China Yongda Automobiles Services Holdings Limited
（中國永達汽車服務控股有限公司）
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 03669)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2023

The board (the "**Board**") of directors (the "**Directors**") of China Yongda Automobiles Services Holdings Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (together, the "**Group**", "**we**" or "**us**") for the year ended December 31, 2023, together with comparative figures for the year ended December 31, 2022.

GROUP FINANCIAL HIGHLIGHTS

- Comprehensive revenue including revenue from agency services for the twelve months ended December 31, 2023 was RMB74,295 million, a 1.1% increase from RMB73,521 million for the twelve months ended December 31, 2022.

- Revenue from new vehicles distribution for the twelve months ended December 31, 2023 was RMB56,439 million, a 3.0% decrease from RMB58,192 million for the twelve months ended December 31, 2022.

- Revenue from after-sales services for the twelve months ended December 31, 2023 was RMB10,543 million, a 4.4% increase from RMB10,099 million for the twelve months ended December 31, 2022.

- Transactional volume of pre-owned vehicles for the twelve months ended December 31, 2023 was 93,012 units, a 15.1% increase from 80,832 units for the twelve months ended December 31, 2022.

- Revenue from agency services for the twelve months ended December 31, 2023 was RMB1,700 million, a 13.6% increase from RMB1,497 million for the twelve months ended December 31, 2022.

- Net profit for the twelve months ended December 31, 2023 was RMB586 million, a 60.2% decrease from RMB1,471 million (restated) for the twelve months ended December 31, 2022.

- Net profit attributable to the owners of the Company for the twelve months ended December 31, 2023 was RMB573 million, a 59.4% decrease from RMB1,412 million (restated) for the twelve months ended December 31, 2022.

- Turnover days of inventories for the twelve months ended December 31, 2023 were 23.0 days, which were basically the same as 22.1 days for the twelve months ended December 31, 2022.

- Net cash generated from operating activities for the twelve months ended December 31, 2023 was RMB1,832 million, a 56.7% decrease from RMB4,232 million for the twelve months ended December 31, 2022.

- The net gearing ratio as of December 31, 2023 was 12.2%, which was basically the same as 10.5% as of December 31, 2022.

MANAGEMENT DISCUSSION & ANALYSIS

MARKET REVIEW

According to the data from China Passenger Cars Association (the "**CPCA**"), in 2023, the overall retail sales of passenger vehicles reached 21.699 million units, representing a year-on-year increase of 5.6%. According to the compulsory traffic insurance statistics, the sales volume of luxury vehicles reached 4.294 million units, representing a year-on-year increase of 14.7%. In 2023, the retail sales of new energy vehicles reached 7.736 million units, representing a year-on-year increase of 36.2%. Sales volume of new energy vehicles accounted for 35.7% of the total sales volume of passenger vehicles. In 2023, the overall sales volume has maintained a positive growth trend despite of complex factors such as the domestic and international macro situation, economic and demand recovery, however, the new vehicle prices obviously reduced due to intensifying brand structural differentiation.

In 2023, China's new energy vehicle market ushered in a further breakthrough, and the market scale and influence continued to expand, showing a trend of flourishing production and sales and steady increase in penetration ratio. Also, the competition pattern of China's new energy vehicle market was also intensifying. In 2023, traditional automobile joint venture manufacturers accelerated transformation and actively deployed in the new energy vehicle market, among which the sales volume of BMW brand new energy vehicles reached approximately 100,000 units; among the independent brands, BYD recorded a significant growth in sales volume and completed the milestone data of annual sales volume of 3,000,000 units, and Li Auto also completed the total sales volume of 376,000 units in the field of luxury brands. Other new energy brands such as Xpeng, AITO and IM have also completed many sales milestones successively in 2023. According to the Ministry of Industry and Information Technology of the PRC, it was expected that in 2024, the sales volume of new energy vehicles in China would exceed 10 million units, reaching approximately 11.5 million units, with a year-on-year growth of approximately 20%.

According to the statistics of the China Automobile Dealers Association (中國汽車流通協會), the transaction volume of pre-owned vehicles in China reached 18.413 million units in 2023, representing a year-on-year increase of 14.9%. The Chinese government has issued a series of policies to encourage pre-owned vehicles trading, such as the abolition of the restrictions on the relocation of pre-owned vehicles, the implementation of the "All Pass ID" for pre-owned vehicles trading registration, and the extension of the tax reduction policies for pre-owned vehicles dealership. 2023 marks the beginning year of full implementation of the new pre-owned vehicles policies. With the removal of restrictive factors and the blockage, the policy effect emerged, which was conducive to the large-scale, standardized and branding development of pre-owned vehicle dealers. Even though there existed market fluctuations such as price war in the new vehicle market and the surging proportion of new energy vehicles this year, the expanding transaction scale year-by-year, the transformation of new consumption characteristics, the active cross-regional circulation, and the export of pre-owned vehicles becoming a hot spot in the industry all demonstrated the strong development resilience of China's pre-owned vehicles market.

According to the statistics of the Traffic Management Bureau of the Ministry of Public Security of the PRC (中國公安部交通管理局), as at the end of 2023, the passenger vehicle ownership in China reached 435 million units, 20.41 million of which were new energy vehicles, accounting for 4.7% of the total number of vehicles. According to the research report by Goldman Sachs, the scale of revenue from the automobile after-sales market of China is expected to be RMB1.6 trillion in 2026, with a compound annual growth rate of 8.0% from 2018 to 2026. It is expected that the ownership of fuel vehicles (mainly luxury vehicles) and the pure-electric new energy vehicles will continue to grow at a faster rate in the future, and the luxury fuel vehicles and pure-electric new energy vehicles will become the most promising consumer groups in the after-sales market in the future.

BUSINESS REVIEW

In 2023, our comprehensive revenue taking into account the revenue from agency services amounted to RMB74,295 million, representing an increase of 1.1% compared with the same period of 2022. In 2023, our comprehensive gross profit amounted to RMB6,694 million, representing a decrease of RMB1,192 million or 15.1% compared with the same period of 2022. Among them, the gross profit from distribution of new vehicles decreased by RMB1,263 million or 87.8%. Affected by the decrease in gross profit of new vehicles, our net profit and net profit attributable to owners of the Company amounted to RMB586 million and RMB573 million respectively in 2023, representing a decrease of RMB886 million and RMB839 million or 60.2% and 59.4% respectively compared with the same period of 2022.

In 2023, we continued to implement strict control over the rhythm of our inventory purchases and sales and the amount of capital expended. As of December 31, 2023, our inventory balance amounted to RMB4,363 million, representing a decrease of 4.2% compared with the end of 2022. We maintained a relatively healthy inventory turnover of 23.0 days. In 2023, our net cash from operating activities was RMB1,832 million, and our net gearing ratio as of December 31, 2023 was 12.2%.

Set forth below is a summary of our business development in 2023:

Remained Steady in New Vehicle Sales Business

In 2023, the new vehicle sales volume was 193,945 units, representing a year-on-year increase of 1.5%. As the quota reduction of new vehicle supply and demand and the slow recovery of consumer demand and other factors affected the sales growth of certain brands, we focused more on the balance of sales scale and quality, and the new vehicle sales volume in the second half of 2023 increased by 14.5% compared with the first half of the year. According to our sales strategies, we, through initiative contraction and control of new vehicle price discount, continued to enlarge low profit brand sales scale, thereby reducing the new vehicles operation risk, but for luxury brands such as BMW and Porsche which proactively reduced sales, supply and demand plans, we maintained our sales strategies of resources seizing and scale expansion, and achieved further optimization and upgrading of our product structure.

In 2023, the gross profit margin from distribution of our new vehicles was 0.31%, representing a year-on-year decrease of 2.16 percentage points. We proactively applied products provided by financial institutions, to formulate financial marketing plans by model, maintained relatively high proportion of super long-term products and average financing proportion per vehicle. In 2023, the revenue of our finance agency business reached RMB1,239 million, representing a year-on-year increase of 9.0%; the penetration rate of financial services was 69.0%, representing a year-on-year increase of 3.6 percentage points. Additionally, we made use of the advantage of the brand scale to strengthen the business negotiation with manufacturers on optimizing the model structure and reducing the task indicators of new vehicles, so as to maximize the benefits of new vehicles sales and secure the most favorable brand business policies.

In 2023, our new vehicle turnover days were 22.8 days, basically maintained stable year-on-year. We integrated the purchase, sales, stocking of new vehicles with inventory and capital management through the use of digital management tools, realized the front-end management of new vehicles inventories and capital control, and ensured that the new vehicles inventories and the funding structure have always been maintained at a healthy level. On the premise of prioritizing the satisfaction of customers' order requirements, we actively conducted the coordination and exchange of resources for new vehicles under the same brand, which further promoted the improvement of the efficiency of the turnover of new vehicles. In the second half of 2023, our new vehicle turnover days decreased by 3.0 days compared with the first half of the year.

Maintained Stable Growth in After-sales Business

In 2023, our after-sales service business, including repair and maintenance services and extended automotive products and services, recorded a revenue of RMB10,543 million, representing an increase of 4.4% compared with 2022. Among them, the revenue from repair and maintenance services was RMB9,051 million, representing an increase of 11.5% compared with 2022. In 2023, the gross profit margin of our after-sales service was 41.53%.

