



中聚投資
ZHONGJU INVESTMENT

ZHONG JU INVESTMENT GROUP LIMITED

中聚投資集團有限公司

(Formerly known as 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 REPORT

2025



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Liu Yuan (*Chairman*)
(*appointed on 25 March 2026*)
Mr. Law Hau Kit (*Chief Executive Officer*)
Mr. Yang Jian (*appointed on 5 March 2026*)
Mr. Li Jianchang (*appointed on 21 January 2026*)
Mr. Chen Huaquan
Ms. Li Huifang

Independent Non-Executive Directors

Mr. Li Wai Keung
Mr. Li Weining
Ms. Yan Fei

AUTHORISED REPRESENTATIVES

Mr. Law Hau Kit
Mr. Chan Ngai Fan

JOINT COMPANY SECRETARY

Mr. Chan Ngai Fan
Ms. Liang Jiexin

AUDIT COMMITTEE

Mr. Li Wai Keung (*Chairman*)
Mr. Li Weining
Ms. Yan Fei

REMUNERATION COMMITTEE

Mr. Li Weining (*Chairman*)
Mr. Chen Huaquan
Mr. Li Wai Keung

NOMINATION COMMITTEE

Mr. Liu Yuan (*Chairman*)
(*appointed on 25 March 2026*)
Mr. Law Hau Kit (*ceased to be chairman of the
Nomination Committee with effect from
25 March 2026*)
Mr. Li Weining
Ms. Yan Fei

REGISTERED OFFICE

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN PRC

No.40, Rainbow Road
Western District
Zhongshan, Guangdong Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1426, 14/F., Solo Building
41-43 Carnarvon Road
Tsim Sha Tsui, Kowloon
Hong Kong

AUDITOR

Prism Hong Kong Limited

Registered Public Interest Entity Auditor

Units 1903A-1905, 19/F

8 Observatory Road

Tsim Sha Tsui, Hong Kong

STOCK CODE

1959

COMPANY'S WEBSITE

www.car2000.com.cn

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited

Cricket Square, Hutchins Drive

PO Box 2681

Grand Cayman, KY1-1111

Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre,

16 Harcourt Road,

Hong Kong

PRINCIPAL BANKERS

Industrial and Commercial Bank of China

(Zhongshan North Branch)

No. 4, Ganglong South Road

ICBC Building

Zhongshan, Guangdong Province

PRC

China Construction Bank

(Zhongshan Shalang Branch)

No. 2, Jinhua South Road

Zhongshan, Guangdong Province

PRC

CHAIRMAN'S STATEMENT

Dear shareholders,

Looking back at 2025, the Chinese automotive market moved forward amidst profound changes. The penetration rate of new energy vehicles (NEVs) climbed steadily, and the share of new NEV sales historically surpassed the 50% mark, signifying that NEVs have become the dominant force in the market. However, despite the positive growth in both production and sales of new NEVs nationwide, the entire industry chain faced increasingly prominent profitability challenges. The price war in new NEV sales remained intense, eventually evolving into a survival test sweeping through both upstream and downstream. OEMs struggled to maintain profitability when they had to balance R&D investment and price reduction, while frontline dealers were trapped in a vicious cycle of “the more the sales, the more their losses”. Generally, the industry faced the awkward situation of “growth in volume without increase in revenue”, which has accelerated the shift in the focus of industry competition from “product sales” to “user services and value operations” across the entire chain. Faced with a market environment where opportunities and challenges coexisted, the Group adhered to the principles of prudent operation and flexible adaptation, striving to forge new paths amidst the changes.

In response to the challenges, the Group proactively adapted to market changes and continuously implemented its dual-track strategy of “business optimisation + innovation attempts”, with phased results achieved. At the business optimisation level, we continued the decisive measures from 2024, including assessing and optimising our store network and concentrating resources on core profitable and promising stores, which effectively reduced rigid costs and narrowed losses. Concurrently, we focused on improving the operational efficiency of our existing network. Our team conducted fine management to optimise inventory structure and improved sales conversion efficiency, demonstrating strong execution capabilities, particularly in after-sales service. We continuously enriched the service offerings of “Centenary car care”, optimised user experience, and deepened the integration and conversion of private and public domain traffic, making it a stable customer touchpoint and service portal. The key role of the after-sales service as the Group’s “ballast stone” was further highlighted, providing strong support for the smooth transition of our overall performance.

While consolidating its current business foundation, the Group welcomed a new controlling shareholder. This is a significant milestone and, more importantly, a new starting point. We extend a warm welcome to the new controlling shareholder and thank it for its recognition of the future value of Zhong Ju Investment. We believe that the vision and resources of the new shareholder, consolidating and developing our existing core businesses, will inject new vitality into us. Currently, our business foundation is clear: the traditional automotive sales system; the gradually expanding Octopus charging network; the “Centenary car care” after-sales service platform that is deepening its exploration of user value; and a team that stays at the front line after industry fluctuations. These are our most valuable assets. We will actively seek new opportunities for diversified development while ensuring financial stability. Whether through deeper strategic presence in the new energy sector or innovative attempts in service models, we will embrace changes with an open mind, striving to identify a new growth curve to drive our further healthy and sustainable development while consolidating our fundamentals.

Looking ahead, we agree that artificial intelligence has become the core productive force driving industrial transformation and represents the most certain strategic opportunity for the automotive industry in the next decade. The rapid advancements and engineering applications of AI technology are profoundly reshaping the underlying logic of the automotive industry. Significant changes are occurring from product definition and service models to user interaction, which is highly consistent with our long-term strategy of deepening presence in the automotive service ecosystem and creating full-chain value.

Starting from this year, the Group will focus on its presence and make strategic investments in the AI + automotive industry, and rely on capital empowerment and ecosystem synergy to facilitate the intelligent upgrading of services throughout the automotive lifecycle. Utilising large language models, multimodal interaction and other core technologies, the Group will promote precise and intelligent upgrades across the entire automotive service chain through forward-looking investments and linkage with industrial resources, with a view to continuously optimising user experience and enhancing overall operational efficiency. Anchored on AI technology, we will break down service barriers across the entire industry chain covering vehicle sales, charging, and maintenance via industrial investments and ecosystem cooperation, hoping to allow intelligent technology to truly empower every scenario of mobility services.

CHAIRMAN'S STATEMENT

We firmly believe that the deep integration of AI and automotive services will create a new second curve for industrial growth. We expect to deeply participate in the application of AI across the entire automotive service chain through continuous capital investment, technological development, and scenario-based ecosystem innovation. This will deliver a safer, more efficient, and personalised mobility service experience for users and also find a sustainable new growth engine centered on intelligent technology investment.

Finally, on behalf of the Board of Directors, I would like to express my sincerest gratitude to all our shareholders, employees, and friends from all sectors of society for their long-standing trust and support. In the future, we will take a firmer stance and conduct business more prudently, striving to create sustainable, long-term value for all shareholders.

Chairman
Liu Yuan

31 March 2026

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

In 2025, China's automotive industry delivered outstanding results in both scale and quality: annual vehicle production and sales volume exceeded 34 million units, ranking first globally for 17 consecutive years; the sales volume of new energy vehicles as a percentage of new car sales historically surpassed 50%, marking an industry shift from scale expansion to quality-focused competition. However, behind these impressive figures on scale, automotive dealerships are facing unprecedented existential challenges. Confronted with the predicament of "selling cars at a loss", dealerships are accelerating their transformation and seeking change. On one hand, leading dealership groups are migrating towards new energy vehicle brands; on the other hand, channel models are evolving with diversification, as direct sales, agency, and dealership models converge through competitive interaction. The core of industry competition is shifting from singular "product sales" to "user services and value operations" across the entire chain. In 2025, positive signals were also released at the government policy level, from discouraging excessive internal competition to issuing compliance guidelines for pricing practices, promoting the industry's return from a "price war" to a "value war". Amidst this wave of transformation, the Group will, with a more open stance and a more agile response, identify new opportunities amid challenges and forge ahead in a changing landscape.

BUSINESS REVIEW

In the Year 2025, the Group recorded a revenue of approximately RMB898.2 million, a decrease of approximately RMB344.2 million compared with the Year 2024. The gross profit increased 91.5% from approximately RMB16.2 million for the Year 2024 to approximately RMB31.1 million for the Year 2025.

Headquartered in Zhongshan City, Guangdong Province, the Group is located at the centre 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 17 outlets in Zhongshan, Foshan and other cities in the Greater Bay Area, one insurance agency company, three used-vehicle trading centres, and a company engaged in the construction of charging stations and operation of ride-hailing business.

The Group has up to 11 brands authorised by automobile manufacturers, including GAC Aion, Hyper, JAC Yiwei New Energy, ARCFOX, FAW-Volkswagen, Buick, Chevrolet, FAW Toyota, Dongfeng Nissan, Cadillac and Beijing Hyundai during the Year.

MANAGEMENT DISCUSSION AND ANALYSIS

SALES OF MOTOR VEHICLES

In the Year 2025, the sales of motor vehicles (comprising new vehicles and used vehicles) were approximately RMB697.9 million, representing a decrease of 29.5% compared to approximately RMB989.8 million for the Year 2024.

SALES OF NEW VEHICLES

In the Year 2025, the Group's revenue from sales of new vehicles amounted to approximately RMB691.9 million (6,415 vehicles in total), representing a decrease of 29.6% from that of RMB982.5 million (9,164 vehicles in total) for the Year 2024. The decline in new vehicle sales was mainly due to the complex and volatile international environment, persistent competition in the domestic automobile market, regional disparities in subsidy policies, strong wait-and-see sentiment among consumers as well as the slow recovery in new vehicle sales.

SALES OF USED VEHICLES

The Group sold 388 used vehicles during the Year 2025, with sales revenue of approximately RMB6.0 million, a YoY decrease of 17.8% from approximately RMB7.3 million (398 units in total) as compared to Year 2024. The sluggish growth in used vehicle sales was mainly due to the impact of "dual-new" policies and the frequent price cuts in the new vehicle market. As a result, demands for used vehicles are insufficient as consumers are more inclined to purchase new vehicles, resulting in transaction prices of used vehicles remaining at low levels.

OTHER INTEGRATED AUTO SERVICES

As a 4S dealership group providing one-stop car services, the Group offers a series of one-stop 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 2025, revenue from comprehensive automobile services amounted to approximately RMB200.3 million, representing a decrease of 20.7% compared with approximately RMB252.6 million in the Year 2024.

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 2025, revenue from repair services amounted to approximately RMB140.9 million (Year 2024: approximately RMB176.9 million), accounting for approximately 15.7% of the total revenue, representing a decrease of 20.4% compared with the Year 2024.

INSURANCE AGENCY SERVICES

In the Year 2025, revenue from the Group's insurance agency services was approximately RMB5.4 million, an increase of approximately 17.4% from RMB4.6 million in the Year 2024. Gross profit increased 23.1% YoY to approximately RMB4.8 million from RMB3.9 million in the Year 2024.

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 RMB2.5 million during the Year 2025, representing a decrease of 34.2% from approximately RMB3.8 million of the Year 2024.

PROSPECT AND OUTLOOK

Looking ahead to the year of 2026, China's automotive industry is steadily entering a period of profound transformation focused on improving quality and increasing efficiency. Although the industry still faces challenges from cost pressures and market competitions, targeted policy support, continuous technological breakthroughs, and constant innovation in business models are injecting strong resilience into the sector. Having undergone the dual trials of reaching peak scale and transitioning to new energy, China's automotive industry made one thing clear in 2025: The strategic recalibrations and operational refinements undertaken to date are essential catalysts for our long-term maturity, positioning the Group to capture emerging opportunities with enhanced resilience. For automotive dealerships, the past growth model reliant on car price sales margins is no longer viable. This transformation is a proactive strategic pivot rather than a reactive measure. By transitioning from a transaction-based model to full lifecycle value management, the Group is redefining customer value and ensuring long-term competitiveness as the industry undergoes structural change. The Group firmly believes that the value of automotive distribution, as a critical link connecting manufacturing and consumption, will not diminish but will be reshaped. To this end, the Group will leverage its name change as an opportunity to steadfastly implement the strategy of "Entering the Greater Bay Area And Embracing New Energy." We will continuously optimize our brand authorization structure, deepen our presence in the aftermarket, and strive to seek new development and investment opportunities that can generate returns for the Group.

FINANCIAL REVIEW

Revenue

For the Year 2025, the Group recorded revenue of approximately RMB898.2 million, representing a decrease of approximately RMB344.2 million or 27.7% from that of approximately RMB1,242.4 million for the Year 2024. Sales of motor vehicles contributed approximately RMB697.9 million for the Year 2025 (the Year 2024: RMB989.8 million) of the Group's total revenue whereas other integrated auto services brought in revenue of approximately RMB200.3 million for the Year 2025 (the Year 2024: approximately RMB252.6 million), representing approximately 77.7% (the Year 2024: 79.7%) and 22.3% (the Year 2024: 20.3%) of the Group's total revenue, respectively.

Cost of sales and gross profit margin

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 84.2% for the Year 2025 (the Year 2024: 86.7%). For the Year, the Group's cost of sales amounted to approximately RMB867.1 million, representing a decrease of approximately 29.3% as compared to that of approximately RMB1,226.1 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 RMB31.1 million for the Year, representing an increase of approximately 92.0% as compared to that of approximately RMB16.2 million for the Previous Year. The increase in gross profit was mainly due to the Group's transformation from a singular sales-oriented model to a service-oriented model, allocating its limited resources to business segment with higher profit contribution. Overall gross profit margin of the Group amounted to approximately 3.5% for the Year, as compared to approximately 1.3% for the Previous Year.

Other income and gains

Other income and gains decreased by approximately RMB5.0 million, or 9.7%, from approximately RMB51.7 million for the Previous Year to approximately RMB46.7 million for the Year, primarily attributable to (i) the commission income from releasing vehicle mortgage for the customers, (ii) the commission income for automotive explosion-proof membrane, (iii) the commission income from third party financing institution for vehicle financing and (iv) the advertisement support received from automobile manufacturers for the advertising activities.

