations were $1,839, $2,797 and $3,813 for the years ended December 31, 2016, 2017 and 2018, respectively.

22. STATUTORY RESERVE AND RESTRICTED NET ASSETS

In accordance with the Regulations on Enterprises with Foreign Investment of China and their articles of association, the Company's subsidiaries and VIE entities located in the PRC, being foreign invested enterprises established in the PRC, are required to provide for certain statutory reserves. These statutory reserve funds include one or more of the following: (i) a general reserve, (ii) an enterprise expansion fund or discretionary reserve fund, and (iii) a staff bonus and welfare fund. Subject to certain cumulative limits, the general reserve fund requires a minimum annual appropriation of 10% of after-tax profit (as determined under accounting principles generally accepted in China at each year-end); the other fund appropriations are at the subsidiaries' or the affiliated PRC entities' discretion. These statutory reserve funds can only be used for specific purposes of enterprise expansion, staff bonus and welfare, and are not distributable as cash dividends except in the event of liquidation of the Company's subsidiaries, the Company's affiliated PRC entities and their respective subsidiaries. The Company's subsidiaries and VIE entities are required to allocate at least 10% of their after-tax profits to the general reserve until such reserve has reached 50% of their respective registered capital.

As of December 31, 2018, none of the Company's PRC subsidiaries and VIE entities had a general reserve that reached the 50% of their registered capital threshold, therefore they will continue to allocate at least 10% of their after-tax profits to the general reserve fund.

Appropriations to the enterprise expansion reserve and the staff welfare and bonus reserve are to be made at the discretion of the board of directors of each of the Company's subsidiaries. The appropriation to these reserves by the Company's PRC subsidiaries was $nil, $nil and $nil for the year ended December 31, 2,016, 2017 and 2018, respectively.

As a result of these PRC laws and regulations and the requirement that distributions by PRC entities can only be paid out of distributable profits computed in accordance with PRC GAAP, the PRC entities are restricted from transferring a portion of their net assets to the Company. Amounts restricted include paid-in capital and the statutory reserves of the Company's PRC subsidiaries and VIE entities. The aggregate amounts of capital and statutory reserves restricted which represented the amount of net assets of the relevant subsidiaries and VIE entities in the Company not available for distribution was $96,708 and $97,697 as of December 31, 2017 and 2018, respectively.

23. SUBSEQUENT EVENT

The Company has evaluated subsequent events to the balance sheet date of December 31, 2018 through May 6, 2019, the issuance date of these financial statements.

KAIXIN AUTO GROUP

Additional Information—Financial Statement Schedule I
Condensed Financial Information of Parent Company

BALANCE SHEETS

(U.S. dollars in thousands, except share data and per share data, or otherwise noted)

	As of December 31,	
	2017	**2018**
ASSETS		
Current assets:		
Cash and cash equivalents	$ —	$ 24
Amounts due from related parties	600	—
Total current assets	600	24
TOTAL ASSETS	$ 600	$ 24
LIABILITIES AND EQUITY		
Current liabilities:		
Accrued expenses	—	581
Amounts due to subsidiaries	613	1,135
Total current liabilities	613	1,716
Non-current liabilities:		
Deficit of investment in subsidiaries	33,209	100,434
Total non-current liabilities	33,209	100,434
TOTAL LIABILITIES	$ 33,822	$ 102,150
Deficit:		
Ordinary shares	$ 16	$ 16
Additional paid-in capital	18,654	38,561
Subscription receivable	(16)	(16)
Accumulated deficit	(52,854)	(142,069)
Accumulated other comprehensive (loss) income	978	1,382
Total deficit	(33,222)	(102,126)
TOTAL LIABILITIES AND DEFICIT	$ 600	$ 24

KAIXIN AUTO GROUP

Additional Information—Financial Statement Schedule I
Condensed Financial Information of Parent Company

STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(U.S. dollars in thousands, except share data and per share data, or otherwise noted)

