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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, 2024

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, 2024, together with comparative figures for the year ended December 31, 2023.

GROUP FINANCIAL HIGHLIGHTS

- Revenue for the twelve months ended December 31, 2024 was RMB63,420 million, representing a 14.6% decrease from RMB74,295 million for the twelve months ended December 31, 2023.
- Revenue from new vehicles distribution for the twelve months ended December 31, 2024 was RMB46,407 million, representing a 17.8% decrease from RMB56,439 million for the twelve months ended December 31, 2023.
- Revenue from new vehicles distribution of independent new energy for the twelve months ended December 31, 2024 was RMB3,024 million, representing an 84.8% increase from RMB1,636 million for the twelve months ended December 31, 2023.
- Commission income related to new vehicle sales for the twelve months ended December 31, 2024 was RMB2,371 million, representing a 69.5% increase from RMB1,399 million for the twelve months ended December 31, 2023.
- The repair and maintenance related revenue for the twelve months ended December 31, 2024 was RMB9,467 million, representing a 0.1% increase from RMB9,457 million for the twelve months ended December 31, 2023.

- Transactional volume of pre-owned vehicles for the twelve months ended December 31, 2024 was 74,969 units, representing a 19.4% decrease from 93,012 units for the twelve months ended December 31, 2023.
- The total amount of selling expenses, administrative expenses and finance costs for the twelve months ended December 31, 2024 was RMB5,187 million, representing a 16.6% decrease from RMB6,219 million for the twelve months ended December 31, 2023.
- Net profit for the twelve months ended December 31, 2024 was RMB165 million, representing a 71.8% decrease from RMB586 million for the twelve months ended December 31, 2023.
- Net profit attributable to the owners of the Company for the twelve months ended December 31, 2024 was RMB201 million, representing a 64.9% decrease from RMB573 million for the twelve months ended December 31, 2023.
- Excluding the effect of impairment of goodwill on non-operating items, adjusted net profit and net profit attributable to the owners of the Company for the twelve months ended December 31, 2024 was RMB206 million and RMB241 million, respectively.
- Turnover days of inventories for the twelve months ended December 31, 2024 were 25.8 days.
- Net cash generated from operating activities for the twelve months ended December 31, 2024 was RMB1,518 million.
- The net gearing ratio as of December 31, 2024 was 10.2%, representing a decrease of 2.0 percentage points compared to 12.2% as of December 31, 2023.

MANAGEMENT DISCUSSION & ANALYSIS

MARKET REVIEW

According to the data from the China Passenger Cars Association (the “CPCA”), in 2024, the overall retail sales of the passenger vehicles market in China reached 22.894 million units, representing a year-on-year increase of 5.5%. Among them, the cumulative sales volume of luxury passenger vehicles for the year reached 5.544 million units, representing a year-on-year increase of 9.4%, among which luxury new energy vehicles continued to maintain high growth. Overall, the competition in the passenger vehicle market in China has further intensified in 2024 despite of the recovery in market demand, the sales targets set by various brands were still relatively high, leading to a persistent oversupply. In the second half of the year, major automobile enterprises began to take the initiative to adjust sales targets, adjust the prices of new vehicles and shorten the rebate period for dealers. Through the above adjustments, the overall market pressure has been reduced, and sales quality has stabilized.

The new energy vehicle market continued to maintain a strong momentum in 2024. According to the data from the CPCA, the retail sales of new energy vehicles in China reached 10.899 million units in 2024, representing a year-on-year increase of 40.7%, with a market penetration rate of nearly 50%, indicating that new energy vehicles have dominated the China’s automobile market. BYD continued to lead the market, with annual sales exceeding 4 million units, firmly ranking first in the industry. In addition, independent new energy brands such as Li Auto, AITO, ZEEKR, NIO and Xpeng performed well, and achieved significant year-on-year growth attributable to the launch of new models. The Xiaomi brand achieved delivery of over 130,000 units within eight months since its launch, with an average steady monthly delivery of over 20,000 units.

The pre-owned vehicle market also showed a steady growth trend in 2024. According to the data from the China Automobile Dealers Association (中國汽車流通協會), the transaction volume of pre-owned vehicles in China reached 19.614 million units in 2024, representing a year-on-year increase of 6.5%. The continuous growth of domestic vehicle ownership and further optimization of government policies on the distribution of pre-owned vehicles, such as the simplification of transfer procedures and the abolition of restrictions on relocation, provided strong impetus for the pre-owned vehicle market. However, due to the continued impact of the price war in the new vehicle market, the overall profitability of the pre-owned vehicle market was still suppressed to a certain extent.

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 December 2024, the motor vehicle ownership in China reached 450 million units, of which 350 million units were automobiles, and the new energy vehicle ownership exceeded 30 million units, accounting for 8.9% of the total number of automobiles, of which 22.09 million units were purely electric vehicles, accounting for 70.3% of the total number of new energy vehicles. The continuous growth of domestic motor vehicle ownership has brought tremendous development opportunities to the automobile aftermarket, especially in the fields of vehicle repair, maintenance and parts replacement, and the market size has further expanded. It is expected that in the coming years, with the continuous increase in the new energy vehicle ownership, the structure of the automobile aftermarket will be further optimized, and the demand for after-sales services related to new energy vehicles will significantly increase.

At the policy level, in 2024, the Chinese government continued to promote the policy of replacement of automobiles to further facilitate the upgrading of automobile consumption. In accordance with the Action Plan for Promoting Large-scale Equipment Renewal and Consumer Goods Replacement (《推動大規模設備更新和消費品以舊換新行動方案》) issued by the State Council, local governments successively issued specific implementation rules, which, together with subsidies at the national level, have further stimulated automobile consumption. These policies not only promoted new vehicle sales, but also drive the activity of the pre-owned vehicle market.

BUSINESS REVIEW

In 2024, our revenue amounted to RMB63,420 million, representing a decrease of 14.6% as compared to 2023. In 2024, our gross profit amounted to RMB5,273 million, representing a decrease of RMB1,421 million or 21.2% compared with 2023, among which the gross profit from the sales of new vehicles and related services decreased by RMB1,204 million or 58.3% year-on-year.

In 2024, the selling expenses, administrative expenses and finance costs totaled RMB5,187 million, representing a year-on-year decrease of RMB1,032 million or 16.6%.

As a result of the decrease in gross profit from new vehicle sales and related services for the year, as well as the recognition of non-cash goodwill impairment of RMB40.45 million by the Group, our net profit and net profit attributable to the owners of the Company for 2024 amounted to RMB165 million and RMB201 million, representing a decrease of RMB420 million and RMB372 million, or a decrease of 71.8% and 64.9%, compared with that for the corresponding period in 2023, respectively.

Excluding the impact of goodwill impairment on non-operating items, our adjusted net profit and net profit attributable to the owners of the Company in 2024 amounted to RMB206 million and RMB241 million, respectively.

In 2024, we continued to implement strict control over the pace of our inventory purchases and sales and the amount of capital expended. As of December 31, 2024, our inventory balance amounted to RMB4,150 million, representing a decrease of 4.9% compared with the end of 2023. We maintained a relatively healthy inventory turnover of 25.8 days. In 2024, our net cash from operating activities was RMB1,518 million, and our net gearing ratio as of December 31, 2024 was 10.2%, representing a decrease of 2.0 percentage points compared with the end of 2023.

Set forth below is a summary of our business development in 2024:

New Vehicle Sales Business

The sales volume of new vehicles in 2024 was 171,236 units, representing a year-on-year decrease of 11.7%. The revenue from new vehicle sales and related services for the year amounted to RMB49,455 million, representing a year-on-year decrease of 16.0%. In the second half of 2024, the gross profit margin from new vehicle sales and related services was 1.83%, representing an increase of 0.19 percentage points compared with the first half of 2024. Last year, the new vehicle sales of our independent new energy brands accounted for more than 10% of the total sales, and the gross profit margin of new vehicles was significantly better than that of traditional fuel vehicle brands.