Selling and distribution expenses

The Group's selling and distribution expenses decreased by approximately RMB22.6 million, or 44.0%, from approximately RMB51.4 million for the Previous Year to approximately RMB28.8 million for the Year.

The decrease in selling and distribution expenses for the Year was primarily due to the decrease in salary and wages of sales staff and advertising and office expenses 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 RMB61.0 million, representing a decrease of approximately RMB19.7 million from the Previous Year. Such decrease was mainly due to the combined effect of (i) the decrease of salary and wages of approximately RMB10.8 million; (ii) the decrease of depreciation and amortisation of fixed asset of approximately 10.5 million; (iii) the decrease in repair and maintenance expenses of approximately RMB2.3 million; (iv) the increase in rental expense of approximately RMB3.0 million; and (v) the increase in sundry expenses of approximately RMB3.1 million.

Other expenses, net

The Group's other expenses, net decreased by approximately RMB2.9 million, or 13.6%, from approximately RMB21.4 million for the Previous Year to approximately RMB18.5 million for the Year, primarily attributable to the decrease in loss on disposals of property, plant and equipment and impairment loss recognised in respect of property, plant and equipment.

Finance costs

For the Year 2025, the Group's finance costs were approximately RMB4.4 million (the Year 2024: approximately RMB8.0 million), representing a decrease of approximately RMB3.6 million or 45.0%.

Loss of the year

As a result of the foregoing, the Group's loss for the Year amounted to approximately RMB34.5 million as compared to approximately RMB90.2 million for the Previous Year. The significant decline in loss was mainly due to adjustments in business strategy, decisive optimization and consolidation of underperforming stores, coupled with reductions in administrative and selling expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

Income tax credit

For the Year 2025, the income tax credit of the Group was RMB491,000 (the Year 2024: approximately RMB3.4 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 2025 was approximately 2.16 times (as at 31 December 2024: 2.28 times).

The Group's pledged bank deposits and cash and cash equivalents balances as at 31 December 2025 amounted to approximately RMB41.0 million, representing a decrease of approximately RMB43.5 million as compared to that of approximately RMB84.5 million as at 31 December 2024.

The Group's bank borrowings as at 31 December 2025 were all denominated in Renminbi. The interest rates of bank borrowings ranged from 2.6% to 2.8%, the interest rates of other loans ranged from 2.28% to 2.92% per annum.

As at 31 December 2025, the Group's interest-bearing bank and other borrowings amounted to RMB96.1 million, representing a decrease of RMB1.5 million as compared to RMB97.6 million as at 31 December 2024. Short-term loans and borrowings amounted to approximately RMB96.1 million (the Year 2024: RMB95.6 million), and long-term loans and borrowings amounted to nil (the Year 2024: RMB2 million).

Capital expenditures and commitments

As at 31 December 2025, the capital commitments of the Group in connection with building expenditures, office and equipment were approximately RMB3.2 million (as at 31 December 2024: approximately RMB4.7 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 2025.

Contingent liabilities

The Group had no material contingent liabilities as at 31 December 2025 (as at 31 December 2024: 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 2025 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 2025 the Group's utilised banking facilities amounting to approximately RMB96.1 million (as at 31 December 2024: RMB200.3 million) were secured by:

- (i) certain of the Group's merchandised goods amounting to approximately RMB66.7 million as at 31 December 2025 (as at 31 December 2024: approximately RMB45.8 million);
- (ii) the Group's buildings, which a net carrying amount of approximately RMB4.4 million as at 31 December 2025 (as at 31 December 2024: approximately RMB5.0 million);
- (iii) the Group's right of use assets, which a net carrying amount of approximately RMB8.0 million as at 31 December 2025 (as at 31 December 2024: approximately RMB8.6 million);
- (iv) the Group's bills payables were secured by pledged deposits of nil as at 31 December 2025 (as at 31 December 2024: approximately RMB4.5 million);
- (v) pledged deposits for others of approximately RMB0.3 million as at 31 December 2025 (as at 31 December 2024: RMB1.0 million).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, the Group had a total workforce of approximately 470 employees (the Year 2024: 526). 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.

DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Liu Yuan (劉源), aged 36, was appointed as the executive Director and chairman of the Board on 25 March 2026. He obtained a Bachelor's degree in Finance from Open University of China (中國國家開放大學) in 2024. Mr. Liu has extensive experience in cross-border securities investment, capital markets operations, and strategic investment management. From August 2021 to March 2024, Mr. Liu served as a Partner at Wa Tong Securities International Limited (華通證券國際有限公司), where he was responsible for cross-border investment and financing business strategy and execution. From January 2020 to July 2021, Mr. Liu served as Chief Administrative Officer and Founding Partner at Marina Strategic Advisory Pte Ltd in Singapore, a strategic consulting firm he co-founded to provide multinational enterprises and startup teams with top-level architecture design for AI Agent (artificial intelligence agents) and distributed computing platforms. From June 2018 to December 2019, Mr. Liu served as Head of Technology Investment and Strategic Planning and Senior Director at Blue Canyon Holdings Pte Ltd in Singapore, where he coordinated the group's global investment strategy with focus on semiconductors, general computing power and intelligent robotics, managing various investment portfolios.

Mr. Law Hau Kit (羅厚杰), aged 55, is the founder and chief executive officer of the Group. He founded the Group in May 1999, was appointed as our Director on 4 October 2018 and was redesignated as our executive Director on 31 January 2019. He is the director of certain subsidiaries of the Group. Mr. Law is primarily responsible for the overall operation, marketing strategies, strategic planning and external relations of the Group.

Mr. Law has over 30 years of experience in the automobile trading and distribution industry. Prior to founding the Group, Mr. Law worked in Foshan Shunde Automobile Industrial Trading Co., Ltd.* (佛山市順德汽車工業貿易有限公司) (previously known as Shunde Automobile Industrial Trading Co., Ltd.* (順德市汽車工業貿易公司)), an automobile distributor and after-sales services provider, from October 1992 to July 1994, as a sales personnel and was promoted to be the sales manager. Mr. Law worked as a deputy general manager in Shunde Automobile Co., Ltd.* (順德汽車股份有限公司) ("**Shunde Automobile**") from September 1994 to January 1999 where he was primarily responsible for the procurement of motor vehicles and management of sales team. Shunde Automobile was engaging in the business of distribution of motor vehicles.

Mr. Law was appointed as a member of the eleventh Guangdong Province Zhongshan City Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議第十一屆廣東省中山市委員會) on 29 December 2011. He is currently vice president of the Industry and Commerce Association of Western District of Zhongshan City (Chamber of Commerce)* (中山市西區工商業聯合會(商會)) and vice president of Zhongshan Motor Vehicle Maintenance Industry Association* (中山市機動車維修行業協會). Mr. Law joined Shun Tak Fraternal Association (順德聯誼總會) in October 2013 and was appointed as an honorary life president. He studied a diploma course majoring in law at Shunde Broadcast and Television University (順德廣播電視大學) from September 1990 to April 1992.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Yang Jian (楊劍), aged 53, was appointed as the executive Director on 5 March 2026. He obtained a bachelor's degree in education from Beijing Sport University (北京體育大學) in 2009 and a master's degree in business administration from Cheung Kong Graduate School of Business (長江商學院) in China in 2019.

Mr. Yang has extensive experience in business administration and corporate management. From 1995 to 2003, Mr. Yang worked as a staff member in the Beijing Office of Anhui Provincial People's Government. From 2003 to 2008, he simultaneously worked as the vice general manager of An Hui Xin Changjiang Investment Group* (安徽新長江投資集團) and the chairman of the board for Huashan Hu Travel and Vacation Company* (華山湖旅遊度假公司). In 2009 Mr. Yang founded Baihonghui International Investment Management Company Limited* (百宏匯國際投資管理有限公司) and has been the chairman of its board of directors ever since. Since 2013, Mr. Yang has also been appointed as the vice chairman of the board of directors of Ruiyinxin Group Company* (瑞銀信集團公司).

Mr. Li Jianchang (李健昌先生), aged 33, was appointed as the executive Director on 21 January 2026. He obtained a Bachelor's degree in accounting from The Open University of China in 2022. Mr. Li has over 10 years of experience in the financial and investment management industry. He was the client manager at the Jiangmen Branch of China Everbright Bank from August 2014 to April 2017 and investment advisor at Shenzhen Xinteng Hua Asset Management Co., Ltd.* (深圳市鑫騰華資產管理有限公司) from May 2017 to December 2018. He was later appointed as legal representative and director at Jiangmen Qianfei Advertising Co., Ltd.* (江門市千扉廣告有限公司) from January 2019 to December 2020. Since 2023, Mr Li has been the legal representative and director of Shenzhen Tengyue Investment Management Co., Ltd running financial and investment management business in the PRC.

Mr. Chen Huaquan (陳華泉), aged 47, was appointed as vice president of operation of the Group in January 2022 and was appointed as the executive Director on 25 May 2023. He is primarily responsible for the brand management, sales and marketing of all the new energy vehicle dealerships of the Group, and the operation and management of the Group's insurance segment and used car segment. He is the director of certain subsidiaries of the Group.

Mr. Chen has over 20 years of experience in the automobile sales and distribution industry. He joined the Group in August 2001 and served as secretary to the chief executive officer, sales manager of New Century Toyota, general manager of New Century Nissan and co-operation head of the Group.

Mr. Chen obtained a bachelor degree in mechanical design, manufacturing and automation from Zhuzhou College of Engineering* (株洲工學院) in July 2001. Mr. Chen was awarded the Occupational Qualification Certificate of Second Level Technician for car maintenance by the Human Resources and Social Security Department of Guangdong Province in October 2014.

Ms. Li Huifang (李惠芳), aged 47, is an executive Director. Ms. Li joined the Group on 20 May 2003, was appointed as our Director on 31 January 2019 and was re-designated as our executive Director on 31 January 2019. Ms. Li is the vice president of operation of the Group and is primarily responsible for the brand management, sales and marketing of all the joint venture fuel car dealerships of the Group.

Ms. Li has over 20 years of experience in the automobile sale and distribution industry. She worked for Zhongshan New Century Pioneering Automobile Co. Limited* (中山市創世紀汽車有限公司) ("**Zhongshan New Century**") from May 2003 to February 2009 and was promoted to be the general manager of Zhongshan New Century. She served as the store manager of Chuangri Automobile from February 2009 to June 2016 and the store manager of Mingcheng Automobile from June 2016 to April 2017. She was promoted to be a deputy head of operation in May 2017 and was further promoted to be a co-head of operation of the Group in March 2018. Ms. Li obtained a bachelor degree in agriculture from Zhanjiang Ocean University (湛江海洋大學), now known as Guangdong Ocean University (廣東海洋大學), in June 2002. She was awarded Excellent General Manager of Automobile Outlet* (優秀汽車經銷店總經理) by Guangdong Automobile Dealers Association (廣東省汽車流通協會) in March 2017.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Li Wai Keung (李偉強), aged 69, is an independent non-executive Director and joined the Group on 16 September 2019. He is mainly responsible for supervising and providing independent advice to our Board. Mr. Li has more than 40 years of experience in accounting financial management. Mr. Li was awarded the Endorsement Certificate in Accountancy by the Hong Kong Polytechnic in November 1983 and obtained a master degree in Business Administration from the University of East Asia, Macau, currently known as City University of Macau, in December 1991. He is a fellow member of the Hong Kong Institute of Certified Public Accountants (formerly known as Hong Kong Society of Accountants), and the honorary president of Hong Kong Business Accountants Association. Mr. Li had worked for Henderson Real Estate Agency Limited for around 16 years from September 1977 to September 1993 where he was promoted from an accounts clerk to the management level of deputy accounting manager and his responsibilities covered management reports, tax matters and consolidated financial statements. He was appointed a member of the twelfth Guangdong Provincial Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議第十二屆廣東省委員會) on 17 January 2018 and was subsequently appointed a standing member on 27 January 2018.

Mr. Li is currently an independent non-executive director of Shenzhen Investment Limited (HKEX Stock Code: 604) and China South City Holdings Limited (HKEX Stock Code: 1668). Also, he served as an independent non-executive director of Legend Upstar Holdings Limited (delisted on 30 March 2026 with former HKEX stock code: 459) from March 2022 to March 2026, an independent non-executive director of Hans Energy Company Limited (HKEX stock code: 554) from July 2002 to July 2024, an executive director of Guangdong Land Holdings Limited (HKEX stock code: 124) from 12 November 2002 to 20 February 2020, a non-executive director of Guangdong Investment Limited (HKEX stock code: 270) from 30 May 2000 to 28 March 2020 and an independent non-executive director of Let Group Holdings Limited (delisted on 1 September 2025 with former HKEX stock code: 1383) from 16 March 2010 to 27 May 2011. He also acts as a Chief Financial Officer of GDH Limited from 6 March 2000 to 31 January 2020 and a director of Shenzhen City Airport (Group) Co. Ltd from August 2008 to July 2018. He was the chairman and a council member of the Hong Kong Chinese Orchestra Limited. He is currently serving as a management accounting adviser for the second term of the Ministry of Finance, PRC.

Ms. Yan Fei (嚴斐), aged 66, is an independent non-executive Director and joined the Group on 16 September 2019. She is mainly responsible for supervising and providing independent advice to the Board. She graduated from Nanchang Occupation Normal College of Technology (南昌職業技術師範學院) in July 1986. She previously worked as a journalist for Guangdong-Hong Kong Information Daily (粵港信息日報) and an assistant lecturer of Mechanic and Industrial College of Jiangxi Province* (江西省機械工業學校). She served as deputy secretary general of Guangdong Auction Industry Association (廣東省拍賣業協會) from September 2004 to November 2005. She is currently the president of Guangdong Automobile Dealers Association (廣東省汽車流通協會) and before promoted to such position she served the association as a secretary general since December 2005.