In terms of user operation ability and efficiency improvement, we adhered to the combination of online and offline user maintenance operation system. By the end of 2023, Yongda Automobile APP had 1.65 million registered users, representing an increase of 65.0% compared with the end of 2022. Online channels have brought more convenient experience to users. We continuously improved the full lifecycle sticky product system of users offline, improved the penetration rate of the user end, and constantly perfected the digital management tools; and we optimized the electromechanical and accident information soliciting, retention and maintenance procedures, so as to improve the in-store conversion rate. The online and offline linkage ensured the continuous improvement of customer scale under management.

In terms of electromechanical warranty business, while improving information conversion efficiency, our maintenance consultants and maintenance technicians cooperated with each other to communicate with customers of defective vehicles after inspection and maintenance, which effectively improved the professionalism of communication and conversion rate of additional items. In addition, our requirement of "one-time repair" rate has led to a continuous increase in customer satisfaction, which has contributed to the continued increase in the scale of the electromechanical warranty business.

In terms of accident vehicle insurance business, on the one hand, we improved the quantity and timeliness of accident information acquisition through increasing premium scale, all-staff marketing of accident information, and accident business sticky products; on the other hand, we strengthened communication with insurance companies and maintained good cooperative relations to ensure that we maintained the policy advantages such as accident claims. By virtue of the above measures, we have overcome the impact of adverse factors such as the intensified control by insurance companies and the intensified external competition, and realized the rapid improvement of accident vehicle business.

In terms of inventory efficiency improvement, we analyzed changes in the ex-warehouse frequency of various spare parts and supplies, adjusted inventory structure in a timely manner, strictly controlled the procurement of spare parts and supplies not commonly used, enabling our turnover efficiency to continue to improve while ensuring timely supply. In 2023, our inventory turnover days decreased by 4.5 days compared with 2022.

In terms of after-sales training, we always attached importance to the skills training of after-sales professionals, service awareness cultivation and promotion, and constantly improved the training effectiveness by adopting the combination of online and offline, internal and external training and transfer of training. In addition, we committed to cooperate with colleges and universities to cultivate and provide after-sales business talents on a targeted basis, ensuring the healthy structure of after-sales talent echelon.

Continuous Rapid and High-Quality Development of Pre-owned Vehicle Business

In 2023, we adopted the business strategy of "deepening inventory and expanding increment", achieved continuous rapid growth in our pre-owned vehicle business, realized efficient and stable inventory turnover, and further consolidated our business pattern of dealership, retailing and digitalization. In 2023, the transaction volume of pre-owned vehicles was 93,012 units, representing a year-on-year increase of 15.1%, of which, the sales volume from dealership was 44,590 units, representing a year-on-year increase of 167.3%, and the revenue from dealership amounted to RMB5,277 million, representing a year-on-year increase of 56.6%; the gross profit from dealership amounted to RMB344 million, representing a year-on-year increase of 16.9%. The average dealership revenue per unit was RMB118,000, and gross profit margin was 6.51%. The turnover days of dealership were controlled at 14.9 days, representing a year-on-year decrease of 4.4 days. The Group's overall new-to-pre-owned ratio was 48.0%, representing an increase of 5.7 percentage points from 2022.

On the basis of the full-scale development of our dealership business, we actively explored the upgrading of our traditional operation model to a digital and omni-channel operation model. Through the integration of online and offline channels, we realized a comprehensive upgrade of our retail operations and quality improvement. By rapidly enhancing our pre-owned vehicles retail business and increasing its proportion to more than 20%, we drove the growth of our finance, insurance and other extended businesses, and further enhanced the profitability of our pre-owned vehicles business and the scale of our customer retention. Meanwhile, we actively explored the retail export of pre-owned vehicles, realizing a diversified sales strategy.

We actively explored and captured incremental opportunities in the exisitng market and expanded our vehicle sources channel. We conducted in-depth cooperation with a number of new energy vehicle brands on bulk vehicle sources, helped manufacturers in vehicle disposal and stabilizing residual values, and also bringing a steady supply of high-quality retail vehicles to our own channels. In addition, we accelerated the deployment of new channel of new energy pre-owned vehicles sector, and started cooperation with a number of new energy manufacturers on the replacement and retailing of new-channel pre-owned vehicles. In response to the new channels of replacement of new energy pre-owned vehicles, we newly launched an independent vehicle collection sub-brand and implemented a centralized pricing and disposal model to expand our vehicle supplement.

We continued to strengthen the construction of our core competence in pre-owned vehicles business, improved our appraisal, inspection, pricing and disposal capabilities, and implemented standardized business controls to ensure compliance of business and maximization of benefits; we strictly controlled our inventory turnover, and formulated refined inventory management and strong leveling mechanisms for retail and wholesale vehicles to ensure healthy inventory and sound operations; we continued to strengthen our digital operation capability, actively built a marketing matrix combining the official website, new media and vertical media, enhanced the construction of private domains and promoted online transactions.

Rapid Growth of New Energy Vehicle Business

In terms of the outlet deployment of independent new energy brands, in 2023, we carried out proactive deployments and rapid adjustments, obtained outlets authorization for seven independent new energy brands and voluntarily closed five inefficient outlets of independent new energy brands. After a full year of development, the number of our independent new energy outlets grew from 33 at the beginning of 2023 to 34 at the end of the year, with another 6 authorized outlets to be opened. In terms of cooperative brands, we identified the leading new energy brands, including the related brands under HIMA, Xpeng, smart and IM, as the main outlets for deployment, and obtained the authorization of the first batch of sales and service center outlets of Xiaomi Automobile in China.

In terms of sales volume, the sales volume of our new energy vehicles of all brands reached 32,919 units in 2023, representing a year-on-year increase of 33.8% and accounting for 17.0% of the total sales volume. Meanwhile, our sales volume of independent new energy brands reached 18,376 units in 2023, representing a year-on-year increase of 91.6%. Among them, the proportion of AITO, Xpeng, smart and IM reached approximately 66.1%. In 2023, the total sales volume of independent new energy brands consisted of 8,981 units sold through dealerships and 9,395 units sold through direct sales. In line with the outlet adjustment, the sales efficiency of our independent new energy outlets also improved significantly as a whole, the monthly sales volume per outlet increased from 16 units in January 2023 to over 50 units in December 2023. Meanwhile, the gross profit margin of new vehicles under the independent new energy brand remained stable.

In 2023, our after-sales business of independent new energy brands achieved rapid improvement, with the revenue of maintenance of the year amounting to RMB159 million, representing a year-on-year increase of 255.3%, and the gross profit rate of maintenance of 41.7%, which was the same as that of fuel vehicles. The after-sales business segment of our 17 fully-operated 4S stores for the year achieved an average growth of 220.9% in after-sales service business in December 2023 compared to January 2023, demonstrating strong development potential for after-sales business. In 2023, the number of customers under management of independent new energy brands increased from 7,339 to 24,497, representing an overall growth rate of 234%. As the level of intelligent hardware integration and maintenance technology thresholds for new energy vehicles are significantly higher than that of traditional fuel vehicles, the number of customers under after-sales management increased much more than the number of new vehicle sales and the retention rate of customers is higher than that of fuel vehicles.

Accelerated Optimization of Network

In 2023, we proactively accelerated the adjustment of our network structure and closed 36 outlets in the year, including 24 4S stores, 9 showrooms and 3 others. The proportion of luxury brand outlets in the total number of authorized outlets increased to 70% from 66% as at the end of 2022, and the proportion of mid-to-high-end brands in the total number of authorized outlets decreased to 15% from 20% as at the end of 2022. As of the end of 2023, the proportion of outlets of independent new energy brands increased to 15%. The optimization of our network structure will improve our efficiency and output per outlet, which will have a quality and efficiency-enhancing effect on the overall network.

While optimizing our network structure, we maintained our market share of key luxury brands. In 2023, we newly opened three outlets of traditional brands, including one BMW, one Lincoln and one Jaguar Land Rover. In addition, we newly opened two pre-owned vehicle malls.

In terms of the expansion of the independent new energy brands, we continued to cooperate with some premium brands. While exploring and experimenting with new brands, we focused more on the growth in terms of the size and profitability of our individual stores. In 2023, we newly opened a total of six outlets of new energy brands and newly obtained seven authorizations, including brands such as Xiaomi, Zeekr, smart and Xpeng, and we upgraded three AITO stores to HIMA brand stores.

As at the end of 2023, we operated a total of 231 outlets, and we have 9 outlets authorized to open.

Set out below are the details and changes of our opened outlets as of December 31, 2023:

	Outlets opened as of December 31, 2022	**Outlets opened as of December 31, 2023**	**Changes of outlet**
4S dealerships of luxury and ultra-luxury brands	136	133	-3
City showrooms of luxury brands	24	19	-5
Authorized maintenance centers of luxury brands	2	0	-2
Sub-total of luxury and ultra-luxury brands outlets	**162**	**152**	**-10**
4S dealerships of mid-to-high-end brands	43	30	-13
City showrooms of mid-to-high-end brands	6	2	-4
Sub-total of mid-to-high-end brands outlets	**49**	**32**	**-17**
4S dealerships of independent new energy brands	30	31	+1
Authorized maintenance centers of independent new energy brands	3	3	0
Sub-total of independent new energy brands outlets	**33**	**34**	**+1**
Outlets of Yongda Pre-owned Vehicle Malls	**12**	**13**	**+1**
Total outlets	**256**	**231**	**-25**

Continuous Improvement in Management

In 2023, the recovery of the domestic economy and consumer demand was much lower than expected, and the oversupply in the overall market has brought about more serious competitions. We expect that it will take some more time for the industry and the sector to adjust and recover. In order to better cope with the future transformation and upgrading of the automobile industry, we will adjust our operating strategies in a timely manner in the short term and focus on preparing for the transformation and upgrading in the medium and long term. We had the following major management enhancement highlights in our operations in 2023.

