

## Risk Factors Comparison 2024-07-12 to 2023-03-31 Form: 10-K

Legend: **New Text** ~~Removed Text~~ ~~Unchanged Text~~ **Moved Text** **Section**

As An investment in our securities involves a smaller reporting company high degree of risk. You should carefully consider the risks described below before making an investment decision. Our business, prospects, financial condition or operating results could be harmed by any of these risks, as well as defined in Rule 12b-2 of the other Exchange Act risks not currently known to us or that we currently consider immaterial. The trading price of our securities could decline due to any of these risks, and, as a result, you may lose all or part of your investment. In the course of conducting our business operations, we are exposed not required to provide a variety of risks. Any of the risk factors we describe below have affected or could materially adversely affect our business, financial condition and results of operations. The market price of our securities could decline, possibly significantly or permanently, if one or more of the these risks and uncertainties occurs information required by this Item. **Certain statements in “ Risk Factors ” are that could cause our actual results to differ materially from any forward- looking statements . See “ Cautionary Note Regarding Forward- Looking Statements. ” Risk Factors Summary Our business is subject to numerous risks and uncertainties, including those highlighted in the section entitled “ Risk Factors ” immediately following this Report are any of the risks- risk described factors summary, that represent challenges that we face in connection our final prospectus for our initial public offering filed with the successful implementation SEC and the risks described in this Report. Any of our strategy and these- the factors could result in growth of our business. In particular, the following considerations, among others, may offset our competitive strengths or have a negative significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business strategy or results of operations. As of the date of this Report, which could cause other than as set forth below, there have been no material changes to the risk factors disclosed in our final prospectus for our initial public offering filed with the SEC and declared effective by the SEC on October 19, 2021. See also the Risk Factors that set forth in the joint proxy statement / consent solicitation statement / prospectus included in a decline in Registration Statement on Form S-4 that we have filed with the SEC relating to price of shares of our Common Stock or Public Warrants and result in a loss of all or a portion of our your investment:**

- proposed business combination with Zoomcar. We have no transitioned to our current peer- to- peer car sharing business model in December 2021, as a consequence of which it is difficult to predict our future operating results or compare our performance to historical results;
- We have a history of operating losses and is subject negative cash flow, we have limited cash resources, we will need to raise additional funds to finance operations and as a result mandatory liquidation and subsequent dissolution requirement. As such, there is substantial doubt about our ability a risk that we will be unable to continue as a going concern ;
- Certain of our debt financing arrangements are currently in default and we have delayed certain other payments to lenders, which may restrict our current and future business and operations;
- Our operating and financial forecasts are subject to various known and unknown contingencies and factors outside of our control and may not prove accurate, and we may not achieve results consistent with management’s expectations;
- Various factors, some of which are outside of our control, which may adversely affect our business operations, our competitive standing, and the market price of our Common Stock;
- The market for online platforms for peer- to- peer car sharing is relatively new, competitive, and rapidly evolving;
- We will require additional capital to support our current operations and the growth of our business, which may not be available on terms acceptable to us, or at all;
- While we have taken significant steps to build and improve our brand and reputation, failure to maintain or enhance our brand and reputation will cause our business to suffer;
- Cybersecurity breaches or infringement of our intellectual property could negatively impact our business;
- Our business depends on attracting and retaining capable management, technology development and operating personnel;
- We may be exposed to risk if we cannot enhance, maintain, and adhere to our internal controls and procedures;
- We are in the process of remediating identified material weaknesses in our internal controls and if we fail to remediate these weaknesses or otherwise fail to maintain effective internal controls in accordance with Section 404 of the Sarbanes- Oxley Act, we may not be able to accurately or timely report our financial condition or results of operations, or comply with the accounting and reporting requirements applicable to public companies;
- Geographic areas in which Zoomcar operates and plans to operate in the future have been and may continue to be subject to political and economic instability, and certain laws and regulations in the Indian jurisdiction where Zoomcar operates are currently evolving;
- We may incur liability for the activities of Hosts or Guests;
- We do not consummate carry insurance and our business operations may result in losses for which we are not insured;
- Our management team has limited experience managing a public company;
- We will incur significant increased expenses and administrative burdens as a public company;
- We are the subject of litigation and may not have the ability or the cash to successfully defend such litigation that has been and may in the future be brought against us;
- If we fail to comply with the listing requirements of Nasdaq (including the requirement to maintain a majority independent board of directors, a minimum bid price of \$ 1 per share, a minimum market value of listed securities of \$ 50, 000, 000 for which we have received a deficiency notice), we would face possible delisting, which would result in a limited public market for our securities;
- We are an initial “ emerging growth company ” within the meaning of the Securities Act, and, if we take advantage of certain exemptions from disclosure requirements available to emerging growth companies, this could make our securities less attractive to investors;
- Future sales of our securities may affect the market price of the Common Stock and result in material dilution, including triggering the most favoured nation

features of our Convertible Notes and the anti-dilution protection in the warrants issued in 2024. We are also in default of various outstanding debt obligations, including under the Notes issued to ACM, and may issue shares of Common Stock or other securities to satisfy those obligations in the future (in the case of ACM, subject to receipt of shareholder approval). The issuance of shares of Common Stock or other securities in the future will dilute your percentage ownership interest and may also result in downward pressure on the price of our Common Stock; • We have issued a significant number of options and warrants and exercise of these securities and the sale of the shares of Common Stock issuable thereunder will dilute your percentage ownership interest and may also result in downward pressure on the price of our Common Stock; • A portion of our total outstanding shares are restricted from immediate resale but may be sold into the market in the near future; • Uncertain global macro-economic and political conditions could materially adversely affect our results of operations and financial condition; and • Natural disasters, including and not limited to unusual weather conditions, epidemic outbreaks, terrorist acts and political events could disrupt our business combination by July 29 schedule. Risks related to our Business and Operations Our current business model's limited operating history and financial results make our future results, prospects and the risks we may encounter difficult to predict. Although Zoomcar commenced operating in 2023-2013 (unless such date, we have recently transitioned from a prior business model to our current business model, consisting of our asset-light online platform for peer-to-peer car sharing. As a result of this transition, certain components of our financial statements have experienced variation, and our operating history may not be indicative of our future growth or financial results. The limited history of our current business model makes predicting our future operating and other results difficult, if not impossible, and there is no assurance that extended by our shareholders). If we are unable to effect an initial business combination by July 29, 2023, we will be forced to liquidate our revenues in future periods. Our results of operations are impacted by a number of factors, some of which are beyond our control, and we may suffer adverse impacts to our further development as a result of circumstances which include decreasing customer demand, increasing competition, declining growth of the car sharing industry in general, insufficient supply of vehicles on our platform, our or warrants changes in government policies or general economic conditions. We will expire worthless continue to develop and improve the features, functions, technologies and other offerings on our platform to increase our Guest and Host bases and volume of bookings on our platform. However, the execution of our business plan is subject to uncertainty and bookings may not grow at the rate we expect. If our growth rates decline, investors' perceptions of our business and prospects may be adversely affected and the market price of our common stock could decline. Existing and potential holders of our securities should also consider the risks and uncertainties that a company with a limited history, such as ours, will face in the evolving personal mobility solutions market. In particular, there can be no assurance that we will: • successfully execute on our business plan, particularly in light of our current liquidity and capital resources; • facilitate sufficient bookings to become profitable in the near-term if at all; • attract increasing numbers of Hosts and Guests within our current market and future potential additional markets; • increase penetration within our current markets through continued improvements in vehicle density, platform features and strategic marketing efforts; • enable us to successfully execute our business plans; • enhance our brand recognition and awareness; • acquire new Hosts and Guests by increasing our market penetration with deeper market coverage; • develop new platform functionality and features that enhance our ability to retain Guests and Hosts; • develop, improve or innovate our proprietary technology that allows for a sustainable competitive advantage; • attract, retain, and manage a sufficient staff of management and technology personnel; or • respond effectively to competitive pressures. We are have a blank-check company history of operating losses and negative cash flow. We have limited cash resources, we will need to raise additional funds imminently to finance operations and as we have no operating history and are subject to a result mandatory liquidation and subsequent dissolution requirement, there is substantial doubt about our ability a risk that we will be unable to continue as a going concern. We have a history of operating losses and expect to continue incurring operating losses in the foreseeable future as we continue to develop our current business model and enhance our platform offerings. We also have indebtedness that is in default in excess of our current capital resources (see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources"). On June 18, 2024, the Company entered into a securities purchase agreement with certain institutional accredited investors (the "June Aegis Securities Purchase Agreement") pursuant to which the Company issued and sold an aggregate of \$ 3, 600, 000 in principal amount of notes (the "June Notes") and warrants to purchase up to an aggregate of 52, 966, 102 shares of Company common stock (the "June Warrants") for gross proceeds of \$ 3, 000, 000. While we anticipate that these proceeds will provide us with the necessary cash and cash equivalents to support our business and operations through the end of November 2024, assuming that the Company does not make any payments on its currently outstanding indebtedness, there can be no assurance that this will be the case. Even if our current cash position supports operations through the end of November 2024, we cannot assure that this cash will be sufficient in the longer run or that we will not be required to obtain a further infusion of cash funds to support our operations or address the indebtedness. Accordingly, we believe that additional funds will be imminently required to support current operations and, in the long term, the growth of our business. Our operations have consumed substantial amounts of cash, and we have incurred operating losses since we began operating in 2013. While our cash consumption has been reduced following our business transition from short-term rental of vehicles owned by or leased to Zoomcar to an online platform for peer-to-peer car sharing, we have consumed significant amounts of cash in effecting such transition in terms of technology and platform innovation, and our cash consumption has varied over time. Our cash needs will depend on numerous factors, including our revenues, upgrade and innovation of our peer-to-peer car sharing platform, customer and market acceptance and use of our platform, and our ability to reduce and control costs. We expect to devote substantial capital resources to, among other

things, fund operations, continue improvement, upgrading or innovation of our platform, and expand our international outreach. If we are unable to secure such additional financing, it will have a material adverse effect on our business, and we may have to limit operations in a manner inconsistent with our development. Our operating and financial forecasts are subject to various known and unknown contingencies and factors outside of our control and may not prove accurate, and we may not achieve results consistent with management's expectations. Our quarterly and annual operating results have fluctuated in the past and are likely to fluctuate in the future. During any given period, our operating and financial results may be influenced by numerous factors, many of which are unpredictable or are outside of our control. Additionally, our limited operating history with our current peer- to- peer car sharing business model makes it difficult for us to forecast our future results and subjects us to a number of uncertainties, including our ability to plan for and anticipate future growth. As a result, you should not rely upon our past quarterly and annual operating results as indicators of future performance. We have encountered, and will continue to encounter, risks and uncertainties frequently experienced by growing companies in rapidly evolving markets, such as the risks and uncertainties described herein. The market for online platforms for peer- to- peer car sharing is relatively new and rapidly evolving. If we fail to successfully adapt to developments in our market, or if peer- to- peer car sharing online platforms do not consummate achieve general acceptance, it could adversely affect our business, financial condition and operating results. In December 2021, we transitioned to our current peer- to- peer cash sharing business model. The market for online peer- to- peer car sharing platforms is relatively new and unproven and the data and research available regarding the market or the industry may be limited and unreliable. It is uncertain whether the peer- to- peer car sharing market will continue to develop or if our platform will achieve and sustain a level of demand and market acceptance sufficient for us to generate meaningful revenue, net income, and cash flow. Our success will depend to a substantial extent on the willingness of Hosts and Guests to use our platform to identify car sharing opportunities. Some Hosts may be reluctant or unwilling to make their vehicles available for use on our platform because of concerns which may include, but are not limited to, potential decline in the value of their vehicle if listed on our platform, uncertainty of economic benefits from platform usage, ability to recover losses associated with lost or damaged property, compliance with our platform's terms of use, data privacy and security concerns, or other reasons. In addition, our success also requires utilization of our platform by Guests to book vehicles. Guests' willingness to utilize our platform may depend, among other factors, on Guests' belief in the ease- of use, integrity, quality, availability, safety, cost- effectiveness, convenience and reliability of our platform and the vehicles listed by Hosts for bookings thereon. Any shift in Guest preferences in the markets in which we operate could have a material adverse effect on our business. Additionally, Guests may be reluctant or unwilling to use a platform requiring Guests to provide personally identifiable information, payment information and driver's license details, or have their driving behaviours monitored during bookings. Further, Guests may be reluctant to book vehicles containing GPS- enabled tracking or monitoring devices accessible by Zoomcar, or to use our platform at all due to the perception of the use of such devices. If we do not retain existing Hosts, or attract and maintain new Hosts, or if Hosts fail to provide an initial adequate supply of high- quality vehicles, our business combination, financial condition, and results of operations may be negatively impacted. Our success in a given geographic market depends on our ability to establish and grow the scale of our platform in that market by July 29 attracting Hosts and Guests to our platform. We depend upon having Hosts register high quality vehicles on our platform, maintain the safety and cleanliness of their vehicles, and ensure that the descriptions and availability of their vehicles on our platform are accurate and up- to- date. These practices are beyond our direct control and the number of vehicles shared by Hosts and resulting bookings options available to Guests on our platform may decline based on a number of factors including, among other things, public health and safety concerns, including pandemics / epidemics; economic, social, and political factors; state laws and regulations regarding car sharing, or the absence of such laws and regulations, challenges obtaining, insuring, financing and servicing vehicles to list on the platform, some of which may be exacerbated by infrastructure challenges in the emerging market where we operate our business. If Hosts register and offer fewer high- quality vehicles to Guests on our platform, our bookings and revenues may decline, and our results of operations could be materially adversely affected. Further, if Hosts with available vehicles choose not to offer their vehicles through our platform because competitive carsharing platforms emerge that Hosts find more attractive than our platform, Hosts may be unwilling to continue registering vehicles or making them available for bookings through the platform. For example, Hosts may cease or reduce vehicle registrations or the periods of time they make cars available for bookings for any number of reasons, such as competitor platforms having more Guests making bookings, risk of vehicle damage for which Hosts may not be able to recoup damages from Zoomcar or hesitancy to install the IoT GPS- enabled tracking device we require Hosts to affix to vehicles upon platform registration or for any other reason, we may lack sufficient supply of vehicles to attract Guests to utilize our platform. If Hosts do not share sufficient numbers of vehicles, or if the vehicles they register to our platform are less attractive to Guests than vehicles offered by competitors, our revenue would likely decline and our business, financial condition, and results of operations could be materially adversely affected. Hosts are not required to make their vehicles available on our platform for a minimum sharing period or number of bookings and Hosts may choose not to share their vehicles on our platform at all if we cannot generate sufficient demand for their vehicles or if bookings through our platform are not sufficiently attractive to Hosts to retain and attract Hosts to use the platform. While we continue to invest in tools and resources to support Hosts, the pricing features and other capabilities of our platform may not be as attractive to Hosts as those developed by our competitors, and Hosts may not share their vehicles on our platform as a result. If Hosts perceive that listing vehicles on our platform may be insufficiently remunerative to, for example, offset any leasing, financing, parking, registration, maintenance, and repair costs of vehicles registered to the platform, we may lose or fail to attract Hosts and may not be able to make a