Mr. Li Weining (李衛寧), aged 60, is an independent non-executive Director and joined the Group on 19 July 2024. He obtained a doctorate degree in management science and engineering from South China University of Technology* (華南理工大學) in 2008. Mr. Li has been working at South China University of Technology since July 1988 and is currently a professor and a doctoral supervisor in the Department of Management at the School of Business Administration of South China University of Technology. Mr. Li has been an independent director of Guangdong Shantou Chaosheng Electronics Company Limited* (廣東汕頭超聲電子股份有限公司), a company listed on the main board of the Shenzhen Stock Exchange (Stock Code: 000823), since October 2021, and an independent director of Hualian Century Engineering Consulting Company Limited* (華聯世紀工程諮詢股份有限公司) (delisted on the National Equities Exchange and Quotations System in September 2025 with former stock code: 873802) since December 2021. In addition, Mr. Li was an independent director of Guangzhou Zhonghaida Satellite Navigation Technology Company Limited* (廣州中海達衛星導航技術股份有限公司), a company listed on ChiNext of the Shenzhen Stock Exchange (Stock Code: 0300177), from 15 May 2018 to 19 May 2024.

* For identification purpose only

REPORT OF THE DIRECTORS

The Board has pleasure in presenting the Report of the Directors and the audited consolidated financial statements of the Group for the Year 2025.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in the sale and service of motor vehicles and provision of service in the PRC. Particulars of the subsidiaries are set out in note 1 to the consolidated financial statements.

BUSINESS REVIEW

A review on the Group's business for the Year 2025 is set out under the section headed "Management Discussion and Analysis" of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group recognises the importance of environmental protection and has adopted stringent measures for environmental protection in order to ensure our compliance to the prevailing environmental protection laws and regulations.

The Group has developed environmental protection measures and policies to prevent and control pollution levels and harm caused to the environment in the form of waste gas, waste water, solid waste, dust etc. in the course of production or other activities in accordance with the applicable environmental laws and regulations.

The Group understands that a better future depends on everyone's participation and contribution. It has encouraged all employees to participate in environmental activities which benefit the community and the environment at large.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Directors recognise that employees, customers and business partners are the keys to the sustainable development of the Group. The Group is committed to building a close and caring relationship with its employees and business partners, and improve the quality of services and products to the customers. Employees are regarded as the most important and valuable assets of the Group. The Group ensures all staff is reasonably remunerated and regular training courses are provided for its workers operation of different types of machinery, as well as work safety. The Group strives to motivate its employees with a clear career path and opportunities for advancement and improvement of their skills. The Group also stays connected with its customers and suppliers and has ongoing communication with the customers and suppliers through various channels such as telephone, electronic mails and physical meetings to obtain their feedback and suggestions.

COMPLIANCE WITH LAWS AND REGULATIONS

The operations of the Group are primarily carried out by the Company's subsidiaries in the PRC. The Group's establishment and operations accordingly shall comply with relevant laws and regulations in the above jurisdiction. During the Year 2025 and up to the date of this annual report, the Group's operations have complied with all the relevant laws and regulations in the above jurisdictions in all material respects.

ANNUAL GENERAL MEETING

The forthcoming annual general meeting ("**AGM**") will be held on 29 May 2026. Notice of AGM will be published to the shareholders of the Company (the "**Shareholder(s)**") in due course.

RESULTS

The Group's result for the Year 2025 are set out in the consolidated statement of comprehensive income on page 59 of this annual report.

The Board does not recommend the payment of any final dividend for the Year 2025 (2024: Nil).

DIVIDENDS POLICY AND DIVIDEND

The Directors acknowledge the importance of stakeholders' engagement and would contemplate at least two times a year (prior to the announcement of annual and interim results) on the distribution of a dividend. While the Directors endeavour to share the Group's results with shareholders by way of a dividend, the portion and actual amount of distribution out of profits will be determined by the Directors having regard to a variety of factors, including but not limited to the Group's actual and expecting operating results and conditions, gearing level, general financial condition, availability of cash, future plans and funding needs for expansion.

The Directors do not recommend the payment of a final dividend for the Year 2025 (2024: Nil). There is no arrangement that a Shareholder has waived or agreed to waive any dividend.

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 26 May 2026 (Tuesday) to 29 May 2026 (Friday), both dates inclusive, during which period no transfer of shares of the Company ("**Share(s)**") 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 22 May 2026 (Friday).

REPORT OF THE DIRECTORS

SUMMARY OF FINANCIAL INFORMATION

A summary of the results and of the assets and liabilities of the Group for the last five years is set out on page 150 of this annual report. Such summary does not form part of the audited consolidated financial statements.

SHARE CAPITAL

Details of movement in the Company's share capital during the Year 2025 are set out in note 26 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group during the Year 2025 are set out in the consolidated statement of changes in equity set out on page 62 of this annual report.

DISTRIBUTABLE RESERVES

The Company's reserves available for distribution to the Shareholders as at 31 December 2025 amounted to RMB125,680,000 (2024: RMB103,214,000), subject to the applicable statutory requirements under the laws of the Cayman Islands.

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 2025, there is no outstanding share options under the Share Option Scheme. As at 31 December 2024, the Company had 27,418,000 share options outstanding under the Share Option Scheme. The exercise of the outstanding share options as at 31 December 2024 and share options granted during the year ended 31 December 2025 would, under the present capital structure of the Company, result in the issue of 24,800,000 additional ordinary shares of the Company and additional share capital of HK\$248,000 (equivalent to RMB226,000) (before issue expenses).

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
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
2025 Options	16/05/2025	5 years commencing from the date of grant	16/05/2025 to 15/05/2030	Vested on 16/05/2025	0.32	0.320

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.

REPORT OF THE DIRECTORS

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:

	Date of grant	Exercise period	Exercise price (HK\$)	Number of options at 01/01/2025	Movements during the year ended 31 December 2025			Number of options at 31/12/2025
					Granted	Exercised	Lapsed	
Directors								
Mr. Law Hau Kit	21/05/2020	21/05/2021 to 20/05/2025	0.48	1,200,000	–	1,200,000	–	0
		21/05/2022 to 20/05/2025	0.48	900,000	–	900,000	–	0
		21/05/2023 to 20/05/2025	0.48	900,000	–	900,000	–	0
	21/05/2021	21/05/2022 to 20/05/2026	0.81	1,200,000	–	1,200,000	–	0
		21/05/2023 to 20/05/2026	0.81	900,000	–	900,000	–	0
		21/05/2024 to 20/05/2026	0.81	900,000	–	900,000	–	0
					6,000,000	–	6,000,000	–
Mr. Chen Huaquan	21/05/2020	21/05/2021 to 20/05/2025	0.48	320,000	–	–	320,000	0
		21/05/2022 to 20/05/2025	0.48	480,000	–	–	480,000	0
		21/05/2023 to 20/05/2025	0.48	480,000	–	–	480,000	0
	21/05/2021	21/05/2022 to 20/05/2026	0.81	600,000	–	600,000	–	0
		21/05/2023 to 20/05/2026	0.81	450,000	–	450,000	–	0
		21/05/2024 to 20/05/2026	0.81	450,000	–	450,000	–	0
					2,780,000	–	1,500,000	1,280,000
Ms. Li Huifang	21/05/2020	21/05/2022 to 20/05/2025	0.48	300,000	–	–	300,000	0
		21/05/2023 to 20/05/2025	0.48	300,000	–	–	300,000	0
	21/05/2021	21/05/2022 to 20/05/2026	0.81	520,000	–	520,000	–	0
		21/05/2023 to 20/05/2026	0.81	390,000	–	390,000	–	0
		21/05/2024 to 20/05/2026	0.81	390,000	–	390,000	–	0
				1,900,000	–	1,300,000	600,000	0

REPORT OF THE DIRECTORS

	Date of grant	Exercise period	Exercise price (HK\$)	Number of options at 01/01/2025	Movements during the year ended 31 December 2025			Number of options at 31/12/2025
					Granted	Exercised	Lapsed	
Ms. Yan Fei	21/05/2020	21/05/2021 to 20/05/2025	0.48	200,000	–	–	200,000	0
		21/05/2022 to 20/05/2025	0.48	150,000	–	–	150,000	0
		21/05/2023 to 20/05/2025	0.48	150,000	–	–	150,000	0
	21/05/2021	21/05/2022 to 20/05/2026	0.81	200,000	–	200,000	–	0
		21/05/2023 to 20/05/2026	0.81	150,000	–	150,000	–	0
		21/05/2024 to 20/05/2026	0.81	150,000	–	150,000	–	0
					1,000,000	–	500,000	500,000
Mr. Li Wai Keung	21/05/2020	21/05/2021 to 20/05/2025	0.48	200,000	–	–	200,000	0
		21/05/2022 to 20/05/2025	0.48	150,000	–	–	150,000	0
		21/05/2023 to 20/05/2025	0.48	150,000	–	–	150,000	0
	21/05/2021	21/05/2022 to 20/05/2026	0.81	200,000	–	200,000	–	0
		21/05/2023 to 20/05/2026	0.81	150,000	–	150,000	–	0
		21/05/2024 to 20/05/2026	0.81	150,000	–	150,000	–	0
					1,000,000	–	500,000	500,000
Total Directors				12,680,000	–	9,800,000	2,880,000	0
Employees	21/05/2020	21/05/2021 to 20/05/2025	0.48	558,000	–	–	558,000	0
		21/05/2022 to 20/05/2025	0.48	2,340,000	–	–	2,340,000	0
		21/05/2023 to 20/05/2025	0.48	2,340,000	–	–	2,340,000	0
	21/05/2021	21/05/2022 to 20/05/2026	0.81	3,800,000	–	3,800,000	–	0
		21/05/2023 to 20/05/2026	0.81	2,850,000	–	2,850,000	–	0
		21/05/2024 to 20/05/2026	0.81	2,850,000	–	2,850,000	–	0
	16/05/2025	16/05/2025 to 15/05/2030	0.32	–	5,500,000	5,500,000	–	0
Total Employees				14,738,000	5,500,000	15,000,000	5,238,000	0
Total				27,418,000	5,500,000	24,800,000	8,118,000	0

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors is or was interested in any business, apart from the Group's business, that competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during the Year 2025 and up to and including the date of this annual report.

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

Other than the Share Option Scheme, at no time during the year, the Company or any of its subsidiaries, holding companies or fellow subsidiaries was a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

MAJOR CUSTOMERS AND SUPPLIERS

During the Year 2025, the five largest customers of the Group accounted for approximately 2.40% of the total revenue and sales to the largest customer accounted for approximately 0.85% of the total revenue. The five largest suppliers of the Group in aggregate accounted for about 73.76% of its operating costs for the Year 2025. Purchases from the largest supplier accounted for about 39.67% of its operating costs for the Year 2025.

None of the Directors, their close associates or any shareholder (which to the knowledge of the Directors own more than 5.0% of the issued share capital of the Company) had an interest in these major customers or suppliers.

RELATED PARTY TRANSACTIONS

Details of the related party transaction undertaken in normal course of business are set out in note 32 to the consolidated financial statements. The Board confirmed that none of the related party transaction constitutes a discloseable connected transaction as defined under chapter 14A of the Listing Rules.

BORROWINGS

Particulars of borrowings of the Group as at 31 December 2025 are set out in note 24 to the consolidated financial statements.

DONATIONS

During the Year 2025, the Group made charitable and other donations amounting to RMB Nil.

REPORT OF THE DIRECTORS

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant, equipment of the Group during the Year 2025 are set out in note 13 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands which would oblige the Company to offer new Shares on a pro rata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its subsidiaries, had 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 2025.

During the Year 2025, the Company has not entered into or maintained any equity-linked agreements.

DIRECTORS

The Directors of the Company during the Year 2025 and up to the date of this annual report are as follow.

	Appointed on
Executive Directors	
Mr. Liu Yuan (<i>Chairman</i>)	25 March 2026
Mr. Law Hau Kit (<i>Chief Executive Officer</i>)	4 October 2018
Mr. Yang Jian	5 March 2026
Mr. Li Jianchang	21 January 2026
Mr. Chen Huaquan	25 May 2023
Ms. Li Huifang	31 January 2019
Independent Non-executive Directors	
Mr. Li Wai Keung	16 September 2019
Ms. Yan Fei	16 September 2019
Mr. Li Weining	19 July 2024

In accordance with the provisions of the Company's articles of association, Mr. Li Wai Keung, Ms. Yan Fei, Mr. Liu Yuan, Mr. Yang Jian and Mr. Li Jianchang will retire and, being eligible, will offer themselves for re-election at the Company's forthcoming annual general meeting.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each independent non-executive Directors an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules and the Board consider them independent.

DIRECTORS' SERVICE CONTRACT

No Director proposed for re-election at the forthcoming AGM has an unexpired service contract which is not determinable by the Company and any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

DIRECTORS' REMUNERATION

The Remuneration Committee is set up for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group. The remunerations of the Directors are determined with reference to market terms, seniority, experiences, duties and responsibilities assumed by each Director as well as their individual performance. The Directors' remuneration including the Directors' fees is subject to the Shareholders' approval at general meeting. Other emoluments are recommended by the Remuneration Committee for the Board's approval, having regard to the operating results of the Group, individual performance and comparable market statistics. Details of emoluments of the Directors are set out in note 8 to the consolidated financial statements. No remuneration was paid by the Group to the Directors and senior management of the Group as an inducement to join or upon joining the Group or as compensation for loss of office, during the Year 2025.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year 2025.

