Asset Backed Notes Rating Report for Driver China sixteen Auto Loan ABS (Black Pool)

中诚信国际信用评级有限责任公司

CHINA CHENGXIN INTERNATIONAL CREDIT RATING CO.,LTD.

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- According to international practices and the requirements of the competent authorities, CCXI will monitor the ratings on the Senior Asset Backed Notes while they are outstanding.
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CHINA CHENGXIN INTERNATIONAL CREDIT RATING CO., LTD

【】.【】, 2025

Rating object	Asset Backed Notes Issued by Driver China sixteen	
Ratings	Class A **AAA_{sf}**	
Transaction Summary	Type of the assets	Automobile Mortgage Loan
	Originator	Volkswagen Finance (China) Co., Ltd.
	Trust Company/Issuer	China Foreign Economy and Trade Trust Co., Ltd.
	Servicer	Volkswagen Finance (China) Co., Ltd.
	Account Bank	Postal Savings Bank of China Beijing Branch

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Note: This Rating Report is based on information obtained on and before 【】.【】,2025. After the sale of Asset Backed Notes, CCXI may adjust the rating opinions issued in this report basing on the actual situation. The rating results do not advice investors to purchase or hold relevant financial products.

Asset Backed Notes

Asset Backed Notes	Ratings	Amount (RMB 10,000)	Percentage of Issuance Amount	Percentage of Aggregate ODRB	Expected Maturity Date	Interest Rate Type	Repayment Frequency
Class A	AAA_{sf}	344,200.00	90.58%	86.05%	2028/2/26	Fixed	Monthly
Subordinated	NR	35,800.00	9.42%	8.95%	2028/2/26	Fixed	Monthly
Issuance Amount	--	**380,000.00**	**100.00%**	**95.00%**	--	--	--
Overcollateralisation	--	20,000.36	--	5.00%	--	--	--
Total	--	**400,000.36**	--	**100.00%**	--	--	--

Main Dates	
Initial Cut-Off Date	April 30, 2025
Issue Date	【May 28, 2025】
Legal Maturity Date	March 26, 2032

Main Parties	
Originator/Grantor	Volkswagen Finance (China) Co., Ltd. (“VWFC”)
Trust Company/Issuer	China Foreign Economy and Trade Trust Co., Ltd.(“FOTIC”)
Servicer	VWFC
Account Bank	Postal Savings Bank of China Beijing Branch(“PSBC Beijing Branch”)

Initial portfolio characteristic[1](As of Initial Cut-Off Date)	
Outstanding Aggregate Principal Amount	RMB 3,810,154,967.67
Aggregate Original Loan Principal Balance	RMB 7,526,472,011.70
Aggregate ODRB	RMB 4,000,003,601.27
Number of Loan Contracts	70,284
Number of Borrowers	69,154
Highest ODRB	RMB 2,883,292.42
Average ODRB	RMB 56,912.01
Lowest /Highest Contract Rate	0.00%/18.00%
Weighted Average Contract Rate	6.80%
Shortest/Longest terms of loans	12.00 months/60.00 months
Shortest/Longest remaining terms to maturity of loans	6.00 months /58.00 months
Weighted average remaining terms to maturity of loans	29.47 months
Range of Borrower Age	18~79 years
Geographic distribution of loans	Distributed in 31 provinces, municipalities and autonomous regions of China
Weighted average initial LTV	70.06%

Notes: 1. NR means Not Rated;

2. Class A Notes are referred to as “Senior Notes” or “Senior Asset Backed Notes”;

3. Due to rounding, there are some mantissa errors between the sum of statistical distributions and the total values in this report.

1 Weighted Average by Outstanding Discounted Receivables Balance.

Rating Methodology and Model

Methodology	CCXI Rating Methodology and Model of Personal Auto-loan ABS C550500_2019_02
Model Results	Class A AAA$_{sf}$

Rating Opinions

The above rating to the senior asset backed notes given by CCXI reflects the expected loss of senior asset backed note posed to investors and the possibility that interest and principal of senior asset backed notes can be fully paid timely as prescribed by the transaction documents on or before Legal Final Maturity. CCXI mainly based on the following aspects of this transaction:

Asset pool: CCXI believes that the assets in the pool of this transaction are retail automobile mortgage loan, and the assets have relatively low concentrations of borrower and region. The collaterals of the assets are all automobiles, which have certain recovery value.

Transaction Structure: CCXI believes that the repayment of interest and principal follows the senior/subordinate cash flow structure, and which can provide credit enhancement to Senior Notes. This transaction sets up some credit events including Credit Enhancement Increase Condition, Foreclosure Event and Servicer Replacement Event. The credit events settings are relatively complete.

Cash flow analysis: CCXI makes cash flow analysis through the historical static data of auto loan portfolio. Based on the historical data of the static auto loan portfolio originated by VWFC from Aug. 2010 to Jan. 2025 provided by the Originator, through the default mode and the cash flow model, the expected loss on Senior Notes can pass the requirements of related ratings under the stressed scenarios.

Main risks: CCXI believes that the Commingling risk, Liquidity risk and other main risks of this transacting can be mitigated effectively through the transaction structure.

Main parties: CCXI believes that as the Originator and the Servicer of this transaction, VWFC is experienced in securitization and capable of fulfilling its corresponding responsibilities. The Account Bank, Trust Company and other participating institutions have the ability to perform their corresponding duties.

Strengths

- **Credit enhancement provided by the senior/subordinate mechanism and Overcollateralisation.** The repayment of interest and principal follows the senior/subordinate payment structure. Overcollateralisation and cash collateral amount can also provide credit enhancement for Senior Notes. On the ODRB basis, Class A Notes benefit from 13.95% of credit enhancement.
- **The asset portfolio is highly dispersive.** The asset pool consists of 70,284 auto loans originated by the originator and 69,154 borrowers. The largest 50 Aggregate ODRB accounts for 1.22% of the asset pool. Thus, the asset portfolio is highly dispersive.
- **Cash Collateral Account.** The Issuer shall deposit RMB 48,000,000.00 into the Cash Collateral Account as the General Cash Collateral Amount on the Issue Date and shall maintain the balance of the Cash Collateral Account at no less than the Required Cash Collateral Account Balance on any Payment Date prior to the occurrence of a Foreclosure Event.
- **Credit quality of VWFC and its experience and capacity as a Servicer.** The Originator and Servicer is a wholly-owned subsidiary of Volkswagen Financial Services Overseas AG (“VWFS Overseas AG”). VWFC holds a very important strategic position in VWFS Overseas AG. Relying on the extensive experience of VWFS Overseas AG in automobile finance management and operations, VWFC is highly competitive in serving dealers and customers.

Concerns

- **Non-Sequential cash flow payment mechanism.** The transaction incorporates a Class A Targeted Overcollateralisation Percentage to establish the Class A Targeted Note Balance. Once the outstanding principal amount of the the Class A Notes are reduced to the Class A Targeted Note Balance, the payment waterfall starts the distributions of Subordinated Notes for both interest and principal. This structure partially reduces the credit enhancement available to the Class A Notes.
- **Risk related to collateral rights registration**. Under the current transaction arrangement, all auto loan receivables will be transferred to the trust without modifying the mortgage registration (change of mortgagee). Therefore a risk arises that the mortgage would not be upheld against bona fide third party claims.

- **Limitation of the historical data and model**. CCXI's rating methodology of structured product includes reasonable predictions for the future performance of the underlying assets. The mathematical methods and quantitative models used by CCXI are based on certain theoretical assumptions, and maybe have some differences from the real situation. Thus, this will create model risk. In addition, the parametric assumptions used by CCXI rating methodology are primarily based on historical data. The historical data provided by VWFC has already shown the whole loan cycle, however, the time span is relatively short and does not reflect a complete economic cycle. As such, utility of the historical performance in forecasting the future performance of the asset portfolio is limited.

- **Macroeconomic risk.** The downward trend of global economy increase the uncertainty of performance of the underlying assets. In 2025, the implementation of maintaining stable growth and expanding domestic demand will promote the recovery of economic, while the pressures of internal and external environment facing by macroeconomic cannot be ignored. The impact of the above factors on the credit performance of underlying assets still needs to be continuously paid attention.