Accelerated the closure and transformation of unprofitable enterprises to improve asset operating efficiency

In 2023, we accelerated the structural optimization and adjustment of our existing brand network in accordance with the latest market trends, and closed and transformed 36 outlets (including showrooms) during the year. The passenger vehicles market in China is expected to maintain an inventory market period with low growth rate in the coming future, and it is expected that the differentiation and elimination in both brand OEMs and dealership enterprises will accelerate. We will continue to focus on the management improvement of the leading traditional luxury brands and potential independent new energy brands. We will accelerate the closure and transformation of smaller and less profitable outlets; in terms of regions, we will continue to focus on the optimization of the first-tier and second-tier cities as well as provincial capitals as the core regions for future development.

Focused on operating cash flow and core financial indicators to ensure sound operation

In 2023, in terms of operations, we continued to improve the management of new vehicle procurement, inventory, sales and working capital, and strengthened the integration and coordination of resources under the same brand, ensured that the inventory turnover efficiency was maintained at a higher level, and the turnover days of new vehicles continued to be optimized year-on-year during the whole year. Meanwhile, in recent years, we have been focusing on the core financial indicators of the asset side to ensure the Group’s safety operations, current assets to cover liabilities, net assets to cover long-term assets; besides, we have continued to pay attention to the gearing ratio to keep it at a lower level. The above efforts have achieved good results.

Further deepened the work of cost reduction and expense control to ensure the improvement of quality and efficiency of operations

In 2023, we made management adjustments based on major marketing and administrative expenses such as labor costs, and further strengthened the dynamic linkage and control of production-related expenses, which are closely related to our business, to our performance; non-production expenses such as rent and other relatively rigid expenses also reduced through external communication and negotiation. The above efforts have achieved some preliminary results, and we will further deepen management and control and consolidate the results in 2024.

Further accelerated digitalization construction and empower enterprises to operations and management transformation

We continued to promote user-centric digitalization construction with the goal of realizing the transformation from traditional dealers to new digital retail service providers in the future. In 2023, we accelerated the integration of internal digital operation and management systems to further improve management efficiency. Furthermore, we accelerated the construction of digital operation system of one platform and two centers, i.e. we completed the construction of digital marketing and user operation system through the business center and data center, combined with the Yongda user service platform. In the future, we will continue to enhance the empowerment of enterprise operations and the overall digital operation level of the Group to achieve cost reduction.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED DECEMBER 31, 2023

	NOTES	**2023**	2022
		RMB'000	*RMB'000*
			(Restated)
Revenue			
Goods and services		**72,133,355**	71,532,452
Rental		**462,136**	491,436
Total revenue	*3A/B*	**72,595,491**	72,023,888
Cost of sales and services		**(67,601,069)**	(65,634,545)
Gross profit		**4,994,422**	6,389,343
Other income and other gains and losses	*4*	**1,858,463**	1,549,711
Distribution and selling expenses		**(4,041,666)**	(3,799,708)
Administrative expenses		**(1,849,747)**	(1,835,484)
Profit from operations		**961,472**	2,303,862
Share of losses of joint ventures		**(725)**	(800)
Share of profits of associates		**106,991**	90,293
Finance costs		**(327,421)**	(320,688)
Profit before tax	*6*	**740,317**	2,072,667
Income tax expense	*5*	**(154,566)**	(601,371)
Profit for the year		**585,751**	1,471,296
Profit for the year attributable to:			
Owners of the Company		**572,579**	1,411,824
Non-controlling interests		**13,172**	59,472
		585,751	1,471,296
Earnings per share – basic	*8*	**RMB0.29**	RMB0.72
Earnings per share – diluted	*8*	**RMB0.29**	RMB0.72

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
	RMB'000	*RMB'000*
		(Restated)
Profit for the year	**585,751**	1,471,296
Other comprehensive expense		
Item that will not be reclassified to profit or loss:		
Fair value loss on investments in equity instruments at fair value through other comprehensive income ("**FVTOCI**")	**(1,291)**	(1,254)
Total comprehensive income for the year	**584,460**	1,470,042
Total comprehensive income for the year attributable to:		
Owners of the Company	**571,288**	1,410,570
Non-controlling interests	**13,172**	59,472
	584,460	1,470,042

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT DECEMBER 31, 2023

	NOTES	**2023**	2022
		RMB'000	*RMB'000*
			(Restated)
Non-current assets			
Property, plant and equipment		**5,844,615**	6,059,015
Right-of-use assets		**2,901,480**	2,995,670
Goodwill		**1,630,874**	1,672,160
Other intangible assets		**2,953,610**	2,817,249
Deposits paid for acquisition of property, plant and equipment		**34,273**	94,196
Deposits paid for acquisition of right-of-use assets		**108,173**	144,728
Equity instruments at FVTOCI		**6,744**	8,035
Financial assets at fair value through profit or loss ("**FVTPL**")		**334,112**	312,142
Interests in joint ventures		**65,601**	51,951
Interests in associates		**860,474**	750,178
Deferred tax assets		**395,358**	319,346
Other assets	*9*	**66,195**	68,195
Time deposits		**600**	2,500
		15,202,109	15,295,365
Current assets			
Inventories	*10*	**4,363,154**	4,555,391
Trade and other receivables	*9*	**7,202,559**	8,017,640
Financial assets at FVTPL		**–**	255,011
Amounts due from related parties		**91,424**	69,809
Cash in transit		**36,091**	68,816
Time deposits		**7,500**	5,000
Restricted bank balances		**3,589,137**	2,008,024
Bank balances and cash		**2,201,077**	2,185,797
Derivative financial assets		**–**	3,878
		17,490,942	17,169,366

	NOTES	2023 RMB'000	2022 RMB'000 (Restated)
Current liabilities			
Trade and other payables	*11*	**9,125,044**	8,390,619
Amounts due to related parties		**70,295**	87,396
Tax liabilities		**962,828**	1,205,786
Borrowings		**2,434,016**	2,287,511
Contract liabilities		**1,724,305**	1,723,948
Lease liabilities		**242,904**	274,157
Medium-term note	*12*	**–**	369,763
		14,559,392	14,339,180
Net current assets		**2,931,550**	2,830,186
Total assets less current liabilities		**18,133,659**	18,125,551
Non-current liabilities			
Borrowings		**1,526,584**	1,079,905
Lease liabilities		**1,433,127**	1,508,717
Deferred tax liabilities		**775,497**	814,333
		3,735,208	3,402,955
Net assets		**14,398,451**	14,722,596
Capital and reserves			
Share capital		**15,963**	16,233
Treasury shares		**(12,269)**	(46,659)
Reserves		**13,936,426**	14,246,492
Equity attributable to owners of the Company		**13,940,120**	14,216,066
Non-controlling interests		**458,331**	506,530
Total equity		**14,398,451**	14,722,596

1. GENERAL INFORMATION

China Yongda Automobiles Services Holdings Limited (the "**Company**") is a public limited company incorporated in the Cayman Islands on November 7, 2011 and its shares are listed on The Stock Exchange of Hong Kong Limited. The Company's registered office is located at 89 Nexus Way, Camana Bay, Grand Cayman KY1-9009, Cayman Islands and its principal place of business in Hong Kong (the "**HK**") is Unit 5708, 57/F, The Center, 99 Queen's Road Central, HK.

The Company is an investment holding company. The subsidiaries of the Company are principally engaged in the sale of automobiles and provision of after-sales services, provision of automobile operating lease services, and distribution of automobile insurance products and automobile financial products in the PRC. The Company and its subsidiaries are collectively referred to as the Group.