REPORT OF THE DIRECTORS

DIRECTORS'/CONTROLLING SHAREHOLDERS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Except as disclosed elsewhere in this annual report, none of the Directors or controlling shareholders, nor a connected party of any Directors or controlling shareholders, had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or its subsidiaries was a party during the Year 2025.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the Share Option Scheme, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective associates, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

DISCLOSURE OF INTERESTS

As at 31 December 2025, the interests and short positions of Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept under section 336 and 352 of the SFO, or as notified the Company and the Stock Exchange pursuant to the Model Code, are as follows:

Director's interest in the Company

Name of Director	Capacity/nature	Number of Shares held	Long/short position	Approximate percentage of shareholding as at 31 December 2025
Mr. Law Hau Kit	Beneficial owner	3,000,000	Long	0.56%

Save as disclosed above, as at 31 December 2025, none of the Directors and chief executive of the Company had any interest or short position in the Shares, underlying shares and debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register of the Company pursuant to section 352 of the SFO, or required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

So far as the Directors are aware, as at 31 December 2025, the interest and short positions of the persons, other than a director or chief executive of the Company, in the Shares and underlying Shares as recorded in the register required to be kept under section 336 of the SFO are as follows:

Name of shareholder	Capacity/nature	Number of Shares/ underlying Shares held/interested in	Long/short position	Total	Approximate percentage of shareholding as at 31 December 2025
MSINT LTD ⁽¹⁾	Beneficial owner	376,916,000	Long	376,916,000	71.12%
Mo Mingdong	Interested of corporation controlled by him	376,916,000	Long		
	Beneficial owner	502,000	Long	377,418,000	71.21%

(1) MSINT LTD is wholly owned by Mr. Mo Mingdong. Under the SFO, Mr. Mo Mingdong is deemed to be interested in the same number Shares in which MSINT LTD is interested.

Save as disclosed above, as at 31 December 2025, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or Chief Executive of the Company) in the Shares or underlying Shares which were required to be disclosed under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO.

CORPORATE GOVERNANCE

Save as disclosed, the Company has complied with the code provisions as set out in the Corporate Governance Code as contained in Appendix C1 to the Listing Rules (the “CG Code”) during the Year 2025. Details of the corporate governance of the Group are set out in the section headed “Corporate Governance Report” in this annual report.

The Board will continue to review and enhance its corporate governance practice of the Company to ensure compliance with the CG Code and align with the latest developments.

REPORT OF THE DIRECTORS

SIGNIFICANT LEGAL PROCEEDINGS

During the Year 2025, the Company was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company.

PERMITTED INDEMNITY PROVISION

Pursuant to the articles of association of the Company, the Directors are indemnified and secured harmless out of the assets of the Company against all losses and liabilities which may incur or sustain in execution of their duty, except such which they shall incur or sustain through their own fraud or dishonesty.

The Company has taken out directors' liability during the Year 2025 that provides the appropriate cover for the Directors.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this Annual Report, there is sufficient public float of not less than 25% of the Shares in issue as required under the Listing Rules.

AUDITOR

The consolidated financial statements of the Company for the year ended 31 December 2025 have been audited by Prism Hong Kong Limited. Ernst & Young retired as auditors of the Company with effect from 27 August 2025. Prism Hong Kong Limited was appointed as the new auditor of the Company immediately following the retirement of Ernst & Young, and will retire, and being eligible, offer themselves for appointment at the forthcoming annual general meeting of the Company.

PRINCIPAL RISK AND UNCERTAINTY

The results and business operations of the Group are subject to the impact of a number of factors, including those arising from the macro-economic environment as well as those inherent in the auto retail sector. The major risks are summarised as follows:

(i) Macro-economic environment

As a pillar industry of the national economy, the auto sector is considerably correlated to the volatile periods of the macro-economy in terms of timing and extent. The Group's business operation and development may be affected by economy of China and the world from time to time. The Group will react timely to the economic landscape and adopted new business plans to cope with the situation.

(ii) Industry policies

The Group's business operations must comply with policies and regulations announced by the PRC government for the administration of the auto industry. Changes in such industry policies may result in decreased market demand for products, lower prices for products and services and escalated market competition, which will in turn result in the decrease in revenue and profit. As such, the Group will monitor closely any developments in government policies on our industry, while enhancing our service standards on an ongoing basis to address any risks arising from changes in industry policies.

(iii) Market risks

The Group is subject to various types of market risks, including credit risks, liquidity risks, interest rate risks and exchange risks, the details of which are set out in note 36 to the financial statements in this annual report. The Group has exercised effective control over market risks through continuous monitoring of risks and changes, timely risk warnings and appropriate application of hedge instruments.

EVENTS AFTER THE REPORTING PERIOD**Mandatory unconditional cash offer by Rainbow Capital (HK) Limited for and on behalf of MSINT LTD (the "Offeror") to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it)**

On 20 January 2026, the Offeror and the Company jointly issued a composite document (the "**Composite Document**") in relation to, among others, making a mandatory unconditional cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) (the "**Offer**") under Rule 26.1 of The Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong.

On 10 February 2026, the Offer was closed at 4:00 p.m. and the Offeror had received 2 valid acceptance in respect of a total of 16,000 Shares under the Offer, representing approximately 0.003% of the total issued share capital of the Company.

Immediately after the close of the Offer, the Offeror and the parties acting in concert with it were interested in an aggregate of 377,434,000 Shares, representing approximately 71.21% of the total issued share capital of the Company.

Further details of the Offer and the results of the Offer are set out in the joint announcements of the Offeror and the Company dated 16 December 2025, 6 January 2026, 20 January 2026 and 10 February 2026 and the Composite Document dated 20 January 2026.

REPORT OF THE DIRECTORS

Appointment of Directors and Change of Chairman of the Board

Mr. Li Jianchang has been appointed as an executive director of the Company with effect from 21 January 2026. For details, please refer to the announcement of the Company dated 21 January 2026. Mr. Yang Jian has been appointed as an executive director of the Company with effect from 5 March 2026. For details, please refer to the announcement of the Company dated 5 March 2026.

Mr. Liu Yuan has been appointed as an executive director of the Company with effect from 25 March 2026. Mr. Law Hau Kit has resigned as the chairman of the Board and the chairman of the nomination committee of the Company with effect from 25 March 2026. Following the resignation of Mr. Law, Mr. Liu Yuan has been appointed as the chairman of the Board and the chairman of the nomination committee of the Company with effect from 25 March 2026. For details, please refer to the announcement of the Company dated 25 March 2026.

Change of Company Name and Stock Short Name and Adoption of New Company Logo

In order to provide the Company with a more defined corporate image and identity and benefit the Company's future business development which is in the best interests of the Company and the Shareholders as a whole, the Shareholders of the Company approved the change of English name of the Company from "Centenary United Holdings Limited" to "Zhong Ju Investment Group Limited" and the change of the dual foreign name in Chinese of the Company from "世紀聯合控股有限公司" to "中聚投資集團有限公司" on the special general meeting of the Company held on 22 January 2026 (the "**Change of Company Name**"). The Change of Company Name has become effective following the issue of the certificate of incorporation on change of name by the Registrar of Companies in Cayman Islands on 23 January 2026. The English stock short name for trading in the Shares on the Stock Exchange has also been changed from "CENT UNIT HLDG" to "ZHONG JU INVEST" in English and from "世紀聯合控股" to "中聚投資" in Chinese with effect from 9:00 a.m. on 4 March 2026. The stock code of the Company on the Stock Exchange remains unchanged as "1959". The Company has also adopted a new logo with effect from 27 February 2026. For further details, please refer to the announcements of the Company dated 23 December 2025, 22 January 2026 and 27 February 2026.

Save as disclosed, no event has occurred after 31 December 2025 and up to the date of this annual report which would have a material effect on the Group.

AUDIT COMMITTEE

The Company has an 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, Ms. Yan Fei and Mr. Li Weining. The Audit Committee is chaired by Mr. Li Wai Keung, 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 2025 and the financial statements for the Year 2025 prepared in accordance with the IFRSs.

On behalf of the Board of
Zhong Ju Investment Group Limited
Liu Yuan
Chairman and Executive Director

Hong Kong, 31 March 2026

CORPORATE GOVERNANCE REPORT

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 during the year ended 31 December 2025, 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**”) were 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 considered that vesting the roles of chairman and chief executive officer in the same person would be beneficial to the management of the Group. Following the resignation of Mr. Law as the chairman of the Board while remaining as the executive Director and the chief executive officer of the Company on 25 March 2026, Mr. Liu Yuan has been appointed as the chairman of the Board on the same date. The Company has complied with provision C.2.1 of the CG Code since 25 March 2026.

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.

BOARD OF DIRECTORS

The Board is responsible for leading and directing the Group’s business through establishment of a healthy corporate culture, formulation of overall strategies and policies, evaluation of performance and overseeing the management function. As a leading automobile service provider in the Greater Bay Area, the Group has established a corporate culture which embraces innovation, creativity and receptiveness to change. The Board plays a leading role in defining the purpose, values and strategic direction of the Group which are aligned with the corporate culture. The corporate culture is reflected consistently in the business development of the Group, daily business operating practices as well as relation with stakeholders.

The principal objective of the Company is to strive for long-term return for all its stakeholders. The Group explores opportunities to enhance shareholders’ returns, which includes solidifying its traditional vehicles trading business and developing new-energy vehicle related business. To promote sustainability of the environment, the Group also actively develops online ride-hailing business using new energy vehicle to promote low-carbon and green travel.

In discharging its duties, the Board acts in good faith with due diligence and care, and makes decisions objectively in the best interests of the Company and its shareholders. The execution of strategies and implementation of policies in the Group's daily operations are delegated to the management team.

The Board has established mechanism to ensure independent views and input are available to the Board. The current composition of the Board has a strong independence element and provides sufficient balance of skills, experience and diversity of perspectives in leading the Company to achieve its goal. The independent non-executive Directors also provide independent judgment in the Board's overall decision making process. The Board has reviewed the implementation and effectiveness of the board independence mechanism for the Year 2025 and considered it to be effective.

The composition of the Board and the attendance record of each Director at board meetings for the Year 2025 are as below.

	Appointed on	Attendance/Meeting held	
		Board meeting	General meeting
Executive Directors			
Mr. Law Hau Kit (<i>Chief Executive Officer</i>)	4 October 2018	5/5	1/1
Mr. Chen Huaquan	25 May 2023	5/5	1/1
Ms. Li Huifang	31 January 2019	5/5	1/1
Mr. Liu Yuan (<i>Chairman</i>)	25 March 2026	N/A	N/A
Mr. Yang Jian	5 March 2026	N/A	N/A
Mr. Li Jianchang	21 January 2026	N/A	N/A
Independent Non-executive Directors			
Mr. Li Wai Keung	16 September 2019	5/5	1/1
Ms. Yan Fei	16 September 2019	5/5	1/1
Mr. Li Weining	19 July 2024	5/5	1/1

Biographic details of and the relationship amongst the Directors are presented in the section headed "Biographic details of Directors And Senior Management" of this annual report. A list of the Directors identifying their roles and functions is available on the Stock Exchange's and the Company's website.

Note:

- (1) Directors whom are appointed after the financial year ended 31 December 2025 and therefore not applicable to board meetings held during the Year.

DIRECTORS' TENURE AND PERIODS OF APPOINTMENT

The following table sets out the length of tenure and current period of appointment for each Director as at the date of this annual report, 31 March 2026:

Name	Role	Date of First Appointment	Length of Tenure (as at 31 March 2026)
Mr. Liu Yuan	Executive Director & Chairman	25 March 2026	Less than 1 month
Mr. Law Hau Kit	Executive Director & Chief Executive Officer	4 October 2018	Approximately 7 years 5 months
Mr. Yang Jian	Executive Director	5 March 2026	Less than 1 month
Mr. Li Jianchang	Executive Director	21 January 2026	Approximately 2 months
Mr. Chen Huaquan	Executive Director	25 May 2023	Approx. 2 years 10 months
Ms. Li Huifang	Executive Director	31 January 2019	Approx. 7 years 2 months
Mr. Li Wai Keung	Independent Non-executive Director	16 September 2019	Approx. 6 years 6 months
Ms. Yan Fei	Independent Non-executive Director	16 September 2019	Approx. 6 years 6 months
Mr. Li Weining	Independent Non-executive Director	19 July 2024	Approx. 1 year 8 months

Pursuant to the Rule 3.13A of Listing Rules, a nine-year cap on the tenure of independent non-executive directors will be implemented in two phases: (i) by the first annual general meeting held on or after 1 July 2028 ("**Phase 1**"), Long-serving independent non-executive Directors (i.e. those who have served nine years or more) must not represent the majority of independent non-executive Directors on the Board; and (ii) by the first annual general meeting held on or after 1 July 2031 ("**Phase 2**"), no independent non-executive Directors may serve beyond nine years in that capacity.

As at the date of this annual report, none of the independent non-executive Directors has served for nine years or more and accordingly no independent non-executive Director is currently a long-serving independent non-executive Director under Rule 3.13A. The Board notes, however, that Mr. Li Wai Keung and Ms. Yan Fei were each first appointed on 16 September 2019 and will each reach nine years of tenure in September 2028, which coincides with the Phase 1 deadline. The Board and the Nomination Committee will monitor the tenure of Directors closely in accordance with the phased implementation timetable and take appropriate action to ensure continued compliance with Rule 3.13A, including making succession plans in advance as appropriate.

THE BOARD'S SKILLS, QUALIFICATION AND EXPERIENCE MATRIX

The skills matrix of the Board below sets out the skills, qualifications and experience of the Board that are most relevant to the Group's business strategy and objectives, particularly in terms of: (i) developing and expanding the Group's automotive dealership and service business in the Greater Bay Area; (ii) advancing the Group's presence in the artificial intelligence sector; (iii) implementing strategy of bringing long-term business growth; and (iv) ensuring sound financial management and corporate governance.