Comparisons

		Driver China sixteen (Red Pool)	Driver China fifteen(Black Pool)	Driver China fourteen(Black Pool)
Originator	Originator	VWFC	VWFC	VWFC
Dates	Initial Cut-Off Date	2025/4/30	2024/4/30	2022/9/30
	Issue Date	2025/【5】/【28】	2024/5/30	2022/10/26
	Legal Maturity Date	2032/3/26	2031/3/26	2029/8/26
Assets	Outstanding Aggregate Principal Amount(RMB 10,000)	381,015.50	583,114.50	784,004.75
	Aggregate ODRB(RMB 10,000)	400,000.36	600,001.18	800,015.94
	Number of Borrowers	69,154	96,437	99,492
	Number of Loan Contracts	70,284	97,599	101,103
	Average outstanding principal balance per loan(RMB 10,000)	5.42	5.97	7.75
	Weighted average interest rate of loans(%)	6.80	5.52	5.11
	Weighted Average term of loans(month)	49.85	44.25	39.55
	Weighted Average Seasoning of the loan(month)	20.38	14.35	9.24
	Weighted Average remaining term to maturity of loans(month)	29.47	29.90	30.31
	Weighted Average age of borrowers	38.53	37.30	36.50
	Geographic distribution of loans	31	31	31
	Weighted Average LTV(%)	70.06	66.19	64.99
ABS	Issuance Amount(RMB 10,000)	380,000.00	597,000.00	796,000.00
	Senior(%)	90.58	87.64	89.65
	Subordinated(%)	9.42	12.36	10.35
	Senior Notes Credit Enhancement (%)	13.95	12.80	10.80

Transaction Structure

Transaction Structure and Parties

The Originator VWFC entrusts eligible auto Loan Receivables (“underlying assets” or “underlying loans”) to FOTIC, and sets up “DRIVER CHINA SIXTEEN AUTO LOAN SECURITIZATION TRUST (the “Trust”). The FOTIC issues Senior Notes and the Subordinated Notes backed by the underlying assets.

Parties of this transaction:

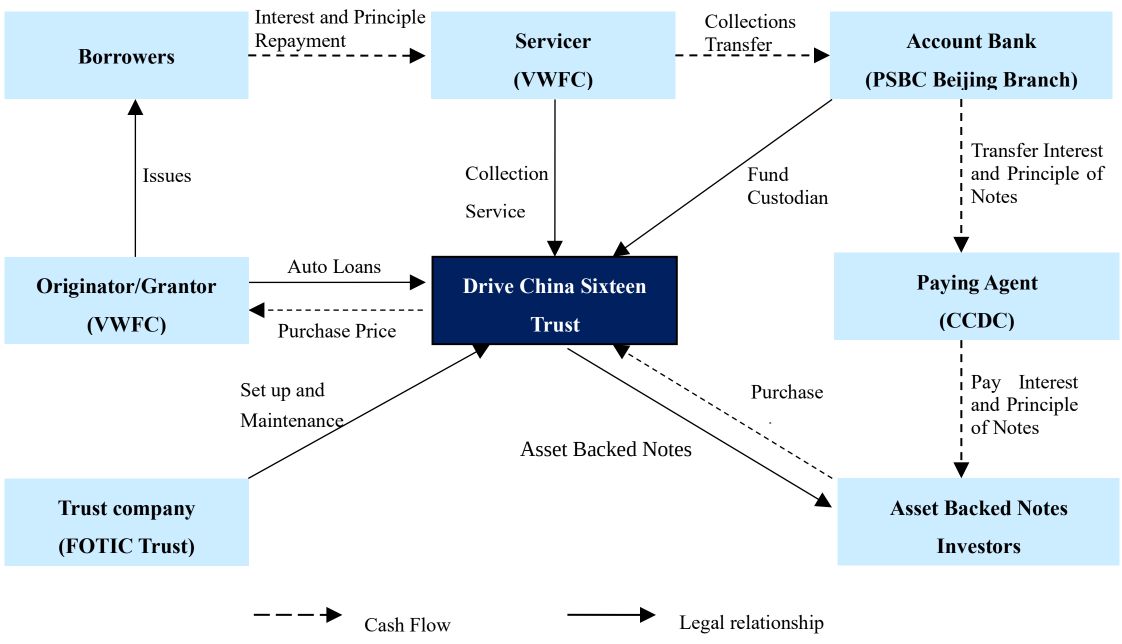
Servicer: Based on the Trust Agreement, FOTIC entrusts VWFC as the Servicer. VWFC provides centralization and transfers, management, collection and disposal services for trust property.

Fund Custodian: Based on the Servicing Agreement, FOTIC entrusts PSBC Beijing Branch as the Fund Custodian. PSBC Beijing Branch provides account management and fund transfer services for the transaction.

Paying Agent: As the paying agent, CCDC provide registration and principal and interest payment services as well for the asset-backed notes traded in this transaction.

Please refer to Figure 1 for details.

Figure1: Transaction Structure



Source: Transaction documents, collated by CCXI

Asset Backed Notes

The auto ABS notes issued by the Trust are backed by a specific portfolio of trust assets. The holders of notes are entitled to the trust beneficiary interest arising from the Trust. The details of the Asset Backed

Notes as following:

Table1: Asset Backed Notes

Asset Backed Notes	Amount(RMB 10,000)	Interest Rate Type	Repayment Frequency	Expected Maturity Date	Legal Maturity Date
Class A	344,200.00	Fixed	Monthly	2028/2/26	2032/3/26
Subordinated	35,800.00	--	Monthly	2028/2/26	2032/3/26
Issuance Amount	**380,000.00**	--	--	--	--

Source: Transaction documents, collated by CCXI

Account Settings and Collection Transfer

Account Settings: The Account Bank opened a sole bank account in the name of the Trust Company, including its two sub-accounts Cash Collateral Account and the Distribution Account, which are managed and reconciled by the Account Bank independently in terms of accounting treatment. the General Cash Collateral Amount was credited with the Cash Collateral Account, the Collections were credited with the Distribution Account.

Collection Transfer: According to the transaction arrangement, VWFC will act as the Servicer. After the sale of assets to the trust, the Borrowers of the loans in the pool will still make payment to VWFC, and VWFC will consolidate these Collections and make a single deposit of such monthly Collections into the Distribution Account no later than the sixth Business Day before each Payment Date[2]. The Account Bank will make payment of various taxes, expenses and compensation to relevant institutions according to the instruction of the trust company, and transfer the payable interest and principal of notes to CCDC, which will make payment of the principal and interest.

If VWFC's long term credit rating fails to satisfy the Servicer Required Rating[3] , no later than thirty calendar days after the first day on which the Servicer Required Rating has not been satisfied (the Monthly Collateral Start Date), the Servicer shall:

(a) advance an amount into the Distribution Account, equal to sum of the Monthly Collateral[4] Part 1 and the Monthly Collateral Part 2 for the Monthly Period in which the Monthly Collateral Start Date falls plus, if the Monthly Collateral Start Date falls on a date prior to the sixth Business Day prior to the Payment Date falling in such Monthly Period, an amount equal to sum of the Monthly Collateral Part 1 and the Monthly Collateral Part 2 in respect of the preceding Monthly Period;

[2] **Payment Date** means the 26th day of each month or, in the event such day is not a Business Day, on the next following Business Day unless that day falls in the next calendar month, in which case the date will be the first preceding day that is a Business Day. The Business Day mentioned above includes the statutory non-Business Day due to public holiday arrangement, which shall be subject to the requirements of the Registry.

[3] **Servicer Required Rating** means, (a) in relation to the CCXI rating system, A and higher credit rating; (b) in relation to the CBR rating system, A- ori and higher credit rating.

[4] **Monthly Collateral** means the Monthly Collateral Part 1 and the Monthly Collateral Part 2.**Monthly Collateral Part 1** means the amount of, determined by the Servicer, the expected Collections for the period from (and including) the first (1st) through (and including) the fourteenth (14th) calendar day of each Monthly Period.**Monthly Collateral Part 2** means the amount of the expected Collections determined by the Servicer for the period from (and including) the fifteenth (15th) calendar day of a Monthly Period through (and including) the last calendar day of such Monthly Period.

(b) for any subsequent Monthly Period in which the Servicer continues to fail to satisfy the Servicer Required Rating (save in respect of any Monthly Collateral posted under paragraph (a) above):

(i) on the fifteenth calendar day of the preceding Monthly Period, determine the amount representing the Monthly Collateral Part 1 in respect of the Monthly Period, and transfer the Monthly Collateral Part 1 to the Distribution Account to be retained until the sixth Business Day prior to the Payment Date relating to such Monthly Period;

(ii) on the first calendar day of such Monthly Period, determine the amount representing the Monthly Collateral Part 2 in respect of the Monthly Period, and transfer the Monthly Collateral Part 2 to the Distribution Account to be retained until the sixth Business Day prior to the Payment Date relating to such Monthly Period.

If the Servicer Required Rating is satisfied again, any Monthly Collateral Part 1 and Monthly Collateral Part 2 standing to the credit of the Distribution Account shall be released to the Servicer outside the Order of Priority on the sixth Business Day prior to the next Payment Date following such satisfaction.

In addition, following the occurrence of a Servicer Replacement Event, the Servicer undertakes to promptly notify the Borrowers to pay the Purchased Receivables to a bank account as indicated in the relevant Rights Perfection Notice. The bank account normally refers to the bank account opened by Trust Company.

Cash flow payment mechanism

The Cash flow payment mechanism of Senior Asset Backed Notes as following:

Prior to the occurrence of a Foreclosure Event, the Available Distribution Amount[5] shall be applied sequentially to pay taxes, Servicer fees, intermediary expenses, Class A Notes interest, then deposited into the Cash Reserve Account to replenish and maintain its balance at the Required Cash Reserve Account Balance, followed by payment of the Class A Notes Principal Payment Amount equal to the amount required to reduce the aggregate outstanding principal balance of the Class A Notes to the Class A Targeted Note Balance, then Subordinated Notes interest and principal, with any remaining amounts paid as a Final Success Fee to the Originator.