	Years ended December 31,		
	2016	**2017**	**2018**
Selling and marketing	$ 1	$ —	$ 1,504
Research and development	1	1	107
General and administrative	3,709	4,503	11,505
Total operating expenses	3,711	4,504	13,116
Equity in loss of subsidiaries and variable interest entities	(20,343)	(24,115)	(76,099)
Net loss	$ (24,054)	$ (28,619)	$ (89,215)
Other comprehensive (loss) income, net of tax:			
Foreign currency translation	(931)	3,598	404
Other comprehensive (loss) income	$ (931)	$ 3,598	$ 404
Comprehensive loss	$ (24,985)	$ (25,021)	$ (88,811)

KAIXIN AUTO GROUP

Additional Information—Financial Statement Schedule I
Condensed Financial Information of Parent Company

STATEMENTS OF CASH FLOWS

(U.S. dollars in thousands, except share data and per share data, or otherwise noted)

	2016	2017	2018
Cash flows from operating activities:			
Net loss	$ (24,054)	$ (28,619)	$ (89,215)
Equity in income of subsidiaries and variable interest entities	20,343	24,115	76,099
Share-based compensation	3,707	4,502	11,436
Changes in operating assets and liabilities:			
Amounts due from/to related parties	4	2	173
Accrued expenses and other payables	—	—	581
Net cash used in operating activities	—	—	(926)
Cash flows from investing activities:			
Net cash provided by investing activities	—	—	—
Cash flows from financing activities:			
Proceeds from short-term loan	—	—	500
Repayment of short-term loan	—	—	(500)
Proceeds of loans from related parties	—	—	950
Net cash provided by financing activities	—	—	950
Net increase in cash and cash equivalents	—	—	24
Cash and cash equivalents at beginning of year	—	—	—
Effect of exchange rate changes	—	—	—
Cash and cash equivalents at end of year	$ —	$ —	$ 24

KAIXIN AUTO GROUP

Additional Information—Financial Statement Schedule I
Condensed Financial Information of Parent Company

NOTES TO FINANCIAL STATEMENTS

(U.S. dollars in thousands, except share data and per share data, or otherwise noted)

1. BASIS FOR PREPARATION

The condensed financial information of the Parent Company has been prepared using the same accounting policies as set out in the Company's consolidated financial statements except that the Parent Company used the equity method to account for investments in its subsidiaries and VIE.

The condensed financial information is provided since the restricted net assets of the Company's subsidiaries, VIEs and VIEs' subsidiaries were $101,381, over 25% of the consolidated net assets of the Company as of December 31, 2018.

2. INVESTMENTS IN SUBSIDIARIES, VIEs AND VIEs' SUBSIDIARIES

The Parent Company and its subsidiaries, VIEs and VIEs' subsidiaries were included in the consolidated financial statements where inter-company balances and transactions were eliminated upon consolidation. For purpose of the Parent Company's stand-alone financial statements, its investments in subsidiaries, VIEs and VIEs' subsidiaries were reported using the equity method of accounting. The Parent Company's share of loss from its subsidiaries, VIEs and VIEs' subsidiaries were reported as share of loss of subsidiaries, VIEs and VIEs' subsidiaries in the accompanying Parent Company financial statements. Ordinarily under the equity method, an investor in an equity method investee would cease to recognize its share of the losses of an investee once the carrying value of the investment has been reduced to $nil absent an undertaking by the investor to provide continuing support and fund losses. For the purpose of this Schedule I, the Parent Company has continued to reflect its share, based on its proportionate interest, of the losses of subsidiaries, VIEs and VIEs' subsidiaries regardless of the carrying value of the investment even though the Parent Company is not obligated to provide continuing support or fund losses.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Introduction

Kaixin Auto Holdings ("KAH") (formerly CM Seven Star Acquisition Corporation) is providing the following unaudited pro forma condensed combined financial information to aid you in your analysis of the financial aspects of the merger, share exchange or other similar business combination ("Business Combination" or "Merger").