In 2024, we maintained a healthy turnover for new vehicles of 25.2 days. As the terminal prices in the automobile market are more volatile at that time, various brand enterprises implemented the pre-warning mechanism for the correlation between new vehicle sales rhythm and inventory funds through digital system, and dynamically analyzed, benchmarked and evaluated business data such as new vehicle funds and inventory on a weekly basis, which further facilitated the improvement of new vehicle turnover efficiency.

New Energy Vehicle Business

In 2024, many leading new energy brands achieved considerable growth in business scale. The industry has given birth to many popular models with long-term influence, such as Xiaomi SU7 and AITO M9. Other leading new brands such as ZEEKR and NIO also performed well. Benefiting from the layout and adjustment of relevant brand outlets in the early stage, we have also successfully undertaken the high-growth sales service needs and after-sales service needs for corresponding products, which helped us to undertake the sales of new energy brands in a high quality manner and the rapid growth of the after-sales business.

In terms of network layout, we also further focused on our outlet layout direction at the independent new energy brand end based on the direction of market development. We expanded the outlet layout for leading new energy brands with strong competitiveness and high visibility in product intelligence. Meanwhile, we made further reductions and adjustments to the outlets with low efficiency of single store, especially the outlets with monthly sales of less than 50 units and monthly after-sales production value of less than RMB1 million.

Finally, in terms of sales, the sales volume of all our independent new energy brands reached 18,485 units for the year, of which 11,085 units were sold under the distribution model and 7,400 units were sold under the direct sales model. With the launch of high-value models such as AITO M9 and STELATO S9, the average selling price of new vehicles in 2024 increased to RMB283,000 from RMB243,000 in 2023. Meanwhile, due to the long-term popularity of some best-sellers of leading brands, as of December 2024, while maintaining high sales, all of our major operating brands have order depth of more than one month, laying the foundation for sustained business growth in 2025.

In terms of after-sales, in 2024, the after-sales business of independent new energy vehicle brands continued to maintain rapid growth momentum. In 2024, the repair revenue amounted to RMB310.05 million, representing a year-on-year increase of 95.2%, and the average vehicle yield amounted to RMB3,114, representing a year-on-year increase of 27.1%. The retention number of after-sales customers of independent new energy brands reached 57,400 as at the end of 2024, representing an increase of over 32,000 or 134.3% as compared to the end of 2023, and the increase in after-sales customers exceeded the total new vehicle sales volume for the year. At present, the number of after-sales customers of our independent new energy brands is growing at an average rate of 11% per month, which is faster than the growth rate of new vehicle sales customers. With continuous increase of brand outlets with high customer retention, the after-sales business of independent new energy brands will further improve rapidly.

After-sales Business

The revenue from our repair and maintenance related services was RMB9,467 million in 2024, representing an increase of 0.1% compared with the corresponding period in 2023 and an increase of 3.4% in the second half of the year compared with the first half of the year. Excluding the factors of shutdown and transfer of enterprises, the revenue from our repair and maintenance related services of continuing operating enterprises increased by 2.5% in 2024 compared with 2023. In 2024, the gross profit margin of our repair and maintenance related services was 40.45%, in line with that of the corresponding period in 2023. In 2024, the absorption rate of retail services was 79.2%, representing an increase of 12.5 percentage points compared with the corresponding period in 2023.

In terms of user operations, we continued to maintain a high penetration of sticky products and extended the solicitation cycle for maintenance services according to changes in vehicle usage habits, in order to enhance our user lifecycle management capabilities and effectiveness. Meanwhile, we actively conducted after-sales business marketing to users beyond our management through cross industry channels such as cooperating with insurance companies. As of the end of 2024, the number of users under our management achieved sustained growth through the above measures.

In terms of the electrical and mechanical maintenance business, we continued to increase the proportion of high-margin maintenance business, and strengthened the workshop cost and settlement control to promote the improvement of profitability. The gross profit margin of electrical and mechanical maintenance business in 2024 was improved year-on-year as compared with that in 2023.

We continued to deepen the quality improvement of our insurance business. In terms of new insurance business, we continued to increase the amount of third party insurance coverage and the enrollment rate of additional insurance such as medicines not covered by medical insurance. We achieved a year-on-year increase in single unit premium for new vehicles in 2024. In terms of the insurance renewal, we strengthened process control to achieve the increase in the number and size of insurance renewal while effectively controlling the marketing cost.

In terms of accident vehicle business, we insisted on continuously improving the quality of our accident vehicle business operations through all-staff marketing of accident claims, vehicle related insurance products and the application of digital management tools. In the second half of 2024, the number of our repair & paint units increased year-on-year compared with the first half of the year. At the same time, we actively carried out cooperation with insurance companies such as “maintenance instead of replacement” to cope with the impact of the tightening of claims and loss assessment policies of insurance companies.

In terms of inventory control, we adjusted our procurement strategy in a timely manner based on the our business scale and inventories, and strictly controlled use of prepayments and the procurement of non-recurring spare parts and supplies, which resulted in a year-on-year decrease of 8.0% in the amount of spare parts and supplies in stock as at the end of 2024 as compared with that as at the end of 2023.

Pre-owned Vehicle Business

Yongda Pre-owned Vehicles always adopted the business strategy of “stable operation, efficient turnover, strict risk control and transformation and development”, proactively resolved the corresponding systemic risks brought by the rapid downturn of new vehicle market to the pre-owned vehicle business, and actively responded to the opportunities and challenges of the new energy pre-owned business scenario. We made positive progress in consolidating inventories, business innovation, efficiency optimization and other aspects. In 2024, our new-to-pre-owned ratio was 43.8%, and the pre-owned vehicles transaction volume was 74,969 units, representing a year-on-year decrease of 19.4%, of which the distribution volume was 36,488 units, and the revenue from distribution amounted to RMB3,778 million, representing a year-on-year decrease of 28.4%; the gross profit from distribution amounted to RMB211 million; the average distribution revenue per unit was RMB104,000, and the gross profit margin from distribution was 5.59%. Despite the adverse market environment with severe fluctuations, we have maintained a steady increase in the new-to-pre-owned ratio, as well as a healthy and efficient inventory turnover, which has ensured business scale and profitability.

In the second half of the year, we actively utilized various subsidies to carry out replacement business, and formed strategic cooperation with local scrapping institutions in combination with the national scrapping subsidy policies so as to ensure new vehicle sales with a stable and high replacement rate. The proportion of retail sales maintained steady growth, and the profitability was improved through derivative businesses such as finance, insurance and extended insurance. Through strict turnover and capital management, the scale of inventory was increased healthily. In the second half of the year,

our new-to-pre-owned ratio was 45.4%, representing an increase of 3.3 percentage points compared with the first half of the year. The pre-owned vehicles transaction volume in the second half of the year was 39,733 units, representing an increase of 12.8% compared with the first half of the year, of which the distribution volume was 19,463 units, representing an increase of 14.3% compared with the first half of the year; the gross profit margin from distribution was 5.57%, basically remain unchanged compared with the first half of the year.

We continued to deepen the “2+1” new retail business model of pre-owned vehicles, and achieved the digital and platform-based business layout with online and offline integration. We continued to strengthen digital operation capabilities by actively building a marketing matrix that combines official websites, new media and vertical media to promote online transactions. We established a regionally centralized pre-owned vehicles renovation center to scale up the operation and standardize the procedures, significantly improve renovation and turnover efficiency and shorten the cycle from vehicle collection and marketing. In October, we successfully launched the “Yongda Official Certified New Energy Pre-owned Vehicle Brand” to strengthen the layout of new energy pre-owned vehicles. In combination with the further coordination and optimization and survival of the fittest by testing, auction, logistics, certification and other suppliers, we created a domestic leading pre-owned vehicle circulation system. By virtue of the pre-owned vehicle retail business, in addition to increasing the scale of profits, we expanded the size of customer retention and enhanced the customer stickiness.