The consolidated financial statements are presented in Renminbi (the "**RMB**"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

New and amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to IFRSs issued by the International Accounting Standards Board (the "**IASB**") for the first time, which are mandatorily effective for the Group's annual periods beginning on January 1, 2023 for the preparation of the consolidated financial statements:

IFRS 17 (including the October 2020 and February 2022 Amendments to IFRS 17)	*Insurance Contracts*
Amendments to IAS 8	*Definition of Accounting Estimates*
Amendments to IAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to IAS 12	*International Tax Reform-Pillar Two model Rules*
Amendments to IAS 1 and IFRS Practice Statement 2	*Disclosure of Accounting Policies*

Except as described below, the application of the amendments to IFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2.1 Impacts on application of Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The effects of the changes in accounting policy as a result of application of amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* on the consolidated statement of profit or loss and other comprehensive income and earnings per share, are as follows:

	For the year ended December 31	
	2023	2022
	RMB'000	*RMB'000*
Impact on profit for the year		
(Decrease)increase in income tax expense	**(3,175)**	14,281
Net (increase)decrease in profit for the year	**(3,175)**	14,281
Impact on total comprehensive income for the year		
Net (increase)decrease in total comprehensive income for the year	**(3,175)**	14,281
(Increase)decrease in profit for the year attributable to:		
– Owners of the Company	**(2,601)**	13,615
– Non-controlling interests	**(574)**	666
	(3,175)	14,281
(Increase)decrease in total comprehensive income for the year attributable to:		
– Owners of the Company	**(2,601)**	13,615
– Non-controlling interests	**(574)**	666
	(3,175)	14,281
Impact on basic earnings per share		
Diluted earnings per share before adjustments	**RMB0.29**	RMB0.72
Net adjustments arising from change in accounting policy in relation to:		
– Deferred tax impact on leasing transactions	**–**	–
Reported basic earnings per share	**RMB0.29**	RMB0.72
Impact on diluted earnings per share		
Diluted earnings per share before adjustments	**RMB0.29**	RMB0.72
Net adjustments arising from change in accounting policy in relation to:		
– Deferred tax impact on leasing transactions	**–**	–
Reported diluted earnings per share	**RMB0.29**	RMB0.72

The effects of the changes in accounting policy as a result of application of amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* on the consolidated statement of financial position as at the end of the immediately preceding financial year, December 31, 2022, is as follows:

	December 31, 2022 (Originally stated) *RMB'000*	**Adjustment** *RMB'000*	**December 31, 2022** (Restated) *RMB'000*
Deferred tax assets	255,875	63,471	319,346
Deferred tax liabilities	808,583	5,750	814,333
Total effects on net assets	(552,708)	57,721	(494,987)

	December 31, 2022 (Originally stated) *RMB'000*	**Adjustment** *RMB'000*	**December 31, 2022** (Restated) *RMB'000*
Non-controlling interests	504,109	2,421	506,530
Reserves	14,191,192	55,300	14,246,492
Total effects on net assets	14,695,301	57,721	14,753,022

The effect of the changes in accounting policy as a result of application of amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* on the consolidated statement of financial position as at the beginning of the comparative period, January 1, 2022, is as follows:

	January 1, 2022 (Originally stated) *RMB'000*	**Adjustment** *RMB'000*	**January 1, 2022** (Restated) *RMB'000*
Deferred tax assets	186,868	77,297	264,165
Deferred tax liabilities	776,066	5,295	781,361
Total effects on net assets	(589,198)	72,002	(517,196)

	January 1, 2022 (Originally stated) *RMB'000*	**Adjustment** *RMB'000*	**January 1, 2022** (Restated) *RMB'000*
Non-controlling interests	580,399	3,087	583,486
Reserves	13,701,157	68,915	13,770,072
Total effects on net assets	14,281,556	72,002	14,353,558

3A. REVENUE

(i) Disaggregation of revenue from contracts with customers

	2023	2022
	RMB'000	*RMB'000*
Types of goods or services		
Sale of new vehicles:		
– Luxury and ultra-luxury brands *(note a)*	**48,220,668**	50,388,466
– Mid-to-high-end brands *(note b)*	**6,463,300**	6,808,491
– Independent new energy brands *(note c)*	**1,634,500**	870,992
Sale of pre-owned vehicles distribution *(note d)*	**5,277,149**	3,369,991
	61,595,617	61,437,940
Services		
– After-sales services	**10,537,738**	10,094,512
Total	**72,133,355**	71,532,452
Geographical markets		
Mainland China	**72,133,355**	71,532,452
Timing of revenue recognition		
A point in time	**61,595,617**	61,437,940
Over time	**10,537,738**	10,094,512
Total	**72,133,355**	71,532,452

Notes:

a. Luxury and ultra-luxury brands include BMW, MINI, Audi, Porsche, Jaguar, Land Rover, Bentley, Aston Martin, Infiniti, Lincoln, Cadillac, Volvo, Mercedes-Benz and Lexus.

b. Mid-to-high-end brands include Buick, Chevrolet, Volkswagen, Ford, Skoda, Toyota, Honda, Roewe, Lynk and others.

c. Independent new energy brands include BYD, AITO, Great Wall Auto, IM, NETA and others.

d. The revenue on sale of pre-owned automobile business under the distribution model was recognized on a gross basis.

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

	For the year ended December 31, 2023		For the year ended December 31, 2022	
	Sale of passenger vehicles	**After-sales services**	Sale of passenger vehicles	After-sales services
	RMB'000	***RMB'000***	*RMB'000*	*RMB'000*
Revenue disclosed in segment information				
External customers	**61,595,617**	**10,537,738**	61,437,940	10,094,512
Inter-segment	**120,211**	**5,134**	123,702	4,569
Total	**61,715,828**	**10,542,872**	61,561,642	10,099,081
Eliminations	**(120,211)**	**(5,134)**	(123,702)	(4,569)
Revenue from contracts with customers	**61,595,617**	**10,537,738**	61,437,940	10,094,512

(ii) Performance obligations for contracts with customers and revenue recognition policies

The Group sells passenger vehicles directly to customers through its own 4S outlets. Revenue on sale of new or pre-owned passenger vehicles is recognized when (or as) the passenger vehicles are transferred to the customers and the customers obtain control of the vehicles.

For after-sales services, since the Group's performance enhances the vehicle that's within the customer's control, revenue is recognized over time.

Generally, no credit period is allowed for sales of passenger vehicles, while after-sales services are typically settled on a cash basis upon completion of the relevant services. However, for certain corporate customers for passenger vehicle sales and after-sales services, a credit period of not exceeding 60 days is granted.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

The Group applies the practical expedient of not disclosing the transaction price allocated to performance obligations that were unsatisfied in respect of sales of passenger vehicles and after-sales services as the related contracts have an original expected duration of less than one year.

(iv) Revenue from other segments

	2023	2022
	RMB'000	*RMB'000*
Automobile operating lease services	**462,136**	491,436

3B. OPERATING SEGMENTS

Information reported to the executive directors of the Company, being the Group's chief operating decision makers who review the segment revenue and results when making decisions about allocating resources and assessing performance, focuses on the products and services delivered or provided. For passenger vehicle sales and services, and automobile operating lease services business, the executive directors of the Company review the financial information of each outlet or entity, hence each outlet or entity constitutes a separate operating segment. However, the outlets and entities possess similar economic characteristics, and are similar in terms of products and services, customers, methods used to distribute products and provide services, and regulatory environment. Therefore, all outlets or entities are aggregated into respective reportable segment, namely "passenger vehicle sales and services" and "automobile operating lease services" for segment reporting purposes.

The Group's reportable segments are as follows:

- Passenger vehicle sales and services – (i) sale of passenger vehicles; and (ii) provision of after-sales services, including primarily repair and maintenance services, certain auxiliary passenger vehicles sales related services and provision of other passenger vehicles-related services; and

- Automobile operating lease services.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

	Passenger vehicle sales and services	**Automobile operating lease services**	**Eliminations**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
For the year ended December 31, 2023				
External revenue	**72,133,355**	**462,136**	**–**	**72,595,491**
Inter-segment revenue	**125,345**	**12,691**	**(138,036)**	**–**
Segment revenue *(note a)*	**72,258,700**	**474,827**	**(138,036)**	**72,595,491**
Segment cost *(note b)*	**(67,360,012)**	**(366,402)**	**125,345**	**(67,601,069)**
Segment gross profit	**4,898,688**	**108,425**	**(12,691)**	**4,994,422**
Service income	**1,700,008**	**–**	**–**	**1,700,008**
Segment results	**6,598,696**	**108,425**	**(12,691)**	**6,694,430**
Other income and other gains and losses *(note c)*				**158,455**
Distribution and selling expenses				**(4,041,666)**
Administrative expenses				**(1,849,747)**
Finance costs				**(327,421)**
Share of losses of joint ventures				**(725)**
Share of profits of associates				**106,991**
Profit before tax				**740,317**

	Passenger vehicle sales and services *RMB'000*	Automobile operating lease services *RMB'000*	Eliminations *RMB'000*	Total *RMB'000*
For the year ended December 31, 2022				
External revenue	71,532,452	491,436	–	72,023,888
Inter-segment revenue	128,271	6,718	(134,989)	–
Segment revenue *(note a)*	71,660,723	498,154	(134,989)	72,023,888
Segment cost *(note b)*	(65,401,456)	(361,361)	128,272	(65,634,545)
Segment gross profit	6,259,267	136,793	(6,717)	6,389,343
Service income	1,496,673	–	–	1,496,673
Segment results	7,755,940	136,793	(6,717)	7,886,016
Other income and other gains and losses *(note c)*				53,038
Distribution and selling expenses				(3,799,708)
Administrative expenses				(1,835,484)
Finance costs				(320,688)
Share of losses of joint ventures				(800)
Share of profits of associates				90,293
Profit before tax				2,072,667

Notes:

a. The segment revenue of passenger vehicles sales and services for the year ended December 31, 2023 was approximately RMB72,258,700,000 (2022: RMB71,660,723,000) which included the sales of passenger vehicles amounting to approximately RMB61,715,828,000 (2022: RMB61,561,642,000) and the after-sales services revenue amounting to approximately RMB10,542,872,000 (2022: RMB10,099,081,000), respectively.

b. The segment cost of passenger vehicles sales and services for the year ended December 31, 2023 was approximately RMB67,360,012,000 (2022: RMB65,401,456,000) which included the cost of sales of passenger vehicles amounting to approximately RMB61,196,056,000 (2022: RMB59,828,273,000) and the cost of after-sales services amounting to approximately RMB6,163,956,000 (2022: RMB5,573,183,000).

c. The amount excludes the service income generated from the passenger vehicle sales and services segment, which is included in the segment results above.