The following unaudited pro forma condensed combined balance sheet as of December 31, 2018 combines the audited historical consolidated balance sheet of Kaixin Auto Group ("Kaixin") as of December 31, 2018, which is included as Exhibit 99.2 on this Form 8-K, with the audited historical balance sheet of KAH as of December 31, 2018, giving effect to the Business Combination and the issuance and conversion of the convertible loan transactions and the issuance of shares and rights arising from the subscription agreement as if it had been consummated as of that date.

The following unaudited pro forma condensed combined income statement for the year ended December 31, 2018, combines the audited historical consolidated statement of income of Kaixin for the year ended December 31, 2018, which is included as Exhibit 99.2 on this Form 8-K, with the audited historical statement of operations of KAH for the year ended December 31, 2018, giving effect to the Business Combination and the issuance and conversion of the convertible loan transactions and the issuance of shares and rights arising from the subscription agreement as if it had occurred as of January 1, 2018.

The historical financial information of Kaixin was derived from the audited consolidated financial statements of Kaixin for the year ended December 31, 2018, which is included as Exhibit 99.2 on this Form 8-K. The historical financial information of KAH was derived from the audited financial statements of KAH for the year ended December 31, 2018, which is included on Form 10-K for the year ended December 31, 2018, filed with the SEC, as amended, on April 15, 2019. This information should be read together with Kaixin's and KAH's audited financial statements and related notes, the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," and other financial information included on this Form 8-K.

Description of the Merger

Pursuant to the Share Exchange Agreement, on April 30, 2019, KAH acquired 100% of the issued and outstanding securities of Kaixin, in exchange for approximately 28.3 million ordinary shares of KAH, or one KAH share for approximately 4.85 outstanding shares of Kaixin. An additional 4.7 million shares of KAH is reserved for issuance under the new equity incentive plan. Additionally, 19.5 million earnout shares are to be issued and held in escrow. The Seller may be entitled to receive earnout shares as follows: (1) if the Company's gross revenue for the year ended December 31, 2019 is greater than or equal to RMB 5,000,000,000, the Seller is entitled to receive 1,950,000 ordinary shares of KAH; (2) if the Company's adjusted EBITDA for the year ended December 31, 2019 is greater than or equal to RMB 150,000,000, the Seller is entitled to receive 3,900,000 ordinary shares of KAH, increasing proportionally to 7,800,000 ordinary shares if Company's adjusted EBITDA is greater than or equal to RMB 200,000,000; and (3) if the Company's adjusted EBITDA for the year ended December 31, 2020 is greater than or equal to RMB 340,000,000, the Seller is entitled to receive 4,875,000 ordinary shares of KAH, increasing proportionally to 9,750,000 ordinary shares if the Company's adjusted EBITDA is greater than or equal to RMB 480,000,000.

On May 23, 2018, Shareholder Value Fund ("SVF") loaned to CM Seven Star Acquisition Corporation ("CM Seven Star"), the predecessor to Kaixin Auto Holdings ("KAH"), $500,000 pursuant to a non-interest bearing promissory note, with the principal to be repaid promptly after a business combination. In the event that CM Seven Star is unable to consummate a business combination, the balance of such note will be forgiven and SVF will not be entitled to any payment thereunder. On January 24, 2019, CM Seven Star issued an unsecured non-interest bearing promissory note in the aggregate principal amount of up to $1,100,000 to SVF to pay for professional services fees related to a business combination. The principal amount of the promissory note has been fully drawn down on January 24, 2019 and matured upon the closing of the Business Combination. KAH is in the process of renegotiating the payment terms of the notes.