sufficient number of vehicles available for use by our Guests. If we fail to retain existing Guests, or attract and maintain new Guests, our business, financial condition, and results of operations may be negatively impacted. Our business model depends on our ability to retain and attract Guests to make bookings on our platform. There are a number of trends in and aspects of Guest preferences which have an impact on us and the car sharing industry as a whole. These include, among others, preferences for types of vehicles, convenience of online bookings, and monetary savings associated with car sharing and platform bookings relative to other possible transportation solutions. Any shift in Guest preferences, which are susceptible to change, in the markets in which we operate could have a material adverse effect on our business. For example, if the vehicles registered to our platform are not popular or of sufficient quality or are not available at locations convenient for Guests, Guests may lose interest in utilizing our platform. Additionally, if Guests find our platform not to be user- friendly or to lack functions that Guests expect from a carsharing or other online platform, Guests may decrease or stop using our platform. Our competitiveness therefore depends on our ability to predict and quickly adapt to Guest trends, exploiting profitable opportunities for platform development, innovation and upgrades without alienating our existing Guest base or focusing excessive resources or attention on unprofitable or short- lived trends. If we are unable to respond on a timely and appropriate basis to changes in demand or Guest preferences, our business may be adversely affected. Additionally, if we are unable to compete with other carsharing platforms and other mobility solutions in the markets in which we operate, our bookings will decrease, and our financial results will be adversely affected. Guests desiring to book vehicles through our platform must pay booking fees, which include, among other fees, “ upfront booking fees, ” less any applicable discounts and credits, and “ value added ” or trip- protection fees payable at the time of a booking; other charges may also be incurred by Guests after a booking, such as trip cancellation fees, gasoline fees, late fees and other charges. Many of these fees are generated through our platform functions and some of the fees are selected by Guests from a range of options presented to them at the time of a booking. If our booking and trip- related fees are not competitive, or our platform functionality is not appealing or outdated, or negative reviews or publications are released in connection with our platform, Guests may stop or reduce their use of our platform, our business, results of operations, reputation, and financial condition may be adversely affected. If we are unable to introduce new or upgraded platform features that Hosts or Guests recognize as valuable, we may fail to retain and attract such users to our platform and our operating results would be adversely affected. To continue to retain and attract Hosts and Guests to our platform, we will need to continue to introduce new or upgraded features, functions and technologies that add value for Hosts and Guests that differentiate us from our competitors. Developing and delivering these new or upgraded features, functions and technologies is costly, and the success of such features, functions and technologies depends on several factors, including the timely completion, introduction, and market acceptance of such features, functions and technologies. Moreover, any such new or upgraded features, functions and technologies may not work as intended or may not provide intended value to Hosts and Guests. If we are unable to continue to develop new or upgraded features, functions and technologies, or if Hosts and Guests do not perceive value in such new or upgraded features, functions and technologies, Hosts and Guests may choose not to use our platform, which would adversely affect our operating results. We have made substantial investments to develop new or upgraded features, functions and technologies, and we intend to continue investing significant resources in developing new technologies, tools, features, services and other platform offerings. If we are unable to attract / retain and pay qualified technical staff required to continue our platform feature development efforts, we may not realize the expected benefits of our developments. There can be no assurance that the new developments will exist or be sustained at the levels that we expect, or that any of these new developments will gain sufficient traction or market acceptance to generate enough revenue to offset any new expenses or liabilities associated with these new investments. Our development efforts with respect to new features, functions and technologies on our platform could distract management from current operations and will divert capital and other resources from our more established functions and technologies. Even if we are successful in developing new features, functions or technologies, or otherwise update or upgrade our platform, regulatory authorities may subject us to new rules or restrictions in response to our innovations that could increase our expenses or prevent us from successfully commercializing the new features, functions, technologies, updates or upgrades of our platform. If we are unable to adapt in a cost- effective and timely manner in response to the changing market conditions or platform users’ preferences, either for technical, legal, financial or other reasons, our business, financial condition and results of operations may be materially and adversely affected. We require additional capital to support current operations and will require additional capital to support the growth of our business, which may not be available on terms acceptable to us, or at all. To continue current operations, we will need to raise capital imminently. Further, to continue to effectively compete thereafter, we will require additional funds to support the growth of our business. Our operations have consumed substantial amounts of cash, and we have incurred operating losses, since we began operating in 2013. While our cash consumption has been reduced following our business transition from short- term rental of vehicles owned by or leased to Zoomcar to an online platform for peer- to- peer car sharing, we have consumed significant amounts of cash in effecting such transition in terms of technology and platform innovation, and our cash consumption has varied over time. Further, as a result of the consummation of the Business Combination, we expect our expenses to continue to increase substantially in connection with actions and efforts we will need to take in preparing for and operating as a public company. Moreover, we expect our expenses to increase significantly in connection with our ongoing activities, including the continuing increase in our technological capabilities with respect to IoT, machine learning, and artificial intelligence. We do not currently have sufficient cash resources to operate our business beyond November 2024 (assuming that we do not repay any of our outstanding indebtedness) and accordingly, will need to raise capital imminently to continue our operations and to fully execute our business plan. Additionally, circumstances could cause us

to consume capital more rapidly than we currently anticipate and if our cash resources are insufficient to satisfy our cash requirements, we may seek to issue additional equity or debt securities or obtain new or expanded credit facilities or identify and secure additional sources of capital. Our ability to obtain external financing in the future is subject to a variety of uncertainties, including our future financial condition, results of operations, cash flows, share price performance, liquidity of capital and lending markets and governmental regulations in India. In addition, incurring indebtedness would subject us to increased debt service obligations and could result in operating and financing covenants that would restrict our operations. There can be no assurance that financing will be available in a timely manner or in amounts or on terms acceptable to us, or at all. Any failure to raise needed funds on terms favourable to us, or at all, will severely restrict our liquidity as well as have a material adverse effect on our business, financial condition and results of operations. In addition, any issuance of equity or equity-linked securities could result in significant dilution to our existing shareholders. Additionally, fundraising efforts may divert our management from its day-to-day duties and activities, which may affect our ability to execute on our business plan. If we do not raise additional capital imminently to continue operations in the short term or otherwise when required or in sufficient amounts and on acceptable terms, we may need to: • significantly delay, scale back or discontinue certain business initiatives, such as our international expansion; • significantly delay key investments in IoT, advanced computer vision, machine learning and related artificial intelligence technology; or • significantly delay our consumer brand-building initiatives, thereby delaying our broader expansion. Our future funding requirements, both short-term and long-term, depend on many factors, including but not limited to: • our ability to successfully scale our business within the market in which we currently operate, including by increasing the number and quality of Host vehicles and attracting and retaining more Guests to use our platform to meet a broader variety of mobility needs; • our ability to successfully expand into additional emerging markets as opportunities to grow our operations become available to us; • the pace of technological development in core focus areas such as IoT, computer vision, machine learning, and artificial intelligence; • the cost to establish, maintain, expand and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make in preparing, filing, prosecution, defence and enforcement of any intellectual property rights; • the effect of competing technological and market developments; and • market acceptance of our platform and the functionality it provides to facilitate peer-to-peer car sharing. If lack of available capital prevents us from proceeding with the execution of our business plan, our ability to become profitable will be compromised and our business will be harmed. Future sales of our securities may affect the market price of the Common Stock and result in material dilution, including triggering the most favoured nation features of our Convertible Notes and the anti-dilution protection in the warrants issued in 2024. We are also in default of various outstanding debt obligations, including under the Notes issued to ACM, and may issue shares of Common Stock or other securities to satisfy those obligations in the future (in the case of ACM, subject to receipt of shareholder approval). The issuance of shares of Common Stock or other securities in the future will dilute your percentage ownership interest and may also result in downward pressure on the price of our Common Stock. We will finance our immediate cash needs (and expect to finance our future cash needs until we become profitable, if ever) through equity offerings, debt financings or other third-party funding, marketing and distribution arrangements and other collaborations, strategic alliances and licensing arrangements. We will require substantial funding to fund our business. Investors in the Zoomcar 2023 Private Financing ( “ Financing Investors ” unless extended by our shareholders ) - Unless we received most favoured nation exchange right provisions (the “ MFN Noteholder Rights ”) with respect to their convertible notes ( “ Convertible Notes ”), amend-- and such provisions may have survived the Closing. Additionally, in June 2024 we issued warrants that contain an “ alternative cashless exercise ” provision which gives the warrant holder the right to exchange the warrant on a one-for-one basis for shares of Common Stock at any time that the warrant is exercisable without any cash payment and without regard to the then market price of the Company’ s Common Stock our- or Existing Organizational Documents exercise price of the warrant. In addition, the warrants include a provision that resets the warrant exercise price with a proportionate adjustment to the number of shares underlying the warrant in the event of a reverse split of the Company’ s Common Stock at any time between the issuance date and the three year anniversary of the issuance date (a “ Share Combination Event ”). In the event of a Share Combination Event, the exercise price of the warrant will be reset to a price equal to the lesser of (i) the then exercise price and (ii) the lowest volume weighted average price (VWAP) during the period commencing five trading days immediately after the date the Company effects a reverse stock split, subject to a floor price of \$ 0. 1416 (which would require is the “ Minimum Price ” under Nasdaq rules) prior to receipt of stockholder approval or \$ 0. 02832 following receipt of stockholder approval (in each case, adjusted for any stock dividend, stock split, stock combination, reclassification or similar transaction, the “ Floor Price ”). The warrants are also subject to full ratchet anti-dilution protection for any issuances of Company securities ( the other affirmative vote of than certain excluded issuances) at a price or effective price (as determined in accordance with the holders terms of 65 % of all the warrant, the “ Dilutive Issuance Price ”) that is less than the then outstanding ordinary-current exercise price of the warrants following the issuance date (a “ Dilutive Issuance ”). In the event of a Dilutive Issuance, the exercise price of the warrants will be reduced to the lower of the Dilutive Issuance Price and the lowest VWAP during the five consecutive trading days commencing after the date of the Dilutive Issuance, in each case, subject to the Floor Price, and there will be a proportionate adjustment to the number of shares underlying the warrant. In connection with the Business Combination, we also issued the Notes to ACM in satisfaction of certain transaction expenses associated with the Business Combination. The Notes contain price based anti-dilution protection on the conversion price of such Notes down to a floor price of \$ 0. 25 per share which has already been reached. While the Notes have already converted into the maximum number of shares permissible under the terms of the Notes without receiving stockholder approval,, we

may seek stockholder approval in the future to allow for the Notes to convert into additional shares. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, the MFN Noteholder Rights and anti-dilution provision may be triggered, and the terms of the newly issued securities may include liquidation or other preferences that adversely affect your rights. Any future adjustments to the exercise price of the warrants (or additional issuances to make the Financing Investors whole) may have a negative impact on the trading price of our Common Stock. Additionally, raising additional capital with new investors may be difficult as a result of the MFN Noteholder Rights and anti-dilution protection. Sales of substantial amounts of Common Stock in the public market, or the perception that such sales could occur, could materially adversely affect the market price of the Common Stock and may make it more difficult for you to sell your securities at a time and price which you deem appropriate. Certain of our debt financing arrangements are currently in default and we have delayed certain other payments to lenders, which may restrict our current and future business and operations. Since November 2023, we are in violation of our scheduled monthly instalment payment obligations of \$ 216, 877 per month on our lease liability with Leaseplan India Private Limited (“ Leaseplan ”). Leaseplan notified us on February 7, 2024 that we are in default of our November 2023 payment and we have not received a waiver from Leaseplan in relation to this default. If we are unable to obtain continued forbearance from Leaseplan on this loan and the overdue amount remains unpaid after 60 days from the date of default, an additional simple interest of 1. 5 % per month is levied for the subsequent 30 days. Should the default persist beyond this extended period, it will be deemed a breach of the agreement, possibly resulting in inter alia (a) the entire outstanding debt becoming due and payable amounting to \$ 5, 860, 199 (excluding taxes), (b) Leaseplan repossessing of all vehicles from Zoomcar which were financed from Leaseplan, and (c) the withdrawal of a conditional waiver of \$ 1. 2 million which was given during a prior restructuring and will become immediately due and payable with interest of 1. 5 % per month. As of the date hereof, we are in default beyond the 30 day extended cure period of our November 2023 payment which may lead to any of the aforementioned actions against us. As of the date hereof, Leaseplan (i) has initiated the process of repossession of all vehicles, and (ii) has invoked the bank guarantee of \$ 120, 482 which was a security created by Zoomcar in favor of Leaseplan. Such outcomes may have a material adverse impact on our business, operations or financial condition. Further, we are in violation of the final payment obligation of \$ 217, 444 principal amount as per the settlement agreement with Mercury Car Rentals Private Limited (“ Avis ”). As of the date hereof, Avis had issued a notice notifying us of this default. In this regard, we have made a partial payment towards the final payment obligation of \$ 23, 995 and have received an in- principal waiver from Avis on deferment of all further legal action against Zoomcar for a period of 60 days until August 10, 2024. For the period the remaining overdue amount remains unpaid an interest at the rate of 24 % per annum will be charged by Avis. Additionally, they may revoke the in- principal waiver and continue with available debt recovery proceedings as earlier notified by Avis. Such an outcome may have a material adverse impact on our business, operations or financial condition. Further, we are in violation of the payment obligation of \$ 147, 433 as per the settlement deed with Orix Leasing and Financial Services Limited (“ Orix ”). As of the date hereof, Orix has issued a default notice as per the settlement deed notifying us of this default and we have not received a waiver from Orix in relation to the same. For the period the overdue amount remains unpaid an interest at the rate of 15 % per annum will be charged by Orix and they may initiate legal action for resolution of the dispute. Such an outcome may have a material adverse impact on our business, operations or financial condition. We are also in violation of the final payment obligation of \$ 335, 549 on our loan with Blacksoil Capital Private Limited (“ Blacksoil ”). On June 19, 2024, Blacksoil has issued a default notice as per the debenture trust and hypothecation deed dated April 16, 2019 and the related amendment agreements into which we have entered (“ Debenture Agreements ”) and to expand show cause within 7 (seven) days from the life-date of receipt of the notice as to why the Debenture Trustee and the Debenture Holder should not proceed with insolvency proceedings against the Company. While Blacksoil has not formally provided any further waiver or extension of time for such overdue payment, if currently, we are in discussions with Blacksoil to propose payment plans and we do not complete contemplate any immediate legal actions against the Company in this regard. If we are unable to arrive at mutually agreeable terms or if such proposals are not accepted it may, possibly result in inter alia (a) levy of a default coupon on the applicable outstanding amounts, (b) the available securities and guarantees being enforced or invoked, (c) maturity and redemption of the debentures being accelerated and, (d) any other legal proceedings for redemption of such amounts due under the Debenture Agreements. Such outcomes may have a material adverse impact on our business, operations or financial condition. We are further in violation of the final payment obligation of \$ 480, 331 on our loan with Mahindra & Mahindra Financial Services Limited (“ Mahindra ”). As of the date hereof, Mahindra has not formally extended or provided waiver of such overdue payment. For the period the overdue Mahindra may initiate legal action for resolution of the dispute. Such outcomes may have a material adverse impact on our business, operations or financial condition. Additionally, we are in various stages of discussion on deferment with our other lenders with regards to the November 2023, December 2023, January 2024, February 2024, March 2024, April 2024 and May 2024 scheduled loan payments. However, we have not received any formal notice of default from other lenders, but such lenders have not formally extended or provided waivers of such overdue payments. The Zoomcar Board and Zoomcar management are evaluating options to improve liquidity and address Zoomcar’s long- term capital structure, however, there can be no assurance that any such option or plan will be available on favourable terms, or at all. We have issued a significant number of options and warrants and exercise of these securities and the sale of the shares of Common Stock issuable thereunder (along with the issuance of any similar securities in the future, including any securities issuable to White Lion pursuant to the Common Stock Purchase Agreement) will dilute your percentage ownership interest and may also result in downward pressure on the price of our Common Stock. As of June 30, 2024, we have issued and outstanding options to