Besides, we actively explored and captured incremental opportunities in the existing market, and innovated business models, including 1) cooperating with many new energy vehicle brands on bulk vehicle sources to help manufacturers carry out subscription, leasing and sale, vehicle disposal and stabilize residual values, as well as to bring stable and high-quality retail vehicle sources to our own channels; 2) accelerating the deployment of new channels for new energy pre-owned vehicles, and cooperating with a number of new energy manufacturers on new channels for pre-owned vehicle replacement and retailing; 3) implementing centralized pricing and disposal models of pre-owned vehicles, and exploring open, market-oriented and platform-based operations; 4) actively promoting the export of pre-owned vehicles to realize a diversified sales strategy.

Changes of Outlets

In 2024, we continued to optimize the brand structure and regional deployment of existing outlets through different methods. For outlets with strong brand power but poor regional location, adjusting the location of outlets would be conducive to improving the sales volume and efficiency of a single outlet, particularly for some new energy brands; for outlets with weak brand power but good regional location, we adopted brand replacement, especially for some traditional brands; and for outlets with weak brand power and small scale, we closed them down to avoid operation risks. Last year, we closed and transferred a total of 18 4S dealerships and 4 showrooms through these three methods.

In terms of new openings, we opened 12 new outlets in 2024, including 2 BMW, 2 Xiaomi, 2 HIMA, 2 Xpeng, 1 Smart, 2 ZEEKR after-sales service centers and 1 NIO after-sales service center. In addition, we have also newly obtained authorizations from many new energy brands, primarily including HIMA authorization and several new energy after-sales maintenance authorizations.

As at December 31, 2024, we operated a total of 221 outlets. Set out below are the details and changes of our opened outlets as of December 31, 2024:

	Outlets opened as of December 31, 2023	Outlets opened as of December 31, 2024	Changes of outlets
4S dealerships of luxury and ultra-luxury brands	133	129	-4
City showrooms of luxury brands	<u>19</u>	<u>16</u>	<u>-3</u>
Sub-total of luxury and ultra-luxury brands outlets	<u>152</u>	<u>145</u>	<u>-7</u>
4S dealerships of mid-to-high-end brands	29	27	-2
City showrooms of mid-to-high-end brands	<u>2</u>	<u>1</u>	<u>-1</u>
Sub-total of mid-to-high-end brands outlets	<u>31</u>	<u>28</u>	<u>-3</u>
4S dealerships of independent new energy brands	32	29	-3
Authorized maintenance centers of independent new energy brands	<u>3</u>	<u>6</u>	<u>+3</u>
Sub-total of independent new energy brands outlets	<u>35</u>	<u>35</u>	<u>0</u>
Outlets of Yongda Pre-owned Vehicle Malls	<u>13</u>	<u>13</u>	<u>0</u>
Total outlets	<u><u>231</u></u>	<u><u>221</u></u>	<u><u>-10</u></u>

Continuous Improvement in Management

In 2024, in the face of continuous evolvement and fierce competition in the automobile market, the Company has always adhered to the core principles of “efficiency improvement” and “stability growth”, proactively responded to market challenges, and continued to promote management improvement and business optimization. In spite of the complex and changing market environment, the Company has guaranteed the stability and sustainability of overall operations through a series of innovative measures and refined management.

Network Optimization and Asset Efficiency Improvement

In 2024, the Company continued to speed up the closure and transformation of unprofitable enterprises, and further optimized the brand network structure. We focused on the leading traditional luxury brands and independent new energy brands with potential, and continuously improved their operation and management efficiency. For outlets with small scale and weak profitability, the Company accelerated the closure and transformation, concentrating resources on core areas and high-quality outlets. Besides, we cooperated closely with brands to promote the diversified utilization of existing showrooms and after-sales properties, thereby further reducing operating costs and improving asset utilization efficiency.

In terms of regional layout, the Company continued to focus on first- and second-tier cities and provincial capital cities. These regions are not only the core markets for automobile consumption, but also the main driving forces for the growth of new energy vehicles and luxury vehicles. By optimizing regional layout, the Company has further consolidated its competitive advantage in key markets.

Cash Flow and Financial Indicator Management

In 2024, the Company further strengthened cash flow management to ensure timely recovery of receivables and efficient turnover of inventories. By optimizing the receivables management process, the Company did not only reduce the amount of receivables, but also significantly shortened the collection cycle and improved the efficiency of capital use. In terms of inventory management, the Company has strengthened the integration and coordination of resources under the brand, and ensured that the inventory turnover efficiency was maintained at a higher level in the industry.

In terms of core financial indicators, the Company continued to maintain a healthy and sound financial position that current assets could cover liabilities and net assets could cover long-term assets. These key indicators were maintained at good levels, providing a solid financial foundation for the Company to cope with market fluctuations.

Cost Reduction, Efficiency Improvement and Shared Management

In 2024, the Company continued to deepen the work of cost reduction and expense control, especially conducted refined management in terms of labor costs and marketing and administrative expenses. We dynamically adjusted production expenses closely related to performance to ensure that every

single expenditure could create value for the Company. In addition, the Company has accelerated the promotion of shared management models of business, finance and human resources, which further improved management efficiency and reduced operating costs.

Taking advantage of digital tools, the Company has achieved real-time monitoring and dynamic adjustment of various expenditures, ensuring that the goal of quality and efficiency improvement of operations could be achieved.

Digital Marketing and New Media Private Domain Campus Development

In 2024, the Company made significant progress in digital marketing. We continued to maintain our leading position in the industry on the Douyin platform, and actively explored new platforms such as video account and Xiaohongshu, further expanding our brand influence. With the activation of the KOS account support policy, the Company has increased its investment in various media channels, which has significantly boosted the total number of leads on new media platforms. In 2024, the total number of leads for the Company's new media platforms increased by 65% year-on-year, maintaining the momentum of rapid growth.

In addition, the major brands for which the Company acted as an agent (including the new energy brands) ranked among the top in terms of the number of followers on platforms such as Douyin in China, further consolidating our leading position in digital marketing.

Innovative Business Exploration

In 2024, the Company actively promoted innovation and reform in its business model. In the face of the rapid growth of the new energy vehicle market, we increased our investment in new energy brands and launched a number of innovative services, such as battery leasing, battery testing and innovative protection services, which further improved the user experience. Meanwhile, the Company actively explored new business models such as beauty washing and refurbishment, to adapt to market changes and new consumer demands.

Driven by innovation and reform, the Company not only maintained steady growth in its traditional business, but also made breakthroughs in emerging business areas.

In 2024, despite the complex and volatile market environment, the Company ensured the stability and sustainability of its overall operation through refined management, digital transformation and innovation. In the future, the Company will continue to uphold the core principles of “efficiency improvement” and “stability growth” to proactively respond to market challenges and promote sustainable business growth and management improvement.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED DECEMBER 31, 2024

	NOTES	2024 RMB'000	2023 RMB'000
Revenue			
Goods and services		62,965,292	73,833,363
Rental		<u>454,937</u>	<u>462,136</u>
Total revenue	3A/B	63,420,229	74,295,499
Cost of sales and services		<u>(58,146,759)</u>	<u>(67,601,069)</u>
Gross profit		5,273,470	6,694,430
Other income and other gains and losses	4	21,338	158,455
Distribution and selling expenses		(3,388,539)	(4,041,666)
Administrative expenses		<u>(1,500,446)</u>	<u>(1,849,747)</u>
Profit from operations		405,823	961,472
Share of profits (losses) of joint ventures		4,511	(725)
Share of profits of associates		95,831	106,991
Finance costs		<u>(297,597)</u>	<u>(327,421)</u>
Profit before tax	6	208,568	740,317
Income tax expense	5	<u>(43,198)</u>	<u>(154,566)</u>
Profit for the year		<u>165,370</u>	<u>585,751</u>
Profit (loss) for the year attributable to:			
Owners of the Company		200,773	572,579
Non-controlling interests		<u>(35,403)</u>	<u>13,172</u>
		<u>165,370</u>	<u>585,751</u>
Earnings per share – basic	8	<u>RMB0.11</u>	<u>RMB0.29</u>
Earnings per share – diluted	8	<u>RMB0.11</u>	<u>RMB0.29</u>