On January 24, 2019, SVF and Renren Inc. ("Renren") extended the time available to complete a business combination to April 30, 2019 by depositing $1,013,629.30 and $1,050,000 respectively, into the CM Seven Star's trust account. CM Seven Star issued unsecured promissory notes in the aggregate principal amount of $2,063,629.30 to SVF and Kaixin in exchange for those entities depositing such amount into CM Seven Star's trust account. The notes do not bear interest and mature upon closing of a business combination by CM Seven Star. In addition, the notes may be converted by the holder into units of CM Seven Star (identical to the units issued in CM Seven Star's initial public offering) at a price of $10.00 per unit. KAH is in the process of renegotiating the payment terms of the notes.

On April 30, 2019, KAH executed an agreement (the "Waiver Agreement") with SVF pursuant to which Kaixin and Renren waived certain rights under the Share Exchange Agreement in exchange for SVF's commitment (i) to contribute $1.6 million to KAH within two weeks after the closing of the Merger, (ii) to set a limit on the liabilities to be paid by cash (up to US$4.0 million) and noncash (up to US$2.6 million) consideration by KAH and (iii) to within one month use its best efforts to restructure the loans it has extended to KAH.

Accounting for the Merger

The Business Combination is accounted for as a "reverse merger" in accordance with U.S. GAAP. Under this method of accounting, KAH is treated as the "acquired" company for financial reporting purposes. This determination is primarily based on the fact that subsequent to the Business Combination, Kaixin Securityholders have a majority of the voting power of the combined company, Kaixin comprising all of the ongoing operations of the combined entity, Kaixin comprising a majority of the governing body of the combined company, and Kaixin's senior management comprising all of the senior management of the combined company. Accordingly, for accounting purposes, the Business Combination is treated as the equivalent of Kaixin issuing stock for the net assets of KAH, accompanied by a recapitalization. The net assets of KAH are stated at fair value, which approximates historical costs as KAH has only cash and short-term liabilities. No goodwill or other intangible assets is recorded. Operations prior to the business combination are those of Kaixin.

Basis of Pro Forma Presentation

The historical financial information has been adjusted to give pro forma effect to events that are related and/or directly attributable to the Business Combination and the issuance and conversion of the convertible loan transactions and the issuance of shares and rights arising from the subscription agreement, are factually supportable and are expected to have a continuing impact on the results of the combined company. The adjustments presented on the unaudited pro forma condensed combined financial statements have been identified and presented to provide relevant information necessary for an accurate understanding of the combined company upon consummation of the Business Combination.

The unaudited pro forma condensed combined financial information is for illustrative purposes only. The financial results may have been different had the companies always been combined. You should not rely on the unaudited pro forma condensed combined financial information as being indicative of the historical results that would have been achieved had the companies always been combined or the future results that the combined company will experience. Kaixin and KAH have not had any historical relationship prior to the Business Combination. Accordingly, no pro forma adjustments were required to eliminate activities between the companies.

The unaudited pro forma condensed combined financial information has been prepared reflecting (i) the actual redemption of 20,403,667 shares of KAH Common Stock upon consummation of the Business Combination at a redemption price of approximately $10.37 per share into cash of KAH's Common Stock and (ii) the agreement signed with the Sponsor on April 30, 2019 (the "Waiver Agreement"), pursuant to which Kaixin waived certain rights in exchange for the Sponsor's commitment to additional capital injection and to set a limit on the liabilities to be paid in cash and noncash consideration.

Included in the shares outstanding and weighted average shares outstanding as presented in the pro forma condensed combined financial statements are 28,284,300 ordinary shares to issued to Kaixin security holders.

As a result of the Business Combination and the issuance and conversion of the convertible loan transactions and the issuance of shares and rights arising from the subscription agreement, and 20,403,667 shares of Common Stock redeemed for cash, which reflects the actual redemption of KAH's shares after giving effect to payments to redeeming stockholders, Renren owned 71.71%, KAH owned approximately 20.37% of KAH Common Stock and investors of the convertible loan transactions and subscription agreement in January 2019 and April 2019 owned approximately 7.92% of KAH Common Stock to be outstanding immediately after the Business Combination (not giving effect to any shares issuable to them upon exercise of warrants and unit purchase option).