purchase 18,184 shares of our Common Stock with a weighted average exercise price of \$ 5.73 and warrants to purchase 104,540,952 shares of our Common Stock with a weighted average exercise price of \$ 1.79. Included among those warrants are the warrants issued in our June 2024 financing which such warrants are exercisable upon receipt of stockholder approval and contain the “ alternative cashless exercise ” provision, reset provision and full ratchet anti-dilution protection described elsewhere herein. Because the market for our Common Stock is thinly traded, the sales and / or the perception that those sales may occur, could adversely affect the market price of our Common Stock. Furthermore, even though the options and warrants (other than the warrants issued in June 2024) are all out of the money, the mere existence of a significant number of shares of Common Stock issuable upon exercise of these securities may be perceived by the market as having a potential dilutive effect, which could lead to a decrease in the price of our Common Stock. Our success depends upon our ability to maintain favourable customer reviews and ratings, and if our reputation suffers, our business, financial condition and operating results may be adversely affected. We have a customized rating and review system connected to our search- and- ranking- base algorithm in order to provide a more holistic, more relevant overall search experience for the Guests. By combining Host ratings and reviews into the overall sort algorithm, our platform is able to highlight particular Hosts who are more likely to receive bookings. The reliable and trustworthy ratings and reviews of our Hosts and Guests are crucial to our business, which will to a substantial extent affect our Hosts and Guests’ determination as to whether to utilize the platform to book cars. Monitor the rating and review system on an initial-ongoing basis to enforce quality standards and build trust among members of our community. We have procedures in place to combat fraud or abuse of our rating and review system, but there is no assurance that these procedures are or will be effective, or at all. Further, Hosts and Guests can leave reviews or ratings on third- party platforms or websites, which are out of our control and off platform reviews and ratings or other statements about the platform, or a business or brand may have adverse impact on our business operations. If any Hosts and Guests leave negative ratings and reviews, it may not only cause a decrease in the number of existing Hosts and Guests, but also may negatively affect acquisitions of new Hosts and Guests, which may adversely affect our business, financial conditions and results of operations. Unreliable ratings and reviews could also make it more difficult for us to enforce quality standards, which could damage our reputation and reduce trust within our community. Additionally, our ability to attract and retain Hosts and Guests is dependent in part on our ability to provide high- quality customer support services. Hosts and Guests depend on our customer support centres to resolve any issues relating to our platform both during and after their trips. As we continue to grow our business and improve our platform, we will face challenges related to providing high- quality support services at scale. In addition, as we continue to grow our international business and the number of international users on our platform, our customer support organization will face additional challenges, including those associated with delivering support in additional languages and locations. Any failure to maintain high- quality support, or a market perception that we do not maintain high- quality support, could harm our reputation and adversely affect our ability to scale our platform and business, our financial condition, and results of operations. A former consultant to Zoomcar has commenced a lawsuit against Zoomcar asserting that he is entitled to compensation in connection with prior Zoomcar transactions and the Business combination-Combination . Effective May 1, 2020, Zoomcar executed an engagement letter with a consultant (the “ Former Consultant ”) pursuant to which the Former Consultant agreed to provide a variety of business development services including arranging and negotiating a potential merger or similar reorganization which Zoomcar intended to evaluate or enter into soon after executing the engagement letter. No such transaction occurred during the term of the engagement letter, and Zoomcar terminated the engagement letter in January 2022 (the “ Engagement Letter Termination ”). Subsequent to the Engagement Letter Termination, Zoomcar engaged in other transactions and entered into the Merger Agreement with IOAC. On August 4, 2023, the Former Consultant filed a complaint against Zoomcar in the United States District Court for the Southern District of New York. The complaint contains breach and anticipatory breach of contract claims arising from the Former Consultant’ s engagement letter, which the Former Consultant alleges entitles him to compensation relating to prior transactions in which Zoomcar has engaged and further compensation upon consummation of the Business Combination. The complaint seeks declaratory relief affirming the Former Consultant’ s alleged continuing right to payment under the terminated engagement letter, together with attorneys’ fees, costs and interest, as well as punitive damages. Zoomcar disputes the allegations, is exploring its legal options, and intends vigorously to defend itself; the case remains pending. If the claims and pleas for declaratory relief set forth in compliant are not promptly and fully dismissed or successfully resolved in Zoomcar’ s favour (including by July 29 binding and enforceable settlement or final judicial determination ), without an ability to appeal, to the extent applicable, the Former Consultant’ s actions, claims and pleas for damages could have material negative consequences to Zoomcar. Additionally, there can be no assurance that any efforts or actions that Zoomcar takes in defending against legal actions by the Former Consultant related to the matters described in the complaint will be successful; moreover, any such efforts or actions by Zoomcar may be time-consuming, costly, distracting to Zoomcar management and have reputational and other negative effects on Zoomcar its business. A former employee of Zoomcar India has instituted a wrongful termination suit and claims that certain Zoomcar options have vested. In February 2023, a former employee of Zoomcar India instituted a suit before the City Civil and Sessions Judge at Mayo Hall, Bengaluru against Zoomcar India, Zoomcar and IOAC challenging his termination, claiming approximately \$ 400,000 in damages and claiming that 100,000 options to purchase shares of Zoomcar have vested. On March 3, 2023, the City Civil and Sessions Judge at Mayo Hall, Bengaluru, issued an interim injunction to restrain each of Zoomcar and IOAC from “ alienating or dealing ” the 100,000 shares of Zoomcar claimed by the former employee while the suit is pending. Zoomcar believes that such claims are baseless and is attempting to have the interim order vacated. In addition, Zoomcar India filed an application in the former employee’ s suit, seeking

that IOAC be deleted from the array of parties in the suit, inter alia since (i) IOAC is neither a necessary nor a proper party to the suit; (ii) no reliefs have been sought by the former employee from IOAC; and (iii) there is no cause of action against IOAC. However, there can be no assurance that Zoomcar India and Zoomcar will be successful in their efforts to have the matter vacated or IOAC deleted from the parties, and such efforts may be time-consuming, costly and may have reputational and other negative effects on Zoomcar. We received a statement of arbitration claim from certain of our warrant holders related to the purported cashless exercise of their warrants. On January 30, 2024, we received a statement of arbitration claim before Judicial Arbitration and Mediation Services, Inc., with Aegis Capital Corp., Adam Stern, and the Robert J. Eide Pension Plan being the claimants therein. The Claim alleges breaches of certain agreements between (a) the Company and Aegis, and (b) Adam Stern and the Robert J. Eide Pension Plan as warrant holders, on the one hand, and the Company on the other; it seeks damages “preliminarily believed to be” at least \$ 10,000,000 purportedly arising from the alleged breaches. The Claim also seeks amounts for attorneys’ fees and costs, as well as an order of rescission with respect to the issuance of certain allegedly wrongfully dilutive shares of Common Stock issued in connection with the Business Combination or, alternatively, an order mandating a purportedly anti-dilutive issuance of additional shares of Common Stock to the claimants. On January 31, 2024, the claimants filed an action in the New York State Supreme Court in aid of the arbitration, including seeking by order to show cause substantially the same relief as the Claim on a declaratory basis. The Court denied the application for a mandatory injunction granting ultimate relief on the record. Claimants filed a separate order to show cause seeking attachment of the Company’s assets arguing the Company did not have sufficient working capital to satisfy a potential award based on its public filings. The Court found that while Claimants had not shown a likelihood of success on their theory of the case, it was likely something would be owed. An order granting claimants the right to attach up to \$ 3,399,878 of Zoomcar’s assets in New York along with other relief, was issued and later modified by the New York Appellate Division, First Department. A motion seeking to stay or modify that order is currently pending in the First Department and the parties are awaiting the start of arbitration. While the Company believes that the claims are not supported by the facts or law and there was no breach of agreements as alleged, there can be no assurance that the Company will be successful in their efforts to have the matter vacated, and such efforts may be time-consuming, costly and may have reputational and other negative effects on the Company. On June 18, 2024, in connection with the Company’s agreement to engage Aegis as placement agent as mentioned under ‘Liquidity and Capital Resources’ section of Item 7. Management’s Discussion and Analysis Of Financial Condition And Results Of Operations, the parties agreed to defer all further action with respect to the arbitration and associated litigation until June 18, 2025. If the pre-programmed IoT devices distributed to our Hosts to affix to registered cars, which IoT devices enable GPS tracking and data collection by Zoomcar and keyless, digital access to booked vehicles by Guests, do not function as they are intended to function, our business, financial condition, and results of operations could be adversely affected. As part of our vehicle registration process, all Hosts are provided with an option to install a variety of customized software-enabled IoT devices. These devices, which Zoomcar obtains from several suppliers and then programs prior to distribution to Hosts, serve multiple functions, including enabling Guests to access Host vehicles by digitized keyless access and start and end bookings using Zoomcar’s mobile app. The IoT devices also facilitate GPS monitoring by Zoomcar of in-trip vehicles, which serves a data collection function that is important to Zoomcar. We have no control over the quality or functionality of the IoT devices distributed to Hosts and such devices may not function as intended or may be out of service during the course of a booking or while a Guest is attempted to access a booked vehicle. In such scenarios, Guests are able to contact Hosts via number masking call or text chat enabled by Zoomcar Guest App. However, failures to provide the seamless keyless functions may deny or delay Guests’ quick access to the vehicles, thus reducing Guests’ interest in utilizing our platform. Hosts, in turn, may rely on Zoomcar’s customer support functionality to facilitate connecting Guests to emergency services in the event of a vehicle accident or other situation that, if unresolved, could result in damage to a Host vehicle. If Zoomcar is unable to help Guests that encounter problems during bookings, it could result in complaints and negative reviews from both Hosts and Guests, and higher incidents of damages claims to Zoomcar by Hosts, leading to adverse consequences to our reputation, brand, business, prospects, and operating results. We do not have long term contracts with the third-party suppliers of the IoT devices distributed to our Hosts and such suppliers can reduce quantities or terminate their sales of IoT devices to us at any time. Any adverse changes in such supply or the costs of such products or services may adversely affect our operations. We collaborate with third-party suppliers who regularly provide products and services, including but not limited to IoT devices and software integrations, to us. We do not have long term purchase agreements in place with our current suppliers of the IoT devices that we program and require our Hosts to affix to vehicles that they register to our platform and our suppliers could reduce the quantity of or discontinue providing IoT devices suitable for our needs. Given that the Hosts now have an option to install / not install these devices, we do not currently anticipate material challenges to identifying replacement suppliers if shortages of IoT devices occur, we are reliant on third parties to provide such devices and unanticipated shortages or an inability to identify new suppliers if our existing suppliers cease to be willing or able to provide the IoT devices on terms and at costs acceptable to Zoomcar may occur. Any such shortages, reductions or terminations in IoT device supply arrangements may have an adverse impact on our revenues, profits and financial condition. Additionally, if the market prices for IoT devices that are suitable for our needs goes up, we may need to purchase the devices at a comparatively higher price, which may adversely affect our business, financial condition and results of operations. We have limited control over the operations of our suppliers and other business partners and any significant interruption in their operations may have an adverse impact on our operations. For example, a significant interruption in the operations of our supplier’s production facilities could cause delay or termination of shipment of the IoT devices to us, which may, in turn, reduce or delay our ability to

pre-program and distribute such devices to Hosts which may in turn affect the retention of Hosts who are more inclined towards installing the devices leading to a lower availability of inventory on our Platform. As our operations continue to scale and grow, we anticipate needing increased numbers of IoT devices, and our demand therefore may exceed the capabilities of our existing suppliers. If our suppliers cease to supply adequate numbers of IoT devices to us, or if we need alternative sources of supply for any other reason, those devices may not be immediately available to us. If alternative suppliers are not immediately available, we will have to identify and qualify alternative suppliers, and the installation of such devices on vehicles which Hosts wish to add to our platform may be delayed. We may not be able to find adequate alternative or additional suppliers in a reasonable period of time or on commercially acceptable terms, if at all. An inability to obtain sufficient supply of IoT devices which we can program for platform use may delay installation of such devices on vehicles that would otherwise become registered or more promptly registered to our platform, harm our relationships with Hosts, which could adversely affect our business and operations. Maintaining and enhancing our brand and reputation is critical to our business prospects. While we have taken significant steps to build and improve our brand and reputation, failure to maintain or enhance our brand and reputation will cause our business to suffer. As our platform continues to scale and becomes increasingly interconnected, resulting in increased media coverage and public awareness of our brand, future damage to our brand and reputation could have an amplified effect on our platform offerings. Our brand and reputation may also be harmed by events outside of our control, including by perceptions of our business or our platform which are subjective in nature. For example, if Hosts misrepresent the features or safety of their vehicles in platform listings or otherwise provide diminished quality of vehicles, Guests may not have positive experiences with bookings and may not return to the platform for future transportation needs. If Guests, in turn, do not treat Host vehicles with care, engage in reckless driving or other malfeasance during booked trips or violate platform terms and conditions or use Host vehicles in the commission of crimes or illegal acts, their actions could cause Hosts to withdraw vehicles from our platform or pursue damages claims against Zoomcar. Events ranging from unanticipated litigation involving Zoomcar to trip cancellations by Guests may affect perceptions of our business by individual Hosts and Guests or of larger numbers of persons or groups of persons about our platform and the perceived benefits or risks to booking cars through our platform. Because our ratings and review system encourages and facilitates public sharing of Hosts' and Guests' experience with bookings and with our platform, platform users have a forum to express describe their individual, subjective experiences with Host vehicles, bookings and any other aspect of our business, which may not always be favourable. Although we monitor usage of our platform review and ratings systems, we cannot control behaviours of our customers and from time to time, platform features designed to encourage productive information sharing may lead to dissemination of information which is misleading, misrepresentative, false and which may be damaging to our reputation. Any of the foregoing, among other facts and circumstances, may result in unfavourable press coverage about Zoomcar and our reputation and, consequently, our business may be harmed. The acceptance of our brand will depend partially on maintaining a good reputation, minimizing the number of safety incidents, continuing an improved culture and workplace practices, improving existing functions, feature and technologies, developing new functions, features and technologies of our platform, maintaining a high quality of customer service and ethical behaviour and continuing our marketing and public relations efforts. Our brand promotion, reputation building, and media strategies involve and will continue to involve significant costs, yet may not be successful. We anticipate that other competitors and potential competitors will scale and expand their business, which will make maintaining and enhancing our reputation and brand increasingly more difficult and expensive. If we fail to successfully maintain our brand in the current or future competitive environment or if events occur in the future which negatively affect public perception of our Company, our brand and reputation would be further damaged, and our business may suffer. The impact of adverse or changing economic conditions, including the resulting effects on consumer spending or mobility patterns, may adversely affect our business, financial condition, and results of operations. Our business depends on the overall demand for vehicle bookings. Any significant weakening of the economy in our operating jurisdictions or of the global economy, including the current macroeconomic downturn, more limited availability of credit, economic uncertainty, inflation, financial turmoil affecting the banking system or financial markets, increased unemployment rates, restrictions and reduction in domestic or international travel, fluctuations in the price or availability of gasoline, and other adverse economic or market conditions may adversely impact our business and operating results. Global economic and political events or uncertainty may cause some of our current or potential Hosts and Guests to curtail their use of our platform. In addition, travel has been disproportionately impacted by a macroeconomic downturn. In response to such downturns, Hosts and Guests may not use or spend on our platform at rates we expect, thus further reducing demand for vehicle bookings. These adverse conditions, have in the past resulted, and could in the future result, in reductions in consumer spending, slower adoption of new technologies, and increased competition. We cannot predict the timing, strength, or duration of any economic slowdown, including the current macroeconomic downturn, or any subsequent recovery generally. In addition, increases in inflation may cause Guests to decrease travel or choose alternative or lower cost methods of transportation versus utilizing our platform. If the conditions in the general economy significantly deviate from present levels and continue to deteriorate as a result of any such macroeconomic downturns, our business, financial condition, and results of operations could be adversely affected. Increases in, labor, energy, and other costs could adversely affect our operating results. Factors such as inflation, increased labour and employee benefit costs, and increased technology upgrade and update costs, as well as other inflationary pressure, may increase our operating costs. Many of the factors affecting such costs are beyond our control cause these increased costs may cause us to pass costs on to Hosts and Guests by increasing certain fees paid by them to us, which may cause booking volume to decline which would harm our business and operating results. Our operations