The accounting policies of the operating segments are the same as those of the Group described in Note 3. Segment result represents the profit before tax earned by each segment without allocation of other income and other gains and losses other than service income *(Note 6)*, distribution and selling expenses, administrative expenses, finance costs, share of losses of joint ventures and share of profits of associates. This is the measure reported to the executive directors of the Company for the purposes of resource allocation and performance assessment. No analysis of segment assets and liabilities are presented as it is not regularly reviewed by the executive directors of the Company.

Geographical information

Substantially all of the Group's revenue is generated in the PRC; and all of the Group's principal non-current assets for operation are located in the PRC.

Information about major customers

No single customer accounted for 10% or more of the Group's revenue for the years ended December 31, 2023 and 2022.

4. OTHER INCOME AND OTHER GAINS AND LOSSES

	2023	2022
	RMB'000	*RMB'000*
Other income comprises:		
Service income *(note a)*	**1,700,008**	1,496,673
Government grants *(note b)*	**34,779**	28,100
Interest income on bank deposits	**37,415**	35,642
	1,772,202	1,560,415
Other gains and losses comprise:		
Loss on disposal of property, plant and equipment and other intangible assets	**(25,259)**	(13,446)
Impairment loss recognized in respect of goodwill	**(41,286)**	–
Gain on fair value change of financial assets at FVTPL	**45,325**	24,053
Net foreign exchange gain (loss)	**7,633**	(77,420)
Net (loss) gain on changes in fair value of derivative financial instruments	**(3,878)**	71,640
Gain (loss) on disposal of subsidiaries	**92,611**	(559)
Others	**11,115**	(14,972)
	86,261	(10,704)
Total	**1,858,463**	1,549,711

Notes:

a. Service income was primarily related to agency income derived from distribution of automobile insurance products, automobile financial products and suppliers' vehicles in the PRC. It is recognized when the agency services have been completed, which is the point of time being when the services are accepted by customers. The normal credit term is 30 to 60 days upon invoiced. The Group applies the practical expedient of not disclosing the transaction price allocated to performance obligations that were unsatisfied in respect of service income as the related contracts have an original expected duration of less than one year.

b. Government grants represent unconditional grants received from local finance bureaus in compensation for expenses incurred by the Group.

5. INCOME TAX EXPENSE

	2023	2022
	RMB'000	*RMB'000*
		(Restated)
Current tax:		
PRC Enterprise Income Tax ("**EIT**")	**278,650**	640,593
Over provision of PRC EIT in prior years	**(9,236)**	(16,354)
	269,414	624,239
Deferred tax:		
Current year credit	**(114,848)**	(22,868)
	154,566	601,371

6. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging (crediting):

	2023	2022
	RMB'000	*RMB'000*
Staff costs, including directors' remuneration:		
Salaries, wages and other benefits	**2,403,432**	2,146,680
Retirement benefits scheme contributions	**190,021**	159,406
Share-based payment expenses	**35,609**	44,748
Total staff costs	**2,629,062**	2,350,834
Auditors' remuneration:		
– in respect of audit and review service for the Company	**6,920**	6,920
– in respect of the statutory audits for the subsidiaries of the Company	**2,664**	2,718
Total auditors' remuneration	**9,584**	9,638
Cost of inventories recognized as an expense	**66,753,491**	64,685,462
Depreciation of property, plant and equipment	**802,033**	803,848
Depreciation of right-of-use assets	**364,722**	371,893
Amortization of other intangible assets	**111,801**	100,886
Covid-19-related rent concessions (deducted in the related expenses)	**–**	(18,922)

7. DIVIDENDS

	2023	2022
	RMB'000	*RMB'000*
Dividends for ordinary shareholders of the Company recognized as distribution during the year:		
2023 interim dividends – RMB0.105 per share and		
2022 final dividends – RMB0.292 per share		
(2021 final dividends – RMB0.479 per share)	**782,420**	948,826

A final dividend of RMB0.052 per share with the total amount of approximately RMB100 million in respect of the year ended December 31, 2023 has been proposed by the Board of Directors and is subject to approval by the shareholders in the upcoming annual general meeting.

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2023	2022
	RMB'000	*RMB'000*
		(Restated)
Earnings figures are calculated as follows:		
Profit for the year attributable to owners of the Company	**572,579**	1,411,824

	2023	2022
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,942,204**	1,966,529
Effect of dilutive potential ordinary shares:		
Restricted shares	**2,162**	–
Share options	**–**	392
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**1,944,366**	1,966,921

9. TRADE AND OTHER RECEIVABLES/OTHER ASSETS

The Group's credit policies towards its customers are as follows:

a. In general, deposits and advances are required and no credit period is allowed for sales of automobiles, while after-sales services are typically settled on a cash basis upon completion of the relevant services. However, for certain corporate customers of passenger vehicles sales and after-sales services, a credit period not exceeding 60 days is granted;

b. For automobile operating lease services, the Group typically allows a credit period of 30 to 90 days to its customers.

	2023	2022
	RMB'000	*RMB'000*
Current		
Trade receivables	**982,857**	976,182
Bills receivables	**2,962**	–
	985,819	976,182
Current		
Prepayments and other receivables comprise:		
Prepayments to suppliers	**1,761,915**	3,101,871
Deposits to suppliers	**392,409**	476,606
Deposits to entities controlled by suppliers for borrowings	**87,939**	128,177
Prepayments and rental deposits on properties	**184,642**	171,571
Rebate receivables from suppliers	**2,893,480**	2,443,162
Finance and insurance commission receivables	**352,684**	258,908
Staff advances	**2,817**	3,531
Value-added tax recoverable	**219,676**	203,964
Advances to non-controlling interests *(note)*	**37,000**	36,510
Advances to independent third parties *(note)*	**100**	2,090
Consideration receivables from disposal of a subsidiary	**27,667**	–
Others	**256,411**	215,068
	6,216,740	7,041,458
	7,202,559	8,017,640
Non-current		
Other assets:		
Receivables from disposal of land use right	**66,195**	68,195

Note: The non trade-related balances are unsecured, interest-free and repayable on demand.

As at January 1, 2022, December 31, 2022 and December 31, 2023, trade receivables from contracts with customers amounted to RMB827,865,000, RMB851,025,000 and RMB912,545,000 respectively.

The following is an ageing analysis of the Group's trade and bills receivables presented based on the invoice date or the issue date at the end of the reporting period, which approximated the respective revenue recognition dates:

	2023	2022
	RMB'000	*RMB'000*
0 to 90 days	**985,819**	976,182

None of the trade receivables is past due but not impaired as at the end of the reporting period. The Group does not notice any deterioration in the credit quality of its trade receivables. Before accepting any new customers, the Group assesses the potential customer's credit quality and defines credit limits by customer.

10. INVENTORIES

	2023 *RMB'000*	2022 *RMB'000*
Motor vehicles	**3,837,663**	4,007,158
Spare parts and accessories	**525,491**	548,233
	4,363,154	4,555,391

As at December 31, 2023, certain inventories of the Group with an aggregate carrying amount of RMB748,332,000 (2022: RMB1,191,716,000) were pledged as securities for the Group's borrowings.

As at December 31, 2023, certain inventories of the Group with an aggregate carrying amount of RMB2,497,416,000 (2022: RMB2,177,567,000) were pledged as security for the Group's bills payables.

11. TRADE AND OTHER PAYABLES

	2023 *RMB'000*	2022 *RMB'000*
Current		
Trade payables	**967,416**	926,892
Bills payables	**7,380,234**	6,537,661
	8,347,650	7,464,553
Other payables		
Other tax payables	**114,275**	152,664
Payable for acquisition of property, plant and equipment	**56,131**	79,707
Salary and welfare payables	**221,590**	249,077
Accrued interest	**3,933**	25,860
Accrued audit fee	**5,320**	5,320
Consideration payables for acquisition of subsidiaries	**789**	6,783
Advance from non-controlling interests *(note)*	**33,669**	39,211
Advance from third parties(non-trade) *(note)*	**7,830**	–
Dividend payable to non-controlling interests	**–**	448
Other accrued expenses	**60,438**	93,873
Others	**273,419**	273,123
	777,394	926,066
	9,125,044	8,390,619

Note: The balances are unsecured, interest-free and repayable on demand.

The Group's trade payables mainly relate to purchase of spare parts and accessories. A credit period not exceeding 90 days is generally granted by certain suppliers to the Group for the purchase of spare parts and accessories. Bills payables primarily relate to the Group's use of bank acceptance notes to finance its purchase of passenger vehicles, with a credit period of one to six months.