PRO FORMA CONDENSED COMBINED BALANCE SHEET AS OF DECEMBER 31, 2018
(Unaudited)
(in thousands, except share amounts)

	A		Pro Forma	B	C	With Actual Redemptions	
	Historical			Historical			
ASSETS							
Current assets:							
	Kaixin	Pro Forma Adjustments	Kaixin	KAH	Waiver Pro Forma adjustment	Merger Pro Forma Adjustments	Pro Forma Combined Balance Sheet
Cash and cash equivalents	$ 7,950	$ —	7,950	$ 40	$ 1,100(1)	123(2)	$ 37,713
						20,000(7)	
						7,500(8)	
						1,000(9)	
Restricted Cash	5,818	—	5,818				5,818
Note Receivable - Sponsor					1,600(13)	—	1,600
Accounts and notes receivable, net	1,480	—	1,480				1,480
Financing receivable, net	3,486	—	3,486				3,486
Prepaid expenses and other current assets	38,714	—	38,714	59		(59)(3)	38,714
Amounts due from related parties	—	—	—				—
Inventory	57,950	—	57,950				57,950
Total current assets	115,398	—	115,398	99	2,700	28,564	146,761
Non-current assets:							
Property and equipment, net	813	—	813	—		—	813
Goodwill	75,021	—	75,021				75,021
Cash held in Trust Account	—			210,455	2,064(1)	(123)(2)	—
					1,536(2)		
					(211,642)(4)		
					(2,290)(3)		
						—	
Total non-current assets	75,834	—	75,834	210,455	(210,332)	(123)	75,834
TOTAL ASSETS	$ 191,232	$ —	191,232	$ 210,554	$ (207,632)	28,441	$ 222,595
LIABILITIES AND EQUITY							
Current liabilities:							
Accounts payable	$ 4,975	$ —	4,975	$ 787	$		$ 5,762
Short-term debt	49,887	—	49,887		1,050(1)		50,937
Note Payable to EBC					1,500(12)		1,500
Accrued expenses and other current liabilities	10,644	—	10,644				10,644
Payable to investors	—	—	—				—
Amounts due to related parties	78,108	—	—	19		—	19
		(78,108)(11)					—
Due to Sponsor	—		—	500	2,114(1)	—	2,614
Advance from customer	4,078		4,078				4,078
Contingent Consideration Liability-current	11,929	—	—				—
		(11,929)(10)					—
Income tax payable	7,590	—	7,590				7,590
Total current liabilities	167,211	(90,037)	77,174	1,306	4,664	—	83,144
Non-current liabilities:							
Contingent Consideration Liability	93,741	(93,741)(10)	—				—
Total non-current liabilities	93,741	(93,741)	—	—	—	—	—
TOTAL LIABILITES	260,952	(183,778)	77,174	1,306	4,664	—	83,144
Commitments							
Ordinary shares subject to possible redemption, 20,424,778 shares at redemption value at December 31, 2018	—		—	204,248	(204,248)(4)		—
Shareholders' Equity:							
Preferred shares, $0.0001 par value; 2,000,000 shares authorized; no shares issued and outstanding at December 31, 2018	—		—	—		—	—
Ordinary shares, $0.0001 par value; 200,000,000 shares authorized; 5,898,314 shares (excluding 20,424,778 shares subject to possible redemption)				1		3(5)	4
						0(6)	
						(0)(4)	
						0(7)	
						0(8)	
						0(9)	
Ordinary shares	16	—	16			(16)(5)	—
Additional paid-in capital	38,561	—	222,339	2,414	1,536(2)	—	247,728
		105,670(10)			(7,394)(4)	—	
		78,108(11)			(2,290)(3)	(59)(3)	
					(1,500)(12)	—	
					1,600(13)	2,585(5)	
						16(5)	
						(3)(5)	
						(0)(6)	
						(16)(5)	
						20,000(7)	
						7,500(8)	
						1,000(9)	
Subscription receivable	(16)	—	(16)			16(5)	—
Statutory reserves	4,004	—	4,004			—	4,004