Note: The comparative figures in the consolidated statement of revenue and other income and other gains and losses for the year ended December 31, 2023 have been restated in order to conform with the current presentation format.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Profit for the year	165,370	585,751
Other comprehensive expense		
<i>Item that will not be reclassified to profit or loss:</i>		
Fair value loss on investments in equity instruments at fair value through other comprehensive income (“FVTOCI”)	<u>(2,234)</u>	<u>(1,291)</u>
Total comprehensive income for the year	<u>163,136</u>	<u>584,460</u>
Total comprehensive income (expense) for the year attributable to:		
Owners of the Company	198,539	571,288
Non-controlling interests	<u>(35,403)</u>	<u>13,172</u>
	<u>163,136</u>	<u>584,460</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT DECEMBER 31, 2024

	NOTES	2024 RMB'000	2023 RMB'000
Non-current assets			
Property, plant and equipment		5,336,096	5,844,615
Right-of-use assets		2,987,842	2,901,480
Goodwill		1,590,421	1,630,874
Other intangible assets		2,902,044	2,953,610
Deposits paid for acquisition of property, plant and equipment		19,950	34,273
Deposits paid for acquisition of right-of-use assets		177,053	108,173
Equity instruments at FVTOCI		4,510	6,744
Financial assets at fair value through profit or loss ("FVTPL")		345,746	334,112
Interests in joint ventures		47,620	65,601
Interests in associates		930,310	860,474
Deferred tax assets		463,512	395,358
Other assets	9	83,648	66,195
Time deposits		—	600
		<u>14,888,752</u>	<u>15,202,109</u>
Current assets			
Inventories	10	4,149,925	4,363,154
Trade and other receivables	9	6,218,622	7,202,559
Amounts due from related parties		58,697	91,424
Cash in transit		26,113	36,091
Time deposits		8,100	7,500
Restricted bank balances		8,238,387	3,589,137
Bank balances and cash		1,457,667	2,201,077
		<u>20,157,511</u>	<u>17,490,942</u>
Current liabilities			
Trade and other payables	11	12,934,471	9,125,044
Amounts due to related parties		33,398	70,295
Tax liabilities		840,420	962,828
Borrowings		1,565,963	2,434,016
Contract liabilities		1,524,387	1,724,305
Lease liabilities		239,918	242,904
		<u>17,138,557</u>	<u>14,559,392</u>
Net current assets		<u>3,018,954</u>	<u>2,931,550</u>
Total assets less current liabilities		<u>17,907,706</u>	<u>18,133,659</u>

	<i>NOTES</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Non-current liabilities			
Borrowings		1,348,160	1,526,584
Lease liabilities		1,597,464	1,433,127
Deferred tax liabilities		745,404	775,497
		3,691,028	3,735,208
Net assets		14,216,678	14,398,451
Capital and reserves			
Share capital		15,564	15,963
Treasury shares		(7,342)	(12,269)
Reserves		13,873,055	13,936,426
Equity attributable to owners of the Company		13,881,277	13,940,120
Non-controlling interests		335,401	458,331
Total equity		14,216,678	14,398,451

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

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**”)

Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following 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, 2024 for the preparation of the consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

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.

3A. REVENUE

(i) Disaggregation of revenue from contracts with customers

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Types of goods or services		
Sale of new vehicles and related services income:		
– Sale of new vehicles of luxury and ultra-luxury brands (<i>note a</i>)	38,204,693	48,220,668
– Sale of new vehicles of mid-to high-end brands (<i>note a</i>)	5,139,581	6,463,300
– Sale of new vehicles of independent new energy brands (<i>note a</i>)	3,017,783	1,634,500
– Commission income related to sale of new vehicles (<i>notes b & f</i>)	2,370,695	1,398,715
– Others (<i>notes c & f</i>)	677,697	1,041,631
	<u>49,410,449</u>	<u>58,758,814</u>
Sale of pre-owned vehicles and related services income:		
– Sale of pre-owned vehicles (<i>note d</i>)	3,777,640	5,277,148
– Brokerage income related to sale of pre-owned vehicles (<i>notes d & f</i>)	32,431	43,967
	<u>3,810,071</u>	<u>5,321,115</u>
After-sales services		
– Repair and maintenance related services (<i>notes e & f</i>)	9,463,805	9,452,141
– Commission income (<i>notes b & f</i>)	280,967	301,293
	<u>9,744,772</u>	<u>9,753,434</u>
Total	<u><u>62,965,292</u></u>	<u><u>73,833,363</u></u>
Geographical markets		
Mainland China	<u><u>62,965,292</u></u>	<u><u>73,833,363</u></u>
Timing of revenue recognition		
A point in time	53,501,487	64,381,222
Over time	<u>9,463,805</u>	<u>9,452,141</u>
Total	<u><u>62,965,292</u></u>	<u><u>73,833,363</u></u>

Notes:

- a. The Group sells passenger vehicles directly to customers through its own 4S outlets. Revenue on sale of new passenger vehicles is recognized when (or as) the passenger vehicles are transferred to the customers and the customers obtain control of the vehicles. On the other hand, new vehicles sold by the Group could be divided into three categories according to their brands.

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

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

Independent new energy brands include HIMA, IM and others.

- b. Commission income related to sale of new vehicles primarily relates to agency income derives from distribution of automobile financial products and brokerage of new vehicles. On the other hand, commission income under after-sales services primarily relates to agency income derives from distribution of automobile insurance products. These revenues are recognized when the agency services have been completed, which is the point of time when the services are accepted by the customers.
- c. Other revenues mainly include sales of decoration products and license plate services related to sale of new vehicles. Revenue on sale of decoration products is recognized when control of the decoration products has been transferred to the customers. For license plate services related to sale of new vehicles, revenue is recognized when the license plate services have been completed, which is the point of time when the vehicle license installation is completed.
- d. The Group also carries out pre-owned vehicles sales business. Under the dealership business model, the Group acts as a principal and is responsible for fulfilling the primary obligations of the pre-owned vehicles sales contract and assumes the risks associated with the pre-owned vehicles. The revenue on sale of pre-owned automobile business under the dealership business model is recognized on a gross basis when the controls of the pre-owned vehicles have been transferred. Under the brokerage business model, however, the Group acts as an agent to assist the principal in completing the sales of pre-owned vehicles and do not assume risks related to the pre-owned vehicles. Revenue from brokerage service related to sale of pre-owned vehicles is recognized on a net basis when the services have been completed, which is the point of time when the services are accepted by the customers.
- e. For repair and maintenance related services, since the Group's performance enhances the vehicle that within the customer's control, revenue is recognized over time.
- f. The Group applies the practical expedient of not disclosing the transaction price allocated to performance obligations that were unsatisfied in respect of these income streams as the related contracts have an original expected duration of less than one year.

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. For commission income, the normal credit term is 30 to 60 days upon invoiced.

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, 2024			For the year ended December 31, 2023		
	Sale of new vehicles and related services income <i>RMB'000</i>	Sale of pre- owned vehicles and related services income <i>RMB'000</i>	After-sales services <i>RMB'000</i>	Sale of new vehicles and related services income <i>RMB'000</i>	Sale of pre- owned vehicles and related services income <i>RMB'000</i>	After-sales services <i>RMB'000</i>
Revenue disclosed in segment information						
External customers	49,410,449	3,810,071	9,744,772	58,758,814	5,321,115	9,753,434
Inter-segment	44,584	–	3,330	120,211	–	5,134
Total	49,455,033	3,810,071	9,748,102	58,879,025	5,321,115	9,758,568
Eliminations	(44,584)	–	(3,330)	(120,211)	–	(5,134)
Revenue from contracts with customers	49,410,449	3,810,071	9,744,772	58,758,814	5,321,115	9,753,434

(ii) **Revenue from other segments**

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Automobile operating lease services	454,937	462,136