Skill Areas	Description	Directors								Board Coverage (in percentage)	
		Mr. Liu Yuan	Mr. Law Hau Kit	Mr. Yang Jian	Mr. Li Jianchang	Mr. Chen Huaquan	Ms. Li Huifang	Mr. Li Wai Keung	Ms. Yan Fei		Mr. Li Weining
Strategic Leadership	Senior executive/leadership experience; ability to define and implement corporate strategy	✓	✓								22.2%
Industry Knowledge	Experience in specific industry sales, dealership operations, after-sales services or related sectors	✓	✓			✓	✓		✓		55.6%
Capital Markets/ Investment	Experience in capital markets, cross-border investment, securities, or merger & acquisitions	✓		✓	✓						30.0%
Finance/Accounting	Accounting or financial management qualifications; experience reviewing financial statements					✓		✓			22.2%
Legal/Regulatory/ compliance	Legal qualifications or regulatory/compliance experience							✓			11.1%
Risk management	Experience in risk oversight, internal controls, or corporate governance							✓		✓	22.2%
Human Resources/ Operations Management	Experience managing large teams, multi-site operations, or organisational change					✓	✓				22.2%

Based on the above matrix, the Board notes that coverage in the areas of legal and regulatory compliance is relatively limited. The Nomination Committee will take these gaps into consideration when evaluating candidates for future board appointments or refreshment. In the interim, the Board will continue to supplement these areas through engagement with external professional advisers and management expertise.

CONTINUING PROFESSIONAL DEVELOPMENT OF THE DIRECTORS

Each of the Directors (being Mr. Law Hau Kit, Mr. Chen Huaquan, Ms. Li Huifang, Mr. Li Wai Keung, Ms. Yan Fei, and Mr. Li Weining) has participated in continuous professional development to develop and refresh their knowledge and skills for the Year 2025. Each of the Directors has attended seminars organized by the Company or external institutions to update the knowledge of Listing rules and directors' duties and has read materials relevant to the Group's business. Each of the Directors has provided his or her training records to the Company on a yearly basis.

The Company has arranged for each of Mr. Li Jianchang, Mr. Yang Jian and Mr. Liu Yuan an induction package, including legal advice from a firm of solicitors qualified to advise on Hong Kong law as regards the requirements under the Listing Rules that are applicable to him as a Director of the Company and the possible consequences of making a false declaration or giving false information to the Stock Exchange. Each of Mr. Li Jianchang, Mr. Yang Jian and Mr. Liu Yuan has confirmed that he has obtained the legal advice referred to in Rule 3.09D of the Listing Rules on 21 January 2026, 5 March 2026 and 24 March 2026 respectively.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors have brought in a wide range of business and financial expertise, experience and independent judgement to the Board. Through active participation in the Board meetings and serving on various Board committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, all independent non-executive Directors will continue to make various contributions to the Company.

During the Year 2025, the Board at all times met the requirements of Rules 3.10(1), 3.10(2) and 3.10(A) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise and the number of independent non-executive Directors represents at least one-third of the Board.

The Company has received from each of the independent non-executive Directors an annual confirmation of independence and considers that each of them to be independent by reference to the Rule 3.13 of the Listing Rules.

FUNCTIONS, ROLES AND RESPONSIBILITIES OF THE BOARD

The Board, headed by the chairman of the Board (the "**Chairman**"), is responsible for formulation and approval of the Group's development, business strategies, policies, annual budgets and business plans, recommendation of any dividend and supervision of management.

The executive Directors are responsible for day-to-day management of the Company's operations, financial management and conducting meetings with senior management of the Group, at which operational issues and financial performance are evaluated.

The Company considers that internal control system and risk management function are essential, and the Board plays an important role in implementing and monitoring internal control system and risk management function.

The Company considers good corporate governance practices and procedures are essential to the establishment of a sustainable organization. The Board is responsible for overseeing and monitoring the implementation of the Company's corporate governance practices and ensures those practices are in accordance with the code provisions as set out in the CG Code.

The duties of the Board in relation to corporate governance functions include:

- (a) to develop and review the Company's policies and practices on corporate governance and making recommendations;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

Matters specifically decided by the Board and those reserved for the management, such as daily management, administration, operation of the Company and so forth, are reviewed by the Board on a periodic basis. The management shall report back to the Board.

In addition, the Directors may seek independent professional advice in appropriate circumstances at the Company's expenses.

Board Meetings

The Company's articles of association sets out the responsibilities and proceedings of the Board. The Board meets regularly, at least four times a year, to consider operational reports and policies of the Company. Significant operational policies are discussed and passed by the Board. Not less than 14 days' notices are given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. For other Board and Board Committee meetings, reasonable notice is generally given in the circumstances. The Company Secretary of the Company is responsible for taking and keeping minutes of all Board meetings and committee meetings. Minutes of the Board meetings and committee meetings are recorded in sufficient details in respect of matters considered by the Board and committees and the decisions reached. Final version of these minutes are available for inspection by Directors.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Mr. Li Jianchang has been appointed as an executive director of the Company with effect from 21 January 2026. For details, please refer to the announcement of the Company dated 21 January 2026. Mr. Yang Jian has been appointed as an executive director of the Company with effect from 5 March 2026. For details, please refer to the announcement of the Company dated 5 March 2026.

Mr. Liu Yuan has been appointed as an executive director of the Company with effect from 25 March 2026. Mr. Law Hau Kit has resigned as the chairman of the Board and the chairman of the nomination committee of the Company with effect from 25 March 2026. Following the resignation of Mr. Law, Mr. Liu Yuan has been appointed as the chairman of the Board and the chairman of the nomination committee of the Company with effect from 25 March 2026. For details, please refer to the announcement of the Company dated 25 March 2026. The biographical details of Mr. Li Jianchang, Mr. Yang Jian and Mr. Liu Yuan are presented in the section headed “Directors And Senior Management” of this annual report.

Save as disclosed in this annual report, there is no change in information of directors during the year ended 31 December 2025 up to the date of this annual report.

The Company’s articles of association require that every Director is subject to retirement by rotation at an annual general meeting at least once every three years. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Pursuant to the Company’s articles of association, at least one-third of the Directors shall retire from office but are eligible for re-election by the Shareholders at each annual general meeting of the Company and each Director shall retire on a rotational basis at least once every three years.

BOARD AND WORKFORCE DIVERSITY POLICY

The Board has adopted a policy of the Board diversity (the “**Board Diversity Policy**”) which sets out the approach to achieve diversity on the Board. Under the Board Diversity Policy, the Company considers diversity of Board members to be achieved through consideration of a number of aspects, including but not limited to, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments are based on merit and contribution, and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board.

The nomination committee is responsible for reviewing and monitoring the implementation of the Board Diversity Policy to ensure the effectiveness of the Board Diversity Policy.

The Board recognises the importance and benefits of gender diversity at the Board level and shall continue to take initiatives to identify female candidate(s) to enhance the gender diversity among the Board members. As at the date of this annual report, the Board comprises seven Directors, two of which are female. The Board targets to maintain at least two female Directors. The Board considers that gender diversity on the Board has been achieved. When selecting and making recommendations on suitable candidates as Directors in the future, we will consider their appointment based on our diversity policy and take opportunities to increase the proportion of female Directors on the Board.

The Group has adopted the workforce diversity policy since 1 July 2025, which focuses on valuing the diversity of its employees and is committed to establishing a diverse and inclusive workplace.

The workforce diversity policy is summarised as below:

- (i) the Company is committed to fostering gender empowerment, gender equality and gender diversity across its workforce, and providing equal opportunities in relation to recruitment, training and development, performance and compensation, evaluation and career and promotion opportunities;
- (ii) the Group recognises that diversity encompasses a broad range of attributes, including race, ethnicity, gender, nationality or religion, age, disability, sexual orientation, marital status, pregnancy, family status and cultural background, as well as experience, skills and views. The Group strictly adheres to non-discriminatory employment practices and procedures. It is committed to providing a positive work environment that values the wide-ranging perspectives inherent in its diverse workforce, free from all forms of discrimination or harassment and treat employees with respect; and
- (iii) the policy applies to all facets of employment, including recruitment and selection, professional development and training, compensation and benefits, performance evaluation, and career advancement.

Our diversity philosophy including the gender diversity was generally followed in the workforce throughout the Group for the Year 2025. As of the date of this annual report, 22.2% of our senior management and 34.0% of our total workforce are female. We will continue with our endeavor to increase female representation in our workforce.

The Board has reviewed the implementation and effectiveness of the Board Diversity Policy and the workforce diversity policy of the Group for the Year 2025 and considered them to be effective.

NOMINATION POLICY

The Company has adopted a nomination policy, which establishes written guidelines to nomination committee to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorships with reference to the formulated criteria. The Board is ultimately responsible for selection and appointment of new Directors. The Board, through the delegation of its authority to the nomination committee, has used its best efforts to ensure the Board has a balance of skills, experience, and diversity of perspectives appropriate to the requirements of the Company's business. Collectively, they have competencies in areas which are relevant and valuable to the Group.

DIVIDEND POLICY

The Company has adopted a dividend policy in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, among other things, the following factors:

- (a) the Company's current and future operations, actual and expected financial performance;
- (b) any corporate development plans;
- (c) the Group's liquidity position, working capital and capital expenditure requirements and future expected capital needs;
- (d) the level of the Group's debt to equity ratio, return on equity and the relevant financial covenants;
- (e) any restrictions on payments of dividends that may be imposed by the Group's lenders or other third parties;
- (f) retained earnings and distributable reserves of the Company and each of the members of the Group;
- (g) general economic conditions, the business cycle of the Group's business and other internal and external factors that may have an impact on the business or financial performance and position of the Company; and
- (h) any other factor that the Board deems appropriate and relevant.

The aim of the dividend policy is to balance the delivery of shareholder returns with the need to retain sufficient capital to fund the Group's ongoing business transformation, strategic investments and working capital requirements. The recommendation of the payment of dividend is subject to the determination of the Board, and, any declaration of final dividend for the year will be subject to the approval of the Shareholders. The payment of dividend is also subject to any restrictions under the Companies Law of the Cayman Islands and any other applicable laws, rule and regulations and amended and restated memorandum and articles of association of the Company.

At the meeting of the Board held on 31 March 2026, The Board did not recommend any payment of a final dividend for the Year 2025. The Board confirms that the decision not to declare a dividend for the Year 2025 is in accordance with the Company's dividend policy. The Board considered, among other factors, the Group's net loss for the Year 2025, the current gearing ratio, and the Group's ongoing capital requirements in connection with its business transformation strategy and reinvestment in new business initiatives. In lieu of a dividend, the Board will seek to enhance shareholder value through: (i) continued reduction of operating losses through the ongoing store network optimisation programme; and (ii) actively pursuing new business development and partnership opportunities that may generate returns for shareholders over the medium to long term.

BOARD COMMITTEES

As an integral part of good corporate governance, the Board has established three committees for overseeing the performance of specific functions which are set out in written terms of reference for each committee. The composition of each committee and attendance of members at committee meeting held during the Year 2025 are as follow.

Composition of Board committees	Audit Committee	Nomination Committee	Remuneration Committee
	Attendance/Number of meetings held (C=Chairman; M=Member of the Committee)		
Independent Non-executive Directors			
Mr. Li Wai Keung	3/3(C)	N/A	2/2(M)
Ms. Yan Fei	3/3(M)	1/1(M)	N/A
Mr. Li Weining	3/3(M)	1/1(M)	2/2(C)
Executive Directors			
Mr. Law Hau Kit	N/A	1/1(C)	N/A
Mr. Chen Huaquan	N/A	N/A	2/2(M)
Ms. Li Huifang	N/A	N/A	N/A

Audit committee

The audit committee comprises, Mr. Li Wai Keung, Ms. Yan Fei and Mr. Li Weining, all of whom are independent non-executive Directors. Mr. Li Wai Keung is the chairman of the Audit Committee.

The audit committee was established in September 2019 and written terms of reference, which describe the authority and duties of the audit committee have been adopted and posted on the websites of the Company and the Stock Exchange, and are regularly reviewed and updated by the Board.

The primary duties of the audit committee are to review and supervise the Group's financial reporting process and internal control system, nominate and monitor external auditors and to provide advice and comments to the Board on matters related to corporate governance. The audit committee has met with the Company's management to review its interim and final financial statements for the Year and met the Company's auditor to discuss auditor's independence, audit approach, key audit matters and results of audit for the Year. The audit committee has met with the chairman of the Board and the auditor, separately and without the presence of management, for discussion of matters which may be of sensitive nature. The audit committee has also met with and reviewed the report of the Company's internal control adviser for their review on selected areas of the Group's internal control system for the Year. The audit committee has reviewed the effectiveness of the Group's internal audit function and considered that the risk management and internal control systems of the Group are effective and adequate and had provided its comments to the Board for further evaluation.

Nomination committee

The nomination committee comprises one executive Director, Mr. Liu Yuan (appointed on 25 March 2026) and two independent non-executive Directors, Ms. Yan Fei and Mr. Li Weining. Mr. Liu Yuan is the chairman of the nomination committee. The composition of the Nomination Committee has included at least one director of a different gender and hence in compliance with the CG Code.

The nomination committee was established in September 2019 and written terms of reference, which describe the authority and duties of the nomination committee have been adopted and posted on the websites of the Company and the Stock Exchange, and are regularly reviewed and updated by the Board.

The primary duties of the nomination committee are to identify and nominate suitable candidates for the appointment of the Directors, make recommendations to the Board on succession planning for the Directors and to assist the Board in maintaining a board skills matrix and to support the Company's regular evaluation of the Board. The nomination committee has reviewed the independence of independent non-executive Directors, considered the retirement and proposal for appointment of Directors at the Company's forthcoming annual general meeting and considered the appointment of a new chief operating officer. The nomination committee is of the view that the Board comprised the suitable qualifications and diversity for leading and governing the Group.

Remuneration committee

The remuneration committee comprises one executive Director, Mr. Chen Huaquan and two independent non-executive Directors, Mr. Li Wai Keung and Mr. Li Weining. Mr. Li Weining is the chairman of the remuneration committee.

The remuneration committee was established in September 2019 and written terms of reference, which describe the authority and duties of the remuneration committee have been adopted and posted on the websites of the Company and the Stock Exchange, and are regularly reviewed and updated by the Board.

The primary duties of the Remuneration Committee are, amongst other things, to review and determine the terms of remuneration packages, bonuses and other compensation payable to our Directors and senior management and to make recommendation to our Board on our Group's policy and structure for all remuneration of our Directors and senior management and to approve matters relating to share schemes under Chapter 17 of the Listing Rules. During the Year 2025, the Remuneration Committee held two meetings in which it reviewed the existing Company's policy and structure for all directors' and senior management remuneration by reference with the market research and current market circumstance and make recommendations to the Board on the remuneration of non-executive directors. No Director took part in any discussion about his/her own remuneration.