The following is an ageing analysis of the Group's trade and bills payables presented based on invoice date at the end of the reporting period:

	2023	2022
	RMB'000	*RMB'000*
0 to 90 days	**7,989,712**	7,399,105
91 to 180 days	**357,938**	65,448
	8,347,650	7,464,553

12. MEDIUM-TERM NOTE

On May 24, 2018, Shanghai Yongda Investment Holdings Group Co., Ltd. ("**Shanghai Yongda Investment**") received a notice of acceptance of registration issued from National Association of Financial Market Institutional Investors to issue a medium-term note with an aggregate registered amount of RMB1.2 billion. According to the notice, the registered amount shall be effective for two years commencing from the date of issuance.

On March 17, 2020, Shanghai Yongda Investment issued a medium-term note, with an aggregate registered amount of RMB370 million, which is repayable within three years from the date of issuance. As at December 31, 2023, the medium-term note has been fully paid.

The medium-term note is unsecured and carries interest at a rate of 4.8% per annum. The interest is payable annually. The medium-term note was issued to domestic institutional investors in the PRC which are independent third parties. The net proceeds from the issue of the medium-term note are intended to be used for repayment of bank loans.

Movements of the medium-term note during the year ended December 31, 2023 are as follows:

	RMB'000
At December 31, 2022	369,763
Add: interest expense – amortization of transaction costs	237
Less: repayment of medium-term note	(370,000)
At December 31, 2023	–

FINANCIAL REVIEW

Revenue

Revenue was RMB72,595.5 million for the twelve months ended December 31, 2023, representing a 0.8% increase from RMB72,023.9 million for the twelve months ended December 31, 2022. The table below sets forth a breakdown of our revenue and relevant information of various business segments for the periods indicated:

	2023			2022		
	Amount *(RMB'000)*	**Sales Volume** *(Units)*	**Average Selling Price** *(RMB'000)*	Amount *(RMB'000)*	Sales Volume *(Units)*	Average Selling Price *(RMB'000)*
New vehicle distribution sales						
Luxury and ultra-luxury brands	**48,273,892**	**130,512**	**370**	50,448,541	133,338	378
Mid-to-high-end brands	**6,528,540**	**45,057**	**145**	6,872,118	48,208	143
Independent new energy brands (distribution model)	**1,636,247**	**8,981**	**182**	870,992	5,730	152
Subtotal	**56,438,679**	**184,550**	**306**	58,191,651	187,276	311
Pre-owned vehicles distribution	**5,277,149**	**44,590**	**118**	3,369,991	16,684	202
After-sales services	**10,542,872**			10,099,081		
Automobile rental services	**474,827**			498,154		
Less: inter-segment eliminations	**(138,036)**			(134,989)		
Total	**72,595,491**			72,023,888		

The distribution sales volume of new vehicles of the passenger vehicle sales and services segment was 184,550 units for the twelve months ended December 31, 2023, a 1.5% decrease from 187,276 units for the twelve months ended December 31, 2022.

Among them, the distribution sales volume of luxury and ultra-luxury brand new vehicles was 130,512 units for the twelve months ended December 31, 2023, a 2.1% decrease from 133,338 units for the twelve months ended December 31, 2022.

Revenue from the distribution sales of new vehicles of the passenger vehicle sales and services segment was RMB56,438.7 million for the twelve months ended December 31, 2023, a 3.0% decrease from RMB58,191.7 million for the twelve months ended December 31, 2022.

Among them, revenue from the distribution sales of luxury and ultra-luxury brand new vehicles was RMB48,273.9 million for the twelve months ended December 31, 2023, a 4.3% decrease from RMB50,448.5 million for the twelve months ended December 31, 2022.

The distribution volume of pre-owned vehicles was 44,590 units for the twelve months ended December 31, 2023, a 167.3% increase from 16,684 units for the twelve months ended December 31, 2022.

Revenue from distribution of pre-owned vehicles was RMB5,277.1 million for the twelve months ended December 31, 2023, a 56.6% increase from RMB3,370.0 million for the twelve months ended December 31, 2022.

Revenue from after-sales services for the passenger vehicle sales and services segment was RMB10,542.9 million for the twelve months ended December 31, 2023, a 4.4% increase from RMB10,099.1 million for the twelve months ended December 31, 2022.

Revenue from the automobile rental services segment was RMB474.8 million for the twelve months ended December 31, 2023, a 4.7% decrease from RMB498.2 million for the twelve months ended December 31, 2022.

Cost of Sales and Services

Cost of sales and services was RMB67,601.1 million for the twelve months ended December 31, 2023, a 3.0% increase from RMB65,634.5 million for the twelve months ended December 31, 2022.

Cost of sales of distribution of new vehicles of the passenger vehicle sales and services segment was RMB56,262.5 million for the twelve months ended December 31, 2023, a 0.9% decrease from RMB56,752.2 million for the twelve months ended December 31, 2022.

The distribution costs of pre-owned vehicles were RMB4,933.6 million for the twelve months ended December 31, 2023, a 60.4% increase from RMB3,076.1 million for the twelve months ended December 31, 2022.

Cost of after-sales services for the passenger vehicle sales and services segment was RMB6,164.0 million for the twelve months ended December 31, 2023, a 10.6% increase from RMB5,573.2 million for the twelve months ended December 31, 2022.

Cost of services for the automobile rental services segment was RMB366.4 million for the twelve months ended December 31, 2023, a 1.4% increase from RMB361.4 million for the twelve months ended December 31, 2022.

Gross Profit and Gross Profit Margin

As a result of the foregoing, gross profit was RMB4,994.4 million for the twelve months ended December 31, 2023, a 21.8% decrease from RMB6,389.3 million for the twelve months ended December 31, 2022.

Gross profit margin was 6.88% for the twelve months ended December 31, 2023, a decrease of 1.99 percentage points from the gross profit margin of 8.87% for the twelve months ended December 31, 2022. The decrease in gross margin was mainly due to the decline in gross profit margin of new vehicles as a result of the decline in new vehicle prices.

Gross profit from the distribution sales of new vehicles of the passenger vehicle sales and services segment was RMB176.2 million for the twelve months ended December 31, 2023, an 87.8% decrease from RMB1,439.5 million for the twelve months ended December 31, 2022.

Gross profit margin for the distribution sales of new vehicles decreased to 0.31% for the twelve months ended December 31, 2023 from 2.47% for the twelve months ended December 31, 2022.

The gross profit from distribution of pre-owned vehicles was RMB343.6 million for the twelve months ended December 31, 2023, a 16.9% increase from RMB293.9 million for the twelve months ended December 31, 2022.

The gross profit margin for distribution of pre-owned vehicles was 6.51% for the twelve months ended December 31, 2023, a decrease of 2.21 percentage points from the gross profit margin of 8.72% for the twelve months ended December 31, 2022.

Gross profit from after-sales services for the passenger vehicle sales and services segment was RMB4,378.9 million for the twelve months ended December 31, 2023, a 3.2% decrease from RMB4,525.9 million for the twelve months ended December 31, 2022.

Gross profit margin for after-sales services was 41.53% for the twelve months ended December 31, 2023, a decrease of 3.28 percentage points from 44.81% for the twelve months ended December 31, 2022.

Gross profit from the automobile rental services segment was RMB108.4 million for the twelve months ended December 31, 2023, a 20.7% decrease from RMB136.8 million for the twelve months ended December 31, 2022.

Gross profit margin for the automobile rental services segment was 22.83% for the twelve months ended December 31, 2023, a decrease of 4.63 percentage points from 27.46% for the twelve months ended December 31, 2022.

Other Income and Other Gains and Losses

Other income and other gains and losses were net gains of RMB1,858.5 million for the twelve months ended December 31, 2023, a 19.9% increase from RMB1,549.7 million for the twelve months ended December 31, 2022.

Among them, the revenue from the finance and insurance related agency services of the passenger vehicle sales and services segment was RMB1,539.8 million for the twelve months ended December 31, 2023, a 6.9% increase from RMB1,439.9 million for the twelve months ended December 31, 2022.

The sales volume of direct agency sales of independent new energy brand vehicles was 9,395 units for the twelve months ended December 31, 2023, a 143.3% increase from 3,861 units for the twelve months ended December 31, 2022.

Revenue from direct agency sales service of independent new energy brand vehicles was RMB160.2 million for the twelve months ended December 31, 2023, a 182.2% increase from RMB56.8 million for the twelve months ended December 31, 2022.

Distribution and Selling Expenses and Administrative Expenses

Distribution and selling expenses and administrative expenses were RMB5,891.4 million for the twelve months ended December 31, 2023, a 4.5% increase from RMB5,635.2 million for the twelve months ended December 31, 2022.

The ratio of distribution, selling and administrative expenses over revenue was 8.12% for the twelve months ended December 31, 2023, an increase of 0.30 percentage point from 7.82% for the twelve months ended December 31, 2022.

Operating Profit

As a result of the foregoing, operating profit was RMB961.5 million for the twelve months ended December 31, 2023, a 58.3% decrease from RMB2,303.9 million for the twelve months ended December 31, 2022.

Finance Costs

Finance costs were RMB327.4 million for the twelve months ended December 31, 2023, a 2.1% increase from RMB320.7 million for the twelve months ended December 31, 2022.

The percentage of the finance costs for the twelve months ended December 31, 2023 was 0.45%, which remained the same with the percentage of the finance costs for the twelve months ended December 31, 2022.

Profit before Tax

As a result of the foregoing, profit before tax was RMB740.3 million for the twelve months ended December 31, 2023, a 64.3% decrease from RMB2,072.7 million for the twelve months ended December 31, 2022.

