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CENTENARY UNITED HOLDINGS LIMITED

世紀聯合控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1959)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

- Revenue amounted to approximately RMB1,242.4 million, representing a decrease of approximately RMB376.7 million compared with the same period in 2023 (“YoY”).
- Revenue of sales of motor vehicles amounted to approximately RMB989.8 million, representing a YoY decrease of approximately RMB367.2 million.
- Gross profit amounted to approximately RMB16.2 million, representing a YoY decrease of approximately RMB73.9 million.
- Loss attributable to the equity shareholders amounted to approximately RMB89.7 million.

RESULTS

The board (the “**Board**”) of directors (the “**Director(s)**”) of Centenary United Holdings Limited (the “**Company**”) announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2024 (the “**Year 2024**” or the “**Year**”) together with comparative figures for the year ended 31 December in 2023 (the “**Year 2023**” or “**Previous Year**”) as set out below:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	<i>Notes</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
REVENUE	4	1,242,382	1,619,147
Cost of sales		<u>(1,226,135)</u>	<u>(1,529,087)</u>
Gross profit		16,247	90,060
Other income and gains	4	51,659	49,184
Selling and distribution expenses		(51,423)	(77,677)
Administrative expenses		(80,695)	(89,086)
Other expenses, net		(21,351)	(14,064)
Finance costs	6	<u>(7,990)</u>	<u>(9,106)</u>
LOSS BEFORE TAX	5	(93,553)	(50,689)
Income tax credit/(expense)	7	<u>3,402</u>	<u>(2,556)</u>
LOSS FOR THE YEAR		<u>(90,151)</u>	<u>(53,245)</u>
Attributable to:			
Owners of the parent		(89,735)	(52,358)
Non-controlling interests		<u>(416)</u>	<u>(887)</u>
LOSS PER SHARE			
ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted	9	<u>RMB(17.76) cents</u>	<u>RMB(10.36) cents</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
LOSS FOR THE YEAR	<u>(90,151)</u>	<u>(53,245)</u>
OTHER COMPREHENSIVE INCOME		
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>686</u>	<u>8</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR	<u>686</u>	<u>8</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	<u>(89,465)</u>	<u>(53,237)</u>
Attributable to:		
Owners of the parent	<u>(89,049)</u>	<u>(52,350)</u>
Non-controlling interests	<u>(416)</u>	<u>(887)</u>
	<u>(89,465)</u>	<u>(53,237)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	<i>Notes</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		133,814	194,807
Right-of-use assets		54,607	78,002
Other intangible assets		658	1,015
Deferred tax assets		876	2,133
		<hr/>	<hr/>
Total non-current assets		189,955	275,957
CURRENT ASSETS			
Inventories	<i>10</i>	118,679	289,228
Trade receivables	<i>11</i>	12,220	5,823
Prepayments, other receivables and other assets		118,652	180,645
Pledged deposits		5,502	48,746
Cash and cash equivalents		78,997	60,592
		<hr/>	<hr/>
Total current assets		334,050	585,034
CURRENT LIABILITIES			
Trade and bills payables	<i>12</i>	30,799	124,493
Contract liabilities		26,074	42,654
Other payables and accruals		67,744	59,103
Interest-bearing bank and other borrowings		95,610	199,047
Amount due to a director	<i>14</i>	11,041	101,545
Tax payable		21,443	26,314
		<hr/>	<hr/>
Total current liabilities		252,711	553,156
NET CURRENT ASSETS			
		81,339	31,878
TOTAL ASSETS LESS CURRENT LIABILITIES			
		271,294	307,835

	<i>Notes</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
NON-CURRENT LIABILITIES			
Lease liabilities		47,655	66,735
Interest-bearing bank and other borrowings		2,006	1,308
Amount due to a director	<i>14</i>	120,000	48,394
Deferred income		1,473	1,928
		<hr/>	<hr/>
Total non-current liabilities		171,134	118,365
		<hr/>	<hr/>
Net assets		100,160	189,470
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Equity attributable to owners of the parent			
Share capital	<i>13</i>	4,558	4,558
Reserves		95,512	184,406
		<hr/>	<hr/>
		100,070	188,964
		<hr/>	<hr/>
Non-controlling interests		90	506
		<hr/>	<hr/>
Total equity		100,160	189,470
		<hr/> <hr/>	<hr/> <hr/>

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 4 October 2018. Its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 18 October 2019 (the “**Listing**”). The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company and its subsidiaries are mainly engaged in the sale of motor vehicles and provision of services in the People’s Republic of China (the “**PRC**”).

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards (“**IASs**”) and Interpretations) as issued by the International Accounting Standards Board (“**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and

(c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRS Accounting Standards for the first time for the current year’s financial statements.

Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current (the “2020 Amendments”)</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants (the “2022 Amendments”)</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

The above new and revised IFRS Accounting Standards effective for the financial year beginning on 1 January 2024 did not have a material impact on the Group.

3. OPERATING SEGMENT INFORMATION

The Group principally engages in the sale of motor vehicles and provision of auto services in the PRC.

IFRS 8 *Operating Segments* requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to segments and to assess their performance. The information reported to the directors of the Company, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

During the reporting period, the Group operated within one geographical segment because all of its revenue was generated in Chinese Mainland and all of its long-term assets/capital expenditure were located/incurred in Chinese Mainland. Accordingly, no further geographical segment information is presented.