Accumulated deficit	(146,073)	—	(146,073)	2,585		(2,585)(5)	(146,073)
Accumulated other comprehensive (loss) income	1,382	—	1,382	—			1,382
Total Combined Company shareholders' equity	(102,126)	183,778	81,652	5,000	(8,048)	28,441	107,045
Noncontrolling Interests	32,406	—	32,406				32,406
TOTAL EQUITY	(69,720)	183,778	114,058	5,000	(8,048)	28,441	139,451
TOAL LIABILITIES AND EQUITY	$ 191,232	$ —	191,232	$ 210,554	$ (207,632)	28,441	$ 222,595

See notes to unaudited pro forma condensed combined financial statements

Pro Forma Adjustments to the Unaudited Condensed Combined Balance Sheet

A. Derived from the audited consolidated balance sheet of Kaixin as of December 31, 2018.
B. Derived from the audited balance sheet of KAH as of December 31, 2018.
C Reflect the impact of the Waiver agreement signed on April 30, 2019.

1. To record loans from Sponsor and Renren in January 2019
2. To reflect income earned from the trust account and the release of cash from investments held in the trust account.
3. To reflect the payment of actual legal, financial advisory and other professional fees related to the Merger.
4. To reflect actual redemption of 20,403,667 shares into cash by KAH stockholders on consummation of the Merger.
5. To reflect recapitalization of Kaixin through the contribution of the share capital in Kaixin to KAH, and the issuance of 28,284,300 shares of Common Stock and the elimination of the historical accumulated deficit of KAH, the accounting acquiree.
6. To reflect the issuance of the public rights and the private placement rights.
7. To reflect the issuance of shares and rights arising from the convertible loan agreement on January 28, 2019.
8 To reflect the issuance of shares and rights arising from the subscription agreement on January 29, 2019.
9. To reflect the issuance of shares and rights arising from the convertible loan agreement on April 25, 2019.
10. To reflect the contingent consideration to be assumed by Renren – Kaixin entered into amendment agreements with its dealership and after-sales service center operators in January 2019 that Renren will be responsible for settling contingent obligations to dealership and after-sale service center operators.
11. To reflect the loans waived by Renren in April 2019 – Renren waived all the outstanding loans made to Kaixin and/or Kaixin's subsidiaries without recourse by Renren or any of Renren's subsidiaries upon consummation of Business Combination.
12 To record $1.5 million note payable to Early Bird Capital as part of the $3.5 million fee pursuant to the business combination marketing agreement.
13 To record Receivable from Sponsor according to the Waiver agreement signed on April 30, 2019.

PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018
(Unaudited)
(in thousands, except share amounts)