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) sales 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 RMB'000	Automobile operating lease services RMB'000	Eliminations RMB'000	Total RMB'000
<i>For the year ended December 31, 2024</i>				
External revenue	62,965,292	454,937	–	63,420,229
Inter-segment revenue	47,914	11,027	(58,941)	–
Segment revenue (note a)	63,013,206	465,964	(58,941)	63,420,229
Segment cost (note b)	(57,799,570)	(395,103)	47,914	(58,146,759)
Segment results	5,213,636	70,861	(11,027)	5,273,470
Other income and other gains and losses				21,338
Distribution and selling expenses				(3,388,539)
Administrative expenses				(1,500,446)
Finance costs				(297,597)
Share of profits of joint ventures				4,511
Share of profits of associates				95,831
Profit before tax				208,568

	Passenger vehicle sales and services RMB'000	Automobile operating lease services RMB'000	Eliminations RMB'000	Total RMB'000
<i>For the year ended December 31, 2023</i>				
External revenue	73,833,363	462,136	–	74,295,499
Inter-segment revenue	125,345	12,691	(138,036)	–
Segment revenue (note a)	73,958,708	474,827	(138,036)	74,295,499
Segment cost (note b)	(67,239,800)	(366,402)	5,133	(67,601,069)
Segment results	6,718,908	108,425	(132,903)	6,694,430
Other income and other gains and losses				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

Notes:

- a. The segment revenue of passenger vehicles sales and services for the year ended December 31, 2024 was approximately RMB63,013,206,000 (2023: RMB73,958,708,000) which included the revenue of sales of new vehicles and related services income amounting to approximately RMB49,455,033,000 (2023: RMB58,879,025,000), the revenue of sales of pre-owned vehicles and related services income amounting to approximately RMB3,810,071,000 (2023: RMB5,321,115,000) and the after-sales services revenue amounting to approximately RMB9,748,102,000 (2023: RMB9,758,568,000).
- b. The segment cost of passenger vehicles sales and services for the year ended December 31, 2024 was approximately RMB57,799,570,000 (2023: RMB67,239,800,000) the cost of sales of new vehicles and related services income amounting to approximately RMB48,595,099,000 (2023: RMB57,137,663,000), the cost of sales of pre-owned vehicles and related services amounting to approximately RMB3,566,474,000 (2023: RMB4,933,574,000) and the cost of after-sales services amounting to approximately RMB5,637,997,000 (2023: RMB5,168,563,000).

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, distribution and selling expenses, administrative expenses, finance costs, share of profits(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, 2024 and 2023.

4. OTHER INCOME AND OTHER GAINS AND LOSSES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Other income comprises:		
Government grants (<i>note a</i>)	19,485	34,779
Interest income on bank deposits	44,523	37,415
	<u>64,008</u>	<u>72,194</u>
Other gains and losses comprise:		
Loss on disposal of property, plant and equipment and other intangible assets	(17,673)	(25,259)
Impairment loss recognized in respect of goodwill	(40,453)	(41,286)
Impairment loss under expected credit loss model, net of reversal	(44,239)	–
(Loss) gain on fair value change of financial assets at FVTPL	(11,149)	45,325
Gain on compensation income (<i>note b</i>)	28,707	–
Net foreign exchange gain	612	7,633
Net loss on changes in fair value of derivative financial instruments	–	(3,878)
Gain on disposal of subsidiaries	25,331	92,611
Loss on disposal of an associate	(196)	–
Others	16,390	11,115
	<u>(42,670)</u>	<u>86,261</u>
Total	<u>21,338</u>	<u>158,455</u>

Notes:

- a. Government grants represent unconditional grants received from local finance bureaus in compensation for expenses incurred by the Group.
- b. Compensation received related to breach of lease contract by a counterparty.

5. INCOME TAX EXPENSE

	2024 RMB'000	2023 RMB'000
Current tax:		
PRC Enterprise Income Tax ("EIT")	144,338	278,650
Over provision of PRC EIT in prior years	(2,893)	(9,236)
	<u>141,445</u>	<u>269,414</u>
Deferred tax:		
Current year credit	(98,247)	(114,848)
	<u>43,198</u>	<u>154,566</u>

6. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

	2024 RMB'000	2023 RMB'000
Staff costs, including directors' remuneration:		
Salaries, wages and other benefits	2,043,786	2,403,432
Retirement benefits scheme contributions	168,011	190,021
Share-based payment expenses	28,850	35,609
Total staff costs	<u>2,240,647</u>	<u>2,629,062</u>
Auditors' remuneration:		
– in respect of audit and review services for the Company	6,920	6,920
– in respect of the statutory audits for the subsidiaries of the Company	2,880	2,664
Total auditors' remuneration	<u>9,800</u>	<u>9,584</u>
Cost of inventories recognized as an expense	<u>57,455,675</u>	<u>66,753,491</u>
Depreciation of property, plant and equipment	729,208	802,033
Depreciation of right-of-use assets	386,401	364,722
Amortization of other intangible assets	121,064	111,801
Impairment loss recognized in respect of goodwill	40,453	41,286
Impairment loss under expected credit loss model, net of reversal	<u>44,239</u>	<u>–</u>

7. DIVIDENDS

2024	2023
<i>RMB'000</i>	<i>RMB'000</i>

Dividends for ordinary shareholders of the Company recognized as distribution during the year:

2024 interim dividends – RMB0.059 per share and

2023 final dividends – RMB0.052 per share

(2023 interim dividends – RMB0.105 per share and

2022 final dividends – RMB0.292 per share)

<u>214,087</u>	<u>782,420</u>
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A final dividend of RMB0.069 per share with the total amount of approximately RMB130 million in respect of the year ended December 31, 2024 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:

2024	2023
<i>RMB'000</i>	<i>RMB'000</i>

Earnings figures are calculated as follows:

Profit for the year attributable to owners of the Company

<u>200,773</u>	<u>572,579</u>
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<u>2024</u>	<u>2023</u>
<u>'000</u>	<u>'000</u>

Number of shares

Weighted average number of ordinary shares for the purpose of basic earnings per share

1,908,941	1,942,204
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Effect of dilutive potential ordinary shares:

Restricted shares (*note*)

–	2,162
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Weighted average number of ordinary shares for the purpose of diluted earnings per share

<u>1,908,941</u>	<u>1,944,366</u>
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Note: The computation of diluted earnings per share does not assume the exercise of the Company's options, because the exercise price of those options was higher than the average market price for shares for 2024. For restricted shares that have not yet been vested, the calculation of diluted earnings per share has not considered as the shares were not new issued.

9. TRADE AND OTHER RECEIVABLES/OTHER ASSETS

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

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current		
Trade receivables	852,203	982,857
Bills receivables	<u>1,368</u>	<u>2,962</u>
	<u>853,571</u>	<u>985,819</u>
Current		
Prepayments and other receivables comprise:		
Prepayments to suppliers	1,197,228	1,761,915
Deposits to suppliers	150,682	392,409
Deposits to entities controlled by suppliers for borrowings	76,066	87,939
Prepayments and rental deposits on properties	186,116	184,642
Rebate receivables from suppliers	2,749,556	2,893,480
Finance and insurance commission receivables	542,272	352,684
Staff advances	4,554	2,817
Value-added tax recoverable	284,812	219,676
Advances to non-controlling interests (<i>note</i>)	5,000	37,000
Advances to independent third parties (<i>note</i>)	–	100
Consideration receivables from disposal of a subsidiary	12,667	27,667
Others	<u>156,098</u>	<u>256,411</u>
	<u>5,365,051</u>	<u>6,216,740</u>
	<u>6,218,622</u>	<u>7,202,559</u>
Non-current		
Other assets:		
Receivables from disposal of land use right	65,195	66,195
Consideration from disposal of joint venture	35,260	–
Other receivables from an independent third party	27,432	–
Less: Allowance for credit losses	<u>(44,239)</u>	<u>–</u>
	<u>83,648</u>	<u>66,195</u>

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

As at January 1, 2023, December 31, 2023 and December 31, 2024, trade receivables from contracts with customers amounted to RMB851,025,000, RMB912,545,000 and RMB813,564,000 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:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
0 to 90 days	<u>853,571</u>	<u>985,819</u>

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Motor vehicles	3,666,464	3,837,663
Spare parts and accessories	<u>483,461</u>	<u>525,491</u>
	<u>4,149,925</u>	<u>4,363,154</u>

As at December 31, 2024, certain inventories of the Group with an aggregate carrying amount of RMB632,973,000 (2023: RMB748,332,000) were pledged as securities for the Group's borrowings.