have grown substantially since our inception, and we expect that they will continue to do so, subject to our financial condition. If we are unable to effectively manage that growth, our financial performance and future prospects will be adversely affected. Since our inception, we have experienced significant growth in the scale of our operations. This expansion increases the complexity of our business and places significant strains on our management, personnel, operations, systems, technical performance, financial resources, and internal financial control and reporting functions. We may not be able to manage growth effectively, which could damage our reputation, limit our growth, increase our costs, and negatively affect our results of operations. Our business is becoming increasingly complex, and this complexity and our rapid growth have demanded, and will continue to demand, substantial resources and attention from our management. Further, to accommodate our expected growth, we must improve and maintain our platform, technology, systems, and network infrastructure. Failure to effectively upgrade our technology or network infrastructure to support the expected increased traffic on our platform could result in unanticipated system disruptions, slow response times, or poor experiences for Hosts and Guests. To manage the expected growth of our operations and to support financial reporting requirements, we will need to improve our transaction processing and reporting, operational and financial systems and reporting, procedures, and controls. These improvements will be particularly challenging to realize if we acquire new operations with different systems or if we continue to rely on manual financial reporting practices. Our current and planned personnel, systems, procedures, and controls may not be adequate to support our future operations. If we are unable to expand our operations, improve our financial reporting processes, and hire additional qualified personnel in an efficient manner, it could adversely affect our business, customer and investor satisfaction, compliance with regulations and laws, and cause our expenses to grow disproportionately relative to our revenue, and our financial performance and future prospects will be adversely affected. Breaches and other types of security incidents of our networks or systems, or those of our third- party service providers, could negatively impact our business, our brand and reputation, our ability to retain existing Hosts and Guests and attract new Hosts and Guests, may cause us to incur significant liabilities and adversely affect our business, results of operations, financial condition, and future prospects. In the regular course of our business, we collect, use, store, transmit, and process data and information about Hosts, Guests, employees, and others, some of which may be sensitive, personal, or confidential and make us an attractive target and potentially vulnerable to cyberattacks, computer viruses, electronic break- ins or similar disruptions. Any actual or perceived unauthorized access to or use of such data and information, or breach of our security measures or those of our third- party service providers, could adversely affect our business, operations, and future prospects. While we have taken steps to mitigate our cyberattack risks and protect the confidential information that we have access to, including but not limited to installation and periodical updates of antivirus software and backup of information on our computer systems, our security measures could be breached. Because techniques used to sabotage or obtain unauthorized access to systems change frequently and generally are not recognized until they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. Any cybersecurity incident, accidental or wilful security breaches or other unauthorized access to our systems could cause confidential information to be stolen and used for criminal purposes. Cybersecurity incidents, security breaches or unauthorized access to confidential information could also expose us to liability related to the loss of the information, time- consuming and expensive litigation and negative publicity. If security measures are breached because of third- party action, employee error, malfeasance or otherwise, or if design flaws in our technology infrastructure are exposed and exploited, our relationships with our Hosts and Guests could be severely damaged, we could incur significant liability, and our business and operations could be adversely affected. Additionally, if we fail to protect confidential information, we may be susceptible to potential claims such as breach of contract, negligence or other claims. Such claims will require significant time and resources to defend and there can be no assurances that favourable final outcomes will be obtained. An increasing number of organizations, including large online and offline merchants and businesses, other large Internet companies, financial institutions, and government institutions have disclosed breaches of their information security systems and other information security incidents, some of which have involved sophisticated and highly targeted attacks. In addition, users on our platform could have vulnerabilities on their own mobile devices that are entirely unrelated to our systems and platform, but which could mistakenly be attributed to us and our system and platform. Further, breaches experienced by other companies may also be leveraged against us. For example, credential stuffing and ransomware attacks are becoming increasingly common, and sophisticated actors can mask their attacks, making them increasingly difficult to identify and prevent. Certain efforts may be state- sponsored or supported by significant financial and technological resources, making them even more difficult to detect. If a third party or employee circumvents any of our security measures or those of our third- party service providers, they may access, misappropriate, delete, alter, publish, or modify this information, which could cause interruptions in our business and operations, fraud or loss to third parties, regulatory enforcement actions, litigation, indemnity obligations, competitive harm, and other possible liabilities, as well as negative publicity. Widespread negative publicity may also result from real, threatened, or perceived security compromises (or lack of adequate security measures) of our industry, competitors, Hosts, and Guests. Concerns regarding privacy and data security could cause some Hosts and Guests to stop using our services, and for employees to be less satisfied with their employment with us and potentially leave the Company or institute claims against us. This discontinuance in use and the potential failure to acquire new Hosts and Guests, and similar personnel issues, could substantially harm our business, results of operations, financial condition, and future prospects. Our information technology systems, internal computer systems, cloud- based computing services, and those of our current and any future third- party service providers are vulnerable to interruption and intrusion. Cyberattacks and other malicious internet- based activity, such as insider threats, computer malware, hacking, and phishing attempts

continue to increase. Any cybersecurity incident or material disruption or slowdown of our systems could cause outages or delays in our services, which could harm our brand and adversely affect our operating results. Our failure to implement adequate cybersecurity protections could subject us to claims for any breach of security, particularly if it results in disclosure of information relating to our Hosts or Guests. If changes in technology cause our systems to become obsolete, or if our systems are inadequate to facilitate our growth, we could lose Hosts or Guests, and our business and operating results could be adversely affected. From time to time, and most recently in 2018, we have experienced security incidents or attempted attacks, and in some instances, individuals have had their personal information compromised. We conduct investigations when we become aware of such incidents and / or attempted attacks (although our investigations may not be able to determine the method of attack) and may notify affected persons, as necessary. In addition to traditional computer “hackers” employing malicious code (such as viruses, worms, and ransomware) to breach our systems and platform, we are susceptible to and monitor for social engineering, cyber extortion, and personnel theft or misuse. We may also be the subject of denial of service attacks, server malfunction, software or hardware failures, loss of data or other computer assets, adware, or other similar issues. Threat actors, nation states, and nation state-supported actors engage in cyberattacks, including for geopolitical reasons, continued opportunistic monetary reasons, and in connection with military conflicts and operations. During times of war and other major conflicts, we and our third-party service providers may be vulnerable to these attacks, including cyberattacks that could materially disrupt our systems, platform and operations. While we have security measures in place to protect customer information and prevent data loss, service interruption, and other security breaches, we cannot guarantee that our security measures or our third-party service providers’ security measures will be sufficient to protect against unauthorized access to, or other compromise of, personal information, confidential information, or proprietary information or of disruptions or damage to our systems. The techniques used to sabotage or to obtain unauthorized access to our platform, systems, networks, and / or physical facilities in which data is stored or through which data is transmitted change frequently, and we may be unable to anticipate such techniques or implement adequate preventative measures or stop security breaches that may arise from such techniques. As a result, our safeguards and preventive measures may not be adequate to prevent current or future cyberattacks and security incidents, including security breaches that may remain undetected for extended periods of time, which can substantially increase the potential for a material and adverse impact resulting from the breach. We are required to comply with laws, rules, industry standards, and regulations that require us to maintain the security of personal information in India. We may also have contractual and other legal obligations to notify relevant stakeholders of security breaches. Failure to prevent or mitigate cyberattacks could result and has in the past resulted in unauthorized access to such data, including personal information. India has enacted laws requiring companies to notify individuals, regulatory authorities, and others of security breaches involving certain types of data. In addition, our agreements with certain partners may require us to notify them in the event of a security breach. Such disclosures are and could be costly, could lead to negative publicity, may cause Hosts and Guests to lose confidence in the effectiveness of our security measures and to not use our services, and may require us to expend significant capital and other resources to respond to and / or alleviate problems caused by the actual or perceived security breach. In addition, the costs to respond to a cybersecurity event or to mitigate any identified security vulnerabilities could be significant, including costs for remediating the effects of such an event, paying a ransom, restoring data from backups, and conducting data analysis to determine what data may have been affected by the breach. In addition, our efforts to contain or remediate a security breach or any system vulnerability may be unsuccessful, and our efforts and any related failures to contain or remediate any breach or vulnerabilities could result in interruptions, delays, loss in customer trust, harm to our reputation, and increases in our insurance premiums. We do not currently have insurance coverage for security incidents or breaches, including fines, judgments, settlements, penalties, costs, attorney fees, and other impacts that arise out of incidents or breaches. While we may obtain cyber liability insurance in the future, we cannot assure you that such insurance coverage will adequately cover liabilities actually incurred or that insurance will continue to be available to us on economically reasonable terms, or at all. The successful assertion against us of one or more large claims that exceeds available insurance coverage, or that results in changes to insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an adverse effect on our business. Our risks are likely to increase as we continue to expand, grow our Host and Guest base, and process, store, and transmit increasingly large amounts of confidential, proprietary and sensitive data. We face competition and could lose market share to competitors, which could adversely affect our business, financial condition and operating results. We face and expect to continue to face competition from ride sharing companies, car rental and taxi companies. The car sharing market in particular is intensely competitive and is characterized by rapid changes in technology, shifting guest needs and preferences, and frequent introductions of new services and offerings. We expect competition to increase, both from existing competitors and new entrants in the markets in which we operate or plan to operate, and such competitors may be well-established and enjoy greater resources or other strategic advantages. If Zoomcar is unable to anticipate or successfully react to these competitive challenges in a timely manner, Zoomcar’s competitive position could weaken, or fail to improve, and Zoomcar could experience a decline in revenue or growth stagnation that could adversely affect Zoomcar’s business, financial condition and operating results. Certain of our current and potential competitors may have greater financial, technical, marketing, research and development skills and other resources, greater name recognition, longer operating histories or a larger global user base than we do. Such competitors may be able to devote greater resources to the development, promotion and sale of offerings, and they may be able to offer lower prices in certain markets than we do, which could adversely affect our business, financial condition and operating results. These and other factors may allow our competitors to

derive greater revenue and profits from their existing user bases, attract and retain Hosts and Guests at lower costs or respond more quickly to new and emerging technologies and trends. Current and potential competitors may also establish cooperative or strategic relationships, or consolidate, amongst themselves or with third parties, which may further enhance their resources and offerings relative to ours. We believe that our ability to compete effectively depends upon many factors both within and beyond our control, including but not limited to: • acceptance of car-sharing and the use of our platform to solve transportation needs in the emerging markets in which we operate; • our ability to attract and retain Guests and Hosts to use our platform; • the popularity and perceived utility, ease of use, performance and reliability of our platform; • our brand strength and recognition; • our pricing models and the prices of our offerings; • our ability to manage our business and operations during a pandemic and related travel restrictions if and when imposed upon outbreak of a pandemic; • our ability to continue developing platform features which appeal to changing customer preferences; • our ability to continue leveraging and enhancing our data collection and analytics capabilities; • our ability to establish and maintain relationships with strategic partners and third-party suppliers or providers; • changes mandated by legislation, regulatory authorities or litigation, including settlements, judgments, injunctions and consent decrees, as well as changes that we may elect to make ourselves in the face of potential litigation, legislation, or regulatory scrutiny; • our ability to attract, retain and motivate talented employees; and • our ability to raise additional capital. If we are unable to compete successfully, our business, financial condition and operating results could be adversely affected. We rely on mobile operating systems and application marketplaces to make its platform available to Hosts and Guests, and failure to effectively operate with or receive favourable placements within such application marketplaces could adversely affect Zoomcar's business, financial condition and operating results. We depend in part on mobile operating systems, such as Android and iOS, and their respective app marketplaces, to make our app available to Hosts and Guests. Any changes in such systems and app marketplaces that degrade the functionality or popularity of our app could adversely affect our platform's usage on mobile devices and may adversely affect our user ratings and reviews in app marketplaces. If such mobile operating systems or app marketplaces limit or prohibit us from making our app available to Hosts and Guests, or if such systems or marketplaces make changes that degrade the functionality of our app, slow the rollout of our app on other app marketplaces, increase the cost of using our app, impose terms of use that are unsatisfactory to us, require users to opt in to enable marketing or advertising features, or modify their search or ratings algorithms in ways that are detrimental to us, our Guest growth may be negatively affected. Any of the foregoing risks could adversely affect our business, financial condition, and results of operations. Our business depends on attracting and retaining capable management, technology development and operating personnel. Our success depends in large part on our ability to attract and retain high-quality management, technology development and operating personnel. Competition for qualified employees is intense in our industry. There can be no assurance that members of our management team will continue to work for Zoomcar, or that we will be able to continue to attract or retain employees focused on technology development or other important aspects of our business and operations. Our employees, including members of our management team, could leave our Company with little or no prior notice and would be free to work for a competitor. The loss of even a few qualified employees, or an inability to attract, retain, and motivate additional highly skilled employees required to carry out our business plans, could harm our operating results and impair our ability to grow. If we were to lose key members of our management or technology teams, we would need to replace them with qualified individuals in a timely manner or else our business, results of operations and financial condition could be adversely impacted. Additionally, certain of our executive officers and directors may allocate their time to other businesses, thereby causing potential conflicts of interests which could have a negative impact on our business operations. We also do not maintain "key person" life insurance on any of our employees. The departure of one or more of our senior management team members or other key employees could be disruptive to our business until we are able to hire qualified successors. To attract and retain key personnel, we use various measures, including an equity incentive program for key executive officers and other employees. These measures may not be enough to attract and retain the personnel we require to operate and grow our business effectively. If we fail to identify, hire, train and retain the qualified management or technology personnel in the future, it may materially and adversely affect our business, financial condition, results of operations and prospects. We are subject to payments-related risks. We accept payments using a variety of methods, including credit or debit cards, or digital payment alternatives like UPI or other specific digital wallet platforms. As our payment policies are subject to change from time to time in accordance with evolving legal requirements and market availability of mobile and other payment systems in different jurisdictions where we operate, we offer new payment options to Hosts and Guests from time to time, subject to additional regulations, compliance requirements, and fraud risks. For certain payment methods, including credit and debit cards, we pay interchange and other fees that may increase over time and raise our operating costs and lower profitability. We rely on third-party payment processors to process payments, refunds, and reimbursements. Under our commercial agreements with these third parties, they may terminate the relationships with us at any time in their sole discretions. If one of these third parties terminates its relationship with us, or refuses to renew its agreement with us on commercially reasonable terms, we could incur substantial delays and expenses in locating and integrating an alternative payment service provider to process payments from Hosts and Guests, and the quality and reliability of any such alternative payment service provider may not be comparable. Further, the software and services provided by these third parties may not meet our expectations, may contain errors or vulnerabilities, and could be compromised or experience outages. Additionally, payment processing software is complex and involves automated processes implemented by us and the third parties that we engage. Therefore, the payment processing software can be misinterpreted and may be susceptible to errors. These risks could cause us, to lose our ability to accept and account for

online payment or other payment transactions, make timely payments to Hosts, or result in over- or underpayments to Hosts, any of which could disrupt our business for an extended period of time, make our platform less convenient and attractive to users, expose user information to unauthorized disclosures and abuse, and adversely affect our ability to attract and retain Hosts and Guests, or materially adversely affect our business, financial condition, ability to forecast accurately, and results of operations. If we are unable to maintain our chargeback or refund rates at levels that credit or debit card issuers, or payment processors deem acceptable, these entities may increase fees for chargeback transactions or for many or all categories of transactions; they may also increase the rates of declining transactions or terminate their relationships with us. Any increases in fees could adversely affect our operating results, particularly if we elect not to raise the prices for transactions on our platform to offset the increase. The termination of our ability to process payments on any major credit or debit cards or through certain online payment service providers or payment processors could significantly impair our ability to operate our business. We may also be subject to, or may voluntarily comply with, a number of other laws and regulations relating to money laundering, money transmission, international money transfers, privacy and information security, and electronic fund transfers. If we are found to be in violation of such applicable laws or regulations, we could be subject to civil and criminal penalties or forced to cease our payments processing services or otherwise make changes to our business practices. Any major disruption or failure of our information technology systems, or our failure to successfully implement new technology effectively, could adversely affect our business and results of operations or the effectiveness of internal controls over financial reporting. We rely on various information technology systems, owned by us and third parties, to manage our operations. Over the last several years, we have been and continue to implement modifications and upgrades to our systems, including making changes to legacy systems, replacing legacy systems with successor systems with new functionality, and acquiring new systems with new functionality. These activities subject us to inherent costs and risks associated with replacing and upgrading these systems, including impairment of our ability to fulfil trip bookings, maintain books and records, potential disruption of our internal control structure, substantial capital expenditures, additional administration and operating expenses, retention of sufficiently skilled personnel to implement and operate the new systems, demands on management time, and other risks and costs of delays or difficulties in transitioning to new or upgraded systems or of integrating new or upgraded systems into our current systems. Our system implementations may not result in productivity improvements at a level that outweighs the costs of implementation, or at all. In addition, the difficulties with implementing new or upgraded technology systems may cause disruptions in our business operations and may have an adverse effect on our business and operations if not anticipated and appropriately mitigated. The successful operation of our business depends upon the performance and reliability of internet, mobile, and other infrastructures that are not under our control. Our business depends on the efficient, uninterrupted and reliable operations of internet, mobile, and other infrastructures that are not under our control. We may operate in certain geographic areas with limited internet connectivity. Internet access and access to a mobile device are frequently provided by companies with significant market power, which could result in corporate action that degrades, disrupts, or increases the cost of users' ability to access our platform. Failure to effectively upgrade our technology or internet infrastructure to support the expected increased utilization of our platform by larger numbers of Hosts and Guests could result in unanticipated system disruptions, slow response times, or poor experiences for Hosts and Guests. In addition, the internet infrastructure that we and users of our platform rely on in any particular geographic area may be unable to support the demands placed upon it. Any such failure in internet or mobile device or computer accessibility, even for a short period of time, could interfere with the speed and availability of our platform. In addition, we have no control over the costs of the services provided by national telecommunications operators. If mobile internet access fees or other charges to internet users increase, consumer traffic may decrease, which in turn may cause our revenue to significantly decrease. If our platform is unavailable when users attempt to access it, or if our platform does not load as quickly as users expect, Hosts and Guests may not return to our platform as often in the future, or at all, and may use our competitors' products, services, or offerings more often. Although we have attempted to prepare for contingencies through redundancy measures and disaster recovery plans, such preparation may not be sufficient, and we do not carry business interruption insurance. Despite any precautions we may take, the occurrence of a natural disaster, such as an earthquake, flood or fire, or other unanticipated problems in the jurisdictions where we operate, including power outages, telecommunications delays or failures, break-ins to our systems or computer viruses, could result in delays or interruptions to our platform, our app and website, and loss of data and business interruption for us and our Hosts and Guests. Any of these events could damage our reputation, significantly disrupt our operations and subject us to liability, which could materially and adversely affect our business, financial condition and results of operations. Our business operations may result in losses for which we are not insured. Our current business model consists of a peer-to-peer car-sharing platform which facilitates sharing of vehicles between Hosts and Guests. In this context, we are a facilitator of vehicle bookings but disclaim legal responsibility for cars owned by Hosts and for actions by Hosts and Guests on our platform and during bookings. Our platform terms and conditions, inform Hosts and Guests that booking, sharing and using cars through the platform is undertaken at their own risk; the lease agreement entered into between Hosts and Guests prior to each booking that occurs in India also disclaims our responsibility for Host and Guest property and for other damages incurred in relation to bookings. We also include in our platform terms and conditions a limit on our overall liability equal to the greater of the booking value of each trip and \$ 120. However, we cannot be certain of the extent to which such disclaimers and limitations would be upheld as legally enforceable in every jurisdiction or circumstance. We regularly receive communication from Hosts (and from time to time, Guests) asserting that we are responsible, and requesting reimbursement, for damages to vehicles, lost property and other losses. All of our Guests pay a "value added" trip protection fee as part of a booking,