In detail, the Class A Notes Principal Payment Amount equals the amount necessary to reduce the aggregate outstanding principal balance of the Class A Notes to the Class A Targeted Note Balance, which means (a) except in the case of (b) below, an amount equal to the excess of the Aggregate Discounted Receivables Balance as at the end of the Monthly Period over the Class A Targeted Overcollateralisation Amount, or (b) zero, if the Aggregate Discounted Receivables Balance as at the end of the Monthly Period

[5] **Available Distribution Amount** means, in respect of a Payment Date, the sum of the following:(a)the Collections for the Monthly Period related to such Payment Date; (b)drawings from the Cash Collateral Account as provided under Clause 10.2 of the Trust Agreement; (c)balance standing to the credit of the Distribution Account as of the preceding Calculation Date; (d)any investment earnings from the Accounts; andinterest accrued on the Distribution Account.

is less than 10 per cent. of the Aggregate Cut-Off Date Discounted Receivables Balance or if a Servicer Replacement Event occurs.

Table2：Class A Targeted Overcollateralisation Percentage

Condition	Class A Targeted Overcollateralisation Percentage
until a Credit Enhancement Increase Condition[6] is in effect	45%
if a Credit Enhancement Increase Condition is in effect	100%

Source: Transaction documents, collated by CCXI

Following the occurrence of a Foreclosure Event, the Available Distribution Amount and funds in the Cash Collateral Account shall be applied in the following order of priority: first, to pay taxes and other governmental charges; second, to pay the Servicer Fee and fees of intermediary agencies; third, to pay interest due on the Class A Notes; thereafter, to pay principal of the Class A Notes until fully redeemed; subsequently, to pay interest on the Subordinated Notes followed by principal of the Subordinated Notes; and finally, any remaining balance shall be distributed to the Originator as the Final Success Fee.

Please refer to Appendix2 for details.

Cash Collateral Account

The transaction sets up the Cash Collateral Account. The issuer shall on the Issue Date deposit an amount of RMB 48,000,000.00 in to the Cash Collateral Account, which serves as the General Cash Collateral Amount. According to the transaction mechanism, Cash Collateral Amount shall no less than the Specified Cash Collateral Account Balance. Specified Cash Collateral Account Balance means during the Revolving Period the General Cash Collateral Amount and, on each Payment Date after the expiration of the Revolving Period the greater of (a) 1.2 per cent. of the Aggregate ODRB as of the end of the Monthly Period, and (b) the lesser of (i) RMB 40,000,000.00 and (ii) the aggregate outstanding principal amount of the Class A Notes as of the end of the Monthly Period.

Distribution shall be made from the Cash Collateral Account on any Payment Date prior to the occurrence of a Foreclosure Event, if and to the extent the General Cash Collateral Amount exceeds the Specified Cash Collateral Account Balance and no Credit Enhancement Increase Condition is in effect, according to the following Order of Priority:

first, to the Subordinated Noteholders, amounts payable in respect of accrued and unpaid interest on the Subordinated Notes (including, without limitation, overdue interest); and

second, on or after the expiration of the Revolving Period, (i) prior to the satisfaction of Clean-Up Call Conditions or in the case that the Clean-Up Call Conditions are satisfied but the Originator fail to exercise a Clean-Up Call, to the Subordinated Noteholders for repayment of outstanding principal amounts of

[6] **Credit Enhancement Increase Condition** shall be deemed to be in effect if the Cumulative Gross Loss Ratio exceeds: (a)1.5 per cent. for any Payment Date prior to or during March 2026; or (b)2.0 per cent. for any Payment Date from April 2026 but prior to or during November 2026; or (c)4.0 per cent. for any Payment Date.

Subordinated Notes on condition that the outstanding principal amounts of Subordinated Notes after repayment is no less than 5% of the then outstanding principal amount of the Notes; or (ii) after the satisfaction of Clean-Up Call Conditions and the Originator choose to exercise a Clean-Up Call, to the Subordinated Noteholders, for repayment of outstanding principal amounts of Subordinated Notes until it has been reduced to zero; and

third, all remaining excess to the Originator by way of final success fee.

Upon (i) the Legal Maturity Date; or (ii) all then outstanding Notes have been fully redeemed and repaid respectively, or (iii) upon an exercise of the Clean-Up Call, the Cash Collateral Account shall be closed and the Originator shall be entitled to the sums remaining in the Cash Collateral Account together with the interests accrued thereof.

Main Events and arrangement

This transaction sets up Credit Enhancement Increase Condition and Foreclosure Event.

When the Cumulative Gross Loss Ratio exceeds a specified monitoring threshold, it will trigger the Credit Enhancement Increase Condition.

A Foreclosure Event shall be triggered if the Issuer experiences an Insolvency Event, or fails to pay the interest due and payable on the outstanding Controlling Class Notes at such time, provided such default continues for ten Business Days, or fails to pay the principal of any Notes by the Legal Maturity Date. Upon the occurrence of a Foreclosure Event, the cash flow payment order shall be altered in accordance with the provisions of the Trust Agreement.

CCXI believes that the credit events settings are relatively complete.

Table3: Main Events

Event	Definition	Result
Credit Enhancement Increase Condition	if the Cumulative Gross Loss Ratio exceeds • 1.5 per cent. for any Payment Date prior to or during March 2026 • 2.0 per cent. for any Payment Date from April 2026 but prior to or during November 2026 • 4.0 per cent. for any Payment Date	Cash flow payment order to priority Prior to the occurrence of a Foreclosure Event; percentage for the Class A Notes shall increase from45% to 100%
Foreclosure Event	• with respect to the Issuer an Insolvency Event occurs • the Issuer defaults in the payment of any interest on the Controlling Notes then outstanding when the same becomes due and payable, and such default continues for a period of ten (10) Business Days (or such longer period as approved at a Controlling Noteholders' Meeting) • the Issuer defaults in the payment of principal of any Note on the Legal Maturity Date	Cash flow payment order to priority following the occurrence of a Foreclosure Event

Note: Please refer to Appendix1 for details.

Source: Transaction documents, collated by CCXI

Credit Enhancement

Credit enhancement provided by the senior/subordinate mechanism and Overcollateralisation.

The repayment of interest and principal follows the senior/subordinate payment structure. Overcollateralisation and cash collateral amount can also provide credit enhancement for Senior Notes. On the ODRB basis, Class A Notes benefit from 13.95% of credit enhancement.

Risk and Mitigates

Non-Sequential cash flow payment mechanism.

The cash flow payment mechanism of this transaction operates on a non-sequential basis. Once the outstanding principal amount of the the Class A Notes are reduced to the Class A Targeted Note Balance,the payment waterfall prioritizes distributions to the Subordinated Notes for both interest and principal. This structure partially reduces the credit enhancement available to the Class A Notes.

Mitigates： Pursuant to the transaction documents, upon the occurrence of a Credit Enhancement Increase Condition, the Class A Targeted Overcollateralisation Percentage for the Class A Notes shall increase from 45% to 100%; or if the Aggregate ODRB as of the end of a Monthly Period is less than 10% of the Initial Cut-Off Date Aggregate ODRB; or if a Servicer Replacement Event occurs, then the Class A Targeted Note Balance shall be reduced to zero, and no further payments shall be made on the Subordinated Asset Backed Notes until the principal of the Class A Notes has been fully repaid.

Commingling risk related to the Servicer

The collection generated by the underlying assets is transferred by Servicer to Issuer Account monthly. If the credit quality of the Servicer deteriorates or the servicer becomes insolvent, the Collections may be commingled with other funds of the Servicer, hence causing potential losses to the Trust Assets.

Mitigates： According to the arrangement of the transaction after receiving the Collections, after receiving the Collections, the Servicer shall make a single deposit of such monthly Collections into the Distribution Account no later than the sixth Business Day before each Payment Date. If the credit rating of the Servicer fails to satisfy the Servicer Required Rating, the payment frequency shall be adjusted, and the Monthly Collateral Account shall apply. When the Servicer is replaced, Borrowers and/or Security Providers will be requested to make payment directly to the Trust.

Considering the good credit quality of VWFC as the Servicer, Monthly Collateral Account and Cash Collateral Account mechanism, we believe the commingling risk related to the Servicer is minimal.

Risk related to collateral rights registration

The underlying assets are auto loans. According to relevant arrangement, the underlying assets are transferred to the trust, but the mortgage registration will not be updated. As a result of the foregoing, the mortgage may not be upheld against bona fide third party. This may impose certain negative impact on the trust interests.

Liquidity risk

Liquidity risk will occur when the Collections are not enough to pay for the interest of Senior Notes and the various kinds of taxes, fees and expenses before the repayment of interest for Senior Notes.