Income Tax Expense

Income tax expense was RMB154.6 million for the twelve months ended December 31, 2023, a 74.3% decrease from RMB601.4 million (restated) for the twelve months ended December 31, 2022.

Profit

As a result of the foregoing, the profit was RMB585.8 million for the twelve months ended December 31, 2023, a 60.2% decrease from RMB1,471.3 million (restated) for the twelve months ended December 31, 2022.

Profit Attributable to the Owners of the Company

As a result of the foregoing, the profit attributable to the owners of the Company was RMB572.6 million for the twelve months ended December 31, 2023, a 59.4% decrease from RMB1,411.8 million (restated) for the twelve months ended December 31, 2022.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow

Our primary uses of cash are payment for purchases of passenger vehicles, spare parts and accessories, funding of our working capital and ordinary recurring expenses, funding of the capital expenditures in connection with the establishment and acquisition of new outlets, and repayment of our indebtedness. We maintain our liquidity through a combination of cash flows generated from operating activities, capital injections, issuance of bonds, bank loans and other borrowings. In the future, we believe that our capital expenditures and liquidity requirements are expected to be satisfied by using a combination of cash flows generated from our operating activities, bank loans and other borrowings, as well as funds raised from the capital markets from time to time.

For the twelve months ended December 31, 2023, our net cash from operating activities was RMB1,832.2 million, which mainly included cash generated before working capital changes of RMB2,166.8 million, cash generated from working capital changes of RMB164.3 million and the payment of income tax of RMB498.9 million. For the twelve months ended December 31, 2022, our net cash from operating activities was RMB4,232.5 million, which mainly included cash generated before working capital changes of RMB3,579.5 million, cash generated from working capital changes of RMB1,348.4 million and the payment of income tax of RMB695.5 million.

For the twelve months ended December 31, 2023, our net cash used in investing activities was RMB538.4 million, which mainly included the amounts for purchase of property, plant and equipment, right-of-use assets and intangible assets of RMB1,418.3 million, which was partially offset by the proceeds of RMB474.7 million from the disposal of property, plant and equipment, intangible assets and right-to-use assets, the proceeds of RMB227.6 million from the disposal of financial assets at fair value through profit or loss, the proceeds of RMB114.3 million from the disposal of subsidiaries and dividends of RMB66.9 million received from joint ventures and associates. For the twelve months ended December 31, 2022, net cash used in investing activities was RMB1,455.2 million, which mainly included the amounts for purchase of property, plant and equipment, right-of-use assets and intangible assets of RMB1,776.4 million, which was partially offset by the proceeds of RMB505.8 million from the disposal of property, plant and equipment, intangible assets and right-to-use assets.

For the twelve months ended December 31, 2023, our net cash used in financing activities was RMB1,278.5 million, which mainly included the payment of dividends to shareholders of the Company of RMB782.4 million, the payment of dividends to minority shareholders of subsidiaries of RMB64.9 million, the payment of interest of RMB349.1 million, the repayments of leases liabilities of RMB237.0 million and the payment for repurchase of shares of RMB99.0 million. For the twelve months ended December 31, 2022, net cash used in financing activities was RMB2,841.8 million, which mainly included the net repayment of borrowings of RMB1,255.5 million, the payment of interest of RMB317.9 million, the payment of dividends to shareholders of the Company of RMB948.8 million, the payment of dividends to minority shareholders of subsidiaries of RMB128.5 million, and the repayments of leases liabilities of RMB237.4 million.

Inventories

Our inventories mainly include passenger vehicles, spare parts and accessories.

Our inventories balance was RMB4,363.2 million as of December 31, 2023, a 4.2% decrease from RMB4,555.4 million as of December 31, 2022. The following table sets forth our average inventory turnover days for the periods indicated:

	For the year ended December 31,	
	2023	2022
Average inventory turnover days	**23.0**	22.1

Capital Expenditures and Investment

Our capital expenditures primarily included expenditures on purchase of property, plant and equipment, right-of- use assets and intangible assets, which were partially offset by the proceeds from the disposal of property, plant and equipment, intangible assets and right-of-use assets. For the twelve months ended December 31, 2023, our total capital expenditures were RMB949.6 million. The following table sets forth a breakdown of our capital expenditures for the period indicated:

	As of December 31, 2023 *(RMB million)*
Expenditures on purchase of property, plant and equipment – test-drive automobiles and vehicles for operating lease purposes	**797.5**
Expenditures on purchase of property, plant and equipment and right-of-use assets – primarily used for establishing and upgrading automobile sales and service outlets	**550.0**
Expenditures on purchase of intangible assets (vehicle licences and softwares)	**70.8**
Others	**6.0**
Proceeds from the disposal of property, plant and equipment, intangible assets and right-of-use assets (mainly test-drive automobiles and vehicles for operating lease purposes)	**(474.7)**
Total	**949.6**

Borrowings and Bonds

We obtained borrowings (consisting of bank loans and other borrowings from designated automobile finance companies of automobile manufacturers) and issued bonds to fund our working capital and network expansion. As of December 31, 2023, the outstanding amount of our borrowings and bonds amounted to RMB3,960.6 million, a 6.0% increase from RMB3,737.2 million as of December 31, 2022. The following table sets forth the maturity profile of our borrowings as of December 31, 2023:

	As of December 31, 2023 *(RMB million)*
Within one year	**2,434.0**
One to two years	**508.6**
Two to five years	**1,018.0**
Total	**3,960.6**

As of December 31, 2023, our net gearing ratio (being net liabilities divided by total equity) was 12.2% (as of December 31, 2022: 10.5%). Net liabilities represent borrowings and medium-term notes minus cash and cash equivalents and time deposits.

As of December 31, 2023, certain of our borrowings were secured by mortgages or pledges over our assets. Our assets subject to these mortgages or pledges as of December 31, 2023 consisted of (i) inventories of RMB748.3 million; (ii) property, plant and equipment of RMB21.7 million; (iii) land use rights of RMB30.8 million; and (iv) equity interests of the subsidiaries of RMB561.9 million.

Contingent Liabilities

As of December 31, 2023, the Group provided guarantees of RMB259 million to Shanghai Yongda Finance Leasing Co., Ltd. in respect of its borrowing principal balance on normal commercial terms and on several basis in proportion to the Group's shareholding in Shanghai Yongda Finance Leasing Co., Ltd., save for which we did not have any material contingent liabilities.

Interest Rate Risk and Foreign Exchange Risk

We are exposed to interest rate risk resulting from fluctuations in the interest rate on our borrowings. Certain of our borrowings were floating rate borrowings that are linked to the loan prime rate (LPR). Increases in interest rates could result in an increase in our cost of borrowing, which in turn could adversely affect our finance costs, profit and our financial condition.

Substantially all of our revenue, costs and expenses are denominated in Renminbi. We also use Renminbi as our reporting currency. As of December 31, 2023, we had no financial borrowings that were denominated in foreign currencies.

DEVELOPMENT OUTLOOK AND STRATEGIES

In 2023, the China’s automobile market experienced unprecedented changes and challenges, while also nurturing new opportunities and hope. During the year, the market landscape underwent tremendous changes, with both automobile production and sales exceeding 30 million units. Automobile exports have reached a new high, new energy vehicles continue to maintain high-speed growth under policy promotion, and the new technological revolution has driven the continuous development of cloud computing, autonomous driving and intelligent networking. However, meanwhile, the increasingly severe internal competition of new energy has intensified market competition, terminal prices have continued to decline, and the imbalance between supply and demand has also led to a downward trend in prices throughout the year. China’s automotive market as whole still shows strong resilience in the face of pressure and challenges, reflecting a steady recovery growth trend in the post-pandemic era.

In the face of increasingly fierce competition in the automobile market, we closely follow the market trends, respond proactively, constantly make optimization and adjustments to the development and business strategies of the Company, and explore opportunities and new growth points in crisis. In 2023, the reshuffling of the dealer industry also accelerated. In the face of pressure, we have maintained overall stable operation, safe cash flow and a healthy balance sheet structure in the face of adversity, and has withstood the tremendous test of the automobile market in 2023.

Looking forward to 2024, we will focus on the vehicle service industry, strive to achieve a stable price recovery in the new vehicle sales business on the basis of scale growth, continue to optimize the brand structure, enhance the efficiency of single store, ensure the stability of the after-sales business, and realize quality development. We will also expand and strengthen pre-owned vehicles, accurately develop the new energy vehicle industry, accelerate the layout of the battery recycling industry, and focus on various cost reduction and cost control work. We will endeavor to safeguard the Group's profitability and achieve stable operations in the face of adversity by focusing on "activating new energy, reducing costs and increasing efficiency".

Focus on the "cash cow" business of luxury vehicles

In terms of new vehicles, we will improve turnover efficiency on the basis of maintaining scale, pursue the maximization of the benefits of commercial policy on the premise of operational quality, and ensure stable gross profit margins for luxury vehicles in the face of market fluctuations. In terms of after-sales maintenance business, we will continuously optimize the business structure, strengthen business solicitation, enhance cost control, improve customer retention rate and retail service absorption rate, and achieve quality and efficiency improvement of after-sales business, so as to safeguard the stable development of the Group and strengthen risk-resistant capability through long-term steady growth. We will accelerate the shutdown and transfer of some brand outlets, continuously optimize the network structure and layout, focus on the continuous improvement of operational quality of core luxury brand outlets, and continue to consolidate our established leading position in the two luxury vehicle brands BMW and Porsche.