however, the amount available to us from Guest trip protection fees is not sufficient to offset the amounts requested to cover the cost of all damages claims, nor do we attempt to offset all such requests to cover vehicle damage. As a result, we often remain at a risk of residual claims that we may have to absorb in absence of a third- party insurance. For further information regarding the trip protection fees and related matters, please review information contained in this 10- K under the heading “ Business- Other Matters. ” Further, we currently do not carry any insurance to protect against third- party damage claims tied to death, personal injury, Host vehicle damages, or Guest or Host theft or other losses, or third- party property damage. Although Hosts may insure their own vehicles to varying extents and are required to do so by law, we do not carry out independent verification of Host insurance coverage, nor does Host vehicle insurance coverage, to the extent it exists, insulate us, in full or in part, from all types of damages claims or claims for third- party indemnification associated with damages. We may therefore be subject to claims of significant liability based on any of the foregoing or based on other events or circumstances which occur during a booking or relate in some other manner to our platform or our business. We do not maintain balance sheet reserves to cover costs of defending, disputing, adjudicating, satisfying or settling any such claims if they are asserted against us and we may not be able to succeed in any such actions, should they materialize and be determined to result in liability to us. While we intend to expand our insurance coverage in the future, there can be no guarantee that we will be able to obtain additional insurance coverage in the future, and even if we are able to obtain additional coverage, we may not carry sufficient insurance coverage to satisfy potential claims. As our business continues to grow, incidences of such claims may also increase and, unless we obtain insurance coverage for such matters, we may choose or be required to absorb larger parts of such uninsured claims to avoid becoming subject to legal proceedings that could be resolved against us, which could lead to business losses and adversely affect our business, financial conditions and results of operations. Should uninsured losses occur, they could adversely affect our business, results of operations and financial condition. Further, our being subject to claims of liability, we may be subject to negative publicity and incur additional expenses, which could harm our business, financial condition, and operating results. We are in the process of remediating identified material weaknesses in our internal controls and if we fail to remediate these weaknesses, or if we experience additional material weaknesses in the future, or otherwise fail to maintain effective internal controls in accordance with Section 404 of the Sarbanes- Oxley Act, we may not be able to accurately or timely report our financial condition or results of operations, or comply with the accounting and reporting requirements applicable to public companies, which may adversely affect investor confidence in the Company and the market price of our stock. Zoomcar has identified certain material weaknesses in Zoomcar’ s internal controls over financial reporting. These material weaknesses primarily relate to the following matters that are relevant to the preparation of our consolidated financial statements: (a) our controls were not adequately designed to properly monitor and document related party transactions, (b) our controls over independent review and documentation of third- party specialists, advisors reports and accounting advisors were not operating effectively, (c) our controls over financial reporting, specifically related to the inadequacy of our financial reporting policies and procedures, controls over financial statement closure process were not operating effectively, (d) our controls were not adequately designed to provide sufficient documentation and review of the operating effectiveness of Information Technology General Controls ( ‘ ITGC’ ) for information systems that are relevant to the preparation of the Company’ s consolidated financials and (e) lack of relevant employees with comprehensive knowledge and understanding of US GAAP requirements. Zoomcar is in the process of implementing plans and procedures in order to remediate these weaknesses, which it expects to continue to develop and refine in the near term. In light of the aforementioned material weaknesses, our management has performed additional analyses, reconciliations, and other post- closing procedures and has concluded that, notwithstanding the material weaknesses in our internal control over financial reporting, the consolidated financial statements for the periods covered by and included in this Report fairly present, in all material respects, our financial position, results of operations and cashflows for the periods presented in conformity with GAAP. We are required to comply with the SEC’ s rules implementing Sections 302 and 404 of the Sarbanes- Oxley Act, which require management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of controls over financial reporting. Although we are required to disclose changes made in its internal controls and procedures on a quarterly basis, we will not be required to make our first annual assessment of its internal control over financial reporting pursuant to Section 404 until the year following our first annual report required to be filed with the SEC. To comply with the requirements of being a public company, we have undertaken various actions, and will need to take additional actions, such as implementing numerous internal controls and procedures and hiring additional accounting or internal audit staff or consultants. Testing and maintaining internal control can divert Zoomcar’ s management’ s attention from other matters that are important to the operation of Zoomcar’ s business. Additionally, when evaluating Zoomcar’ s internal control over financial reporting, we may identify material weaknesses that we may not be able to remediate in time to meet the applicable deadline imposed upon us for compliance with the requirements of Section 404. Investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our Common Stock could be negatively affected if any of the following occurs : (i) cease all operations except for the purpose of winding up we identify any material weaknesses in its internal control over financial reporting ; (ii) we are unable to comply with as promptly as reasonably possible but not more than ten business days thereafter, redeem the public shares, at requirements of Section 404 in a timely manner per- share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest earned on the funds held in the Trust Account and not previously released to the Company to pay its income taxes, if any, divided by the number of the then- outstanding public shares, which redemption will completely extinguish public shareholders’ rights as shareholders (including the right to receive further liquidation distributions, if any); and (iii) we assert

that our internal control over financial reporting is ineffective; or (iv) our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting once we are no longer an emerging growth company. We could also become subject to investigations by the SEC, the stock exchange on which its securities are listed or other regulatory authorities, which could require additional financial and management resources. In addition, if we fail to remedy any material weakness, our financial statements could be inaccurate and we could face restricted access to capital markets. If we do not adequately protect our intellectual property and our data, our business, results of operations, and financial condition could be materially adversely affected. We rely on a combination of trademark, copyright, domain names, trade names and trade secret laws, international treaties, our terms of service, other contractual provisions, user policies, restrictions on disclosures, and confidentiality agreements with our employees and consultants to protect our intellectual property rights from infringement and misappropriation. We currently have 20 registered trademarks, 3 pending trademark applications, 3 pending patent applications in India and 7 domain names. There is no assurance that our pending or future trademark, patent, and copyright applications will be approved. Furthermore, effective intellectual property protection may not be available in every country in which we operate or intend to operate our business and some of the platform features and other customization of software that is important to our operations is not protected by registered intellectual property rights. There can be no assurance that others will not offer technologies, functions, features, or concepts that are substantially similar to ours and compete with our business, or copy or otherwise obtain, disclose and / or use our brand, platform features, design elements, our search- and- ranking algorithms and machine- learning and artificial intelligence- enhanced tools and capabilities or other information that we consider proprietary without authorization. We may be unable to prevent third parties from seeking to register, acquire, or otherwise obtain trademarks, copyrights or domain names that are similar to, infringe upon or diminish the value of our trademarks, copyrights, and our other proprietary rights. Third parties may obtain or misappropriate certain of our data through website scraping, robots, or other means to launch copycat sites, aggregate our data for their internal use, or to feature or provide our data through their respective websites, and / or launch businesses monetizing this data. While we routinely employ technological and legal measures in an attempt to divert, halt, or mitigate such operations, we may not always be able to detect or halt the underlying activities as reasonably possible following technologies used to accomplish these operations continue to rapidly evolve. If the protection of our proprietary rights and data is inadequate to prevent unauthorized use or misappropriation by third parties, the value of our brand and other intangible assets may be diminished and our competitors may be able to more effectively mimic our technologies, offerings, or features or methods of operations. Even if we do detect violations or misappropriations and decide to enforce our rights, litigation that may be necessary to enforce our rights may not be pursued by us, as it may be time- consuming and expensive, and divert our management' s attention. Additionally, a court of a competent jurisdiction may determine that certain of our intellectual property rights are unenforceable. If we fail to protect our intellectual property and data in a cost- effective and meaningful manner, our competitive standing could be harmed; our Hosts, Guests, other consumers, and corporate and community partners could devalue the content of our platform; and our brand, reputation, business, results of operations, and financial condition could be materially adversely affected. We have been, and may in the future be, subject to claims that we or others violated certain third- party intellectual property rights, which, even where meritless, can be costly to defend and could materially adversely affect our business, results of operations, and financial condition. The internet and technology industries are characterized by significant creation and protection of intellectual property rights and by frequent litigation based on allegations of infringement, misappropriation, or other violations of such redemption- intellectual property rights. There may be intellectual property rights, including registered or pending patents, trademarks, and copyrights, and applications of the foregoing, held by others that they allege cover significant aspects of our platform, technologies, content, branding, or business methods. Moreover, companies in the Internet and technology industries are frequent targets of practicing and non- practicing entities seeking to profit from royalties in connection with grants of licenses. We have received communications alleging unauthorized use of third- party trademarks in the past, and may receive in the future, communications from third parties, including practicing and non- practicing entities, claiming that we have infringed, misused, or otherwise misappropriated their intellectual property rights. Additionally, we have been, and may in the future be, involved in claims, suits, regulatory proceedings, and other proceedings involving alleged infringement, misuse, or misappropriation of third- party intellectual property rights, or relating to our intellectual property holdings and rights. Intellectual property claims against us, regardless of merit, could be time consuming and expensive to litigate or settle and could divert our management' s attention and other resources. Claims involving intellectual property could subject us to the approval of significant liability for damages and could result in our having to stop using certain technologies, content, branding, our- or remaining shareholders and business methods found to be in violation of another party' s rights. We might be required or may opt to seek a license for rights to intellectual property held by others, which may not be available on commercially reasonable terms, or at all. Even if a license is available board of directors- liquidate and dissolve- we could be required to pay significant royalties, which would increase our operating expenses. We may also be required to develop alternative non- infringing technology, content, branding, or business methods, which could require significant efforts and expenses and make us less competitive. Any of these results could materially adversely affect our business, results of operations, and financial condition. We may introduce new platform offerings or changes to existing platform offerings or make other business changes, including in areas where we currently do not compete, which could increase our exposure to patent, copyright, trademark, and other intellectual property rights claims from competitors, other practicing entities, and non- practicing entities. Any failure in maintaining, protecting or enforcing our intellectual property rights could have a material adverse effect on our business, financial condition and results of operations. Risks

related to International, Regulatory and Legal Matters Our business is subject in each case to certain its obligations under Cayman Islands law laws and regulations in the jurisdictions in which it operates, many of which are currently evolving, and the risk of unfavourable interpretations or failure to provide comply with such laws and regulations could harm Zoomcar' s business, financial condition and results of operations. Our platform currently operates across 99 cities in India. We are subject to differing, and sometimes conflicting, laws and regulations in the various states in which we operate our business, which are evolving and may change from time to time, which may give rise to inconsistent or ambiguous interpretations among local, regional, or national laws or regulations applicable to our business. Compliance with laws and regulations of different states imposing varying standards and requirements is burdensome for claims businesses like ours, imposes added cost, increases potential liability to our business, and makes it difficult to realize business efficiencies and economies of scale. Relative to India, which is the location of our headquarters and the market where we currently have the largest number of bookings, we operate as and an the asset- light peer- to- peer carsharing business based on an interpretation of current legal and regulatory requirements. The operation of our business is informed by a regulatory framework which includes but is not limited to, the India Motor Vehicle Act, 1988 (" MVA "), which informs how we operate and the ways in which we promote our business. However, there can be no assurance that our interpretation of relevant Indian laws and regulations, including the MVA, is complete or correct, or that transportation authorities in India will interpret the MVA or other applicable regulations the same way that we do. In the event that the MVA or other applicable law laws and regulations are interpreted in a manner unfavourable to us, we could become the subject of investigations and could potentially face fines, duties, judgments or other negative consequences, which could materially adversely affect our business and results of operations. There Additionally, as our business continues to grow and evolve, laws and regulations will be no redemption amended to address the evolution of our business, resulting in new and unpredictable legal and regulatory obligations in emerging markets. It may be difficult for us to comply with the new laws and regulations that will be developed to address changes in our industry and business, and we cannot guarantee that we will be able to comply with such new laws and regulations. If our current or future business models are determined to be noncompliant with the national, regional, and local laws and regulations, we may be required to make costly adjustments to our business model, which could result in negative consequences, many of which may be outside of our control and impossible to predict. In addition to laws and regulations directly applicable to the peer- to- peer car sharing businesses, we are subject to laws and regulations governing other aspects of our business practices, including laws and regulations relating to use of the Internet, e- commerce, and electronic devices, as well as those relating to taxation, online payments, automobile- related liability, consumer privacy and data protection, pricing, content, advertising, discrimination, consumer protection, protection of intellectual property rights, or liquidating distributions- distribution, messaging, mobile communications, environmental matters, labour and employment matters, claims management, electronic contracts, communications, Internet access, securities and public disclosure, corruption and anti- bribery, and unfair commercial practices. In addition, climate change and greater emphasis on sustainability could lead to regulatory efforts to address the carbon impact of transportation and mobility, which could have a negative impact on our business. In addition, the jurisdictions in which we have business operations may in the future enact new laws and regulations relating to emissions and other environmental matters associated with respect peer- to- peer car sharing operations, the peer- to- peer car sharing industry generally, and the operation of our business. The interpretation and enforcement of such laws may involve significant uncertainties. New laws and regulations that affect our existing and proposed future businesses may also be applied retroactively in ways that we cannot predict with certainty. We cannot predict the effect that the interpretation of existing our- or warrants new laws or regulations may have on our business. Any of the foregoing or similar occurrences or developments could significantly disrupt our business operations and restrict us from conducting a substantial portion of our business operations in these jurisdictions, which could adversely affect our business, financial condition or operating results. Any failure or perceived failure to comply with existing or new laws and regulations, including the ones described in these risk factors, or with orders of any governmental authority, including changes to or expansion of their interpretations, may subject us to significant fines, penalties, criminal and civil lawsuits, forfeiture of significant assets or enforcement actions in one or more jurisdictions. This failure or perceived failure could also result in the imposition of additional compliance and licensure requirements on us, as will well expire and as increased regulatory scrutiny of our business. In addition, we may be forced worthless if we fail to consummate an initial restrict or change our operations or business practices combination by July 29, 2023, make updates or upgrades of or our platform, or delay planned launches or improvements of new features, functions and technologies. Any of the foregoing could materially adversely affect our brand, reputation, business, financial condition, and results of operations. Geographic areas in which Zoomcar operates and plans to operate in the future have been and may continue to be subject to political and economic instability. We currently conduct all of our business operations in India (as of the date of this Form 10- K, we have closed our operations in Indonesia and Egypt). Our growth strategy is premised on the rapid expansion of our platform into emerging markets. Several of the countries in which we plan to operate our business in the future may be, subject to instances of political instability, civil unrest, hostilities, terrorist activities and economic volatility. Any such events later date as may lead to be approved by our shareholders. The Existing Organizational Documents provide that, if it winds up among other things, declines in Host and Guest demand for our platform, whether arising from safety concerns, a drop in consumer confidence, a general deterioration of economic conditions, currency volatility, adverse changes to the political and regulatory environment, or otherwise. Any such developments and any other reason prior forms of political or economic instability in our markets may harm our business, financial condition and operating results. We are subject to risks associated with operating in rapidly evolving emerging markets. To continue growing our business, we plan, in the