As at December 31, 2024, certain inventories of the Group with an aggregate carrying amount of RMB2,852,417,000 (2023: RMB2,497,416,000) were pledged as security for the Group's bills payables.

11. TRADE AND OTHER PAYABLES

	2024 RMB'000	2023 RMB'000
Current		
Trade payables	725,649	967,416
Bills payables	<u>11,622,602</u>	<u>7,380,234</u>
	<u>12,348,251</u>	<u>8,347,650</u>
Other payables		
Other tax payables	83,290	114,275
Payable for acquisition of property, plant and equipment	52,102	56,131
Salary and welfare payables	102,220	221,590
Accrued interest	2,425	3,933
Accrued audit fee	960	5,320
Consideration payables for acquisition of subsidiaries	789	789
Advance from non-controlling interests (<i>note</i>)	30,348	33,669
Advance from third parties (<i>note</i>)	8,202	7,830
Other accrued expenses	86,035	60,438
Others	<u>219,849</u>	<u>273,419</u>
	<u>586,220</u>	<u>777,394</u>
	<u><u>12,934,471</u></u>	<u><u>9,125,044</u></u>

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:

	2024 RMB'000	2023 RMB'000
0 to 90 days	10,454,358	7,989,712
91 to 180 days	<u>1,893,893</u>	<u>357,938</u>
	<u><u>12,348,251</u></u>	<u><u>8,347,650</u></u>

FINANCIAL REVIEW

Revenue

Revenue was RMB63,420.2 million for the twelve months ended December 31, 2024, representing a 14.6% decrease from RMB74,295.5 million for the twelve months ended December 31, 2023. The decrease in revenue was mainly due to the year-on-year decrease in sales volume and average selling price of new and pre-owned vehicles. The table below sets forth a breakdown of our revenue and relevant information of various business segments for the years indicated:

	2024			2023		
	Amount (RMB'000)	Sales Volume (Unit)	Average Selling Price (RMB'000)	Amount (RMB'000)	Sales Volume (Unit)	Average Selling Price (RMB'000)
Revenue from sales of new vehicles						
Luxury and ultra-luxury brands	38,216,735	113,817	336	48,273,891	130,512	370
Mid- to high-end brands	5,166,049	38,934	133	6,528,541	45,057	145
Independent new energy brands (distribution model)	3,023,856	11,085	273	1,636,247	8,981	182
Sub-total	46,406,640	163,836	283	56,438,679	184,550	306
Commission income related to new vehicle sales	2,370,695			1,398,715		
Others	677,697			1,041,631		
Sub-total revenue from sales of new vehicles and related services	49,455,032			58,879,025		
Sales of pre-owned vehicles	3,777,640	36,488	104	5,277,148	44,590	118
Brokerage income related to sales of pre-owned vehicles	32,431			43,967		
Sub-total revenue from sales of pre-owned vehicles and related services	3,810,071			5,321,115		
Repair and maintenance related services	9,467,135			9,457,275		
Commission income	280,967			301,293		
Sub-total revenue from after-sales services	9,748,102			9,758,568		
Automobile operating lease services	465,965			474,826		
Less: inter-segment eliminations	(58,942)			(138,036)		
Total	63,420,228			74,295,498		

Note: The comparative figures in revenue, cost of sales and services, and other income and other gains and losses for the twelve months ended December 31, 2023 have been restated in order to conform with the current presentation format.

The distribution sales volume of new vehicles of the passenger vehicle sales and services segment was 163,836 units for the twelve months ended December 31, 2024, representing a 11.2% decrease from 184,550 units for the twelve months ended December 31, 2023.

Among them, the distribution sales volume of luxury and ultra-luxury brand new vehicles was 113,817 units for the twelve months ended December 31, 2024, representing a 12.8% decrease from 130,512 units for the twelve months ended December 31, 2023; and the distribution sales volume of independent new energy brand new vehicles was 11,085 units for the twelve months ended December 31, 2024, representing a 23.4% increase from 8,981 units for the twelve months ended December 31, 2023.

Revenue from the sales of new vehicles of the passenger vehicle sales and services segment was RMB46,406.6 million for the twelve months ended December 31, 2024, representing a 17.8% decrease from RMB56,438.7 million for the twelve months ended December 31, 2023.

Among them, revenue from the sales of luxury and ultra-luxury brand new vehicles was RMB38,216.7 million for the twelve months ended December 31, 2024, representing a 20.8% decrease from RMB48,273.9 million for the twelve months ended December 31, 2023; and revenue from the sales of independent new energy brand new vehicles was RMB3,023.9 million for the twelve months ended December 31, 2024, representing an 84.8% increase from RMB1,636.2 million for the twelve months ended December 31, 2023.

Commission income related to the sales of new vehicles of the passenger vehicle sales and services segment was RMB2,370.7 million for the twelve months ended December 31, 2024, representing a 69.5% increase from RMB1,398.7 million for the twelve months ended December 31, 2023.

The sales volume of direct agency sales of independent new energy brand vehicles was 7,400 units for the twelve months ended December 31, 2024, representing a 21.2% decrease from 9,395 units for the twelve months ended December 31, 2023.

Other revenue related to new vehicles of the passenger vehicle sales and services segment was RMB677.7 million for the twelve months ended December 31, 2024, representing a 34.9% decrease from RMB1,041.6 million for the twelve months ended December 31, 2023.

Total revenue from sales of new vehicles and related services of the passenger vehicle sales and services segment was RMB49,455.0 million for the twelve months ended December 31, 2024, representing a 16.0% decrease from RMB58,879.0 million for the twelve months ended December 31, 2023.

The distribution volume of pre-owned vehicles was 36,488 units for the twelve months ended December 31, 2024, representing a 18.2% decrease from 44,590 units for the twelve months ended December 31, 2023.

Revenue from sales of pre-owned vehicles of the passenger vehicle sales and services segment was RMB3,777.6 million for the twelve months ended December 31, 2024, representing a 28.4% decrease from RMB5,277.1 million for the twelve months ended December 31, 2023.

Brokerage income from sales of pre-owned vehicles of the passenger vehicle sales and services segment was RMB32.4 million for the twelve months ended December 31, 2024, representing a 26.2% decrease from RMB44.0 million for the twelve months ended December 31, 2023.

Revenue from after-sales services for the passenger vehicle sales and services segment was RMB9,748.1 million for the twelve months ended December 31, 2024, basically unchanged from RMB9,758.6 million for the twelve months ended December 31, 2023.

Among them, the revenue from repair and maintenance related services was RMB9,467.1 million for the twelve months ended December 31, 2024, representing a 0.1% increase from RMB9,457.3 million for the twelve months ended December 31, 2023; and the commission income was RMB281.0 million for the twelve months ended December 31, 2024, representing a 6.7% decrease from RMB301.3 million for the twelve months ended December 31, 2023.

Revenue from the automobile operating lease services segment was RMB466.0 million for the twelve months ended December 31, 2024, representing a 1.9% decrease from RMB474.8 million for the twelve months ended December 31, 2023.

Cost of Sales and Services

Cost of sales of new vehicles and related services of the passenger vehicle sales and services segment was RMB48,595.1 million for the twelve months ended December 31, 2024, representing a 14.5% decrease from RMB56,814.9 million for the twelve months ended December 31, 2023.

Cost of sales of pre-owned vehicles and related services was RMB3,566.5 million for the twelve months ended December 31, 2024, representing a 27.7% decrease from RMB4,933.6 million for the twelve months ended December 31, 2023.

Cost of after-sales services for the passenger vehicle sales and services segment was RMB5,638.0 million for the twelve months ended December 31, 2024, representing a 0.5% increase from RMB5,611.6 million for the twelve months ended December 31, 2023.