Mitigates： The underlying assets of this transaction are Automobile Mortgage Loans, and the repayment structure of these assets ensures a certain amount of principal and interest collections in each period. Pursuant to the cash flow distribution order under this transaction, the collections are first allocated to the Senior Notes interest, fees, and expenses prioritized in the distribution sequence before being applied to the principal repayment of each class of Notes. Additionally, this transaction incorporates a Cash Collateral Account to enhance liquidity management.

Given the cash flow characteristics of the underlying assets and the Cash Collateral Account ,we believe that the liquidity risk of this transaction is limited.

Legal and Regulatory Aspects

According to the legal opinions from Beijing King & Wood Mallesons:

The qualification of main transaction entities: VWFC is a company with limited liability duly organized and validly existing under the laws of China, and has full civil legal capacity and civil capacity for acts to execute, deliver, and perform the transaction documents to which it is a party. VWFC has obtained all necessary internal authorizations for the execution, delivery, and performance of the transaction documents.

The legal validity of underlying assets transformation： Upon the lawful execution and delivery of the transaction documents by all parties, the transfer of the Automobile Mortgage Loan receivables to be securitized shall become legally effective between the Grantor and the Trustee. If a Perfection Notice event occurs under the Trust Agreement, the transfer of such receivables shall become legally effective against the borrowers upon VWFC's delivery of the Perfection Notice to the borrowers in accordance with the Trust Agreement. Pursuant to the Civil Code of the People's Republic of China ("Civil Code"), when VWFC transfers the Automobile Mortgage Loan receivables under the Trust Agreement, the related vehicle mortgage rights shall be transferred simultaneously. The transferee's acquisition of ancillary rights shall not be affected by the failure to complete registration formalities or transfer possession of such ancillary rights. Under Article 403 of the Civil Code, mortgage rights over vehicles shall be established upon the effectiveness of the mortgage contract, but such rights cannot be asserted against bona fide third parties unless registered. Therefore, even without mortgage registration or modification of mortgage registration, the Trust Company retains mortgage rights over the collateral vehicles, though such rights cannot be asserted against bona fide third parties.

Effectiveness of Risk Isolation Between the Grantor and Trust Assets: Regarding the trust assets established by the Grantor, once the trust becomes effective and the trust assets are actually transferred, such trust assets shall be segregated from other assets of the Grantor not placed in trust. After the trust takes effect, if the Grantor is dissolved, revoked, or declared bankrupt, the trust shall continue to exist (provided the Grantor is not the sole beneficiary of the trust), and the trust assets shall not form part of the Grantor's bankruptcy estate. Only the trust beneficiary interests represented by the Subordinated Asset Backed Notes held by the Grantor shall be included in the bankruptcy estate. If all payment obligations under the Senior Asset Backed Notes have been fully satisfied by that time, and the Grantor as the holder of Subordinated Asset Backed Notes becomes the sole beneficiary of the trust, the trust shall terminate and the trust assets shall form part of the bankruptcy estate. The trust assets shall also be segregated from the property owned by the Trust Company. If the Trust Company is dissolved, revoked, or declared bankrupt, the trust assets shall not form part of its bankruptcy estate.

Portfolio Attributes

Overview of the portfolio

The underlying assets are retail automobile mortgage loan issued by VWFC.

Product introduction: The underlying assets consist exclusively of retail auto loans for vehicles. These loans are originated through partnerships primarily with automotive brands under the Volkswagen Group, including Volkswagen, Audi, Bentley, and Jetta, and are extended to both individual and corporate clients.

Business process: VWFC's management process for Automobile Mortgage Loans is divided into four stages: loan disbursement, loan approval, loan servicing, and delinquency/default management.

Loan Approval: A credit team conducts credit decisions. Applications undergo automated credit analysis via a system that evaluates PBOC credit reports and customer scores to generate an internal rating, leading to automated approval/rejection or manual review.

Loan Servicing: Retail Customer Service and Consumer Protection Department, organized into five teams (Channel Service Management, Customer Service Management, Outsourcing Management, Process Optimization & Project Management and Consumer Rights Protection Team), focusses on payment control, client support, dealer coordination, and document oversight.

Loan Disbursement: Follows a standardized workflow involvingdocument flows, and fund transfers among clients, dealers, and VWFC.

Delinquency/Default Management: Risk Management Department comprising seven teams (Risk Assessment, Asset Management, Anti-Fraud, Collection, Litigation, Credit Reporting, and Risk Control). The Collections Management Team categorizes clients into distinct tiers based on the number of days overdue and implements progressively escalated collection actions accordingly. The specific collection actions are as follows.

Table4: Collection Actions

Number of days overdue	Collection actions
<= 3 days	SMS remind Wechat remind Dunning letter
4~30 days	Outsourcing of early telephone collection Dunning letter Collection by outsourced collection servicer
31~90 days	Outsourcing of deep collection Field visit collection Serious warning call Contract termination
91~180 days	Outsourcing of breach collection mainly based on phone calls and on-site visits. Friendly vehicle delivery
>181 days	Transfer the case to litigation team for further action Friendly vehicle delivery

Source: VWFC, collated by CCXI

Qualification of purchased Loan Receivables

In the Trust Agreement, VWFC has represented and warranted, with respect to the Purchased Receivables as of the Cut-Off Date:

(a) the Loan Contracts constitute legal, valid, binding and enforceable agreements;

(b) the Purchased Receivables are assignable, and the Loan Contracts require monthly payments;

(c) it is entitled to dispose of the Receivables free from rights of third parties;

(d) the Purchased Receivables are free of defences, whether preemptory or otherwise, for the agreed term of the Loan Contracts as well as free of rights of third parties and that the Borrowers in particular have no set-off claim thereto or thereunder or the status and enforceability of the Purchased Receivables is not impaired by set-off rights;

(e) no Purchased Receivable is overdue;

(f) the status and enforceability of the Purchased Receivables is not impaired due to warranty claims or any other rights of the Borrowers;

(g) none of the Borrowers is an affiliate of Volkswagen AG or an employee of VWFC;

(h) according to VWFC's records, no termination of any Loan Contract has occurred;

(i) the Loan Contracts shall be governed by the laws of China and have not been concluded prior to January 2008;

(j) the Loan Contracts have been entered into exclusively with the Borrowers which, if they are corporate entities have their registered office in China or, if they are individuals have their place of residence in China;

(k) on the Cut-Off Date, at least two contractual installments (which include interest payments) have been paid in respect of each of the Purchased Receivables and that each Purchased Receivable requires monthly payments to be made within sixty (60) months of the date of origination of each Loan Contract and may also provide for a final balloon payment;

(l) each of the Purchased Receivables will have at least no less than (6) and no more than (58) instalments;

(m) the total outstanding amount of Purchased Receivables entrusted under the Trust Agreement pursuant to the Loan Contracts with one and the same Borrower does not exceed RMB4,000,000 in respect of any single Borrower;

(n) the Loan Contracts which are subject to the provisions of PRC law on consumer financing, comply in all material respects with the requirements of such provisions;

(o) ccording to VWFC’s records, no insolvency proceedings have been initiated against any of the Borrowers during the term of the relevant Loan Contract up to the Cut-Off Date;

(p) each Loan Contract under which the relevant Receivables arise provides for a mortgage of the relevant Financed Object;

(q) the Purchased Receivables are “normal” loans according to NFRA’s “5-category” loan classification method;

(r) the Purchased Receivables are denominated in RMB;

(s) at the time each Loan Contact was entered into, the Receivable under such Loan Contract was approved by the Originator in the ordinary course of the Originator's business; and

(t) the maximum delinquent days of each Purchased Receivable were historically no more than 60 days.

Portfolio Attributes

Portfolio overview as of the Initial Cut-off Date

Nature of the loans

As of the Initial Cut-off Date, All the loans in the asset pool are Automobile Mortgage Loan.

Five-category loan classification

As of the Initial Cut-off Date, all the loans in the asset pool are "Normal" according to National Financial Regulatory Administration's 5-category loan classification standard.

Guarantee method

All the loans in the asset pool are mortgage.

ODRB distribution

As of the Initial Cut-off Date, the largest ODRB of a single Loan is RMB 2,883,292.42 and the smallest is RMB 3,396.08 with the average being RMB 56,912.01. The ODRB distribution is as follow:

Table5：ODRB Distribution

ODRB	ODRB %	Number of Loan %
<RMB50,000 (incl. 50,000)	26.42%	55.50%
RMB50,000~100,000 (incl.100,000)	39.22%	31.35%
RMB100,000~150,000 (incl.150,000)	19.48%	9.22%
RMB150,000~200,000 (incl.200,000)	7.42%	2.49%
RMB200,000~250,000 (incl.250,000)	3.17%	0.82%
RMB250,000~300,000 (incl.300,000)	1.31%	0.27%
RMB300,000~350,000 (incl.350,000)	0.79%	0.14%
RMB350,000~400,000 (incl.400,000)	0.37%	0.06%
>RMB400,000 (excl. 400,000)	1.82%	0.15%
Total	**100.00%**	**100.00%**

Source: VWFC, collated by CCXI

Type of Credit distribution

The largest proportion of the type of Credit is Classic Credit. The Type of Credit distribution is as follow:

Table6：Type of Credit distribution

Type of Credit	ODRB %	Number of Loan %
Classic Credit	90.77%	86.77%
Balloon Credit	5.53%	2.93%
Structured Payment	3.70%	10.30%
Total	**100.00%**	**100.00%**

Source: VWFC, collated by CCXI

Type of Interest rate distribution

The type of Interest rate of all the loans in the asset pool are fixed.