Information about major customers

No revenue from sales of motor vehicles or provision of services to a single customer amounted to 10% or more of total revenue of the Group during the reporting period.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue, other income and gains is as follows:

Revenue from contracts with customers

(i) *Disaggregated revenue information*

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Types of goods or services		
Sale of motor vehicles	989,821	1,357,027
Other integrated auto services	<u>252,561</u>	<u>262,120</u>
Total revenue from contracts with customers	<u><u>1,242,382</u></u>	<u><u>1,619,147</u></u>
Timing of revenue recognition		
Transferred at a point in time	1,012,419	1,386,699
Transferred over time	<u>229,963</u>	<u>232,448</u>
Total revenue from contracts with customers	<u><u>1,242,382</u></u>	<u><u>1,619,147</u></u>

(ii) *Performance obligations*

Information about the Group's performance obligations is summarised below:

Sales of goods

The performance obligation is satisfied upon delivery of the merchandised products and payment in advance is generally required.

Provision of services

The performance obligation is satisfied over time as services are rendered and payment is generally due upon provision of the service and customer acceptance.

The unsatisfied performance obligations are expected to be satisfied within one year.

Other income and gains

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Bank interest income	1,238	1,435
Government grants released (<i>note (a)</i>)	652	7,410
Gain on disposal of property, plant and equipment	923	1,674
Others (<i>note (b)</i>)	<u>48,846</u>	<u>38,665</u>
Total	<u><u>51,659</u></u>	<u><u>49,184</u></u>

Notes:

- (a) Government grants released represented the funds from the PRC government authorities for hosting vehicle exhibitions and other promotional activities. There were no unfulfilled conditions or contingencies in relation to the grants.
- (b) Others mainly included commission income from releasing vehicle mortgages for the customers, commission income from third party financing institutions for vehicle financing and advertisement support received from automobile manufacturers for advertising activities.

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2024	2023
	RMB'000	RMB'000
Employee benefit expense (excluding directors' remuneration):		
Wages and salaries	57,202	75,770
Pension scheme contributions	14,123	15,157
	<u>71,325</u>	<u>90,927</u>
Cost of inventories sold (<i>note (a)</i>)	1,063,327	1,367,248
Cost of services provided	161,679	158,488
Depreciation of property, plant and equipment	46,605	38,676
Depreciation of right-of-use assets	10,209	17,474
Amortisation of other intangible assets	404	59
Equity-settled share option expense	154	782
Auditor's remuneration	1,180	1,790
Impairment/(reversal of impairment) of trade receivables (<i>note (b)</i>)	65	(89)
Write-down of inventories to net realisable value	1,043	1,972
Impairment of property, plant and equipment (<i>note (b)</i>)	9,170	5,857
Impairment of right-of-use assets (<i>note (b)</i>)	2,956	—
	<u>2,956</u>	<u>—</u>

Notes:

- (a) Inclusive of write-down of inventories to net realisable value.
- (b) Included in "Other expenses, net" in the consolidated statement of profit or loss.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Interest on bank and other borrowings	4,984	4,816
Interest on lease liabilities	3,006	4,290
Total	<u>7,990</u>	<u>9,106</u>

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the entities of the Group which were incorporated in the Cayman Islands and the BVI are not subject to any income tax.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly is not subject to income tax.

Hong Kong Profits Tax

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the reporting period.

PRC Corporate Income Tax (“CIT”)

Certain subsidiaries of the Group operating in Chinese Mainland were certified as small and micro-sized enterprises (“SMEs”) in 2024 and 2023. They enjoyed a 75% reduction for the first RMB1,000,000 of taxable income, a 75% reduction for taxable income between RMB1,000,000 and RMB3,000,000 and the preferential CIT rate of 20%.

Pursuant to the CIT Law and the respective regulations, the other PRC subsidiaries were subject to income tax at a statutory rate of 25% for the years ended 31 December 2024 and 2023.

CIT of the Group has been provided at the applicable tax rates on the estimated taxable profits arising in the PRC during the reporting period.

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Current — the PRC		
(Credit)/charge for the year	(4,659)	3,897
Deferred income tax	1,257	(1,341)
	<u>(3,402)</u>	<u>(1,341)</u>
Total tax (credit)/charge for the year	<u>(3,402)</u>	<u>2,556</u>

A reconciliation of the tax expense applicable to loss before tax at the statutory tax rate of the majority of the Group's subsidiaries to the tax expense at the effective tax rate for each of the reporting period is as follows:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Loss before tax	(93,553)	(50,689)
Tax at the statutory tax rate of 25%	(23,388)	(11,893)
Lower tax rates enacted by local authority	(617)	(643)
Expenses not deductible for tax	5,788	8,779
Tax losses utilised from previous periods	(146)	(1,090)
Adjustments in respect of current tax of previous periods	(5,310)	—
Tax effect of tax losses not recognised	20,271	7,403
	<u>(3,402)</u>	<u>7,403</u>
Tax (credit)/charge at the effective rate	<u>(3,402)</u>	<u>2,556</u>

8. DIVIDENDS

No dividend has been paid or declared by the Company during the year ended 31 December 2024 and subsequent to the end of the reporting period (2023: Nil).

9. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

The calculations of the basic earnings per share amount are based on the loss for the Year attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares of 505,202,000 (2023: 505,202,000) outstanding during the year.

The calculation of the diluted earnings per share amounts is based on the loss for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2024 in respect of a dilution as the impact of share options outstanding had an anti-dilutive effect on the basic earnings per Share amounts presented.