Cost of services for the automobile operating lease services segment was RMB395.1 million for the twelve months ended December 31, 2024, representing a 7.8% increase from RMB366.4 million for the twelve months ended December 31, 2023.

As a result of the foregoing, cost of sales and services was RMB58,146.8 million for the twelve months ended December 31, 2024, representing a 14.0% decrease from RMB67,601.1 million for the twelve months ended December 31, 2023.

Gross Profit and Gross Profit Margin

Gross profit from sales of new vehicles and related services of the passenger vehicle sales and services segment was RMB859.9 million for the twelve months ended December 31, 2024, representing a 58.3% decrease from RMB2,064.2 million for the twelve months ended December 31, 2023.

Gross profit margin for sales of new vehicles and related services decreased to 1.74% for the twelve months ended December 31, 2024 from 3.51% for the twelve months ended December 31, 2023.

Gross profit from sales of pre-owned vehicles and related services of the passenger vehicle sales and services segment was RMB243.6 million for the twelve months ended December 31, 2024, representing a 37.1% decrease from RMB387.5 million for the twelve months ended December 31, 2023.

Gross profit margin for distribution of pre-owned vehicles of the passenger vehicle sales and services segment decreased to 5.59% for the twelve months ended December 31, 2024 from 6.51% for the twelve months ended December 31, 2023.

Gross profit from after-sales services for the passenger vehicle sales and services segment was RMB4,110.1 million for the twelve months ended December 31, 2024, representing a 0.9% decrease from RMB4,147.0 million for the twelve months ended December 31, 2023.

Gross profit margin for repair and maintenance was 40.45% for the twelve months ended December 31, 2024, basically unchanged from 40.66% for the twelve months ended December 31, 2023.

Gross profit from the automobile operating lease services segment was RMB70.9 million for the twelve months ended December 31, 2024, representing a 34.6% decrease from RMB108.4 million for the twelve months ended December 31, 2023.

Gross profit margin for the automobile operating lease services segment decreased to 15.21% for the twelve months ended December 31, 2024 from 22.83% for the twelve months ended December 31, 2023.

As a result of the foregoing, gross profit was RMB5,273.5 million for the twelve months ended December 31, 2024, representing a 21.2% decrease from RMB6,694.4 million for the twelve months ended December 31, 2023.

Gross profit margin was 8.32% for the twelve months ended December 31, 2024, representing a decrease of 0.69 percentage points from the gross profit margin of 9.01% for the twelve months ended December 31, 2023. 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.

Other Income, Other Gains and Losses

Other income, other gains and losses were net gains of RMB21.3 million for the twelve months ended December 31, 2024, representing an 86.5% decrease from RMB158.5 million for the twelve months ended December 31, 2023.

Distribution and Selling Expenses and Administrative Expenses

Distribution and selling expenses and administrative expenses were RMB4,889.0 million for the twelve months ended December 31, 2024, representing a 17.0% decrease from RMB5,891.4 million for the twelve months ended December 31, 2023.

The ratio of distribution, selling and administrative expenses over revenue was 7.71% for the twelve months ended December 31, 2024, representing a decrease of 0.22 percentage points from 7.93% for the twelve months ended December 31, 2023.

Operating Profit

As a result of the foregoing, operating profit was RMB405.8 million for the twelve months ended December 31, 2024, representing a 57.8% decrease from RMB961.5 million for the twelve months ended December 31, 2023.

Finance Costs

Finance costs were RMB297.6 million for the twelve months ended December 31, 2024, representing a 9.1% decrease from RMB327.4 million for the twelve months ended December 31, 2023.

The percentage of the finance costs to revenue for the twelve months ended December 31, 2024 was 0.47%, basically unchanged from the percentage of the finance costs to revenue of 0.44% for the twelve months ended December 31, 2023.

Profit before Tax

As a result of the foregoing, profit before tax was RMB208.6 million for the twelve months ended December 31, 2024, representing a 71.8% decrease from RMB740.3 million for the twelve months ended December 31, 2023.

Income Tax Expense

Income tax expense was RMB43.2 million for the twelve months ended December 31, 2024, representing a 72.1% decrease from RMB154.6 million for the twelve months ended December 31, 2023.

Profit

As a result of the foregoing, the profit was RMB165.4 million for the twelve months ended December 31, 2024, representing a 71.8% decrease from RMB585.8 million for the twelve months ended December 31, 2023.

Profit Attributable to the Owners of the Company

As a result of the foregoing, the profit attributable to the owners of the Company was RMB200.8 million for the twelve months ended December 31, 2024, representing a 64.9% decrease from RMB572.6 million for the twelve months ended December 31, 2023.

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, 2024, our net cash generated from operating activities was RMB1,518.4 million, which included cash generated from non-cash items such as profit before tax and depreciation and amortization of RMB1,686.5 million, cash generated before working capital changes of RMB89.1 million and the payment of income tax of RMB257.3 million. For the twelve months ended December 31, 2023, our net cash generated from operating activities was RMB1,832.2 million, which mainly included cash generated from non-cash items such as profit before tax and depreciation and amortization 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, 2024, our net cash used in investing activities was RMB256.6 million, which mainly included the amounts for purchase of property, plant and equipment, right-of-use assets and intangible assets of RMB1,211.9 million, which was partially offset by the proceeds of RMB718.8 million from the disposal of property, plant and equipment, intangible assets and right-to-use assets, the proceeds of RMB42.4 million from the disposal of financial assets at fair value through profit or loss, the proceeds of RMB157.1 million from the disposal of subsidiaries.

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 net proceeds of RMB227.6 million from the disposal and purchase 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, 2024, our net cash used in financing activities was RMB2,005.2 million, which mainly included the net repayment of borrowings of RMB1,046.5 million, the payment of dividends to shareholders of the Company of RMB214.1 million, the payment of dividends to minority shareholders of subsidiaries of RMB34.9 million, the payment of interest of RMB299.1 million, the repayments of lease liabilities of RMB318.4 million and the payment for repurchase of shares of the Company of RMB72.1 million.

For the twelve months ended December 31, 2023, our net cash used in financing activities was RMB1,278.6 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 lease liabilities of RMB237.0 million and the payment for repurchase of shares of RMB99.0 million.

Inventories

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

Our inventories balance was RMB4,149.9 million as of December 31, 2024, representing a 4.9% decrease from RMB4,363.2 million as of December 31, 2023. The following table sets forth our average inventory turnover days for the years indicated:

	2024	2023
Average inventory turnover days	<u>25.8</u>	<u>23.0</u>

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, 2024, our total capital expenditures were RMB493.1 million. The following table sets forth a breakdown of our capital expenditures for the year indicated:

	2024 <i>(RMB million)</i>
Expenditures on purchase of property, plant and equipment – test-drive automobiles and vehicles for operating lease purposes	716.3
Expenditures on purchase of property, plant and equipment and right-of-use assets – primarily used for establishing and upgrading automobile sales and service outlets	428.7
Expenditures on purchase of intangible assets (vehicle licences and softwares)	66.9
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)	(718.8)
Total	493.1

Borrowings

We obtained borrowings (consisting of bank loans and other borrowings from designated automobile finance companies of automobile manufacturers) to fund our working capital and network expansion. As of December 31, 2024, the outstanding amount of our borrowings amounted to RMB2,914.1 million, representing a 26.4% decrease from RMB3,960.6 million as of December 31, 2023. The following table sets forth the maturity profile of our borrowings as of December 31, 2024:

	As of December 31, 2024 <i>(RMB million)</i>
Within one year	1,565.9
One to two years	424.2
Two to five years	924.0
Total	2,914.1

As of December 31, 2024, our net gearing ratio (being net liabilities divided by total equity) was 10.3% (as of December 31, 2023: 12.2%). Net liabilities represent borrowings minus cash and cash equivalents and time deposits.

As of December 31, 2024, 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, 2024 consisted of (i) inventories of RMB633.0 million; (ii) property, plant and equipment of RMB56.1 million; (iii) land use rights of RMB64.0 million; and (iv) equity interests of the subsidiaries of RMB508.6 million.