Continue to deeply cultivate and strengthen the "Yongda Pre-owned Vehicles"

With the implementation of favorable policies in the pre-owned vehicle industry, we will also continue to leverage inherent advantages in terms of brand, vehicle sources, outlets, after-sales, funding, management and other aspects of our pre-owned vehicle business. The Company will continue to promote the construction of the retail capacity of officially certified pre-owned vehicles by the manufacturers and Yongda certified pre-owned vehicles, improve sales scale and retail quality, and ensure stable profitability, so as to build Yongda pre-owned vehicle business into an important driving engine for the vehicle service industry.

Precisely develop the "Yongda New Energy"

We will continue to maintain the first mover advantages, and continuously focus on optimizing the layout of new energy outlets, new retail models for regional brand, innovative user operations and researching future business opportunities related to the new energy service industry chain, in order to achieve precise development of the new energy vehicle service industry. We will fully leverage our leading advantages in service network, high-quality operation and management, digitization and new media operations, etc., and continue to develop in-deep cooperation with leading new energy brand vehicle companies in China. We will also respond to the rapidly growing demand of new energy users for after-sales services, and gradually make after-sales business into an important component of the revenue of new energy. Moreover, we will also continue to play the role of dealers as loyal partners of traditional luxury vehicle brands, fully support the iteration and updating of new energy products of traditional luxury brands, and help to expand the market share of luxury new energy vehicles.

We will also continue to expand business in the "battery recycling industry" by focusing on four major business segments of battery leasing, battery maintenance, battery protection and battery recycling, and gradually build the battery business into a new growth highlight for the Company in the value chain of new energy vehicle industry.

Through the above measures, we are committed to building the Company into the "automobile service expert with most electrification capacity".

Focus on promoting various cost reduction and expense control measures

We will actively respond to the pressure on the gross profit of new vehicles caused by the continuous price wars in the industry, and implement various cost and expense controls. We will achieve effective reduction in our sales and management expenses through organizational optimization, personnel effectiveness optimization, further stringent implementation of measures to control costs and expenses in respect of venue leasing, marketing and administration, the adoption of input-output evaluation and dynamic control mechanism, and further optimization of performance and performance-related measures.

We are also building a "sharing platform" for users, finance and human resources. Through organizational changes, we will streamline functions and processes, break down inter-department barriers, significantly improve the efficiency of frontline employees, and give full play to the ability to share traffic and create value among main businesses, thereby ultimately achieving efficiency improvement and effective cost reduction.

Improve quality and efficiency through digital intelligence

Against the backdrop of the increasingly upsurge of big data and metaverse technology, we will also keep up with the trend by accelerating the pace of digital and intelligent transformation, implementing comprehensive digital retail processes, establishing an accurate marketing system for all users, and exploring the full lifecycle value of customers. Furthermore, we will further explore the application and pilot of new technologies such as AI, ChatGPT and digital humans in the business operation and management scenarios, so as to enhance efficiency while empowering businesses.

Talent reserve and cultivation contribute to stability and progress

With the development of the automobile industry entering the era of "new four modernizations" and in line with our overall industrial transformation and development needs, we will also simultaneously strengthen talent cultivation and reserves in the fields of new energy, pre-owned vehicles, digitization and intelligence, and further optimize assessment and incentive mechanism. Moreover, we will promote the position evaluation and survival-of-the-fittest, and create a comprehensive cross-border management talent and professional technical talent team that is more in line with future trends and more enterprising, so as to ensure our long-term sustainable development.

Despite the rapid changes in the current automobile market, the brand communication of dealer channel network and the value of aftermarket services still play an irreplaceable role in the automobile dealer industry chain. We will calmly respond to market challenges, ensure our stable and orderly operation in the midst of continuous changes, and seek new opportunities and growth points. In the future, we will actively participate in and continue to respond to the national "low-carbon" strategy and commit ourselves to fulfilling ESG-related corporate social responsibilities, and build the ability for long-term sustainable growth, so as to realize efficiency improvement against market downturn as well as stable and upward development, and return our shareholders and investors with more stable performance.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and has complied with the code provisions in the CG Code during the year ended December 31, 2023.

Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code during the year ended December 31, 2023. The Company's employees, who are likely to be in possession of unpublished inside information of the Company, are also subject to the Model Code.

Purchase, Sale or Redemption of the Company's Listed Securities

During the year ended December 31, 2023, the Company repurchased a total of 24,581,500 ordinary shares (the "**Shares Repurchased**") of the Company on the Stock Exchange at an aggregate consideration of approximately HK$110,453,724.05. Particulars of the Shares Repurchased are as follows:

Month/Year	Number of Shares Repurchased	Price paid per share Highest *(HK$)*	Price paid per share Lowest *(HK$)*	Aggregate consideration *(HK$)*
January 2023	3,500,000	6.97	5.51	22,534,150.00
March 2023	1,204,500	5.60	5.21	6,443,766.55
April 2023	5,265,500	5.43	4.83	27,131,217.65
May 2023	3,374,500	5.16	4.06	15,662,601.25
June 2023	2,621,000	4.31	3.87	10,596,826.95
July 2023	4,166,000	4.01	3.28	14,927,783.75
September 2023	3,081,500	3.13	2.96	9,389,925.10
October 2023	1,368,500	2.87	2.68	3,767,452.80
Total	24,581,500			110,453,724.05

A total of 10,679,000 shares repurchased from January 3, 2023 to May 5, 2023, a total of 9,452,500 shares repurchased from May 11, 2023 to July 25, 2023 and a total of 4,450,000 shares repurchased from September 15, 2023 to October 4, 2023 were cancelled on May 17, 2023, August 11, 2023 and February 22, 2024, respectively. The repurchase of the Company's shares during the year ended December 31, 2023 was effected by the Directors pursuant to the general mandates granted to the Directors at the annual general meetings dated June 1, 2022 and June 1, 2023, with a view to benefiting the Company and the shareholders of the Company by enhancing the net asset value per share and/or earnings per share.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended December 31, 2023.

Audit and Compliance Committee

The audit and compliance committee of the Company (the "**Audit and Compliance Committee**") has three members comprising three independent non-executive Directors, being Ms. Zhu Anna Dezhen (chairlady), Mr. Lyu Wei and Mr. Mu Binrui, with terms of reference in compliance with the Listing Rules.

The Audit and Compliance Committee has considered and reviewed the accounting principles and practices adopted by the Group and discussed matters in relation to internal control and financial reporting with the management. The Audit and Compliance Committee considered that the annual financial results for the year ended December 31, 2023 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

The auditor of the Company, Deloitte Touche Tohmatsu, has agreed that the figures in respect of the Group's annual results for the year ended December 31, 2023 contained in this announcement are consistent with the amounts set out in the Group's audited consolidated financial statements for the year.

RECORD DATE FOR ANNUAL GENERAL MEETING

Shareholders whose names appear on the register of members of the Company at the close of business on May 30, 2024 (Thursday) (the "**Record Date**") will be entitled to attend the forthcoming annual general meeting to be held on June 5, 2024 (Wednesday) (the "**AGM**"). In order to be eligible to attend and vote at the AGM, all transfer accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on the Record Date.

FINAL DIVIDEND

The Board resolved to propose to the shareholders of the Company at the AGM on June 5, 2024 (Wednesday) for the distribution of a final dividend of RMB0.052 per share for the year ended December 31, 2023. The final dividend is expected to be paid on or around June 28, 2024 (Friday) to the shareholders whose names are listed in the register of members of the Company on June 18, 2024 (Tuesday). On the basis of the total issued share capital of 1,927,573,013 shares of the Company as of February 29, 2024, it is estimated that the aggregate amount of final dividend would be approximately RMB100 million. The actual total amount of final dividends to be paid will be subject to the total number of issued share capital of the Company as at the Record Date for determining the entitlement of shareholders to the final dividend. The proposal for the distribution of the final dividend above is subject to the consideration and approval of the shareholders at the AGM.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from June 13, 2024 (Thursday) to June 18, 2024 (Tuesday), both days inclusive, in order to determine the entitlement of the shareholders to the final dividend. All transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on June 12, 2024 (Wednesday).

EVENTS AFTER REPORTING PERIOD

As of the date of this announcement, there is no significant event subsequent to December 31, 2023 which is required to be disclosed by the Company.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.ydauto.com.cn).

The annual report for the year ended December 31, 2023 containing all the information required by Appendix D2 to the Listing Rules will be despatched (if necessary) to shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

By order of the Board
China Yongda Automobiles Services Holdings Limited
Cheung Tak On
Chairman

The PRC, March 26, 2024

As at the date of this announcement, the Board comprises (i) six executive Directors, namely Mr. Cheung Tak On, Mr. Cai Yingjie, Mr. Wang Zhigao, Mr. Xu Yue, Ms. Chen Yi and Mr. Tang Liang; and (ii) three independent non-executive Directors, namely Ms. Zhu Anna Dezhen, Mr. Lyu Wei and Mr. Mu Binrui.