Interest rate distribution

The lowest interest rate in the portfolio is 0.00% and the highest is 18.00%. The weighted average interest rate is 6.80%. Below is the interest rate distribution of the portfolio：

Table7：Interest rate distribution

Interest rate	ODRB %	Number of Loan %
0%	12.75%	24.93%
0%~5%(incl.5%)	8.60%	12.90%
5%~10%(incl.10%)	61.61%	49.54%
10%~15%(incl.15%)	13.82%	8.10%
>15% (excl. 15%)	3.22%	4.53%
Total	**100.00%**	**100.00%**

Source: VWFC, collated by CCXI

Original term distribution

The shortest remaining term of the loans is 12.00 months, and the longest is 60.00 months, with the weighted average remaining term being 49.85 months：

Table8：Original term distribution

Original term	ODRB %	Number of Loan %
<12 months(incl. 12)	0.08%	0.12%
12~24 months (incl. 24)	8.86%	22.04%
24~36 months (incl. 36)	26.39%	34.03%
36~48 months (incl. 48)	4.87%	5.11%
48~60 months (incl. 60)	59.80%	38.70%
Total	**100.00%**	**100.00%**

Source: VWFC, collated by CCXI

Seasoning of the loans distribution

The shortest seasoning is 2.00 months, and the longest is 54.00 months; the weighted average is 20.38 months. The seasonings of loans in portfolio are as follow：

Table9：Seasoning of the loan distribution

Seasoning of the loan	ODRB %	Number of Loan %
<12 months(incl. 12)	22.18%	18.65%
12~24 months (incl. 24)	45.64%	46.19%
24~36 months (incl. 36)	23.54%	24.84%
36~48 months (incl. 48)	7.71%	8.18%
48~60 months (incl. 60)	0.93%	2.14%
Total	**100.00%**	**100.00%**

Source: VWFC, collated by CCXI

Distribution of remaining term of the loans

The shortest remaining term of the loans is 6.00 months, and the longest is 58.00 months, with the weighted average remaining term being 29.47 months：

Table10：Distribution of Remaining Term of the loans

Remaining Term of the loans	ODRB %	Number of Loan %

<12 months(incl. 12)	13.03%	32.32%
12~24 months (incl. 24)	28.21%	32.26%
24~36 months (incl. 36)	24.79%	17.93%
36~48 months (incl. 48)	24.10%	12.95%
48~60 months (incl. 60)	9.87%	4.54%
Total	**100.00%**	**100.00%**

Source: VWFC, collated by CCXI

Characteristics of Borrowers

Type of borrowers distribution

As of the Initial Cut-off Date, The largest proportion of the type of borrowers is individual。

Table11：Type of borrowers distribution

Type of borrowers	ODRB %	Number of Loan %
individual	95.00%	96.51%
corporate	5.00%	3.49%
Total	**100.00%**	**100.00%**

Source: VWFC, collated by CCXI

Geographic distribution of Borrowers

The loans are distributed across 31 provinces, cities, and autonomous regions in China (based on dealers' geographic region). The province with highest ODRB is Xinjiang Uygur with 7.01%:

Table12：Geographic distribution of Borrowers

Regions	ODRB %	Number of Loan %
Xinjiang Uygur	7.01%	5.75%
Beijing	6.49%	7.31%
Shandong	6.45%	6.87%
Henan	6.42%	7.45%
Sichuan	5.73%	6.32%
Guizhou	5.40%	5.24%
Shaanxi	5.25%	4.66%
Guangdong	4.81%	4.48%
Hebei	4.55%	4.96%
Hubei	4.02%	4.24%
Zhejiang	3.94%	5.06%
Heilongjiang	3.89%	2.75%
Fujian	3.41%	3.65%
Jiangsu	3.34%	3.69%
Jilin	3.19%	2.80%
Liaoning	3.17%	2.87%
Inner Mongolia	2.88%	2.67%
Yunnan	2.73%	2.66%

Shanxi	2.69%	2.75%
Gansu	1.98%	1.80%
Anhui	1.97%	2.05%
Chongqing	1.84%	1.71%
Hunan	1.73%	1.88%
Qinghai	1.48%	1.27%
Jiangxi	1.17%	1.42%
Guangxi Zhuang	1.14%	1.13%
Tianjin	1.07%	1.04%
Ningxia Hui	0.81%	0.60%
Shanghai	0.63%	0.38%
Tibet Autonomous Region	0.58%	0.34%
Hainan	0.23%	0.20%
Total	**100.00%**	**100.00%**

Source: VWFC, collated by CCXI

Ages of borrowers distribution (individual)

The weighted average age of the individual borrowers is 38.53. The age of the borrowers in portfolio are as follow：

Table13：Ages of borrowers distribution

Ages	ODRB %	Number of Loan %
< 20 years(incl. 20)	0.47%	0.54%
20~30 years(incl.30)	20.80%	23.40%
30~40 years(incl.40)	38.58%	37.80%
40~50 years(incl.50)	22.04%	21.57%
> 50 years(excl.50)	13.11%	13.20%
Total	**95.00%**	**96.51%**

Notes: Data includes only the age distribution of individual borrowers.
Source: VWFC, collated by CCXI

Occupation distribution of Borrowers (individual)

The following is the list of individual occupations：

Table14：Occupation Distribution Of Borrowers

Occupation	ODRB %	Number of Loan %
Employee	29.43%	33.46%
Manager	18.82%	15.99%
Work	15.11%	17.69%
Legal Person	9.77%	6.70%
Self-Employed	7.67%	7.71%
Public Administrator	3.84%	3.72%
Professional	3.06%	3.32%
Farmer	2.27%	2.45%

Profession with Certificate	1.25%	1.31%
Liberal Professions	1.11%	1.27%
Retired	0.49%	0.45%
Military	0.19%	0.18%
Student	0.02%	0.04%
Unemployed	0.02%	0.02%
Others	1.96%	2.19%
Total	**95.00%**	**96.51%**

Notes: Data includes only the occupational distribution of individual borrowers.

Source: VWFC, collated by CCXI

Characteristics of Collateral

Type Distribution of vehicles

The underlying assets in the portfolio can be classified as the new vehicles and the second-hand vehicles.

Table15: Type Distribution of vehicles

Type of vehicles	ODRB %	Number of Loan %
New Vehicles	93.39%	92.25%
Second-hand Vehicle	6.61%	7.75%
Total	**100.00%**	**100.00%**

Source: VWFC, collated by CCXI

Brands Distribution of vehicles

The largest proportion of the brands of the Financed Vehicles is FAW—VW.

Table16: Brands Distribution of vehicles

Brands	ODRB %	Number of Loan %
FAW-VW	54.90%	54.06%
SVW	18.87%	24.32%
FAW-AUDI	11.68%	5.86%
Jetta	5.48%	8.34%
Porsche	1.51%	0.27%
VW Import	0.99%	0.35%
BENTLEY	0.64%	0.03%
SKODA	0.38%	0.66%
SAIC-AUDI	0.37%	0.14%
VW Anhui	0.31%	0.16%
Lamborghini	0.07%	0.00%
Other brands	4.80%	5.81%
Total	**100.00%**	**100.00%**

Source: VWFC, collated by CCXI

Initial loan to value ratio distribution

The weighted average Initial loan-to-value ratio of the loan is 70.06%.The specific distribution of the Initial loan-to-value ratio is shown in the table below：

Table17：Initial loan to value ratio distribution

Initial loan to value ratio	ODRB %	Number of Loan %
<20% (incl. 20%)	0.03%	0.06%
20%～40%(incl. 40%)	4.71%	9.27%
40%～60%(incl. 60%)	18.80%	28.65%
60%～80%(incl. 80%)	69.58%	58.78%
80%～100%(incl. 100%)	6.88%	3.24%
Total	**100.00%**	**100.00%**

Source: VWFC, collated by CCXI

■ Credit analysis, cash flow modelling and stress testing

CCXI Auto-loan ABS Methodology Overview

Based on the main risk characteristics of the underlying assets in this transaction, credit analysis of this product is conducted by CCXI in accordance with **<CCXI Rating Methodology and Model of Auto-loan ABS C550500_2019_02>,** which was publicly disclosed on the website (www.ccxi.com.cn) of CCXI.