The calculations of basic and diluted earnings per share are based on:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Loss		
Loss attributable to ordinary equity holders of the parent	<u><u>(89,735)</u></u>	<u><u>(52,358)</u></u>
Shares		
Weighted average number of ordinary shares outstanding during the year	<u><u>505,202</u></u>	<u><u>505,202</u></u>
	<i>RMB cents</i>	<i>RMB cents</i>
Loss per share: Basic and diluted	<u><u>(17.76)</u></u>	<u><u>(10.36)</u></u>

10. INVENTORIES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Vehicles	108,378	276,662
Accessories	10,301	12,566
Total	<u>118,679</u>	<u>289,228</u>

At 31 December 2024, the Group's inventories with a carrying amount of approximately RMB45,793,000 (2023: RMB81,500,000) were pledged as security for the Group's interest-bearing bank and other borrowings.

11. TRADE RECEIVABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade receivables	12,343	5,882
Impairment	(123)	(59)
Total	<u>12,220</u>	<u>5,823</u>

Trade receivables of the Group represented proceeds receivable from the sale of motor vehicles and the provision of services. The Group's trading terms with its customers normally require payment in advance, except for certain customers of services where credit is allowed. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control management system to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned, there was no significant concentration of credit risk as at 31 December 2024. Trade receivables were interest-free and unsecured as at 31 December 2024.

An ageing analysis of the trade receivables as at the end of the year, based on the invoice date and net of loss allowance, is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 3 months	10,407	5,625
3 to 12 months	1,813	198
Total	<u>12,220</u>	<u>5,823</u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
At beginning of year	59	148
Impairment losses (<i>note 5</i>)	64	(89)
At the end of year	<u>123</u>	<u>59</u>

As at 31 December 2024

	Invoice date Within 3 months	Invoice date 3 to 12 months	Total
ECL rate	1%	1%	1%
Gross carrying amount (<i>RMB'000</i>)	10,512	1,831	12,343
ECLs (<i>RMB'000</i>)	105	18	123

As at 31 December 2023

	Invoice date Within 3 months	Invoice date 3 to 12 months	Total
ECL rate	1%	1%	1%
Gross carrying amount (<i>RMB'000</i>)	5,682	200	5,882
ECLs (<i>RMB'000</i>)	57	2	59

The Group has applied the simplified approach to provide for ECLs prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days of ageing. The expected loss rate of trade receivables is assessed to be approximately 1%. There was no significant change in the ECL rates during the reporting period, mainly because no significant changes in the historical default rates of trade receivables, economic conditions and performance and behaviour of the customers were noted, based on which the ECL rates are determined.

12. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables of the Group, based on the invoice date, as at the end of the reporting period, is as follows:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	11,000	98,280
3 to 12 months	18,021	26,213
Over 1 year	1,778	—
	<hr/>	<hr/>
Total	<u>30,799</u>	<u>124,493</u>

The trade and bills payables are non-interest-bearing and are normally settled on a 90 to 180 days' term.

The Group's bills payable are secured by the pledged deposits of approximately RMB4,501,000 as at 31 December 2024 (2023: RMB47,706,000).

13. SHARE CAPITAL

Shares

	2024	2023
Authorised: 2,000,000,000 ordinary shares of HK\$0.01 each as at 31 December 2024 and 2023	<u>HK\$20,000,000</u>	<u>HK\$20,000,000</u>
Issued and fully paid: 505,202,000 ordinary shares of HK\$0.01 each as at 31 December 2024 and 2023	<u>HK\$5,052,020</u>	<u>HK\$5,052,020</u>
Equivalent to	<u>RMB4,558,000</u>	<u>RMB4,558,000</u>

14. RELATED PARTY TRANSACTIONS AND BALANCES

The directors are of the opinion that the following companies are related parties that had material transactions or balances with the Group during the year:

(a) **Name and relationship of the related party**

Name	Relationship
Mr. Law Hau Kit	Director of the Company

(b) **Outstanding balance with related party**

As disclosed in the consolidated statements of financial position, the Group had outstanding balance with its related party as follows:

Amount due to a director

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Non-trade Mr. Law Hau Kit	<u>131,041</u>	<u>149,939</u>

The outstanding balance with related party is unsecured and interest-free. Expect for the balances of RMB11,041,000 will be repaid in 2025, the remaining outstanding balances will be repaid on or after 1 January 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

In 2024, China's automotive industry entered a critical period of high-quality development, driven by accelerated vehicle electrification transformation, breakthroughs in intelligent technology and deepening globalisation. On the other hand, the automobile industry faced challenges such as intensified competition due to product homogenisation, squeezed profit margins across the entire industry chain, and the restructuring of the international supply chain, etc. Automobile manufacturers and dealers confronted varying levels of pressure to survive. However, on the whole, the automobile industry is moving towards a smarter and greener future in the midst of technological explosion and market reshuffling. According to data from the China Association of Automotive Manufacturers, the sales volume of automobiles in China reached 31.436 million units in 2024, representing an increase of 4.5%. In particular, the sales volume of new energy vehicles accounted for 40.9% of the market share, demonstrating the potential for structural upgrading and market resilience of China's automobile industry. The Group adheres to the development strategy of "Entering the Greater Bay Area and Embracing New Energy".

BUSINESS REVIEW

In the Year 2024, the Group recorded a revenue of approximately RMB1,242.4 million, a decrease of approximately RMB376.7 million compared with the Year 2023. The gross profit decreased 82.0% from approximately RMB90.1 million for the Year 2023 to approximately RMB16.2 million for the Year 2024.

Headquartered in Zhongshan City, Guangdong Province, the Group is located at the center of the Greater Bay Area as a leading provider of diversified vehicle mobility services in the Guangdong-Hong Kong-Macao Greater Bay Area (the "**Greater Bay Area**"). During the Year, the Group operated a total of 22 outlets in Zhongshan, Foshan, Jiangmen and other cities in the Greater Bay Area, one insurance agency company, two used-vehicle trading centres, and a company engaged in the construction of charging stations and operation of ride-hailing business.