EXTERNAL AUDITOR

The auditors are Prism Hong Kong Limited. Prism Hong Kong Limited provided services in respect of the audit of Company's consolidated financial statements which were prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) for the year ended 31 December 2025.

The remuneration paid to the Company's auditor for the Year 2025 is as below:

	RMB'000
Audit services provided to the Group	780

During Year 2025, no non-audit services were provided by the Company's auditor.

The statement of the auditors regarding their reporting responsibilities for the financial statements is set out in the Independent Auditor's Report on pages 52 to 57 of this annual report.

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of financial statements which give a true and fair view of the financial position of the Group. The responsibilities of the Company's auditor on the consolidated financial statements of the Group are set out in the independent auditor's report on pages 52 to 57 of this annual report. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for evaluating and determining the nature and extent of the risks the Group is willing to take in achieving the Group's strategic objectives, and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems.

The management is primarily in charge of designing, implementing and monitoring the risk management and internal control systems. Management identifies and prioritizes the key potential risks of the Group through detailed assessment process. With the regular reports to the Board, the Board, through the Audit Committee, reviews the potential risks and risk appetite of the Group and provide recommendation on appropriate risk responses to ensure risk management effectiveness. The Board acknowledges that such risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

During the Year 2025, the Group has established the internal audit and compliance department to conducts regular internal audit review across principal divisions of the Group, including scopes of corporate governance, environmental, social, operations, legal matters and finance.

The internal audit and compliance department reports their findings with improvements directly to the Audit Committee on a regular basis to ensure the internal controls are in place and adopted properly. The department will also carry out the analysis and independent appraisal of the adequacy and effectiveness of the risk management and internal control systems of the Group annually.

The key features of the Group's risk management and internal control systems include:

- A comprehensive financial accounting system to accurately measure financial performance of the Group
- The Board monitors and maintains levels of cash and cash equivalents deemed adequate to finance the Group's operations

- Prior approval from Directors/senior executive regarding commitment for all material matters
- Guidelines on assessing, reporting and disseminating inside information
- Organized and standardized procedures on recruitment and employee relocation
- The Board takes ESG risk into account when making business decision
- An effective whistleblowing policy which enables employees to report any non-conformity or violation of the anti-bribery and corruption policy in writing to management directly or to our dedicated response team. All cases will be investigated in a timely and confidential manner and the personnel who are involved in whistleblowing will be protected.
- Clear anti-bribery and corruption policy and code of conduct for every employee which provides guidance to the employees on the standards of behaviour to which they must adhere to, and the ways to deal with bribery and corruption.
- Periodic review by management on the internal control procedures and risks factors
- Report to the Audit Committee about the findings on identified risks and measures to address such risks.

The Board, through the reviews made by the Audit Committee, had reviewed the effectiveness and the adequacy of the internal control systems of the Group and considered them to have been implemented effectively for the Year 2025.

JOINT COMPANY SECRETARIES

The Company's joint company secretaries are Mr. Chan Ngai Fan and Ms. Liang Jiexin. Ms. Liang is an employee of the Company, while Mr. Chan is an external service provider.

The joint company secretaries coordinate the supply of information about the Group to the Directors. All Directors have access to the joint company secretaries to ensure that Board procedures are followed.

During the year end 31 December 2025, Mr. Chan Ngai Fan has undertaken not less than 15 hours of relevant professional training in accordance with Rule 3.29 of the Listing Rules.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) REPORT

A separate ESG report will be published by the Company on the same date with the publication of this annual report in accordance with Appendix C2 of the Listing Rules.

CONSTITUTIONAL DOCUMENTS

There was no change in the Memorandum of Association and Articles of Association of the Company during the Year 2025.

A copy of the Second Amended and Restated Memorandum of Association and Articles of Association of the Company is posted on the websites of the Company and the Stock Exchange.

SHAREHOLDERS' RIGHTS

Under the articles of association, an extraordinary general meeting ("**EGM**") may be convened by the Board upon requisition by any one or more Shareholders holding not less than one-tenth of the paid up capital of the Company which carries the right of voting at any general meetings. The Shareholder(s) shall make a written requisition to the Board or the Company Secretary at the head office of the Company in Hong Kong, specifying the shareholding information of the Shareholder(s), his/her/their contact details and the proposal regarding any specifying transaction/business and its supporting documents.

If within 21 days of deposit of such written requisition, the Board does not proceed to convene such EGM, the requisitionist(s) himself/herself/themselves may convene an EGM in the same manner as that in which such meeting may be convened by the Board, provided that such meeting so convened shall not be held after the expiration of two months from the date of deposit of such requisition.

To propose a candidate for election as a Director at a general meeting, a shareholder should deposit a written proposal, together with a written notice by the candidate indicating his willingness to be elected, to the Company either at its principal place of business in Hong Kong (at Unit 1426, 14/F., Solo Building, 41–43 Carnarvon Road, Tsim Sha Tsui, Kowloon, Hong Kong) or its branch share registrar and transfer office in Hong Kong (Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong) at least seven clear days before the date of the general meeting.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with its shareholders is essential for enhancing investors' understanding of the Group's business and performance. The Company endeavours to maintain an on-going dialogue with shareholders. To ensure that the shareholders and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company, the Company has established several channels to communicate with the shareholders as follows:

- (i) corporate communications such as annual reports, interim reports, announcements and circulars are issued in printed form and are available on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.car2000.com.cn;
- (ii) the Company's constitution document and terms of reference of board committees are also available for download at the website of the Stock Exchange's website and at Company's website;
- (iii) annual and extraordinary general meetings provide a forum for the shareholders to make comments and exchange views with the Board. The chairman of the Board will attend, and endeavour to ensure the chairmen of various board committees to attend, annual and extraordinary general meetings to answer questions from shareholders.

The Company keeps on promoting investor relations and enhancing communication with the existing shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong (at Unit 1426, 14/F., Solo Building, 41-43 Carnarvon Road, Tsim Sha Tsui, Kowloon, Hong Kong).

The Company has reviewed its engagement with shareholders during the Year 2025, and reviewed the implementation and effectiveness of the shareholders' communication policy and considered it to be effective.

INDEPENDENT AUDITOR'S REPORT



To the shareholders of Zhong Ju Investment Group Limited (formerly known as “Centenary United Holdings Limited”)

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Zhong Ju Investment Group Limited (formerly known as “Centenary United Holdings Limited”) (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 58 to 149, which comprise the consolidated statement of financial position as at 31 December 2025 and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“**IASB**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA’s *Code of Ethics for Professional Accountants* (the “**Code**”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER MATTERS

The consolidated financial statements of the Group for the year ended 31 December 2024 were audited by another auditor who expressed unqualified opinion on those consolidated financial statements on 28 March 2025.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
<p>Timing of revenue recognition</p> <p>Revenue for the year ended 31 December 2025 amounted to RMB898 million. The Group's revenue mainly generates from sales of motor vehicles to a significant number of individual customers. Revenue from sales of motor vehicles is recognised upon the control of the product is transferred to the customer, generally on delivery of the product.</p> <p>We identified revenue recognition as a key audit matter because there is a risk that revenue may be overstated when management recognised revenue in advance resulting from the performance pressure for local management to achieve performance targets at the reporting period end. The Group focuses on revenue as a key performance measure which could create an incentive for revenue to be recognised before the control has been transferred.</p> <p>Relevant disclosures are included in note 2.4 "Material accounting policy information" and note 5 "Revenue, other income and gains" to the consolidated financial statements.</p>	<p>We performed the following procedures to address this matter:</p> <ul style="list-style-type: none"> We obtained an understanding and assessed the design, implementation and operating effectiveness of management's key internal controls in relation to the timing of revenue recognition; We assessed the sales transactions by checking the sales records, based among other things on inspection of sales contracts and final acceptances by the customers; and We performed cut-off testing procedures by checking the sales transactions taking place at either side of the balance sheet date as well as credit notes issued after the year end date to assess whether that revenue had been recognised in the appropriate accounting periods.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Recognition of vendor rebates</p> <p>The Group has agreements with automobile manufacturers whereby volume-related allowances, performance rebates, marketing allowances and various other fees and discounts are received in connection with the purchase of goods for sales from those vendors. As such, the Group recognises a reduction in cost of sales or inventories as a result of amounts receivable from vendors.</p> <p>We regarded this as a key audit matter as (1) the recognition of vendor rebates involved management judgment and estimate in accordance with rebates agreements and (2) there is a risk that rebates may be materially misstated due to the significant magnitude thereof, the varying terms with the vendors and also the judgments made in accruing for rebates as at year-end in relation to the nature and level of fulfilment of the Group's obligation under the vendors agreements.</p> <p>For the recognition of vendor rebates in accordance with rebates agreements, the key judgment that the management focused on was the estimate of rebates to be accrued as at the period end.</p> <p>Relevant disclosures are included in note 2.4 "Material accounting policy information" and note 3 "Significant Accounting Judgements and Estimates" to the consolidated financial statements.</p>	<p>We have performed the following procedures to address this matter:</p> <ul style="list-style-type: none">• We obtained an understanding of the design and implementation of management's key internal controls in relation to the recognition of vendor rebates;• We assessed the accounting treatment in respect of the recognition of vendor rebates by inspecting the terms and conditions of the vendor rebate arrangements for all automobile manufacturers with reference to the requirements of the prevailing accounting standards;• We checked the recognitions and settlements of the vendor rebates during the year, on a sample basis, by comparing the recognised rebate amount with credit notes issued by the vendors or bank payment slips;• We performed recalculations of the vendor rebates amounts and rebate receivables at the reporting date, on a sample basis, based on the terms of the underlying vendor rebate arrangements and relevant inputs, including sales and purchase volume data, rebate rates and other specific criteria as set out in the respective vendor rebate arrangements;• We evaluated, on a sample basis, the relevant inputs used to calculate vendor rebates by comparing the inputs with relevant underlying documentation; and• We examined, on a sample basis, the subsequent settlements of vendor rebates accrued in other receivables at the year end.

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Dai Tin Yau.

Prism Hong Kong Limited

Certified Public Accountants

Dai Tin Yau

Practising Certificate Number: P06318

Hong Kong

31 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	5	898,217	1,242,382
Cost of sales		(867,107)	(1,226,135)
Gross profit		31,110	16,247
Other income and gains	5	46,688	51,659
Selling and distribution expenses		(28,837)	(51,423)
Administrative expenses		(60,988)	(80,695)
Other expenses, net		(18,490)	(21,351)
Finance costs	7	(4,429)	(7,990)
LOSS BEFORE TAX	6	(34,946)	(93,553)
Income tax credit	10	491	3,402
LOSS FOR THE YEAR		(34,455)	(90,151)
Attributable to:			
Owners of the parent		(33,931)	(89,735)
Non-controlling interests		(524)	(416)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted	12	RMB(6.64) cents	RMB(17.76) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	2025 RMB'000	2024 RMB'000
LOSS FOR THE YEAR	(34,455)	(90,151)
OTHER COMPREHENSIVE (EXPENSE)/INCOME		
Net other comprehensive (expense)/income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(1,854)	686
OTHER COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR	(1,854)	686
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(36,309)	(89,465)
Attributable to:		
Owners of the parent	(35,785)	(89,049)
Non-controlling interests	(524)	(416)
	(36,309)	(89,465)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	90,887	133,814
Right-of-use assets	14	38,844	54,607
Other intangible assets	15	304	658
Deferred tax assets	16	2,119	876
Total non-current assets		132,154	189,955
CURRENT ASSETS			
Inventories	17	121,122	118,679
Trade receivables	18	17,029	12,220
Prepayments, other receivables and other assets	19	95,980	118,652
Pledged deposits	20	325	5,502
Cash and cash equivalents	20	40,700	78,997
Total current assets		275,156	334,050
CURRENT LIABILITIES			
Trade and bills payables	21	8,976	30,799
Contract liabilities	22	20,687	26,074
Other payables and accruals	23	65,186	67,744
Interest-bearing bank and other borrowings	24	96,101	95,610
Amount due to a director	32	—	11,041
Tax payable		21,538	21,443
Total current liabilities		212,488	252,711

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
NET CURRENT ASSETS		62,668	81,339
TOTAL ASSETS LESS CURRENT LIABILITIES		194,822	271,294
NON-CURRENT LIABILITIES			
Lease liabilities	14	36,579	47,655
Interest-bearing bank and other borrowings	24	—	2,006
Amount due to a director	32	76,305	120,000
Deferred income	25	2,226	1,473
Total non-current liabilities		115,110	171,134
Net assets		79,712	100,160
EQUITY			
Equity attributable to owners of the parent			
Share capital	26	4,784	4,558
Reserves	28	75,362	95,512
		80,146	100,070
Non-controlling interests		(434)	90
Total equity		79,712	100,160

Law Hau Kit
Director

Chen Huaquan
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Attributable to owners of the parent									
	Share capital	Share premium*	Share option reserve*	Other reserve*	Statutory surplus reserve*	Foreign	Retained profits*	Total	Non-controlling interests	Total equity
						currency translation reserve*				
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Note 26		Note 27	Note 28	Note 28						
At 1 January 2025	4,558	103,214	6,831	(44,512)	37,896	96	(8,013)	100,070	90	100,160
Loss for the year	-	-	-	-	-	-	(33,931)	(33,931)	(524)	(34,455)
Other comprehensive expense for the year:										
Exchange differences on translation of foreign operations	-	-	-	-	-	(1,854)	-	(1,854)	-	(1,854)
Total comprehensive loss for the year	-	-	-	-	-	(1,854)	(33,931)	(35,785)	(524)	(36,309)
Transfer from retained profits	-	-	-	-	1,873	-	(1,873)	-	-	-
Issue of shares	226	22,466	(7,709)	-	-	-	-	14,983	-	14,983
Equity-settled share option arrangements	-	-	878	-	-	-	-	878	-	878
At 31 December 2025	4,784	125,680	-	(44,512)	39,769	(1,758)	(43,817)	80,146	(434)	79,712