	B Historical Year Ended December 31, 2018		Pro Forma	A Historical Year Ended December 31, 2018	With Actual Redemptions	
	Kaixin	Pro Forma Adjustments	Kaixin	KAH	Pro Forma Adjustments	Pro Forma Combined
Net revenues						
Financing income	$ 2,317	$ —	$ 2,317	$	$	$ 2,317
Automobile income	420,005	—	420,005			420,005
Others income	9,082	—	9,082			9,082
Total net revenues	431,404	—	431,404	—	—	431,404
Cost of revenues						
Cost of financing income	3,327	—	3,327			3,327
Provision for financing receivable	10,941	—	10,941			10,941
Automobile sales	399,274	—	399,274			399,274
Others	429	—	429			429
Total cost of revenues	413,971	—	413,971	—	—	413,971
Gross profit	17,433	—	17,433	—	—	17,433
Operating expenses:						
Selling and marketing	24,077	—	24,077			24,077
Research and development	4,419	—	4,419			4,419
General and administrative	23,012	—	23,012	1,414	(836)(2)	23,590
Total operating expenses	51,508	—	51,508	1,414	(836)	52,086
				—		
Loss from operations	(34,075)	—	(34,075)	(1,414)	836	(34,653)
Other (expenses) income	(812)	—	(812)			(812)
Fair value change of contingent consideration	(49,503)		(49,503)			(49,503)
Interest income	575		575	3,769	(3,769)(1)	575
Interest expense	(4,261)	—	(4,261)			(4,261)
Realized loss from the sale of investment				(98)	—	(98)
Total non-operating (expenses) income	(54,001)	—	(54,001)	3,671	(3,769)	(54,099)
(Loss) income before provision of income tax and noncontrolling interest, net of income tax	(88,076)	—	(88,076)	2,257	(2,933)	(88,752)
Income tax expense	(862)	—	(862)			(862)
(Loss) income (loss) from continuing operations	(88,938)	—	(88,938)	2,257	(2,933)	(89,614)
Net (loss) income attributable to noncontrolling interests	(317)	—	(317)			(317)
Net (loss) income attributable to Combined Company	$ (88,621)	$ —	$ (88,621)	$ 2,257	$ (2,933)	$ (89,297)
Net (loss) income per share from continuing operations						
Basic	$ (0.56)		(0.56)	$ 0.09		$ (2.27)
Diluted	$ (0.56)		(0.56)	$ 0.09		$ (2.27)
Net (loss) income per share from continuing operations attributable to the combined company						
Basic	$ (0.55)		(0.55)	$ 0.09		$ (2.26)
Diluted	$ (0.55)		(0.55)	$ 0.09		$ (2.26)
Weighted average number of shares						
Basic	160,000,000		160,000,000	26,323,092		39,445,127(4) (5)
Diluted	160,000,000		160,000,000	26,323,092		39,445,127(4) (5)

See notes to unaudited pro forma condensed combined financial statements.

Pro Forma Adjustments to the Unaudited Condensed Combined Income Statements

A. Derived from the audited consolidated income statement of Kaixin for the year ended December 31, 2018.
B. Derived from the audited statement of operations of KAH for the year ended December 31, 2018.

1. Represents an adjustment to eliminate interest income held in the trust account as of the beginning of the period.

2. Represents an adjustment to eliminate direct costs related to the Merger.

3 As the Business Combination is being reflected as if it had occurred at the beginning of the period presented, the calculation of weighted average shares outstanding for basic and diluted net income (loss) per share assumes that the shares issuable relating to the Business Combination has been outstanding for the entire period presented.

4. The weighted average shares outstanding calculation excludes 4,715,700 restricted shares of KAH reserved for issuance under the new equity incentive plan.

Weighted average common shares outstanding — basic and diluted are calculated as follows:

		Immediately After Closing
Weighted average shares calculation, basic and diluted		
KAH Sponsor shares		5,159,073
KAH public shares		232,626
KAH private placement shares		527,726
KAH rights converted to shares		2,116,402
KAH shares and rights issued arising from January 2019 convertible note		2,200,000
KAH shares and rights issued arising from January 2019 subscription agreement		825,000
KAH shares issued arising from January 2019 convertible note		100,000
KAH shares issued in Business Combination		28,284,300
Weighted average shares outstanding		39,445,127
Percent of shares owned by Kaixin holders	%	71.71%
Percent of shares owned by KAH	%	20.37%
Percent of shares owned by investors of the convertible loan transactions and subscription agreement in January 2019 and April 2019	%	7.92%

The computation of diluted income (loss) per share for the year ended December 31, 2018 excludes the effect (1) 900,000 shares of Common Stock, warrants to purchase 450,000 shares of Common Stock and rights that convert into 90,000 shares of Common Stock in the Unit Purchase Option and (2) warrants to purchase 11,957,010 shares of common stock because the inclusion of any of these securities would be anti-dilutive.