The Group has 15 brands authorised by automobile manufacturers, among which 8 are pure electric vehicle brands, namely GAC Aion, Hyper, Leapmotor, Volkswagen ID, IM Automobile, Yiwei New Energy, ARCFOX, and MARVEL R, and 7 are mid-to-high-end joint venture brands, namely FAW-Volkswagen, Buick, Chevrolet, FAW Toyota, Dongfeng Nissan, Cadillac, and Beijing Hyundai.

SALES OF MOTOR VEHICLES

In the Year 2024, the sales of motor vehicles (comprising new vehicles and used vehicles) were approximately RMB989.8 million, representing a decrease of 27.1% compared to approximately RMB1,357.0 million for the Year 2023.

SALES OF NEW VEHICLES

In the Year 2024, the Group's revenue from sales of new vehicles amounted to approximately RMB982.5 million (9,164 vehicles in total), representing a decrease of 26.8% from that of RMB1,341.7 million (11,435 vehicles in total) for the Year 2023. A total of 1,773 NEVs were sold and revenue generated was approximately RMB201.5 million during the Year 2024. Comparing with the Year 2023, the Group's revenue from new vehicle sales in the Year 2024 was lower as there was a drop in vehicle sales due to the adverse impact of the macroeconomic situation in China and selling prices of new vehicles sold during the Year 2024 were lower due to the intensified automobile market.

SALES OF USED VEHICLES

The Group sold 398 used vehicles during the Year 2024, with sales revenue of approximately RMB7.3 million, a YoY decrease of 52.3% from approximately RMB15.3 million (476 units in total) as compared to Year 2023. The decrease in sales of used vehicles was mainly attributable to the purchasing power of domestic consumers dampened by the deteriorate macroeconomic situation in China, which affected overall sales of new vehicles, while reducing the number of used vehicle replacements and sales of used vehicles.

OTHER INTEGRATED AUTO SERVICES

As a 4S dealership group providing one-stop car services, the Group offers a series of onestop services such as after-sales services and customer feedback in addition to car sales. Other integrated auto services provided by the Group include repair and maintenance services, sales of spare parts, insurance agency services and other services. In the Year 2024, revenue from comprehensive automobile services amounted to approximately RMB252.6 million, representing a decrease of 3.6% compared with approximately RMB262.1 million in the Year 2023.

REPAIR SERVICES

The Group's repair services are comprised of repair and maintenance services, sales of spare parts, car care services and used vehicle warranty services.

In the Year 2024, revenue from repair services amounted to approximately RMB176.9 million (Year 2023: approximately RMB184.5 million), accounting for approximately 14.2% of the total revenue, representing a decrease of 4.1% compared with the Year 2023, and the gross profit margin increase from 36.7% in the Year 2023 to 37.7% in the Year 2024.

INSURANCE AGENCY SERVICES

In the Year 2024, revenue from the Group's insurance agency services was approximately RMB4.6 million, an increase of approximately 70.3% from RMB2.7 million in the Year 2023. Gross profit increased 85.7% YoY to approximately RMB3.9 million from RMB2.1 million in the Year 2023.

OTHER SERVICES

The Group's gross profit of other services (mainly comprising vehicle licensing registration services and registration of title transfer of used vehicles) was approximately RMB3.8 million during the Year 2024, representing a decrease of 40.6% from approximately RMB6.4 million of the Year 2023.

NEW-ENERGY VEHICLE RELATED SERVICES

During the Year 2024, the Group had taken the NEV related businesses as one of the key development strategies. Except actively acquiring the dealerships of different NEV brands, the Group also started developing different NEV related services. In addition, during the reporting period, the Group built 93 charging stations, 570 charging piles, 1,070 charging bays in Zhongshan, Zhuhai, Foshan, Guangzhou, Dongguan and Jiangmen and other cities in the Greater Bay Area. The Group's NEV related services are comprised of charging services fee generated from the electric vehicle charging network in the Greater Bay Area and rental and administrative fee from participating in the operation of the online ride-hailing business.

In the Year 2024, revenue from newly launched NEV related services amounted to approximately RMB53.1 million (Year 2023: approximately 48.9 million), and gross profit from NEV related services amounted to approximately RMB1.4 million (Year 2023: approximately 7.3 million).

PROSPECT AND OUTLOOK

Looking ahead to 2025, China's automotive industry will move towards a new stage of higher quality development in the midst of technological revolution, energy transformation and industry ecological restructuring. Although the industry is still facing challenges such as intensified price competition, the market impact brought about by the increasing penetration rate of new energy vehicles, and the shortening of product technology iteration cycle, the Group believes the automobile distribution sector will continue to create structural growth opportunities, driven by both the increase in consumption space in the existing market and the acceleration of penetration in the emerging market. Focusing on customer lifecycle value management, the Group aims to restructure its business model, delve into the automotive aftermarket, upgrade its service capabilities, and enhance its user management. In addition, the Group will, as opportunities arise, continue to expand its sales and service network and its charging infrastructure for new energy vehicles, to ensure its core competitiveness for sustainable and healthy development amidst the evolving industry landscape.

FINANCIAL REVIEW

Revenue

For the Year 2024, the Group recorded revenue of approximately RMB1,242.4 million, representing a decrease of approximately RMB376.7 million or 23.2% from that of approximately RMB1,619.1 million for the Year 2023. Sales of motor vehicles contributed approximately RMB989.8 million for the Year 2024 (the Year 2023: RMB1,357.0 million) of the Group's total revenue whereas other integrated auto services brought in revenue of approximately RMB252.6 million for the Year 2024 (the Year 2023: approximately RMB262.1 million), representing approximately 79.7% (the Year 2023: 83.8%) and 20.3% (the Year 2023: 16.2%) of the Group's total revenue, respectively.