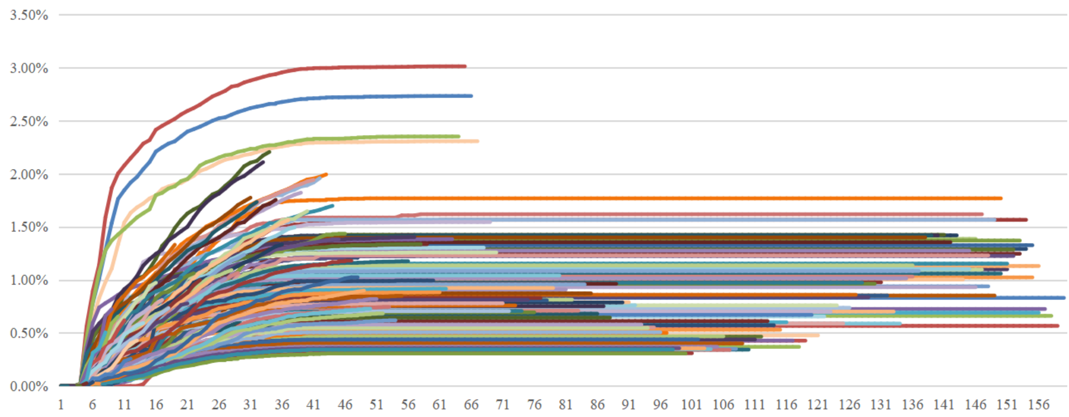
Credit Analysis

Based on the main risk characteristics of personal automobile mortgage loan ABS products, CCXI uses the historical static data method to predict the future default and loss performance of the underlying assets, and analyzes the default, recovery and prepayment characteristics of the underlying assets. When analyzing, CCXI relied on the historical static and dynamic data of personal automobile mortgage loan provided by VWFC from August 2010 to January 2025, as well as the performance of the underlying assets of 15 automobile mortgage loan asset-backed notes originated by VWFC in the interbank market as of December 2024.

Default Analysis

Considering the collateral and collection characteristics of personal automobile mortgage loan, and in order to ensure that the default performance of similar transactions in the market is comparable, CCXI usually selects the 91~120 days delinquency rate to analyze the default characteristics of the underlying assets. It is noticed that according to the static pool data provided by VWFC, the cumulative default rate curve of personal automobile mortgage loan issued by VWFC in different months is relatively concentrated and at a low level, which reflect that VWFC’s management ability of personal automobile mortgage loan products is relatively mature. Among these products, the cumulative default rate in long performance period is always below 1.80%, and the cumulative default rate in recent years performed better than the earlier performance. In recent years, due to the impact of the macroeconomic downturn, the cumulative default rate has shown an upward trend but remains manageable overall. CCXI will continuously monitor the developments in the default rates of the aforementioned products.

Figure2：Default rate of loans originated by VWFC from August 2010 to January 2025



Note: default rate = OPB of 90-day overdue loans /initial OPB when originated
Source: VWFC, collated by CCXI

Although the time span of the historical static data provided by the originator can cover the whole product cycle, it has not experienced a complete economic cycle. Therefore, based on the static pool data and combined the seasoning and remaining term of underlying assets, the characteristics of borrowers, the characteristic of collaterals, the credit policy of the originator, the macroeconomic and industry policies, and the performance of the historical products, CCXI formulates a default hypothesis that meets the future default characteristics of the underlying assets of this transaction. Please refer to "Default Distribution of Underlying Assets" and "Default Time Distribution" sections for details relatively.

Recovery analysis

CCXI's recovery analysis of personal automobile mortgage loan include recovery rate analysis and recovery timing analysis.

recovery rate analysis: In this transaction, all the underlying assets are secured by a vehicle, and the mortgaged vehicle can provide recovery protection for the defaulted asset. When conducting recovery analysis for mortgaged vehicles, in addition to data migration performance of the static pool, CCXI will comprehensively consider the factors such as vehicle value, Initial Loan-to-value ratio distribution, post-loan management policies of VWFC and macroeconomic and industry policies. CCXI believes that since the value of vehicle will continue to decline over time, the recovery protection provided by the mortgaged vehicle is limited.

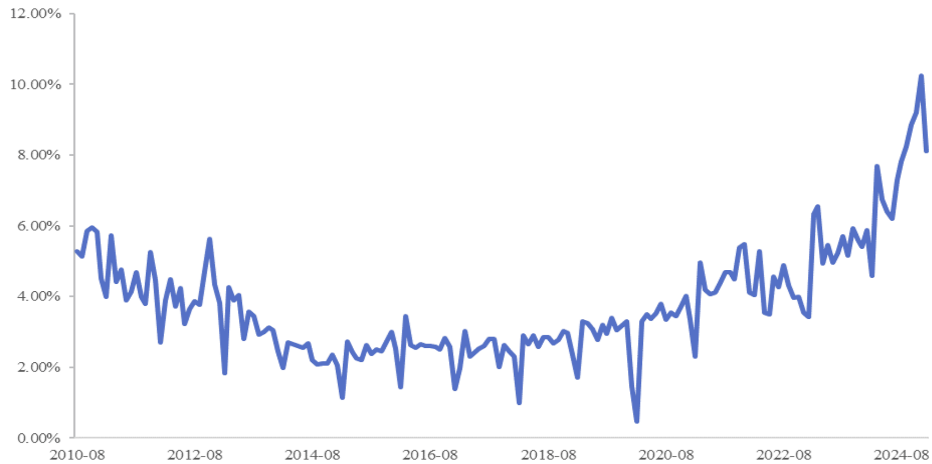
recovery timing analysis： CCXI's estimated recovery timing mainly analysis the difficulty of recovery. CCXI will also adjust the estimated recovery timing based on the VWFC collection policy, collection history and normal disposal situation in the adverse market environment.

Please refer to "Additional Stress Test Conditions" sections for details about recovery assumptions and recovery timing assumptions.

Prepayment Analysis

Considering that the underlying assets have different seasoning, CCXI usually estimates the CPR of the underlying assets through the historical dynamic data. CCXI observed that according to the historical dynamic data provided byVWFC, the CPR of VWFC generally ranges between 5% and 10%, and the CPR has shown an upward trend in past two years compared with earlier years.

Figure3：The Prepayment Rate Curve



Source: VWFC, collated by CCXI

Meanwhile, CCXI observed that the CPR of the underlying assets for the Asset Backed Notes issued by VWFC, has consistently remained within the range of 5% to 10%.

Figure4：The Prepayment Rate Curve of Asset-backed Notes originated by VWFC

Source: Public information, collated by CCXI

Please refer to "Stress Test situations" sections for details about prepayment assumptions.

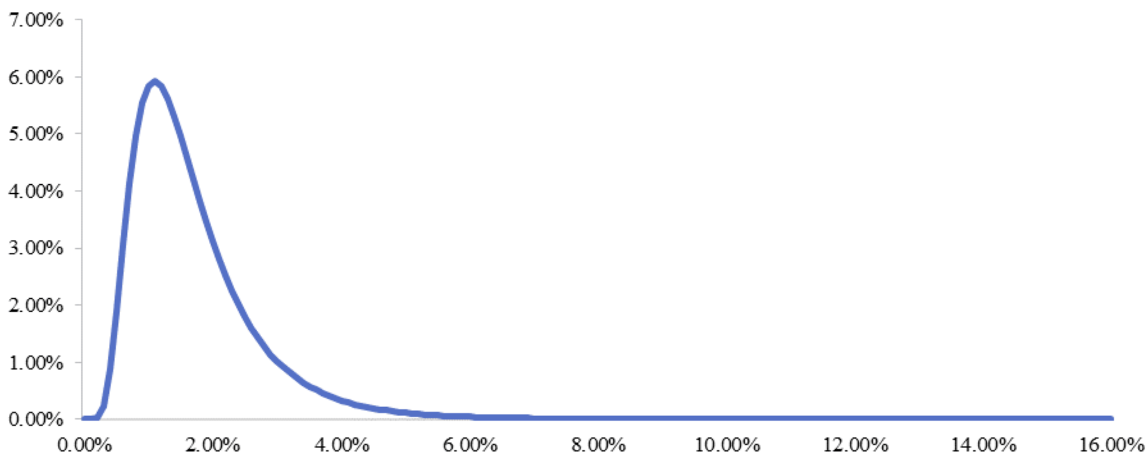
Cash flow modeling and stress testing

CCXI uses the loss-ratio method to assess the credit quality of the rated securities. CCXI will construct an applicable cash flow model to the transaction, and when the expected loss rate of the rated securities under stress scenarios meets the loss rate requirements of the target rating set by CCXI under the same expected maturity, the modelled rating of the rated securities will be the target rating. The main parameters of the cash flow model are set as follows:

Distribution of defaults rate on the underlying assets

According to the mature rating experience in the international market, CCXI assumes that the default rate distribution of personal automobile mortgage loan assets conforms to ***the lognormal distribution***. According to the credit analysis, CCXI has set the lognormal distribution parameters applicable to this transaction, and the distribution of the cumulative default rate of the underlying assets is as follows:

Figure5：FigureExpected Distribution of defaults rate Curve

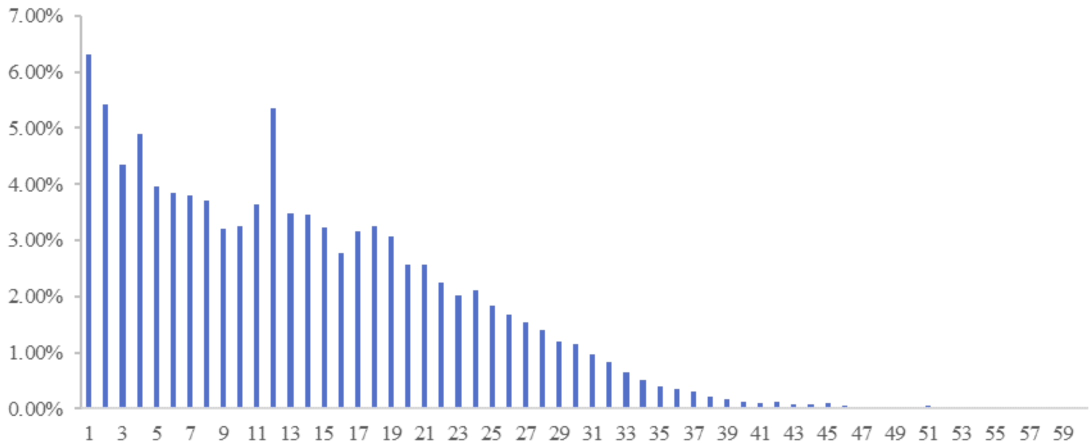


Source: assumed by CCXI

Default timing under normal situation

CCXI uses the historical static data to obtain the default timing of the underlying assets, as shown following:

Figure6：The Default Timing Curve In Normal Situation

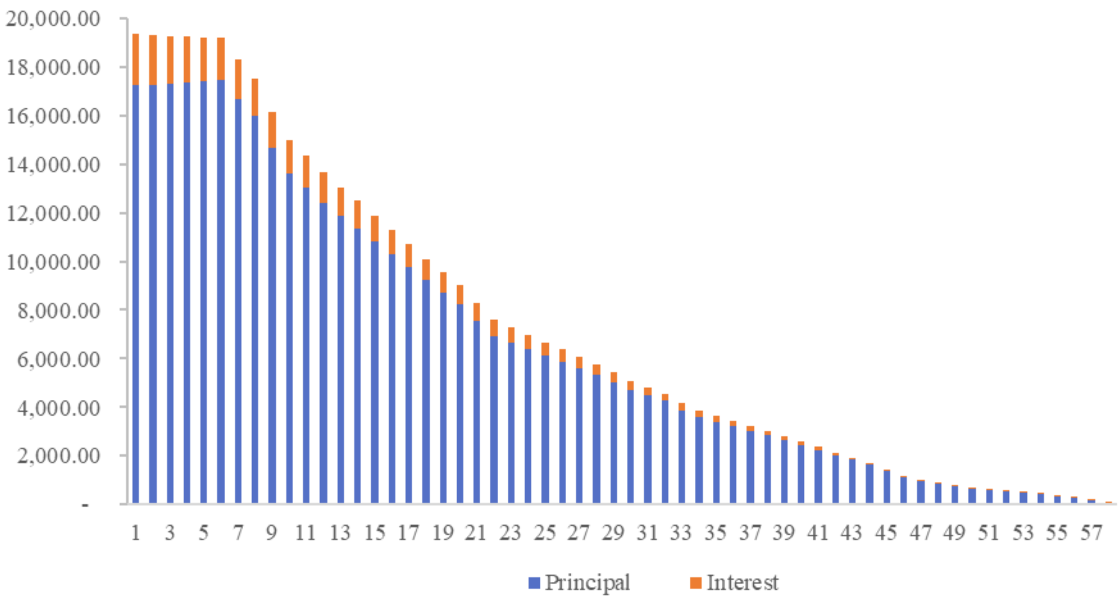


Source: VWFC, collated by CCXI

Static cash inflows

According to the repayment plan of underlying asset provided by VWFC, the cash inflow of the underlying assets under the assumption of no default and no prepayment is as follows:

Figure7：Repayment cash flow of underlying asset in normal situation (in RMB 10,000)



Source: VWFC, collated by CCXI

Other stress test conditions

When stress-testing, CCXI mainly considers the combination of pressure situations such as reduced recovery rate, extended recovery timing, preposition of default timing and decline of interest rate spread. It should be noted that for the prepayment rate, the increase of the prepayment rate will cause: 1) Reducing the occurrence of default and reducing asset loss, 2) Reducing spreads and reducing the support caused by excess spreads, 3) Accelerating the repayment of assets and shortening the duration of the product. Due to these facts that the change of prepayment rate does not have a one-way effect on the expected loss rate and expected maturity of the Senior Asset Backed Notes, the prepayment rate is generally not taken as a pressure situation by CCXI.

The model situations under Normal and Stress scenarios are as follows:

Table18: Situations of Stress Test

Situation	Normal scenarios	Stress scenarios
Recovery rate	10%	0%
Recovery timing	18months	--
Default timing	Basic Distribution	Stressed Distribution
Prepayment rate	4.00%	
Expected coupon rate for Senior	1.78%	+50BP

Sources: assumed by CCXI

Results

Based on the cash flow model and the above parameter assumptions, CCXI will calculate the expected loss rate and the duration of the rated securities under different stress scenarios. Then, combined with the probability of default distribution under each scenario, we can obtain the expected loss rate and expected duration of the rated securities. Finally, based on the loss rate requirements of the target rating under the same period set by CCXI, we can determine the model result of the rated securities.

Through analysis, the expected loss rate of the Senior Notes of this transaction can meet the loss rate requirements of the AAA_{sf} grade, which is pre-set by CCXI under stress scenarios. Therefore, the model result[7] of Class A Notes in this transaction is ***AAA_{sf}***.

Table19: Model Results

Asset Backed Notes	stress scenarios
Class A	AAA_{sf}

Sources: Analyzed by CCXI

Transaction Parties

Originator/Grantor/Servicer: VWFC (hereinafter referred to as "the Company" in this section) was established on August 30, 2004, as a wholly-owned subsidiary of VWFS Overseas AG in China. With an initial registered capital of RMB 500 million, the Company underwent multiple rounds of capital increases, reaching a registered capital of RMB 8.200 billion by the end of 2024. Its primary business scope is auto financial services..

Driven by the Volkswagen Group’s expansion in the Chinese market, VWFC’s automotive finance business has grown rapidly. The Company provides innovative financial solutions for brands under the

[7] CCXI will comprehensively evaluate the credit status of the evaluated securities based on the model results, combined with other factors such as the main risks and mitigation measures of the transaction, the credit status of important participants, etc., and finally the credit rating results of the securities will be assessed by the Credit Review Committee.

Volkswagen Group, including Volkswagen, Audi, Škoda, Jetta, Volkswagen Import, Volkswagen Anhui, Porsche, Bentley, and Lamborghini. As of December 2024, VWFC's retail network covered approximately 300 cities across all major provinces, municipalities, and autonomous regions in China, with partnerships extending to around 3,000 authorized dealerships. The Company reported total assets of RMB 42.335 billion, operating revenue of RMB 2.091 billion, pre-tax profit of RMB 1.227 billion, and net profit of RMB 732 million for the fiscal year 2024.

VWFC's retail business focuses on providing auto loans to individual and corporate end-users. In 2024, the Company originated 150,000 new retail loan contracts, achieving a penetration rate of 4.6% relative to total vehicles sold through Volkswagen-affiliated dealerships. While maintaining robust profitability, VWFC demonstrated disciplined risk management, with a retail non-performing loan (NPL) ratio of 0.70%, positioning it favorably against industry peers.

***Trust Company*：** FOTIC, formerly known as China Foreign Economy and Trade Trust & Investment Corporation established in September 1987, had a registered capital of RMB 8.0 billion as of the end of 2024. Its ownership structure comprises Sinochem Capital Co., Ltd. (97.26% shareholding) and Sinochem Group Finance Co., Ltd. (2.74% shareholding), with Sinochem Holdings Corporation as its ultimate controlling shareholder. FOTIC's core operations are divided into trust business and proprietary business. As of the end of 2024, FOTIC's proprietary assets totaled RMB 16.33 billion, primarily allocated to trading financial investments, with owner's equity of RMB 15.44 billion. For the same period, FOTIC reported operating revenue of RMB 1.74 billion and net profit of RMB 0.64 billion, while its trust assets under management (AUM) reached RMB 2,154.32 billion. In terms of regulatory compliance, FOTIC maintained a net capital of RMB 12.36 billio as of end-2024, with key ratios including net capital/net assets (80.03%) and net capital/risk-weighted capital (143.61%), all meeting regulatory requirements.

***Account Bank*：** Postal Savings Bank of China Co., Ltd. (PSBC), listed on both the A-share and H-share markets, had a total share capital of RMB 99.16 billion as of the end of March 2025, with China Post Group Corporation (62.78% ownership) as its controlling shareholder. By the same date, PSBC's total assets stood at RMB 17,689.40 billion, with total liabilities of RMB 16,693.01 billion, reflecting moderate capital adequacy. In custody business, PSBC's custody assets under management grew to RMB 5.43 trillion as of the end of 2024, up 16.03% year-to-date, generating custody commission income of RMB 1.26 billion as of end-2024, a 10.96% year-on-year increase. On risk management, PSBC continued to enhance its comprehensive risk management system and policies, strengthen controls and resolution for key risks, and develop robust risk management capabilities. In 2024, the Bank's overall risk status was stable, with risk metrics remaining steady.