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Attributable to owners of the parent									
	Share capital RMB'000 Note 26	Share premium* RMB'000	Share	Other	Statutory	Foreign	Retained profits* RMB'000	Total RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
			option	reserve*	surplus	currency				
			reserve*	reserve*	reserve*	reserve*				
		RMB'000 Note 27	RMB'000 Note 28	RMB'000 Note 28	RMB'000	RMB'000				
At 1 January 2024	4,558	103,214	6,676	(44,512)	37,454	(590)	82,164	188,964	506	189,470
Loss for the year	–	–	–	–	–	–	(89,735)	(89,735)	(416)	(90,151)
Other comprehensive income for the year:										
Exchange differences on translation of foreign operations	–	–	–	–	–	686	–	686	–	686
Total comprehensive loss for the year	–	–	–	–	–	686	(89,735)	(89,049)	(416)	(89,465)
Transfer from retained profits	–	–	–	–	442	–	(442)	–	–	–
Equity-settled share option arrangements	–	–	155	–	–	–	–	155	–	155
At 31 December 2024	4,558	103,214	6,831	(44,512)	37,896	96	(8,013)	100,070	90	100,160

* These reserve accounts comprise the reserves of RMB75,362,000 (31 December 2024: RMB95,512,000) in the consolidated statement of financial position as at 31 December 2025.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(34,946)	(93,553)
Adjustments for:			
Finance costs	7	4,429	7,990
Bank interest income	5	(1,518)	(1,238)
Gain on disposal of items of property, plant and equipment	5	(5,561)	(923)
Depreciation of property, plant and equipment	6	33,231	46,605
Foreign exchange differences, net		(1)	903
Depreciation of right-of-use assets	6	7,880	10,209
Amortisation of other intangible assets	6	411	404
Government grant released	25	(979)	(696)
Impairment of trade receivables	6	49	64
(Reversal of write-down)/write-down of inventories to net realisable value		(778)	1,043
Impairment of property, plant and equipment	13	4,898	9,170
Impairment of right of use assets	14	3,419	2,956
Gains from remeasurement from early termination of a lease	14	(1,867)	(3,691)
Equity-settled share option expense	27	878	155
		9,545	(20,602)
(Increase)/decrease in inventories		(1,665)	169,506
Increase in trade receivables		(4,858)	(6,461)
Decrease in prepayments, other receivables and other assets		22,672	61,993
Decrease in pledged deposits		5,177	43,244
Decrease in trade and bills payables		(21,823)	(93,694)
(Decrease)/increase in other payables and accruals		(1,103)	12,336
Decrease in contract liabilities		(5,387)	(16,580)
Cash generated from operations		2,558	149,742
Interest received		1,518	1,238
Income taxes paid		(657)	(212)
Net cash flows generated from operating activities		3,419	150,768

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(9,051)	(19,713)
Purchases of items of intangible assets		(57)	(47)
Proceeds from disposals of items of property, plant and equipment		19,410	25,854
Receipt of government grants related to assets		1,732	241
Net cash flows generated from investing activities		12,034	6,335
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(1,896)	(3,378)
New bank borrowings		534,408	611,038
Proceeds from issue of shares		14,983	—
Repayments of bank and other borrowings		(535,923)	(713,777)
Decrease in an amount due to a director		(54,736)	(20,504)
Principal portion of lease payments	14	(8,733)	(11,860)
Net cash flows used in financing activities		(51,897)	(138,481)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
		(36,444)	18,622
Cash and cash equivalents at beginning of year		78,997	60,592
Effect of foreign exchange rate changes, net		(1,853)	(217)
CASH AND CASH EQUIVALENTS AT END OF YEAR		40,700	78,997
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		41,025	84,499
Less: Pledged deposits	20	(325)	(5,502)
Cash and cash equivalents as stated in the statement of financial position	20	40,700	78,997

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

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 and service of motor vehicles and provision of services in the People’s Republic of China (the “**PRC**” or “**Mainland China**”).

Information about subsidiaries

Particulars of the Company’s principal subsidiaries are as follows:

Company name	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Centenary Chong Wai Limited (note a)	British Virgin Islands (“ BVI ”) 2 November 2018	US\$1	100	100	–	–	Investment holding
Centenary Development Limited (note a)	Hong Kong 19 November 2018	HK\$1	–	–	100	100	Investment holding
Zhongshan Chongjie Enterprise Management Consulting Limited* 中山市崇杰企業管理諮詢 有限公司 (note a)	PRC/Mainland China 11 January 2019	RMB30,000,000	–	–	100	100	Provision of enterprise management information consulting services and enterprise investment consulting services
Zhongshan New Century Automobile Sales and Services Co., Ltd.* 中山市創世紀汽車銷售服務 有限公司 (note a)	PRC/Mainland China 11 January 2019	RMB30,000,000	–	–	100	100	Sale and import of motor vehicles under the brand FAW Volkswagen and spare parts, sale of used vehicles, concurrent business and insurance agency business

continued/

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Company name	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Zhongshan New Century Toyota Automobile Sales and Services Co., Ltd.* 中山市創世紀豐田汽車銷售 服務有限公司 (note a)	PRC/Mainland China 4 July 2002	RMB10,000,000	—	—	100	100	Sale and import of motor vehicles under the brand FAW Toyota and spare parts, sale of used vehicles and provision of vehicle repair services
Zhongshan Chuangxian Automobile Sales and Services Co., Ltd.* 中山市創現汽車銷售服務有限 公司 (note a)	PRC/Mainland China 12 December 2003	RMB10,000,000	—	—	100	100	Sale of motor vehicles under the brand Beijing Hyundai and spare parts; sale of used vehicles, and provision of vehicle repair services
Zhongshan New Century Jucheng Automobile Co., Ltd.* 中山市創世紀菊城汽車有限公司 (note a)	PRC/Mainland China 31 August 2007	RMB5,000,000	—	—	100	100	Sale and import of motor vehicles under the brand Dongfeng Nissan and spare parts, sale of used vehicles and provision of vehicle repair services
Zhongshan Dongri Automobile Sales and Services Co., Ltd.* 中山市東日汽車銷售服務 有限公司 (note a)	PRC/Mainland China 18 December 2018	RMB5,000,000	—	—	100	100	Sale and import of motor vehicles under the brand Dongfeng Nissan and spare parts; sales of used vehicles, concurrent business and insurance agency business

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Company name	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Zhongshan Chuangri Automobile Co., Ltd.* 中山市創日汽車有限公司 (note a)	PRC/Mainland China 11 September 2009	RMB5,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Zhongshan New Century Chengnan Automobile Co., Ltd.* 中山市創世紀城南汽車有限公司 (note a)	PRC/Mainland China 9 December 2010	RMB5,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Zhongshan Chuangtong Automobile Co., Ltd.* 中山市創通汽車有限公司 (note a)	PRC/Mainland China 2 June 2011	RMB5,000,000	—	—	100	100	Sale of motor vehicles under the brand Buick and spare parts, used vehicles and provision of vehicle repair services
Zhongshan Dongyue Automobile Co., Ltd.* 中山市東月汽車有限公司 (note a)	PRC/Mainland China 6 July 2011	RMB5,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Zhongshan Chuangzhi Automobile Co., Ltd.* 中山市創志汽車有限公司 (note a)	PRC/Mainland China 31 October 2011	RMB5,000,000	—	—	100	100	Sale of motor vehicles under the brand Chevrolet and spare parts, used vehicles and provision of vehicle repair services

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Company name	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Zhongshan Chuangcheng Automobile Co., Ltd.* 中山市創誠汽車 有限公司 (note a)	PRC/Mainland China 31 October 2011	RMB5,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Zhongshan New Century Mingcheng Automobile Co., Ltd.* 中山市創世紀名城汽車 有限公司 (note a)	PRC/Mainland China 22 October 2014	RMB5,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Zhongshan New Century Fast Lane Automobile Services Co., Ltd.* 中山市創世紀快車道汽車 服務有限公司 (note a)	PRC/Mainland China 22 January 2015	RMB3,000,000	—	—	100	100	Sale of motor vehicles and spare parts, used vehicles and provision of vehicle repair services
Guangdong Chuangcheng Car Insurance Agency Co., Ltd.* 廣東創誠汽車保險代理 有限公司 (note a)	PRC/Mainland China 21 June 2016	RMB10,000,000	—	—	100	100	Insurance agency business

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Company name	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Zhongshan Century Jaguar Automobile Co., Ltd.* 中山市世紀捷虎汽車有限公司 (note a)	PRC/Mainland China 1 February 2016	RMB5,000,000	—	—	100	100	Sale of motor vehicles and new- energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Zhongshan New Century Secondhand Car Market Co., Ltd.* 中山市創世紀二手車交易 市場有限公司 (note a)	PRC/Mainland China 30 July 2018	RMB500,000	—	—	100	100	Operation of used vehicle market, sale of used vehicles; provision of consultancy services in relation to the sale of used vehicles and provision of inspection services of motor vehicles
Zhongshan Century Cadillac Automobile Co., Ltd* 中山市 世紀凱迪汽車有限公司 (note a)	PRC/Mainland China 17 April 2018	RMB10,000,000	—	—	80	80	Sale of motor vehicles under the brand Cadillac and spare parts, maintenance of motor vehicles, concurrent business, and insurance agency business

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Company name	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Zhongshan Shijie Automobile Co., Ltd* 中山市世捷汽車有限公司 (note a)	PRC/Mainland China 4 November 2019	RMB3,000,000	—	—	100	100	Sale of motor vehicles and new- energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Zhongshan Shichen Used Car Co., Ltd* 中山市世誠二手車經營有限公司 (note a)	PRC/Mainland China 21 September 2020	RMB3,000,000	—	—	100	100	Operation of used vehicle market, sale of used vehicles; provision of consultancy services in relation to the sale of used vehicles and provision of inspection services of motor vehicles
Zhongshan East AION Automobile Sales and Services Co., Ltd* 中山東區埃安汽車銷售服務有限公司 (note a)	PRC/Mainland China 2 March 2021	RMB8,000,000	—	—	100	100	Sale of motor vehicles under the brand names Aion, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Company name	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Guangdong Centenary United New Energy Technology Co., Ltd* 廣東世紀聯合新能源科技 有限公司 (note a)	PRC/Mainland China 27 April 2021	RMB5,000,000	—	—	100	100	Sale of motor vehicles and new-energy Vehicles, online ride-hailing business, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Zhongshan Longmao New Energy Vehicle Co., Ltd* 中山市龍貓新能源汽車 有限公司 (note a)	PRC/Mainland China 21 October 2021	RMB2,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, online ride-hailing business, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Zhongshan Chuangling New Energy Vehicle Co., Ltd* 中山市創領新能源汽車 有限公司 (note a)	PRC/Mainland China 11 May 2021	RMB3,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Company name	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Foshan Centenary Lianshun New Energy Vehicle Co., Ltd* 佛山世紀聯順新能源汽車有限公司 (note a)	PRC/Mainland China 12 December 2021	RMB3,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Zhongshan Shiji Innovative Energy Automobile Co., Ltd* 中山世紀極創新能源汽車有限公司 (note a)	PRC/Mainland China 20 April 2022	RMB2,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, online ride-hailing business, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Foshan Petcat New Energy Vehicle Co., Ltd* 佛山市龍貓新能源汽車有限公司 (note a)	PRC/Mainland China 17 May 2022	RMB2,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Company name	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Zhongshan Shiji Zhuoyue Automobile Co., Ltd* 中山市世紀卓越汽車 有限公司 (note a)	PRC/Mainland China 16 June 2022	RMB5,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Foshan Shiji Zhuoxiang Automobile Co., Ltd* 佛山市世紀卓響汽車 有限公司 (note a)	PRC/Mainland China 23 September 2022	RMB2,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Zhongshan City South Haobo Automobile Sales Service Co., Ltd* 中山城南昊鉞汽車銷售服務 有限公司 (note a)	PRC/Mainland China 2 February 2023	RMB8,000,000	—	—	100	100	Sale of motor vehicles and new-energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Company name	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Zhongshan Yueji New Energy Automobile Co., Ltd* 中山 市悦己新能源汽车有限公司 (note a)	PRC/Mainland China 5 September 2023	RMB5,000,000	—	—	100	100	Sale of motor vehicles and new- energy vehicles, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business
Guangdong Xiaozhang New Energy Technology Co., Ltd* 廣東小章新能源科技 有限公司 (note a)	PRC/Mainland China 8 March 2024	RMB5,000,000	—	—	100	100	Sale new-energy vehicles and charging equipment, spare parts and used vehicles and provision of vehicle repair services, concurrent business and insurance agency business

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Notes:

(a) These entities were not required by local authorities to prepare statutory financial statements for the years ended 31 December 2025 and 2024.

* The English names of all the above companies represent the best effort made by the directors of the Company (the "Directors") to translate the Chinese names as these companies have not been registered with any official English names.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These consolidated 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 consolidated 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 Company and its subsidiaries as at 31 December 2025. 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. Specifically, the Group controls an investee if, and only if, the Group has:

- (a) Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- (b) Exposure, or rights, to variable returns from its involvement with the investee; and
- (c) The ability to use its power over the investee to affect its returns.