Cost of sales and gross profit

The Group's cost of sales primarily consists of (i) cost of motor vehicles, (ii) cost of spare part and accessories, (iii) staff costs, (iv) depreciation and (v) others. Cost of motor vehicles is the main cost of sales, accounting for approximately 86.7% for the Year 2024 (the Year 2023: 89.3%). For the Year, the Group's cost of sales amounted to approximately RMB1,226.1 million, representing a decrease of approximately 19.8% as compared to that of approximately RMB1,529.1 million for the Previous Year. The decrease was mainly due to the decrease in costs of automobiles due to a drop in number of vehicles sold.

The Group recorded gross profit of approximately RMB16.2 million for the Year, representing a decrease of approximately 82.0% as compared to that of approximately RMB90.1 million for the Previous Year. The decrease in gross profit was mainly attributable to the decrease in vehicle sales due to the dampened purchasing power affected by the macroeconomic situation in China and the decrease in selling prices of vehicles due to the price war in the automobile market. Overall gross profit margin of the Group amounted to approximately 1.3% for the Year, as compared to approximately 5.6% for the Previous Year.

Other income and gains

Other income and gains increased by approximately RMB2.5 million, or 5.1%, from approximately RMB49.2 million for the Previous Year to approximately RMB51.7 million for the Year, primarily attributable to commission income from releasing vehicle mortgages for the customers, commission income from third party financing institutions for vehicle financing and advertisement support received from automobile manufacturers for advertising activities.

Selling and distribution expenses

The Group's selling and distribution expenses decreased by approximately RMB26.3 million, or 33.8%, from approximately RMB77.7 million for the Previous Year to approximately RMB51.4 million for the Year.

The decrease in selling and distribution expenses for the Year was primarily due to the decreasing staff cost and advertisement cost of various new businesses such as establishment of new energy vehicle sales outlets, charging stations, and ride-hailing services as compared to the Previous Year.

Administrative expenses

Administrative expenses primarily consist of (i) salary and wages of administrative staff; (ii) rental expenses; (iii) depreciation and amortisation of fixed asset; (iv) property repair and maintenance expenses; (v) sundry expenses such as expenses for opening new stores; (vi) taxation; and (vii) bank charges. The Group's administrative expenses for the Year were approximately RMB80.7 million, representing a decrease of approximately RMB8.4 million from the Previous Year. Such decrease was mainly due to the combined effect of (i) the decrease of rental expense of approximately RMB3.3 million; (ii) the increase of depreciation and amortisation of fixed asset of approximately 7.4 million; (iii) the decrease in repair and maintenance expenses of approximately RMB2.5 million; and (iv) the decrease in sundry expenses of approximately RMB7.0 million.

Other expenses, net

The Group's other expenses, net increased by approximately RMB7.3 million, or 51.8%, from approximately RMB14.1 million for the Previous Year to approximately RMB21.4 million for the Year, primarily attributable to the increase in loss on disposals of property, plant and equipment and impairment loss recognized in respect of property, plant and equipment.

Finance costs

For the Year 2024, the Group's finance costs were approximately RMB8.0 million (the Year 2023: approximately RMB9.1 million), representing a decrease of approximately RMB1.1 million or 12.1%.

Loss of the year

As a result of the foregoing, the Group's loss for the Year amounted to approximately RMB90.2 million as compared to approximately RMB53.2 million for the Previous Year.

Income tax credit/(expenses)

For the Year 2024, the income tax credit of the Group was approximately RMB3.4 million (the Year 2023: income tax expense of approximately RMB2.6 million). The decrease was primarily due to the decrease in taxable income.

Liquidity, financial resources and capital structure

The Group continues to adhere to the principle of prudent financial management and generally meets its working capital requirements by cash flows generated from its operations and short term borrowings.

The Group's gearing ratio, which is total debt divided by total equity, as at 31 December 2024 was approximately 2.28 times (as at 31 December 2023: 1.85 times).

The Group's pledged bank deposits and cash and cash equivalents balances as at 31 December 2024 amounted to approximately RMB84.5 million, representing a decrease of approximately RMB24.8 million as compared to that of approximately RMB109.3 million as at 31 December 2023.

The Group's bank borrowings as at 31 December 2024 were all denominated in Renminbi. The interest rates ranged from 2.75% to 5.3% per annum.

As at 31 December 2024, the Group's interest-bearing bank and other borrowings amounted to RMB97.6 million, representing a decrease of 51.2% as compared to RMB200.3 million as at 31 December 2023. Short-term loans and borrowings amounted to approximately RMB95.6 million (the Year 2023: RMB199.0 million), and long-term loans and borrowings amounted to RMB2.0 million (the Year 2023: RMB1.3 million).

Capital expenditures and commitments

As at 31 December 2024, the capital commitments of the Group in connection with building expenditures were approximately RMB4.7 million (as at 31 December 2023: approximately RMB3.1 million).

Foreign exchange

The Group mainly operates in the PRC and the majority of the operating transactions such as revenue, expenses, monetary assets and liabilities are denominated in RMB. As such, the Directors are of the view that the Group's risk in foreign exchange is insignificant and that the Group should have sufficient resources to meet foreign exchange requirement if they arise. Therefore, the Group did not engage in any derivative contracts to hedge its exposure to foreign exchange risk during the Year 2024.

Contingent liabilities

The Group had no material contingent liabilities as at 31 December 2024 (as at 31 December 2023: nil).