future, to strengthen our operations and presence in existing emerging markets and to expand into other emerging markets, which may include, without limitation, markets in Southeast Asia, Middle East / North Africa, and Latin America. We have limited experience operating in jurisdictions outside India and plan to continue our efforts to expand into other jurisdictions. Business operations in multiple jurisdictions and markets is difficult, time consuming and expensive, and any international expansion efforts that we may undertake may not be successful. In addition, conducting international operations subjects us to risks associated with operating in emerging markets, including but not limited to the following: • operational and compliance challenges caused by distance, language, and cultural differences, including but not limited to the additional cost and resources required to localize our services, the translation of our mobile app, website and platform into foreign languages, and the adaptation of our operations to local cultures and practices, and any changes in such cultures and practices; • unexpected and more restrictive laws and regulations, as amended from time to time, including those laws and regulations governing internet activities, peer- to- peer car sharing platforms, leasing or renting cars, insurance requirements, licensing and usage of vehicles, employment, tax, licensing and permitting, identity verification and screening, email and text messaging, collection and use of personal information, privacy and data protection, payment processing, currency regulation, auto insurance scores, or other third- party data sources for trust and safety screening purposes, and other activities important to our online business practices; • differing levels of technological compatibility with our platform and social acceptance of our brand and platform, and competition with companies that understand the local market better than we do or that have preexisting relationships with potential Hosts and Guests in those markets; • legal uncertainty regarding our liability for the actions of Hosts and Guests, including uncertainty resulting from unique local laws or a lack of clear precedent of applicable law; • dependency on third- party suppliers for the provision of essential business products / services including but not limited to IoT devices and software integrations in different jurisdictions. • difficulties in managing and staffing international operations, including uncertainties and difficulties related to our foreign employees' membership in labour unions and work councils, as well as complexities associated with foreign employees' entry into collective bargaining agreements that require less oversight and training by Zoomcar; • fluctuations in currency exchange rates; • higher levels of credit risk and payment fraud; • potentially adverse tax consequences, including the complexities of foreign value added tax systems and restrictions on the repatriation of earnings; • increased financial accounting and reporting burdens, in addition to complexities and difficulties relating to the implementation and maintenance of adequate internal controls; • difficulties in implementing and maintaining the financial systems and processes needed to enable compliance across multiple offerings and jurisdictions; • public health concerns or emergencies, such as pandemic and other highly communicable diseases or viruses, outbreaks of which have from time to time occurred in various parts of the world in which we operate; • managing operations in markets in which cash transactions are favoured over credit or debit cards; • political, social, and economic instability abroad; • terrorist attacks, including data breaches and security concerns; • breakdowns in infrastructure, utilities, and other services; • exposure to a business culture in which improper business practices may be prevalent; • compliance with various anti- bribery laws; and • reduced or varied protection of intellectual property rights in some countries. While we believe that the present regulatory environment in our target markets is generally favourable, this could and may change over time. If the regulatory environment in our target markets becomes more unfavourable for car sharing businesses, this could have a negative impact on our operations in these markets and could adversely impact our ability to achieve sustainable profitability in these markets. Political changes in the Government of India could delay or affect the further liberalization of the Indian economy and materially and adversely affect economic conditions in India, generally, and our business, in particular. Our business could be significantly influenced by economic policies adopted by the government of India. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. The government has at various times announced its general intention to continue India' s current economic and financial liberalization and deregulation policies. However, protests against such policies, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. While we expect any new government to continue the liberalization of India' s economic and financial sectors and deregulation policies, there can be no assurance that such policies will be continued. The government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business may be affected by interest rates, changes in policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. A change in the government' s economic liberalization and deregulation policies could disrupt business and economic conditions in India generally, and specifically our business and operations, as substantially all of our business and operations are located in India. This could have a material adverse effect on our business, prospects, financial condition and results of operations. We may incur liability for the activities of Hosts or Guests, which could harm our reputation, increase our operating costs, and adversely affect our business, financial condition and operating results. We may be found to be subject to liability for the activities of Hosts and Guests on our platform. For example, we have in the past received, and expect to continue to receive, complaints from Hosts regarding damage to, or loss, theft, or impounding of, their vehicles and requests for damage reimbursement, and from Guests regarding quality or serviceability of the vehicles, other safety and security issues, and actual or perceived discrimination in connection with Hosts declining trips and requests for reimbursement of their trip fees, as well as actual or threatened legal action against us if no reimbursement or perceived incomplete reimbursement is made. In addition, some of our Hosts may list or have listed vehicles on our platform in violation of their lease or financing agreements or personal automobile insurance policies, or in violation of applicable legal restrictions on subleasing. Except for the examination of vehicle

registration certificates at the time of the Host onboarding and listing process, we do not screen vehicles for compliance with safety standards or make efforts to determine whether the they consummation are legally registered to be driven on public roads, and it is possible that some vehicle registration certificates may be forged, or some of the our Hosts may list or have listed vehicles on our platform that fail to meet basic safety or legal requirements for a vehicle. Our trust and safety checks and qualification procedures may not be capable of identifying all quality and safety issues, including safety recalls, and our systems are not designed to identify legal, quality, and safety issues that may occur after initial sign-up. Consequently, we could be and have been subject to liabilities incurred from local or state regulators and courts regarding the activities of Hosts and Guests on our platform or related legal, safety, and security issues. If we are found to be subject to liability or claims of liability relating to the acts of Hosts or Guests, or for failure to pay fees, fines, or taxes owed by them, we may be subject to negative publicity or other reputational harm, even if we are not found to be subject to such liability, and this may cause us to incur additional expenses, which could harm our business combination, results of operations, and financial condition. Host, Guest, or third-party actions that are criminal, violent, inappropriate, dangerous, or fraudulent may undermine the trust and safety or perception of trust and safety of our marketplace and our ability to attract and retain Hosts and Guests, which could materially and adversely affect our reputation, business, results of operations, and financial condition. We have no control over or ability to predict the actions of our Hosts, Guests, and other third parties, such as additional passengers in, or drivers of, vehicles booked on our platform, and we cannot guarantee the safety of our Hosts, Guests, and such third parties. From time to time, we may be subject to legal proceedings, including personal injury suits, claims, arbitrations, administrative proceedings, and government investigations or enforcement actions in the ordinary course of business. The actions of Hosts, Guests, and other third parties may result in fatalities, injuries, other bodily harm, assault, fraud, invasion of privacy, property damage, trespass, theft, including cases in which we are unable to recover the vehicle, discrimination, harassment, and libel, among other negative impacts, which could create potential legal or other substantial liabilities for us, Hosts, or Guests. For example, Hosts may incur and have incurred liability due to the unlawful actions of their Guests or other third parties Guests allow in the vehicle, such as traffic violations or other legal violations, and Guests may incur and have incurred liability due to the unlawful actions of their Hosts, such as vehicle or registration violations. In addition, there have been rare instances where Guests were pulled over or detained by police because the vehicles they were driving had been reported as stolen by the vehicle owner. Depending on the circumstances, Hosts or Guests may also attempt to assert liability on the part of Zoomcar for unlawful actions stemming from the use of vehicles available on our platform. Such liabilities could materially and adversely affect our reputation, business, results of operations, and financial condition. In addition, we do not, and may not in the future, undertake to independently verify the safety, suitability, quality, and compliance with our policies or standards of our Hosts' vehicles. We have created policies and standards to respond to certain issues reported with listings, but certain bookings may pose heightened safety risks to individual users because the underlying issues had never been reported to us. We rely, at least in part, on Hosts and Guests to investigate and enforce many of our policies and standards and report any issues with listings to us, and we cannot guarantee that they will do this promptly or accurately. Moreover, we cannot conclusively verify the identity of all Guests, nor do we verify or screen third parties who may be present during a trip using a vehicle booked through our platform. While we do some limited screening of Hosts, our trust and safety processes focus primarily on Guests to reduce the risk of vehicle theft and motor vehicle accidents. Our identity verification processes rely on, among other things, information provided by users at onboarding and booking, and our ability to validate that information and we do not require users to re-verify their identity following their successful completion of the initial verification process or require Guests to provide documentation or notification of any updates regarding their driving record or license status. We may not identify instances of identity fraud where a Guest books a vehicle under another person's identity for criminal or other unlawful purposes. Furthermore, we do not conduct criminal background checks or any other screening processes on Guests and their invitees in a vehicle booked through our platform. Given this ambiguity or potential change, it is possible that we are not now, or may not be in the future, compliant with those laws. Further, the use of criminal background checks or credit checks in our marketplace may open us up to allegations of discrimination. Therefore, we may be subject to negative publicity and incur additional expenses, which could harm our business, results of operations, and financial condition. Our exposure to exchange rate fluctuations and the translation of local currency results into U. S. dollars could negatively impact our results of operations. All of our business is transacted and / or denominated in foreign currencies, and fluctuations in currency exchange rates could have a significant impact on our results of operations, financial condition and cash flows. Increased currency volatility, particularly in the Indian Rupee, could also positively or negatively impact our foreign- currency- denominated costs, assets and liabilities. In addition, any devaluation of the Rupee relative to other foreign currencies could increase our operating expenses, adversely affecting our results of operations. Any of these factors could adversely affect our financial condition and results of operations in the future. The effective tax rates governing car rental and car subscription in India could change. The tax environment continues to evolve in India on a routine basis and remains relatively fluid compared to other more mature markets. The indirect tax rates associated with the Goods and Services Tax (GST) have changed on multiple occasions since the GST's introduction in 2017. Any further increase in these indirect tax rates could result in a reduction in the Company's operating cash flow, which could impair our future profitability. The Indian government could reduce highway infrastructure investments, thereby making car travel significantly less appealing. The Indian government is currently investing significantly in expanding the country's underdeveloped network of interstate highways and expressways. Compared to more mature markets, the Indian civil infrastructure is under- invested across its 28 states and 8 Union territories. The development of new highways and expressways makes personal car transportation

considerably more desirable, as new highway infrastructure could potentially reduce travel time and overall traffic congestion. These new highways and expressways also have the potential to mitigate low-speed vehicle intrusions on highways, which could potentially improve overall road safety. In the event that the Indian government slows down this investment due to macroeconomic considerations, our business could observe a negative impact on overall customer demand, which could reduce our future profitability. We may have exposure to materially greater than anticipated tax liabilities. The tax laws applicable to our business activities are subject to uncertainty and can be varied in the relevant jurisdictions. Like many other multinational companies, we are subject to tax in diverse jurisdictions and have structured our business to reduce our effective tax rate. The taxing authorities of the jurisdictions in which we operate have in the past, and may in the future, examine or challenge our methodologies for valuing developed technology, which could increase our worldwide effective tax rate and harm our financial position and operating results. Furthermore, our future income taxes could be adversely affected by earnings being lower than anticipated in jurisdictions that have lower statutory tax rates and higher than anticipated in jurisdictions that have higher statutory tax rates, changes in the valuation of our deferred tax assets and liabilities, or changes in tax laws, regulations, or accounting principles. We are subject to regular review and audit by the tax authorities in the jurisdictions where we operate, and currently face numerous income and other tax claims pending appeals before higher authorities in India. Any adverse outcome of such appeals could have an adverse effect on our financial position and operating results. In addition, the determination of our worldwide provision for income taxes and other tax liabilities requires significant judgment by our management, and we have engaged in many transactions for which the ultimate tax determination remains uncertain. The ultimate tax outcome may differ from the amounts recorded in our financial statements and may materially affect our financial results in the period or periods for which such determination is made. Our tax positions or tax returns are subject to change, and therefore we cannot accurately predict whether we may incur material additional tax liabilities in the future, which could impact our financial position. Our business is subject to extensive government regulation and oversight relating to the provision of payment and financial services. The jurisdictions in which we operate and jurisdictions we may enter may have laws that govern payment and financial services activities. These laws govern, among other things, money transmission, prepaid access instruments, electronic funds transfers, anti-money laundering, counter-terrorist financing, banking, systemic integrity risk assessments, and cyber-security of payment processes. Our business operations, including our payments to Hosts and Guests, may not always comply with these financial laws and regulations. Regulators may determine that certain aspects of our business are subject to these laws and could require us to obtain licenses to continue to operate in India. We have evaluated and will follow continue to critically evaluate our options for seeking applicable licenses and approvals in the jurisdictions where we operate to optimize our payment solutions and support the future growth of our business. Laws related to money transmission and online payments are evolving, and changes in such laws could affect our ability to provide payment processing on our platform in the same form and on the same terms as we have historically, or at all. Historical or future non-compliance with these foregoing laws or regulations could result in significant criminal and civil lawsuits, penalties, forfeiture of significant assets, or other enforcement actions. Costs associated with fines and enforcement actions, as well as reputational harm, changes in compliance requirements, or limits on our ability to expand our product offerings, could harm our business. Further, our payment system may be susceptible to illegal and improper uses, including money laundering, terrorist financing, fraudulent transactions, and payments to sanctioned parties. We have invested and will continue to invest substantial resources to comply with applicable anti-money laundering and sanctions laws, and conduct appropriate risk assessments and implement appropriate controls. Government authorities may seek to bring legal action against us if our payment system is used for improper or illegal purposes or if our enterprise risk management or controls are not adequately assessed, updated, or implemented appropriately, and any such action could result in financial or reputational harm to our business. Our reported financial results may be adversely affected by changes in accounting principles. The accounting for our business is complicated, particularly in the area of revenue recognition, and is subject to change based on the evolution of our business model, interpretations of relevant accounting principles, enforcement of existing or new regulations, and changes in SEC or other agency policies, rules, regulations, and interpretations, of accounting regulations. Changes to our business model and accounting methods could result in changes to our financial statements, including changes in revenue and expenses in any period, or in certain categories of revenue and expenses moving to different periods, may result in materially different financial results, and may require that we change how we process, analyse, and report financial information and our financial reporting controls. We are subject to privacy laws and regulations, and compliance with these laws and regulations could impose significant compliance burdens. The regulatory framework for privacy issues worldwide is currently in flux and is likely to remain so for the foreseeable future. Practices regarding the collection, use, storage, transmission and security of personal information by companies operating over the internet have recently come under increased public scrutiny. The European Union's privacy and data security regulation, the General Data Protection Regulation ("GDPR"), that went into effect in May 2018, requires companies to implement and remain compliant with regulations regarding the handling of personal data, including its use, protection and the ability of persons whose data is stored to correct or delete such data about themselves. Other countries in Asia, Europe and Latin America have passed or are considering similar privacy regulations, resulting in additional compliance burdens and uncertainty as to how some of these laws will be interpreted. We receive, collect and store a large volume of personally identifiable data by processing car sharing transactions on our platform. This data is increasingly subject to legislation and regulations in numerous jurisdictions around the world. For example, the Indian Information Technology Act, 2000, as amended, would subject us to civil liability to compensate for wrongful loss or gain arising from any negligence by us in implementing and maintaining reasonable security practices and procedures with