Contingent Liabilities

As of December 31, 2024, the Group provided guarantees of RMB173 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, 2024, we had no financial borrowings that were denominated in foreign currencies.

DEVELOPMENT OUTLOOK AND STRATEGIES

The future of China's automotive industry has slowly unfolded, showing a challenging but transformative picture. It will also bring about accelerated differentiation and reshaping of dealers, but dealer channels will continue to play an important role as the most loyal partner of the OEM brands due to their value in brand communication and after-market service capabilities.

We will continue to follow the market trend, make comprehensive efforts to strengthen and expand the key new energy brands, focus on optimizing and refining the luxury pillar brands, continue to ensure the stability of after-sales business, continue to develop and upgrade the pre-owned vehicles business, and push forward the improvement of the structure of the main business and profitability enhancement; we will also develop battery recycling and intelligent robot industries, study the AI technology to improve quality and efficiency, continue to do a good job in various types of cost-cutting and cost-control work to ensure a healthy level of operating cash flow, and seek breakthroughs against the trend while ensuring overall stable operations.

Create Two Camps to Realize the Leading Pattern of Coordinated Development of “New Energy” and “Luxury Vehicles”.

As the competitive pattern of the automotive market becomes clearer, we will focus on optimizing and adjusting the structure of our brand agency network to consolidate our position as a leading distributor of leading domestic automotive brands by building two camps: new energy and traditional luxury vehicles:

We will allocate resources and make precise efforts to expand and strengthen our new energy business, maintain our first-mover advantage, focus on key new energy brands such as HIMA, which are leading in domestic intelligence and have good sales and profitability performance, and realize rapid expansion of key new energy brand outlets through the conversion of existing assets, as well as rapidly increase the sales contribution by utilizing the customer retention base to realize a breakthrough in the profit contribution of new energy. It is expected that by 2026, the sales of new energy vehicles will account for 50% of the Group’s overall new vehicle sales.

We will also continue to optimize and refine our traditional luxury brand business represented by two major brands, BMW and Porsche. We will optimize our network structure, seek a balance between volume and profitability, and continuously improve the efficiency of turnover and the quality of operations, so as to consolidate our leading position. It is expected that by 2026, the sales of luxury vehicles will account for approximately 40% of the Group’s overall new vehicle sales.

Meanwhile, we will also maintain the long-term steady development of our after-sales maintenance business, as well as the development and upgrading of our pre-owned vehicle business. By continuously improving customer retention rates and creating steady growth in user scale to consolidate our customer base, we will ensure the coordinated development and leading position of the two major business camps.

Actively Embrace New Businesses and Realize Forward-Looking Layout of “Battery Recycling” and “Intelligent Robots”

We will continue to lay out our business in the field of “battery recycling industry”, build a new energy battery health management platform with the development of the four industries of battery inspection, maintenance, insurance and repair as the fulcrum, and form the development and growth of the battery recycling industry.

In addition, we will continue to incubate and develop the intelligent robot business, accelerate the cultivation of the future “human-vehicle-robot” new industry, and explore the implementation of intelligent humanoid robots in the future sales, leasing, repair and maintenance channels and scenarios. Through systematic construction and service provision, we aim to become a leading intelligent robot technology service enterprise in China.

Digital Intelligence Empowers Improvement of Quality and Efficiency

Against the backdrop of a greater boom in big data and AI technology, we will also follow the trend, accelerate the pace of digitalization and intelligent transformation, and fully embrace AI technology. We have set up a specialized department for AI application research to explore and study the extensive application of AI in business, management and services through innovative AI technology applications, to enhance the effectiveness of operation and management, and to avoid business risks while improving customer experience. We use AI to inject new vitality into our development and promote the realization of innovative breakthroughs in multiple fields.

Focus on Promoting Cost Reduction, Cost Control and Cash Flow Control Measures

We will continue to implement various cost and expense control measures, further streamline our organization, and optimize personnel efficiency. Meanwhile, we will continue to exercise stringent control over our costs and expenses in the areas of site leasing, marketing and administration, and enhance our assessment and evaluation system to effectively reduce our sales and management expenses.

The “Shared Platform” for users, finance and human resources that we have constructed has also achieved phased results. By utilizing the “Shared Platform” to centralize resources, we will continue to achieve continuous improvement in corporate efficiency and effective reduction in costs.

We will strongly safeguard the Group’s cash flow, continue to optimize our financing channels and structures and manage our capital coordination, strengthen capital forecasting and utilization analysis, accelerate the turnover of inventories, expedite the collection of various accounts receivable, maintain effective cash reserves, and ensure the Group’s healthy and stable operating cash flow with strict management and control strategies.

Talent Reserve and Cultivation Contribute to Stability and Progress

With the development of the automobile industry entering the era of “new four modernizations”, we will also simultaneously strengthen talent cultivation and reserves in the fields of new energy, pre-owned vehicles, digitization and artificial intelligence, which will help us achieve rapid business transformation and deployment. Meanwhile, we will further optimize assessment and incentive mechanism, 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.

In the future, we will actively participate in and continue to respond to the national “low-carbon” strategy and strive to fulfill our ESG-related corporate social responsibilities. We are confident that we can survive the current market transition period, adopt more proactive dividend and repurchase policies, reward our shareholders and investors with more stable performance, and achieve sustainable and healthy development.

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, 2024.

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, 2024. 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, 2024, the Company repurchased a total of 44,206,500 ordinary shares (the “**Shares Repurchased**”) of the Company on the Stock Exchange at an aggregate consideration of approximately HK\$77,120,461.45. Particulars of the Shares Repurchased are as follows:

Month/Year	Number of Shares Repurchased	Price paid per share		Aggregate consideration (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
January 2024	3,550,000	2.34	2.10	7,941,245.10
April 2024	5,374,000	2.20	1.90	10,754,003.90
May 2024	2,590,000	2.10	1.94	5,240,476.20
June 2024	12,201,000	2.00	1.57	20,842,124.55
July 2024	15,500,000	1.72	1.51	24,572,600.00
September 2024	2,000,000	1.33	1.28	2,614,000.00
October 2024	2,000,000	1.72	1.58	3,294,800.00
November 2024	991,500	1.92	1.86	1,861,211.70
Total	<u>44,206,500</u>			<u>77,120,461.45</u>

A total of 3,550,000 shares repurchased from January 16, 2024 to January 22, 2024 and a total of 35,665,000 shares repurchased from April 11, 2024 to July 30, 2024 were cancelled on February 22, 2024 and August 20, 2024, respectively. The repurchase of the Company’s shares during the year ended December 31, 2024 was effected by the Directors pursuant to the general mandates granted to the Directors at the annual general meetings dated June 1, 2023 and June 5, 2024, 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. As at the date of this announcement, a total of 15,742,500 shares repurchased from September 9, 2024 to January 24, 2025 are pending cancellation.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (or sold treasury shares, if any) during the year ended December 31, 2024. As at December 31, 2024 and as at the date of this announcement, the Company did not hold any treasury shares.

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, 2024 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, 2024 contained in this announcement are consistent with the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Deloitte Touche Tohmatsu on this announcement.

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 27, 2025 (Tuesday) (the “**Record Date**”) will be entitled to attend the forthcoming annual general meeting to be held on May 30, 2025 (Friday) (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 May 30, 2025 (Friday) for the distribution of a final dividend of RMB0.069 per share for the year ended December 31, 2024. The final dividend is expected to be paid on or around June 30, 2025 (Monday) to the shareholders whose names are listed in the register of members of the Company on June 11, 2025 (Wednesday). On the basis of the total issued share capital of 1,891,908,013 shares of the Company

as of February 28, 2025, and deducting 15,742,500 shares repurchased and expected to be cancelled by June 5, 2025 (Thursday), it is estimated that the aggregate amount of final dividend would be approximately RMB130 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 6, 2025 (Friday) to June 11, 2025 (Wednesday), 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 5, 2025 (Thursday).

EVENTS AFTER REPORTING PERIOD

As of the date of this announcement, there is no significant event subsequent to December 31, 2024 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, 2024 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 28, 2025

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.