Significant Investments, Acquisitions and Disposals, Future Plan for Material Investments and Capital Assets

The Group had no material acquisitions or disposals during the Year 2024 and up to the date of this announcement.

As of the date of this announcement, the Group did not have plans for material investments or capital assets.

Pledge of assets

As at 31 December 2024 the Group's utilised banking facilities amounting to approximately RMB97.6 million (as at 31 December 2023: RMB200.3 million) were secured by:

- (i) certain of the Group's merchandised goods amounting to approximately RMB45.8 million as at 31 December 2024 (as at 31 December 2023: approximately RMB81.5 million);
- (ii) the Group's buildings, which a net carrying amount of approximately RMB5.0 million as at 31 December 2024 (as at 31 December 2023: approximately RMB5.6 million);
- (iii) the Group's right of use assets, which a net carrying amount of approximately RMB8.6 million as at 31 December 2024 (as at 31 December 2023: approximately RMB9.1 million);

- (iv) the Group's bills payables were secured by pledged deposits of approximately RMB4.5 million for bills payables as at 31 December 2024 (as at 31 December 2023: approximately RMB47.7 million);
- (v) pledged deposits for others of approximately RMB1.0 million as at 31 December 2024 (as at 31 December 2023: RMB1.0 million).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2024, the Group had a total workforce of approximately 526 employees (the Year 2023: 816). Most of the Group's employees were located in China. The Group offered its staff with competitive remuneration packages. In addition, the Group conducts annual review on salary increment, discretionary bonuses and promotions based on the performance of each employee. During the Year, the Group did not experience any significant problems with its employees due to labour disputes nor did it experience any difficulty in the recruitment and retention of experienced staff. The Group maintains a good relationship with its employees.

The Board has the general power of determining the Directors' remuneration, subject to authorisation of the shareholders of the Company at the annual general meeting each year. The remuneration of the executive Directors is subject to review by the remuneration committee ("**Remuneration Committee**") of the Company, and their remuneration is determined with reference to the Directors' qualifications, experience, duties, responsibilities and performance and results of the Group. As for the independent non-executive Directors' remuneration, it is determined by the Board upon recommendation from the Remuneration Committee.

The Company has adopted a share option scheme as incentives to Directors and eligible employees. Details of the share option scheme are set out under the paragraph headed "Share Option Scheme" below.

EVENTS AFTER THE BALANCE DATE

Save as disclosed, no event has occurred after 31 December 2024 and up to the date of this announcement which would have a material effect on the Group.

ANNUAL GENERAL MEETING

The annual general meeting ("**AGM**") of the Company will be held on 23 May 2025 (Friday). A notice convening the AGM together with the circular of the Company will be published on the Company's website and the Stock Exchange website and dispatched to the shareholders of the Company by the means of receipt of communications they selected in accordance with the requirements of the Listing Rules in due course.

DIVIDEND

The Board does not recommend the payment of any final dividend for the Year 2024 (Year 2023: Nil).

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from 20 May 2025 (Tuesday) to 23 May 2025 (Friday), both dates inclusive, during which period no transfer of its shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by no later than 4:30 p.m. on 19 May 2025 (Monday).

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules (“**CG Code**”) upon Listing and has complied with the code provisions since then and up to 31 December 2024, except in relation to provision C.2.1 of the CG Code where the roles of the Group's chairman and chief executive officer (“**CEO**”) are both performed by Mr. Law. Provision C.2.1 of the CG Code requires that the roles of chairman and CEO should be separate and should not be performed by the same individual. Mr. Law has been responsible for overall strategic planning and management of the Group since the Group was founded in 1999. The Board considers that vesting the roles of chairman and chief executive officer in the same person is beneficial to the management of the Group. The balance of power and authority is ensured by the operation of the senior management and the Board, both of which comprise experienced and high-calibre individuals. The Board currently comprises three executive Directors (including Mr. Law) and three independent non-executive Directors, and therefore has a strong independence element in its composition.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions conducted by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own Code of Conduct for securities transactions conducted by relevant Directors. After making specific enquires to all Directors, each of them has confirmed that they have complied with the required standards set out in the Model Code during the Year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including treasury shares (as defined in the Listing Rules, if any) during the Year.

MANAGEMENT CONTRACTS

No management contracts concerning the whole or any substantial part of the business of the Company were entered into or existed during the Year.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “**Share Option Scheme**”) on 16 September 2019. The purpose of the Share Option Scheme is to provide any Director and full-time employees of any member of the Group (“**Participants**”) with the opportunity to acquire proprietary interests in the Company and to encourage Participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and the shareholders as a whole.

As at 31 December 2024, the Company had 27,418,000 share option outstanding under the Share Option Scheme, representing approximately 5.43% of the issued share capital of the Company as at the date of this announcement. Details of the share options outstanding as at the date of this announcement are as follows:

Option type	Date of grant	Validity period	Exercisable period	Vesting period	Exercise price (HK\$)	Closing price of the Shares immediately before the date on which the Share Options were Granted (HK\$)
2020 Options	21/05/2020	5 years commencing from the date of grant	21/05/2021 to 20/05/2025 21/05/2022 to 20/05/2025 21/05/2023 to 20/05/2025	21/05/2020 to 20/05/2021 21/05/2020 to 20/05/2022 21/05/2020 to 20/05/2023	0.48	0.445