respect to sensitive personal data or information that we possess in our computer systems, networks, databases and software. India has also implemented privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, which impose limitations and restrictions on the collection, use and disclosure of personal information. The Digital Personal Data Protection Bill was proposed on November 18, 2022, which may have impact on the current regulatory environment with respect to the lawful use of personal data, cross border data transfers and additional compliances that may be invoked for organizations collecting and / or processing personal data. This bill is currently open for public consultation and if this or similar legislation is enacted, it may affect us in ways that we are currently unable to predict. Any liability we may incur for violation of such laws and regulations and related costs of compliance and the other liquidation of burdens may adversely affect our business and profitability. We could be adversely affected if legislation or regulations are expanded to require changes in our business practices or if governing jurisdictions interpret or implement the their Trust Account legislation or regulations in ways that negatively affect our business, results of operations or financial condition. Failure to comply with labour laws and regulations may cause us to incur additional costs, which may affect our business, financial conditions and results of operations. Our business operations are governed by various labour laws, regulations and government policies in multiple jurisdictions. The requirements for labour law compliance, may change from time to time in each jurisdiction. We may be unable to comply with all these requirements in time, or at all, or we may need to incur substantial costs to be compliant, which may adversely affect our business operations and financial condition. For example, in Egypt, an employer is required to deduct the relevant taxes from the salary of its employees and remit the same to the tax authorities. Our Egypt subsidiary is currently in the process of remitting these taxes as promptly deducted to the local tax authorities. Any delay of remittance may make us susceptible to penalty, notice and administrative action from tax authorities. Our Egypt subsidiary is also required to make social insurance registration with the local authorities and is currently in the process of registration. Any delay or failure to register may subject us to penalty, notice and administrative action from relevant local authorities. In India, provisions were released between 2019 and 2021 relating to the contribution of provident fund, employee state insurance, and professional taxes by employers for the certain employees. Any delay or failure to make such contribution may result in penalties, interests, notices or other administrative actions by the relevant local authorities in India. As of March 31, 2024, Zoomcar India as has reasonably possible but not more incurred a penalty of less than \$ 40 ten-business days thereafter, 000 ( subject to applicable Cayman Islands law. In such case, based on the amount foreign exchange rates as of funds March 31, 2024) for failure to make timely contribution, which Zoomcar India plans to remit, with associated interest due, as instructed by the relevant local authority. This outstanding penalty and interest will continue to accrue unless paid in full, which could adversely affect our business, financial conditions and results of operations. Uncertain global macro- economic and political conditions could materially and adversely affect our results of operations and financial condition. Our results of operations could be materially affected by economic and political conditions in the United States and internationally, including inflation, deflation, interest rates, availability of capital, war, terrorism, aging infrastructure, pandemics, energy and commodity prices, trade laws, election cycles and the effects of governmental initiatives to manage economic conditions. Current or potential business and consumer members may delay or decrease spending on deposit in the Trust Account our products and services sold through our platform as their business and / or budgets are impacted by economic conditions. The inability of current and potential business and consumer members to pay us for products and services sold through our platform may adversely affect our earnings and cash flows. Natural disasters, including and not limited to unusual weather conditions, epidemic outbreaks, terrorist acts and political events could disrupt our business schedule. The occurrence of one or more natural disasters, including and not limited to tornadoes, hurricanes, fires, floods and earthquakes, unusual weather conditions, pandemics and endemic outbreaks, terrorist attacks or disruptive political events in certain regions where our facilities are located, or where our third- party contractors' and suppliers' facilities are located, could adversely affect our business. Natural disasters including tornados, hurricanes, floods and earthquakes may damage our facilities or those of our suppliers, which could have a material adverse effect on our business, financial condition and results of operations. Terrorist attacks, actual or threatened acts of war or the escalation of current hostilities, or any other military or trade disruptions impacting our domestic or foreign suppliers of components of our products, may impact our operations by, among other things, causing supply chain disruptions and increases in commodity prices, which could adversely affect our raw materials or transportation costs. These events also could cause or act to prolong an economic recession in the United States or abroad. In addition, the disaster recovery and business continuity plans we have in place currently are limited and are unlikely to prove adequate in the event of a serious disaster or similar event. We may incur substantial expenses as a result of the limited nature of our disaster recovery and business continuity plans and, more generally, any of these events could cause consumer member confidence and spending to decrease, which could adversely impact our operations. We may be unable to successfully grow our business if we fail to compete effectively with others to attract and retain our executive officers and other key management and technical personnel. We believe our future success depends upon our ability to attract and retain highly competent personnel. Our employees are at- will and not subject to employment contracts. We could potentially lose the services of any of our senior management personnel at any time due to a variety of factors that could include, without limitation, death, incapacity, military service, personal issues, retirement, resignation or competing employers. Our ability to execute current plans could be adversely affected by such a loss. We may fail to attract and retain qualified technical, sales, marketing and managerial personnel required to continue to operate our business successfully. Personnel with the expertise necessary for our business are scarce and competition for personnel with proper skills is intense. In addition, new hires frequently require extensive training before the they record date achieve desired levels of

productivity. Additionally, attrition in personnel can result from, among other things, changes related to acquisitions, retirement and disability. We may not be able to retain existing key technical, sales, marketing and managerial employees or be successful in attracting, developing or retaining other highly-qualified technical, sales, marketing and managerial personnel, particularly at such times in the future as we may need to fill a key position. If we are unable to continue to develop and retain existing executive officers or other key employees or are unsuccessful in attracting new highly-qualified employees, our financial condition, cash flows, and results of operations could be materially and adversely affected.

**Risks Related to Our Operations as a New Public Company** The requirements of being a public company may strain our resources, divert our management's attention and affect our ability to attract and retain qualified independent board members. As a public company, share-~~holders~~ upon the redemption of their shares and their warrants would expire worthless. If we are deemed subject to the reporting and investment company under corporate governance requirements of the Exchange Investment Company Act of 1940, as amended, the listing requirements of Nasdaq and other applicable securities rules and regulations, including the Sarbanes-Oxley Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Investment Company Dodd-Frank Act"). Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources, particularly after we would no longer be an "emerging growth company" as defined in the JOBS Act. Among other things, the Exchange Act requires that we file annual, quarterly and current reports with respect to our business and results of operations and maintain effective disclosure controls and procedures and internal control over financial reporting. In order to improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required to institute burdensome compliance requirements and our activities would be severely restricted. As a result, management's attention may be diverted from other in such circumstances, we would expect to abandon our efforts to complete an initial business combination and liquidate the Trust Account. If we are deemed to be an investment company under the Investment Company Act, which our activities would be severely restricted, harm our business, including: • restrictions on financial condition, results of operations and prospects. Although we have already hired additional personnel to help comply with the these nature of requirements, we may need to further expand our legal investments; and • restrictions on finance departments in the issuance of securities future, which will increase our costs and expenses. In addition, we changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time-consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This would could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expense and a diversion of management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies, regulatory authorities may initiate legal proceedings against us and our business and prospects may be harmed subject to burdensome compliance requirements, including: • registration as an investment company with the SEC; • adoption of a specific form of corporate structure; and • reporting, record keeping, voting, proxy and disclosure requirements and other rules and regulations that we are currently not subject to. As a result of disclosure of information in the filings required of a public company and in this annual report, our business and financial condition will become more visible, which may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business, financial condition, results of operations and prospects could be materially harmed, and even if we were deemed to be an investment company under the Investment Company Act, we would expect to abandon our efforts to complete an initial business combination and liquidate the Trust Account. In order not to be regulated as an investment company under the Investment Company Act, unless we can qualify for an exclusion, we must ensure that we are engaged primarily in a business other-- the claims than investing, reinvesting or trading in securities and that our activities do not result in litigation or are resolved in include investing, reinvesting, owning, holding or our favour, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and materially harm our business, financial condition, results of operations and prospects. We may have increasing difficulty attracting and retaining qualified outside independent board members. The directors and management of publicly traded corporations are increasingly concerned with the extent of their personal exposure to lawsuits and shareholder claims, as well as governmental and creditor claims that may be made against them in connection with their positions with publicly held companies. Outside directors are becoming increasingly concerned with the availability of directors' and officers' liability insurance to pay on a timely basis the costs incurred in defending shareholder claims. Directors' and officers' liability insurance is expensive and difficult to obtain. The SEC and Nasdaq have also imposed higher independence standards and certain special requirements on directors of public companies. Accordingly, it may become increasingly difficult to attract and retain qualified outside directors to serve on our Board. Stock trading volatility could impact our ability to recruit and retain employees. Volatility or lack of appreciation in our stock price may also affect our ability to attract and retain our key employees. Employees may be more likely to leave us if the shares they own or the shares underlying their vested equity have not significantly appreciated in value relative to the original purchase price of the shares or the exercise price of the options, or conversely, if the exercise price of the options that they hold are significantly above the market price of our common stock. If we are unable to retain our employees, or if we need to increase our compensation

expenses to retain our employees, our business, operating results, and financial condition could be adversely affected. Members of our management team have limited or no prior experience managing a public company. Most of the members of our senior management team have no experience managing a publicly traded company, interacting with public company investors, and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage our transition to being a public company, which will subject us to significant regulatory oversight and reporting obligations under the federal securities laws and the continuous scrutiny of securities analysts, investors and regulators. These new obligations and constituents will require significant attention from our senior management and could divert their attention away from the day-to-day management of our business, which could harm our business, results of operations, and financial condition. We are an Emerging Growth Company, making comparisons to non-Emerging Growth companies difficult or impossible. We are an Emerging Growth Company (“EGC investment securities” constituting more than 40% of our total assets (exclusive of U.S. government securities and cash items) as defined on an unconsolidated basis. Our business will be to identify and complete an initial business combination and thereafter to operate the post-transaction business or assets for the long term. We do not plan to buy businesses or assets with a view to resale or profit from their resale. We do not plan to buy unrelated businesses or assets or to be a passive investor. To that end, the proceeds held in the Trust Account may only be invested in United States “government securities” within the meaning of Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”), and we have taken and expect to continue to take advantage of certain exemptions from various reporting requirements that are applicable to the other investment public companies that are not EGCs including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports, registrations statements and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. Further, Section 102(b)(1) of the JOBS Act exempts EGCs from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. This exemption may make comparison of our financial statements with other public companies that are neither EGCs nor EGCs that have opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used. We may be exposed to risk if we cannot enhance, maintain, and adhere to our internal controls and procedures. As a public company trading on Nasdaq, we have significant requirements for enhanced financial reporting and internal controls. The process of designing and implementing effective internal controls is a continuous effort that will require us to anticipate and react to changes in our business accounting, auditing and regulatory requirements and to expend significant resources to maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company, and we are still early in the process of generating a mature system of internal controls and integration across business systems. If we are unable to establish or maintain appropriate internal financial reporting controls and procedures, it could cause us to fail to meet our reporting obligations on a timely basis, result in material misstatements in our financial statements, and harm our operating results. Matters impacting our internal controls may cause us to be unable to report our financial information in an accurate manner or on a timely basis and thereby subject us to adverse regulatory consequences, including sanctions by the SEC or violations of Nasdaq rules. There also could be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements. Confidence in the reliability of our financial statements also could suffer if we or our independent registered public accounting firm continue to report a material weakness in our internal controls over financial reporting. This could materially adversely affect us and lead to a decline in the market price of our common stock. As a public company, we have incurred and expect to continue to incur increased expenses associated with the costs of being a public company. We have and expect to continue to face a significant increase in insurance, legal, auditing, accounting, administrative and other costs and expenses as a public company that we did not currently incur as a private company. The Sarbanes-Oxley Act, including the requirements of Section 404 of that Act, as well as rules and regulations subsequently implemented by the SEC, the Dodd-Frank Act and the rules and regulations promulgated and to be promulgated thereunder, the Public Company Accounting Oversight Board (“PCAOB”), the SEC and Nasdaq, impose additional reporting and other obligations on public companies. Compliance with public company requirements have and will continue to increase our costs and make certain activities more time-consuming. A number of those requirements require us to carry out activities that we have not done previously. For example, we recently created new board committees and adopted new internal controls and disclosure controls and procedures. In addition, additional expenses associated with SEC reporting requirements have and will continue to be incurred. Furthermore, if any issues in complying with those requirements are identified (for example, if our independent registered accounting firm identifies a maturity material weakness or significant deficiency in the internal control over financial reporting), we could incur additional costs to remediate those issues, and the existence of 185 days those issues could adversely affect our reputation or investor perceptions of it. Being a public company has and may in the future make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance. We may ultimately be forced to accept reduced policy limits and coverage with increased self-retention risk or incur substantially higher costs to obtain the same or similar coverage in the future. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions and other regulatory action and potentially civil litigation. The additional reporting and other obligations imposed by various rules and regulations

applicable to public companies has and is expected to continue to increase legal and financial compliance costs and the costs of related legal, auditing, accounting and administrative activities. These increased costs will require us to divert a significant amount of money that could otherwise be used to expand the business and achieve strategic objectives. Advocacy efforts by shareholders and third- parties may also prompt additional changes in governance and reporting requirements, which could further increase costs. Our current indebtedness, and to the extent we incur indebtedness in the future, our future indebtedness could adversely affect our financial condition, our ability to raise additional capital to fund our operations, our ability to operate our business, our ability to react to changes in the economy or our industry and our ability to pay our debts and could divert our cash flow from operations for debt payments. We are in default of a majority of our indebtedness of \$ 42. 86 million as of March 31, 2024 (as more fully described under Item 8 Financial Statements) which has had and will continue to have an adverse effect on our financial condition, our ability to raise additional capital to fund our operations, and our ability to operate our business. Further, in the future, we may continue to incur a material amount of indebtedness. Our level of indebtedness increases the possibility that we may be unable to generate cash sufficient to pay the principal of, interest on, or other amounts due with respect to our indebtedness. Our leverage and debt service obligations could adversely impact our business, including by: • impairing our ability to generate cash sufficient to pay interest or principal, including periodic principal payments; • increasing our vulnerability to general adverse economic and industry conditions; • requiring the dedication of a portion of our cash flow from operations to service our debt, thereby reducing the amount of our cash flow available for other purposes, including capital expenditures, dividends to stockholders or to pursue future business opportunities; • requiring us to sell debt or equity securities or to sell some of our core assets, possibly on unfavourable terms, to meet payment obligations; • limiting our flexibility in planning for, or reacting to, changes in our business and the industries in which we compete; and • placing us at a possible competitive disadvantage with less leveraged competitors and competitors that may have better access to capital resources. Any of the foregoing factors could have negative consequences on our financial in money market funds meeting certain conditions- condition under Rule 2a-7 promulgated under the Investment and results of operations. Zoomcar has no operating history as a publicly traded Company company Act which invest only in direct U. S. government treasury obligations. Pursuant to the Trust Agreement, the Trustee and its historical financial information is not permitted necessarily representative of the results we would have achieved as a publicly traded company and may not be a reliable indicator of its future results. The historical financial information included in this annual report from Zoomcar' s operation as a private company prior to the Business Combination does not necessarily reflect the results of operations and financial position we would have achieved as a publicly traded company during the periods presented, or those that we will achieve in the future. This is primarily because of the following factors: • Prior to the Business Combination, we operated as a private company. Our historical financial information reflects allocations of corporate expenses as a private company. These allocations may not reflect the costs we will incur for similar services in the future as a publicly traded company. • Our historical financial information does not reflect changes that we expect to experience in the future as a result of becoming a publicly traded company, including changes in the financing, insurance, cash management, operations, cost structure and personnel needs of our business. As a publicly traded entity, we may be unable to purchase goods, services and technologies, such as insurance and health care benefits and computer software licenses, or access capital markets, on terms as favourable to us as those we obtained as a private company prior to the Business Combination, and our results of operations may be adversely affected. We also face additional costs and demands on management' s time associated with being a publicly traded company, including costs and demands related to corporate governance, invest investor and public relations and public reporting. Stockholder activism, the current political and social environment and the current high level of government intervention and regulatory reform may lead to substantial new regulations and disclosure obligations, which will likely result in additional compliance costs and could impact the manner in which Zoomcar operates its business in ways we cannot currently anticipate. For additional information about our past financial performance, see " Management' s Discussion and Analysis of Financial Condition and Results of Operations " and our Consolidated Financial Statements and the Notes thereto included elsewhere in this annual report filing. The Company may be subject to securities litigation, which is expensive and could divert management' s attention. Following the Business Combination, the per share price of the Common Stock has been and may continue to be volatile and, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities litigation, including class action litigation. Litigation of this type could result in substantial costs and diversion of management' s attention and resources, which could have a material adverse effect on our business, financial condition, and results of operations. Any adverse determination in litigation could also subject the Company to significant liabilities. Risks Related to Ownership of Our Common Stock Future sales of our Common Stock could cause the market price for our Common Stock to decline. We cannot predict the effect, if any, that market sales of shares of our Common Stock (including potential sales to White Lion under the Common Stock Purchase Agreement) or the availability of shares of our Common Stock, including upon exercise or conversion of any of our outstanding securities, for sale will have on the market price of our Common Stock prevailing from time to time. Sales of substantial amounts of shares of our Common Stock in the public market, or the perception that those sales will occur, including sales pursuant to this annual report, could cause the market price of our Common Stock to decline or be depressed. As described elsewhere herein, we expect to issue additional securities imminently to raise capital to continue our operations. Additionally, we may issue our securities if we need to raise capital in connection with a capital expenditure, working capital requirement or acquisition. The number of shares of our Common Stock issued in connection with a capital expenditure, working capital requirement or acquisition could constitute a material portion of our then-outstanding shares of Common Stock. Any perceived excess in the supply of our shares in the market could negatively