Conclusion

CCXI assigned provisional ratings of **AAA_{sf}** to the Senior A Notes issued by Driver China sixteen.

Appendix1：Key Event Definition

Event	Definition
Foreclosure Event	means any of the following events: (a)with respect to the Issuer an Insolvency Event occurs; or (b)the Issuer defaults in the payment of any interest on the Controlling Notes then outstanding when the same becomes due and payable, and such default continues for a period of ten (10) Business Days (or such longer period as approved at a Controlling Noteholders' Meeting); or (c)the Issuer defaults in the payment of principal of any Note on the Legal Maturity Date, provided that it shall not be a Foreclosure Event until after a decision has been made by unanimous consent at the relevant Controlling Noteholders' Meeting that the replacement of the Issuer with another Trust Company which meets the Trust Company Qualified Standard is not viable.
Insolvency Event	means, with respect to the Originator, the Servicer, the Trust Company or the Issuer, as the case may be, each of the following events: (i) the making of an assignment, conveyance, composition or marshalling of assets for the benefit of its creditors generally or any substantial portion of its creditors; (ii) the application for, seeking of, consents to, or acquiescence in, the appointment of a receiver, custodian, trust, liquidator or similar official for it or a substantial portion of its property; (iii) the initiation of or consent to any case, action or proceedings before any court or Governmental Authority against it under any applicable liquidation, insolvency, composition, bankruptcy, receivership, dissolution, reorganisation, winding-up, relief of debtors or other similar laws and such proceedings are not being disputed in good faith with a reasonable prospect of discontinuing or discharging the same; (iv) the levy or enforcement of a distress or execution or other process upon or sued out against the whole or any substantial portion of its undertaking or assets and such possession or process (as the case may be) shall not be discharged or otherwise shall not cease to apply within sixty (60) days; (v) an order is made against it or an effective resolution is passed for its winding-up; (vi) it is deemed unable to pay its debts within the meaning of any liquidation, insolvency, composition, reorganisation or other similar laws in the jurisdiction of its incorporation or establishment (provided that, for the avoidance of doubt, any assignment, charge, pledge or lien made by the Trust Company for the benefit of the Noteholders under the Trust Agreement shall not constitute an Insolvency Event in respect of the Trust Company).
Servicer Replacement Event	means the occurrence of any event described in paragraphs (a) to (d) below: (a)any unremedied failure (and such failure is not remedied within five (5) Business Days of notice of such failure being given) by the Servicer to duly observe or perform in any material respect of any other of its covenants or agreements which failure materially and adversely affects the rights of the Issuer or the Noteholders; (b)the Servicer suffers a Servicer Insolvency Event; (c)NFRA imposes sanctions against the Servicer pursuant to Article 61 of the Measures for Administration of Auto-Finance Companies; (d)the Servicer is dissolved by NFRA pursuant to Article 62 of the Measures for Administration of Auto-Finance Companies; provided, however, that a delay or failure of performance referred to under paragraph (a) above for a period of 150 days will not constitute a Servicer Replacement Event if such delay or failure was caused by an event beyond the reasonable control of the Servicer, an act of god or other similar occurrences.

Appendix2：Cash flow payment mechanism

Order to Priority Prior to the occurrence of a Foreclosure Event

	Trust Account
1	amounts payable by the Issuer in respect of taxes (if any) in relation to the Trust;
2	the Servicer Fee payable to the Servicer;
3	on a pari passu basis, (1) the Trust Company Fee and Expenses payable to the Trust Company, (2) the Expenses payable to the Servicer (or replacement Servicer), including those Expenses in relation to the performance of the notification obligations referred to in Clause 6.4 of this Agreement, (3) the Custodian Fee and Expenses payable to the Account Bank, (4) the Paying Agent Fee and Expenses payable to the Paying Agent, (5) the Rating Agencies Fee and Expenses payable to the Rating Agencies, and (6) the Auditor Fee payable to the Auditor;
4	amounts payable in respect of (1) interest accrued during the immediately preceding Interest Period plus (2) Interest Shortfall (if any) on the Class A Notes;
5	to the Cash Collateral Account to the extent needed to replenish and maintain the credit balance of the Cash Collateral Account at a level equal to the Specified Cash Collateral Account Balance;
6	to Class A Noteholders, an aggregate amount equal to the Class A Principal Payment Amount for such Payment Date which is equal to the amount necessary to reduce the outstanding principal amount of the Class A Notes to the Class A Targeted Note Balance;
7	amounts payable in respect of accrued and unpaid interest on the Subordinated Notes (including, without limitation, overdue interest);
8	(i) prior to the satisfaction of Clean-Up Call Conditions or in the case that the Clean-Up Call Conditions are satisfied but the Originator does not exercise a Clean-Up Call, to the Subordinated Noteholders for repayment of outstanding principal amounts of Subordinated Notes on condition that the outstanding principal amounts of Subordinated Notes after repayment is no less than 5% of the then outstanding principal amount of the Notes; or (ii) after the satisfaction of Clean-Up Call Conditions and the Originator choose to exercise a Clean-Up Call, to the Subordinated Noteholders, for repayment of outstanding principal amounts of Subordinated Notes until it has been reduced to zero;
9	to pay all remaining excess to the Originator by way of final success fee.

Order to Priority Following the occurrence of a Foreclosure Event

	Trust Account
1	amounts payable by the Issuer in respect of taxes (if any) in relation to the Trust;
2	the Servicer Fee payable to the Servicer;
3	on a pari passu basis, (1) the Trust Company Fee and Expenses payable to the Trust Company, (2) the Expenses payable to the Servicer (or replacement Servicer), including those Expenses in relation to the performance of the notification obligations referred to in Clause 6.4 of this Agreement, (3) the Custodian Fee and Expenses payable to the Account Bank, (4) the Paying Agent Fee and Expenses payable to the Paying Agent, (5) the Rating Agencies Fee and Expenses payable to the Rating Agencies, and (6) the Auditor Fee payable to the Auditor;
4	amounts payable in respect of (1) interest accrued during the immediately preceding Interest Period plus (2) Interest Shortfall (if any) on the Class A Notes;
5	to the holders of the Class A Notes in respect of principal until the Class A Notes are redeemed in full;
6	amounts payable in respect of accrued and unpaid interest on the Subordinated Notes (including, without limitation, overdue interest);
7	(i) prior to the satisfaction of Clean-Up Call Conditions or in the case that the Clean-Up Call Conditions are satisfied but the Originator does not exercise the Clean-Up Call, to the Subordinated Noteholders for repayment of outstanding principal amounts of Subordinated Notes on condition that the outstanding principal amounts of Subordinated Notes after repayment is no less than 5% of the then outstanding principal amount of the Notes; or (ii) after the satisfaction of Clean-Up Call Conditions and the Originator choose to exercise the Clean-Up Call, to the Subordinated Noteholders, for repayment of outstanding principal amounts of Subordinated Notes until it has been reduced to zero;
8	to pay all remaining excess to the Originator by way of final success fee.

Appendix3：Rating classes and definitions

Rating classes	Definitions
AAA_{sf}	The ABS noteholder is highly likely to be repaid on time and in full amount for the principal and interest, basically immune from any adverse economic condition, subject to minimum expected loss.
AA_{sf}	The ABS noteholder is very likely to be repaid on time and in full amount for the principal and interest, relatively insensitive to adverse economic condition, subject to very low expected loss.
A_{sf}	The ABS noteholder is quite likely to be repaid on time and in full amount for the principal and interest, but sensitive to adverse economic condition, subject to low expected loss.
BBB_{sf}	The ABS noteholder has moderate likelihood of being repaid on time and in full amount for the principal and interest, very sensitive to adverse economic condition, subject to moderate expected loss.
BB_{sf}	The ABS noteholder has low likelihood of being repaid on time and in full amount for the principal and interest, extremely sensitive to adverse economic environment change, subject to relatively high expected loss.
B_{sf}	The ABS noteholder's likelihood of being repaid on time and in full amount for the principal and interest is dependent on the availability of positive economic condition, subject to major uncertainties and high expected loss.
CCC_{sf}	The ABS noteholder's likelihood of being repaid on time and in full amount for the principal and interest is highly dependent on the availability of positive economic condition, subject to significant uncertainties and very high expected loss.
CC_{sf}	The ABS noteholder's likelihood of being repaid on time and in full amount for the principal and interest is low, subject to extreme uncertainties and extremely high expected loss.
C_{sf}	The ABS noteholder cannot be repaid for the principal and interest, and suffers full or partial loss of principal.

Note: Except for AAA_{sf} and below CCC_{sf} ratings (incl. CCC_{sf}), each rating class can be modified with "+" or "-", indicating the rating is slightly higher or lower than such rating class.

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