Option type	Date of grant	Validity period	Exercisable period	Vesting period	Exercise price (HK\$)	Closing price of the Shares immediately before the date on which the Share Options were Granted (HK\$)
2021 Options	21/05/2021	5 years commencing from the date of grant	21/05/2022 to 20/05/2026 21/05/2023 to 20/05/2026 21/05/2024 to 20/05/2026	21/05/2021 to 20/05/2022 21/05/2021 to 20/05/2023 21/05/2021 to 20/05/2024	0.81	0.790

Notes:

- (1) Pursuant to the terms of the Share Option Scheme, the period within which the Shares must be taken up under an option shall be the period of time to be notified by the Board to each grantee at the time of making an offer, which shall be determined by the Board in its absolute discretion at the time of grant.
- (2) There is no general requirement on the minimum period for which an option must be held before an option can be exercised under the terms of the Share Option Scheme. Upon fulfillment of the vesting conditions of the Share Options, the Share Options are exercisable in the manner set out hereinbelow.
- (3) The 2020 Options, granted on 21 May 2020, are exercisable from 21 May 2021 to 20 May 2025 (both days inclusive) in the following manner:
 - (i). From 21 May 2021 to 20 May 2025: can exercise no more than 40% of the 2020 Options granted;
 - (ii). From 21 May 2022 to 20 May 2025: can exercise no more than 30% of the 2020 Options granted; and
 - (iii). From 21 May 2023 to 20 May 2025: can exercise no more than 30% of the 2020 Options granted.
- (4) The 2021 Options, granted on 21 May 2021, are exercisable from 21 May 2022 to 20 May 2026 (both days inclusive) in the following manner:
 - (i). From 21 May 2022 to 20 May 2026: can exercise no more than 40% of the 2021 Options granted;
 - (ii). From 21 May 2023 to 20 May 2026: can exercise no more than 30% of the 2021 Options granted; and

- (iii). From 21 May 2024 to 20 May 2026: can exercise no more than 30% of the 2021 Options granted.

The total number of Shares which may be allotted and issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Group) to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 50,000,000 (being 10% of the Shares in issue as at 18 October 2019 when the Shares first commenced dealing on the Stock Exchange) (the “**General Scheme Limit**”). Subject to the approval of shareholders in general meeting, the Company may refresh the General Scheme Limit to the extent that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share options scheme of the Group as refreshed must not exceed 10% of the Shares in issue as at the date of approval provided that the options previously granted will not be counted for purpose of calculating the General Scheme Limit as renewed.

The maximum number of Shares which may be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the Shares in issue from time to time.

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of our Group (including both exercised, cancelled or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of our Company for the time being. The subscription price for Shares under the Share Option Scheme will be a price determined by the Board, but shall not be less than the higher of (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Shares on the date of grant.

The Share Option Scheme will remain in force for a period of 10 years from the date of Listing.

A non-refundable consideration of HK\$1.0 was paid by each grantee on acceptance of the Share Options within 14 days from the date of grant.

The following table discloses movements in the share options of the Company during the Year 2023:

	Date of grant	Exercise period	Exercise price (HK\$)	Number of options at 01/01/2024	Movements during the year ended 31 December 2024			Number of options at 31/12/2024
					Granted	Exercised	Lapsed	
Directors and Chief Executive								
Mr. Law Hau Kit	21/05/2020	21/05/2021 to 20/05/2025	0.48	1,200,000	—	—	—	1,200,000
		21/05/2022 to 20/05/2025	0.48	900,000	—	—	—	900,000
		21/05/2023 to 20/05/2025	0.48	900,000	—	—	—	900,000
	21/05/2021	21/05/2022 to 20/05/2026	0.81	1,200,000	—	—	—	1,200,000
		21/05/2023 to 20/05/2026	0.81	900,000	—	—	—	900,000
		21/05/2024 to 20/05/2026	0.81	900,000	—	—	—	900,000
					6,000,000	—	—	—
Mr. Chen Huaquan	21/05/2020	21/05/2021 to 20/05/2022	0.48	320,000	—	—	—	320,000
		21/05/2022 to 20/05/2025	0.48	480,000	—	—	—	480,000
		21/05/2023 to 20/05/2025	0.48	480,000	—	—	—	480,000
	21/05/2021	21/05/2022 to 20/05/2026	0.81	600,000	—	—	—	600,000
		21/05/2023 to 20/05/2026	0.81	450,000	—	—	—	450,000
		21/05/2024 to 20/05/2026	0.81	450,000	—	—	—	450,000
					2,780,000	—	—	—

	Date of grant	Exercise period	Exercise price (HK\$)	Number of options at 01/01/2024	Movements during the year ended 31 December 2024			Number of options at 31/12/2024
					Granted	Exercised	Lapsed	
Ms. Li Huifang	21/05/2020	21/05/2022 to 20/05/2025	0.48	300,000	—	—	—	300,000
		21/05/2023 to 20/05/2025	0.48	300,000	—	—	—	300,000
	21/05/2021	21/05/2022 to 20/05/2026	0.81	520,000	—	—	—	520,000
		21/05/2023 to 20/05/2026	0.81	390,000	—	—	—	390,000
		21/05/2024 to 20/05/2026	0.81	390,000	—	—	—	390,000
				<u>1,900,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,900,000</u>
Mr. Woo King Hang <i>(Note 1)</i>	21/05/2020	21/05/2022 to 20/05/2025	0.48	300,000	—	—	300,000	—
		21/05/2023 to 20/05/2025	0.48	300,000	—	—	300,000	—
	21/05/2021	21/05/2022 to 20/05/2026	0.81	600,000	—	—	600,000	—
		21/05/2023 to 20/05/2026	0.81	450,000	—	—	450,000	—
		21/05/2024 to 20/05/2026	0.81	450,000	—	—	450,000	—
				<u>2,100,000</u>	<u>—</u>	<u>—</u>	<u>2,100,000</u>	<u>—</u>
Ms. Yan Fei	21/05/2020	21/05/2021 to 20/05/2025	0.48	200,000	—	—	—	200,000
		21/05/2022 to 20/05/2025	0.48	150,000	—	—	—	150,000
		21/05/2023 to 20/05/2025	0.48	150,000	—	—	—	150,000
	21/05/2021	21/05/2022 to 20/05/2026	0.81	200,000	—	—	—	200,000
		21/05/2023 to 20/05/2026	0.81	150,000	—	—	—	150,000
		21/05/2024 to 20/05/2026	0.81	150,000	—	—	—	150,000
				<u>1,000,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,000,000</u>