impact our share price and any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to you. The market price and trading volume of our common stock may continue to be highly volatile, which could lead to a loss of all or part of a stockholder's investment. The market price of our common stock has fluctuated widely since the closing of our Business Combination. During the period from January 1, 2024 to June 30, 2024, the trading price of our common stock has fluctuated from an intra-day high of \$ 7.61 on January 12, 2024 to an intra-day low of \$ 0.13 on June 13, 2024. The market price of our common stock is affected by a variety of factors, including but not limited to: • our ability to execute our anticipated business plans and strategy; • actual or anticipated fluctuations in our quarterly or annual operating results; • our ability to obtain additional capital which will be necessary to continue our business and operations; • changes in financial or operational estimates or projections; • changes in the economic performance or market valuations of companies similar to ours; • the impact of pandemics, inflation, war, other securities hostilities and other disruptive events on our business or that assets. By restricting the investment of the proceeds to our customers, partners, and supply chain or on these -- the instruments, global economy; and by having • our ability to comply with the continued listing requirements of Nasdaq and maintain our listing on Nasdaq. In addition, the trading price and trading volume of our common stock has very recently and at certain other times in the past exhibited, and may continue to exhibit, extreme volatility, including within a single trading day. Such volatility could cause purchasers of our common stock business plan targeted at acquiring and growing businesses for the long term, we intend to avoid being deemed incur substantial losses. For example, on May 23, 2024, the trading price of our common stock ranged from an intra-day high "investment company" within the meaning of § 0 the Investment Company Act. Certain proposed rules issued by the SEC 44 to an intra-day low of \$ 0.22, on trading volume of approximately 115 million shares, and on March 30-19, 2022-2024, the trading price of our common stock ranged from an intra-day high of \$ 1.83 to an intra-day low of \$ 0.91, on trading volume of approximately 29 million shares. With respect to certain such instances of trading volatility, we are not aware of any material changes in our financial condition or results of operations that would provide explain such price volatility or trading volume, which we believe reflect market and trading dynamics unrelated to our operating business or prospects and outside of our control. We are thus unable to predict when such instances of trading volatility will occur or how long such dynamics may last. Under these circumstances, we would caution you against investing in our common stock unless you are prepared to incur the risk of incurring substantial losses. A proportion of our common stock may be traded by short sellers which may put pressure on the supply and demand for our common stock, creating further price volatility. In particular, a safe harbor possible "short squeeze" due to a sudden increase in demand of our common stock that largely exceeds supply may lead to sudden extreme price volatility in our common stock. Investors may purchase our common stock to hedge existing exposure in our common stock or to speculate on the price of our common stock. Speculation on the price of our common stock may involve long and short exposures. To the extent aggregate short exposure exceeds the number of shares of common stock available for SPACs purchase in the open market, investors with short exposure may have to pay a premium to repurchase our common stock for delivery to lenders of our common stock. Those repurchases may in turn dramatically increase the price of our common stock until investors with short exposure are able to purchase additional common stock to cover their short position. This is often referred to as a "short squeeze." Following such a short squeeze, once investors purchase the shares necessary to cover their short position, the price of our common stock may rapidly decline. A short squeeze could lead to volatile price movements in our shares that are not directly correlated to the performance or prospects of our company and could cause purchasers of our common shares to incur substantial losses. Further, shareholders may institute securities class action litigation following periods of market volatility. If we were involved in securities litigation, we could incur substantial costs and our resources and the attention of management could be diverted from our business. Our issuance of additional capital stock in connection with financings, acquisitions, investments, the Incentive Plan or otherwise will dilute all the other definition stockholders. We expect to issue additional capital stock in the immediate future that will result in dilution to all other stockholders. We expect to grant equity awards to employees, directors and consultants under the Incentive Plan. We may also raise capital through equity financings in the future. As part of "our business strategy, we may acquire or make investments in complementary companies, products or technologies and issue equity securities to pay for any such acquisition or investment. Any such issuances of additional capital stock may cause stockholders to experience significant dilution of their ownership interests and the per share value of our common stock to decline. There can be no assurance that we will continue to be able to comply with the continued listing standards of Nasdaq. Our continued eligibility to maintain the listing of our Common Stock and Public Warrants on Nasdaq depends on a number of factors, including the price of our Common Stock and Public Warrants, the number of persons that hold our Common Stock and Public Warrants and our ability to maintain a board of directors that is composed of a majority of independent directors. On March 12, 2024, the company Company "under Section 3 received a letter from the Nasdaq staff indicating that, as a result of the resignation of Mr. Ishag, the Company no longer complies with Nasdaq's independent director requirement as set forth in Listing Rule 5605. Further on May 6, 2024, the Company received two letters from the Nasdaq staff indicating that the Company no longer complies with (i) Listing Rule 5450 (b) (2) (A) as it relates to the requirement to maintain a minimum market value of listed securities of \$ 50, 000, 000 and (ii) Listing Rule 5450 (a) (1) (A) as it relates to the requirement to maintain minimum bid price of \$ 1 per share. If Nasdaq delists our securities from trading on its exchange for failure to meet its listing standards, and we are not able to list such securities on another national securities exchange, the then Investment Company Act our Common Stock could be quoted on an over-the-counter market. If this were to occur, provided we and our stockholders could face significant material adverse consequences, including: • a limited availability of market quotations for our securities; • reduced liquidity for our securities; • a determination that the Common Stock is a "

penny stock," which will require brokers trading the Common Stock to adhere to more stringent rules, possibly resulting in a reduced level of trading activity in the secondary trading market for shares of Common Stock; • a limited amount of news and analyst coverage; and • a decreased ability for us to issue additional securities or obtain additional financing in the future. If securities or industry analysts do not publish or cease publishing research or reports about us, our business, or our market, or if they satisfy certain conditions change their recommendations regarding our securities adversely, the price and trading volume of our securities could decline. The trading market for our securities will be influenced by the research and reports that limit a SPAC's duration industry or securities analysts may publish about us, our asset composition, business purpose, markets, revenue streams, and activities competitors. The duration component Securities and industry analysts do not currently, and may never, publish research on us. If no securities or industry analysts commence coverage of the proposed safe harbor rule us, our share price and trading volume would require a SPAC likely be negatively impacted. If any of the analysts who may cover us adversely change their recommendation regarding our shares of common stock, or provide relatively more favourable recommendations with respect to competitors, the price of our shares of common stock would likely decline. If any analyst who may cover us were to cease coverage of us or file a Current to regularly publish Report reports on Form 8-K with us, we could lose visibility in the financial markets, which in turn could cause SEC announcing that it has entered into an agreement with the target company (or our companies) share price or trading volume to engage in decline. We do not intend to pay cash dividends for the foreseeable future. We currently intend to retain our future earnings, if an any initial, to finance the further development and expansion of our business combination and do not intend to pay cash dividends in later than 18 months after the effective date of the SPAC's registration statement for its initial public offering. The SPAC would then the foreseeable future. Any future determination to pay dividends will be required to complete its initial at the discretion of our Board and will depend on our financial condition, results of operations, capital requirements, and future agreements and financing instruments, business prospects and such combination no later than 24 months after the other factors effective date of its registration statement for its initial public offering. Although the proposed rules, including the proposed safe harbor rule, have not yet been adopted, and may be adopted in a revised form, the SEC has as indicated that our Board deems relevant. Because there are serious questions concerning no current plans to pay cash dividends on our Common Stock for the applicability of the foreseeable future, you may not receive any return on Investment Investment Company Act to unless you sell your Common Stock at a SPAC price greater than that does what you paid for it. We intend to retain future earnings, if any, for future operations, expansion and debt repayment and there are no current plans to pay any cash dividends for the foreseeable future. The declaration, amount and payment of any future dividends on shares of our Common Stock will be at the sole discretion of the Board. The Board may take into account general and economic conditions, our financial condition and results of operations, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions, implications of the payment of dividends by us to our stockholders or by our subsidiaries to us and such other factors as the Board may deem relevant. As a result, you may not receive any return on complete its initial business combination within the proposed time frame set forth in the proposed safe harbor rule. Notwithstanding whether or not the proposed rules are adopted by the SEC, we may be deemed to be an investment in company under the Investment Company Act. As Common Stock unless you sell your Common Stock for a SPAC, we were formed price greater than that which you paid for the sole purpose of completing it. Our warrants may have an adverse effect on initial business combination. The longer that the funds in the Trust Account are held in short-term U. S. government treasury obligations or in money-market price funds invested exclusively in such securities, even prior to the 24-month anniversary of our IPO, the greater the risk that we may be considered an unregistered investment company, in which case we may be required to liquidate. Accordingly, we will liquidate the securities held in the Trust Account prior to the end of the 24-month period after the effective date of our IPO registration statement, or our Common Stock. In connection with October 26, 2023, and instead hold all funds in the Business Combination Trust Account in cash, we assumed from IOAC, which would further reduce the dollar amount our public Public stockholders would receive upon any redemption Warrants to purchase 11, 500, 000 shares of or our Common Stock liquidation. Further, each exercisable if we do not invest the proceeds held in the Trust Account as discussed above, we may be deemed to be subject to the Investment Company Act purchase one share of Common Stock at \$ 5. 71 per share. In addition, and the loss you may suffer as a result of being deemed the Business Combination we issued 39, 057, 679 warrants to the Legacy Zoomcar warrant holders, each exercisable to purchase one share of Common Stock at \$ 3 per share, of which 37, 956, 206 warrants remain outstanding. Further, in June 2024, we issued warrants to purchase 52, 966, 102 shares of the Company's Common Stock which such warrants are exercisable only following the later of the 6 (six) month anniversary of issuance and the receipt of stockholder approval at an initial exercise price of \$ 0. 1416 per share, subject to an alternative cashless exercise or other adjustments and resets as described herein. All such warrants, other than the June Warrants which are not exercisable until the later of the six month anniversary of issuance and the date that stockholder approval is obtained, are out of the money as of the date of this annual report, but such warrants, when and if exercised, will increase the number of issued and outstanding shares of Common Stock and may reduce the value of the Common Stock. Future sales (including potential sales of securities to White Lion pursuant to the Common Stock Purchase Agreement), or the perception of future sales, by us or our stockholders in the public market could cause the market price for the Common Stock to decline. The sale of shares of our Common Stock in the public market, or the perception that such sales could occur, could harm the prevailing market price of shares of Common Stock. These sales, or the possibility that these sales may occur, also might make it more difficult for the us to sell equity securities in the future at a time and at a price that it deems appropriate. As of the date of filing of the 10- K we have a total of 75, 270, 131 shares of Common Stock outstanding (i) without giving effect to any awards that may be issued under the Incentive Plan and (iii) assuming no exercise of the outstanding warrants. All shares currently held by public

stockholders and all of the shares issued in the Business Combination to former Zoomcar Stockholders are freely tradable without registration under the Securities Act, and without restriction by persons other than our “ affiliates ” (as defined under Rule 144 under the Securities Act, (“ Rule 144 ”)), including our directors, executive officers and other affiliates. Simultaneously with the execution and delivery of the Merger Agreement, certain stockholders of Zoomcar, Inc., who collectively own approximately 35.0 % of the outstanding Zoomcar, Inc. preferred stock and common stock at the time of the execution of the Merger Agreement (on an as converted to Common Stock basis), entered into the Lock-Up Agreements with IOAC. Pursuant to the Lock- Up Agreements, such Zoomcar stockholders agreed to subject certain shares of Common Stock held by ~~the them~~ Investment to the restrictions described below from the Closing until the termination of applicable lock- up periods described below. Each Zoomcar stockholder party to the Lock- Up Agreements agreed not to, without the prior written consent of the Zoomcar Board and subject to certain exceptions, during the applicable lock- up period: (i) lend, sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option, right or warrant to purchase or otherwise transfer, dispose of or agree to transfer or dispose of, directly or indirectly, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of the Exchange Act, and the rules and regulations of the SEC promulgated thereunder, any shares of Common Stock held by it immediately after the Closing or issued or issuable to it in connection with the Merger (including Common Stock acquired as part of any financing agreements or issued in exchange for, or on conversion or exercise of, any securities issued as part of any financing agreements), any shares of Common Stock issuable upon the exercise of options to purchase shares of Common Stock held by it immediately after the Closing, or any securities convertible into or exercisable or exchangeable for Common Stock held by it immediately after the Closing (collectively, the “ BC Lock-Up Shares ”); (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any of the BC Lock- Up Shares, whether any such transaction is to be settled by delivery of such securities, in cash or otherwise; or (iii) publicly announce any intention to effect any transaction specified in the foregoing clauses. Pursuant to the BC Lock- Up Agreement, IOAC and certain Zoomcar stockholders agreed to the foregoing transfer restrictions during the period beginning on the date of Closing and ending on the date that is the earlier of (a) six months after the Closing and (b) subsequent to the Merger, (x) if the last sale price of the Common Stock equals or exceeds \$ 12.00 per share for any 20 trading days within any 30 trading day period commencing at least 150 days after the Closing; or (y) the date on which the Company completes a liquidation, merger, capital stock exchange, reorganization or other similar transactions that result in all of the Company’ s stockholders having the right to exchange their shares for cash, securities or other property. In addition, the shares of Common Stock reserved for future issuance under the Incentive Plan will become eligible for sale in the public market once those shares are issued, subject to any applicable vesting requirements, lock- up agreements and other restrictions imposed by law. A total of 9,431,116 shares of Common Stock have been reserved for future issuance under the Incentive Plan. We intend to file a registration statement on Form S-8 under the Securities Act ~~may~~ to register shares of the Common Stock or securities convertible into or exchangeable for shares of Common Stock issued pursuant to the Incentive Plan. Accordingly, shares to ~~be greater than if we liquidated~~ registered under such registration statement will be available for sale in ~~the~~ open market upon the effectiveness of the registration statement. In the future, we may also issue our securities held to raise capital or ~~in~~ connection with investments or acquisitions ~~the Trust Account and instead held such funds in cash~~. We ~~For~~ example, on May 6, 2024, we entered into the Common Stock Purchase Agreement with White Lion pursuant to which we may issue up to \$ 25,000,000 of shares of Common Stock following the effective date of a resale registration statement to be filed by us in the future (though we ~~do not believe that currently expect to do so~~). Additionally, on June 18, 2024, we closed a private placement transaction of notes and warrants for \$ 3 million of gross proceeds. The amount of shares of Common Stock issued ~~our~~ or ~~principal~~ issuable upon exercise or conversion of securities issued in connection with a capital raise or an investment or acquisition could constitute a material portion of the then-outstanding shares of the Common Stock. Any issuance of additional securities in connection with capital raising activities ~~, will subject us to regulation under the Investment~~ **investments or acquisitions may result in** Company Act. However, if we were deemed to be subject to the Investment Company Act, compliance with these additional **dilution** regulatory burdens would require additional expenses for which we have not allotted funds and may hinder our ability to complete the Business Combination. In such circumstances, we would expect to abandon our efforts to complete the Business Combination and liquidate the Trust Account. If we are unable to complete our initial business combination within the required time period and are required to liquidate the Trust Account, our public stockholders may receive only approximately \$ 10- **Item 1B** 26 per share (based on the amount in the Trust Account as of September 30, 2022), or less in certain circumstances, on the liquidation of our Trust Account, and our warrants will expire worthless. **Unresolved Staff Comments** If we are required to liquidate, you may lose all or part of your investment in the Company and our investors would not be able to realize the benefits of owning shares in a successor operating business, including the potential appreciation in the value of our shares and warrants following such a transaction, and our warrants would expire and become worthless. 28