	Date of grant	Exercise period	Exercise price (HK\$)	Number of options at 01/01/2024	Movements during the year ended 31 December 2024			Number of options at 31/12/2024
					Granted	Exercised	Lapsed	
Mr. Li Wai Keung	21/05/2020	21/05/2021 to 20/05/2025	0.48	200,000	—	—	—	200,000
		21/05/2022 to 20/05/2025	0.48	150,000	—	—	—	150,000
		21/05/2023 to 20/05/2025	0.48	150,000	—	—	—	150,000
	21/05/2021	21/05/2022 to 20/05/2026	0.81	200,000	—	—	—	200,000
		21/05/2023 to 20/05/2026	0.81	150,000	—	—	—	150,000
		21/05/2024 to 20/05/2026	0.81	150,000	—	—	—	150,000
					<u>1,000,000</u>	<u>—</u>	<u>—</u>	<u>—</u>
Mr. Hui Chun Tak (Note 2)	21/05/2020	21/05/2022 to 20/05/2025	0.48	150,000	—	—	150,000	—
		21/05/2023 to 20/05/2025	0.48	150,000	—	—	150,000	—
	21/05/2021	21/05/2022 to 20/05/2026	0.81	200,000	—	—	200,000	—
		21/05/2023 to 20/05/2026	0.81	150,000	—	—	150,000	—
		21/05/2024 to 20/05/2026	0.81	150,000	—	—	150,000	—
			<u>800,000</u>	<u>—</u>	<u>—</u>	<u>800,000</u>	<u>—</u>	
Total Directors				<u>15,580,000</u>	<u>—</u>	<u>—</u>	<u>2,900,000</u>	<u>12,680,000</u>

	Date of grant	Exercise period	Exercise price (HK\$)	Number of options at 01/01/2024	Movements during the year ended 31 December 2024			Number of options at 31/12/2024
					Granted	Exercised	Lapsed	
Employees	21/05/2020	21/05/2021 to 20/05/2025	0.48	558,000	—	—	—	558,000
		21/05/2022 to 20/05/2025	0.48	2,490,000	—	—	150,000	2,340,000
		21/05/2023 to 20/05/2025	0.48	2,490,000	—	—	150,000	2,340,000
	21/05/2021	21/05/2022 to 20/05/2026	0.81	4,080,000	—	—	280,000	3,800,000
		21/05/2023 to 20/05/2026	0.81	3,060,000	—	—	210,000	2,850,000
		21/05/2024 to 20/05/2026	0.81	3,060,000	—	—	210,000	2,850,000
	Total Employees			<u>15,738,000</u>	<u>—</u>	<u>—</u>	<u>1,000,000</u>	<u>14,738,000</u>
Total			<u>31,318,000</u>	<u>—</u>	<u>—</u>	<u>3,900,000</u>	<u>27,418,000</u>	

Notes:

- (1) Mr. Woo King Hang resigned as a non-executive Director on 31 May 2024 and 2,100,000 options were lapsed due to his resignation.
- (2) Mr. Hui Chun Tak resigned as an independent non-executive Director on 19 July 2024 and 800,000 options were lapsed due to his resignation.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available and within the knowledge of the Directors, at least 25% of the Company's issued share capital were held by the public as at the date of this announcement.

AUDIT COMMITTEE

The Company has an audit committee (the “**Audit Committee**”) which was established in accordance with the requirements of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee has three members comprising three independent non-executive Directors, being Mr. Li Wai Keung (“**Mr. Li**”), Mr. Li Weining and Ms. Yan Fei. The Audit Committee is chaired by Mr. Li, who has appropriate professional qualifications and experience as required by Rule 3.10(2) of the Listing Rules.

The Audit Committee of the Company has reviewed the annual results of the Company for the year ended 31 December 2024 and the financial statements for the year ended 31 December 2024 prepared in accordance with the IFRSs.

REVIEW OF PRELIMINARY ANNOUNCEMENT OF RESULTS BY THE INDEPENDENT AUDITOR

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this preliminary announcement have been agreed by the Group’s auditor, Ernst & Young (“EY”), to the amounts set out in the Group’s draft consolidated financial statements for the Year. The work performed by EY in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by EY on the preliminary announcement.

PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement for Year has been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.car2000.com.cn), and the annual report for the Year 2024 containing all the information required by the Listing Rules will be dispatched to the shareholders by the means of receipt of communications they selected and published on the aforesaid websites of the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to our loyal shareholders, partners and customers for their continuous support and to our staff for their dedication.

By order of the Board
Centenary United Holdings Limited
Law Hau Kit

Chairman, Executive Director and Chief Executive Officer

Hong Kong, 28 March 2025

As at the date of this announcement, the executive Directors are Mr. Law Hau Kit, Mr. Chen Huaquan and Ms. Li Huifang; and the independent non-executive Directors are Mr. Li Wai Keung, Mr. Li Weining and Ms. Yan Fei.