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

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 Group re-assesses 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. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has applied the amendments to IAS 21, the effects of changes in foreign exchange rates — Lack of exchangeability issued by the IASB to the current year's consolidated financial statements for the first time. The application of the amendments to IAS21 in the current year has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in these consolidated financial statements. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements²</i>
IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures²</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instrument¹</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity¹</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
Annual Improvements to IFRS Accounting Standards —Volume 11	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7¹</i>
Amendments to IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures²</i>
Amendments to IAS 21	<i>Translation to a Hyper inflationary Presentation Currency²</i>

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual/reporting periods beginning on or after 1 January 2027

³ No mandatory effective date yet determined but available for adoption

Except for the new IFRS 18 mentioned below, the Directors anticipate that the application of all other amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

(continued)

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Directors are currently assessing the impact of applying IFRS 18 on the presentation and the disclosures of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- | | | |
|---------|---|---|
| Level 1 | — | based on quoted prices (unadjusted) in active markets for identical assets or liabilities |
| Level 2 | — | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly |
| Level 3 | — | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable |

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for non-financial asset is required (other than inventories, deferred tax assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the consolidated statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the consolidated statement of profit or loss in the period in which it arises.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group; or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	Over the shorter of the lease terms and 4.75%–20%
Leasehold improvements	Over the shorter of the lease terms and 5%–75%
Motor vehicles	19%–31.67%
Office equipment and other facilities	9.5%–38%
Plant and equipment	4.75%–57%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment, including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the consolidated statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee (continued)

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Building	2 to 30 years
Leasehold land	33 years
Vehicles	3 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities (continued)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (“**OCI**”), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for “Revenue Recognition” below.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (“**SPPI**”) on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Initial recognition and measurement (continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the consolidated statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement (continued)

Financial assets designated at fair value through OCI (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividend are recognised as other income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss.

This category includes listed and unlisted equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividend on the equity investments are also recognised as other income in the consolidated statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

2.4 MATERIAL ACCOUNTING POLICIES *(continued)*

Impairment of financial assets *(continued)*

General approach (continued)

- | | | |
|---------|---|--|
| Stage 1 | — | Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs |
| Stage 2 | — | Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs |
| Stage 3 | — | Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs |

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities mainly include trade and bills payables, other payables, interest-bearing bank and other borrowings, an amount due to a related company and an amount due to a director.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss. The net fair value gain or loss recognised in the consolidated statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in the consolidated statement of profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the consolidated statement of profit or loss. The net fair value gain or loss recognised in the consolidated statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities at amortised cost (trade and other payables and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the consolidated statement of profit or loss.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Other than spare parts, cost is determined on the first-in, first-out basis. Cost of spare parts is determined on the weighted average basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the consolidated statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

(a) Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods by customers.

(b) Provision of services

Revenue from the provision of services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group. The input method recognises revenue on the basis of the labour hours expended relative to the total expected labour hours to complete the service.

(c) Interest income

Interest income from a financial asset is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Vendor rebates

Vendor rebates provided by automobile manufacturers are recognised on an accrual basis based on the expected entitlement earned up to the reporting date pursuant to each relevant supplier contract. Vendor rebates relating to vehicles purchased and sold are deducted from cost of sales, while vendor rebates relating to vehicle purchased but still held as inventories at the reporting date are deducted from the carrying value of such vehicles so that the cost of inventories is recorded net of applicable rebates.

During the year ended 31 December 2025, the Group recognised vendor rebates relating to vehicles purchased and sold in cost of sales of approximately RMB141.3 million (2024: RMB178.1 million).

As at 31 December 2025, the Group recognised vendor rebates relating to vehicle purchased but still held as inventories of approximately RMB10.3 million (2024: RMB11.7million).

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("**equity-settled transactions**").

The cost of equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 27 to the consolidated financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Other employee benefits

Pension scheme

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes 11 to the consolidated financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Foreign currencies

These financial statements are presented in RMB, which is the Company's presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *(continued)*

Judgements *(continued)*

Deferred tax assets (continued)

The Group has tax losses carried forward. These losses related to subsidiaries that have a history of losses, have not expired, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

Further details on deferred taxes are disclosed in note 16 to the consolidated financial statements.

Estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present values of those cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *(continued)*

Estimation uncertainty *(continued)*

Useful lives and residual values of items of property, plant and equipment

In determining the useful lives and residual values of items of property, plant and equipment, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in the production and provision of services, or from a change in the market demand for the product or service output of the asset, expected usage of the asset, expected physical wear and tear, care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. Additional depreciation is made if the estimated useful lives and/or residual values of items of property, plant and equipment are different from previous estimation. Useful lives and residual values are reviewed as at the end of the reporting period. Further details of the property, plant and equipment are set out in note 13 to the consolidated financial statements.

Write-down of inventories to net realisable value

Write-down of inventories to net realisable value is made based on the estimated net realisable value of the inventories. The assessment of the provision required involves management's judgement and estimates on market conditions. Where the actual outcome or expectation in future is different from the original estimate, such differences will have an impact on the carrying amounts of inventories and the write-down and reversal of write-down of inventories in the period in which such estimate has been changed.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *(continued)*

Estimation uncertainty *(continued)*

Accrual of vendor rebates

The Group reviews the accruals of vendor rebates at the end of each reporting period by reference to the rebate receivables in accordance with the applicable terms and conditions of the suppliers' agreements. The accruals of vendor rebates involve management estimation and the extent of rebates entitlement under the respective categories of vendor rebates. Specific factors that management consider include the recent historical sales volume patterns, the rebate rates applied and any other available information concerning the creditworthiness of suppliers.

4. 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 Mainland China and all of its long-term assets/capital expenditure were located/incurred in Mainland China. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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5. 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

	2025	2024
	RMB'000	RMB'000
Types of goods or services		
Sale of motor vehicles	697,872	989,821
Other integrated auto services	200,345	252,561
Total revenue from contracts with customers	898,217	1,242,382
Timing of revenue recognition		
Transferred at a point in time	711,074	1,012,419
Transferred over time	187,143	229,963
Total revenue from contracts with customers	898,217	1,242,382

(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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

5. REVENUE, OTHER INCOME AND GAINS (continued)

Other income and gains

	2025	2024
	RMB'000	RMB'000
Bank interest income	1,518	1,238
Government grants released (note (a))	1,811	652
Gain on disposal of property, plant and equipment	5,561	923
Others (note (b))	37,798	48,846
Total	46,688	51,659

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

	Notes	2025 RMB'000	2024 RMB'000
Employee benefit expense (excluding directors' remuneration):			
Wages and salaries		37,603	57,202
Pension scheme contributions		10,612	14,123
		48,215	71,325
Cost of inventories sold (note (a))		730,352	1,063,327
Cost of services provided		124,111	146,076
Depreciation of property, plant and equipment	13	33,231	46,605
Depreciation of right-of-use assets	14	7,880	10,209
Amortisation of other intangible assets	15	411	404
Equity-settled share option expense	27	878	154
Auditor's remuneration		780	1,180
Impairment of trade receivables (note (b))	18	49	65
Impairment of property, plant and equipment (note (b))	13	4,898	9,170
Impairment of right-of-use assets (note (b))	14	3,419	2,956

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Notes	2025 RMB'000	2024 RMB'000
Interest on bank and other borrowings		1,896	4,984
Interest on lease liabilities	14	2,533	3,006
Total		4,429	7,990

8. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is set out below:

	2025 RMB'000	2024 RMB'000
Fees	312	294
Other emoluments:		
Salaries, allowances and benefits in kind	893	2,016
Equity-settled share option expense	—	53
Pension scheme contributions	64	67
Total	1,269	2,430

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

8. DIRECTORS' REMUNERATION (continued)

(a) Independent non-executive directors

	Fees RMB'000	Equity-settled share option expense RMB'000	Total remuneration RMB'000
2025			
Non-executive Directors:			
Mr. Li Wai Keung	120	—	120
Mr. Li Weining ²	96	—	96
Ms. Yan Fei	96	—	96
Total	312	—	312

	Fees RMB'000	Equity-settled share option expense RMB'000	Total remuneration RMB'000
2024			
Non-executive Directors:			
Mr. Li Wai Keung	114	3	117
Mr. Hui Chun Tak ¹	52	3	55
Mr. Li Weining ²	37	—	37
Ms. Yan Fei	91	3	94
Total	294	9	303

¹ Mr. Hui Chun Tak retired from the position of an independent non-executive director with effect from 19 July 2024.

² Mr. Li Weining was appointed as an independent non-executive director with effect from 19 July 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

8. DIRECTORS' REMUNERATION (continued)

(a) Independent non-executive directors (continued)

Certain of the independent non-executive directors received remuneration from the subsidiaries now comprising the Group for their appointment as directors of these subsidiaries.

(b) Executive directors and non-executive director

	Salaries, allowances and benefits in kind RMB'000	Pension scheme contributions RMB'000	Equity-settled share option expense RMB'000	Total remuneration RMB'000
2025				
Executive directors (Notes):				
Mr. Law Hau Kit	380	6	—	386
Mr. Chen Huaquan	243	22	—	265
Ms. Li Huifang	270	36	—	306
	893	64	—	957
Total	893	64	—	957

Notes:

Mr. Liu Yuan has been appointed as an executive director of the Company with effect from 25 March 2026. Mr. Law Hau Kit has resigned as the chairman of the board of directors (the "Board"). Following the resignation of Mr. Law, Mr. Liu has been appointed as the chairman of the Board with effect from 25 March 2026, while Mr. Law remains to be an executive director and chief executive officer of the Company.

Mr. Yang Jian has been appointed as an executive director of the Company with effect from 5 March 2026.

Mr. Li Jianchang has been appointed as an executive director of the Company with effect from 21 January 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

8. DIRECTORS' REMUNERATION (continued)

(b) Executive directors and non-executive director (continued)

	Salaries, allowances and benefits in kind RMB'000	Pension scheme contributions RMB'000	Equity-settled share option expense RMB'000	Total remuneration RMB'000
2024				
Executive directors:				
Mr. Law Hau Kit	1,444	16	18	1,478
Mr. Chen Huaquan	246	19	9	274
Ms. Li Huifang	278	29	8	315
	1,968	64	35	2,067
Non-executive director:				
Mr. Woo King Hang ¹	48	3	9	60
Total	2,016	67	44	2,127

1 Mr. Woo King Hang retired from the position of a non-executive director with effect from 31 May 2024.

Apart from that Mr. Law Hau Kit, the executive director of the Company, agreed to waive the remuneration amounting to RMB1,154,000, there was no other arrangement under which other directors of the Company or the chief executive waived or agreed to waive any remuneration during the years ended 31 December 2025 (2024:Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2024: three) executive directors and nil (2024: nil) non-executive director of the Company. Details of the remuneration of the remaining two highest paid employees (2024: two) who are neither a director nor chief executive of the Company are as follows:

	2025	2024
	RMB'000	RMB'000
Salaries, allowances and benefits in kind	656	483
Pension scheme contributions	60	37
Total	716	520

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following band is as follows:

	Number of employees	
	2025	2024
Nil to HK\$1,000,000	2	2

During the year ended 31 December 2021, share options were granted to a non-director and non-chief executive highest paid employee in respect of his services to the Group, further details of which are included in the disclosures in note 27 to the consolidated financial statements. The fair value of such options, which has been recognised in the consolidated statement of profit or loss over the vesting period, was determined as at the date of grant. Nil is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures for the year ended 31 December 2025 (2024: Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

10. 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 Mainland China were certified as small and micro-sized enterprises in 2025 and 2024. They enjoyed a 75% reduction for taxable income not more than 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 2025 and 2024.

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.

	2025	2024
	RMB'000	RMB'000
Current — the PRC		
Charge for the year	752	651
Over-provision in prior years	—	(5,310)
Deferred income tax (note 16)	(1,243)	1,257
Total tax credit for the year	(491)	(3,402)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

10. INCOME TAX (continued)

PRC Corporate Income Tax (“CIT”) (continued)

A reconciliation of the tax expense applicable to loss before tax at the statutory tax rate for the jurisdictions in which of the majority of the Group’s subsidiaries are domiciled and/or operate to the tax expense at the effective tax rate for each of the reporting period is as follows:

	2025 RMB’000	2024 RMB’000
Loss before tax	(34,946)	(93,553)
Tax at the statutory tax rate of 25%	(8,737)	(23,388)
Lower tax rates enacted by local authority	(2,058)	(617)
Expenses not deductible for tax	1,441	5,788
Tax losses utilised from previous periods	(1,287)	(146)
Over-provision in prior years	—	(5,310)
Tax effect of tax losses not recognised	10,150	20,271
Tax credit at the effective rate	(491)	(3,402)

11. DIVIDEND

No dividend has been paid or declared by the Company during the year ended 31 December 2025 and subsequent to the end of the reporting period (2024: Nil).

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

The calculations of the basic loss 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 511,011,000 (2024: 505,202,000) outstanding during the year.

The calculation of the diluted loss 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 loss 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

12. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT (continued)

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2025 and 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:

	2025 RMB'000	2024 RMB'000
Loss		
Loss attributable to ordinary equity holders of the parent	(33,931)	(89,735)
Shares		
Weighted average number of ordinary shares outstanding during the year (in thousand shares)	511,011	505,202
	RMB cents	RMB cents
Loss per share: Basic and diluted	(6.64)	(17.76)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

13. PROPERTY, PLANT AND EQUIPMENT

	Buildings RMB'000	Leasehold improvements RMB'000	Motor vehicles RMB'000	Office equipment and other facilities RMB'000	Plant and equipment RMB'000	Construction in progress RMB'000	Total RMB'000
At 1 January 2025:							
Cost	121,259	69,180	51,469	12,213	62,593	153	316,867
Accumulated depreciation and impairment	(64,952)	(51,462)	(25,958)	(9,280)	(31,401)	–	(183,053)
Net carrying amount	56,307	17,718	25,511	2,933	31,192	153	133,814
At 1 January 2025, net of accumulated depreciation							
Additions	–	128	6,588	13	648	1,674	9,051
Disposals	–	–	(9,682)	(16)	(4,151)	–	(13,849)
Depreciation provided during the year (note 6)	(6,351)	(8,039)	(8,317)	(409)	(10,115)	–	(33,231)
Impairment	(3,758)	(97)	(1,013)	(73)	(1,602)	–	(6,543)
Impairment written off on disposal	–	1,075	554	16	–	–	1,645
Transfers	–	–	–	–	1,674	(1,674)	–
At 31 December 2025, net of accumulated depreciation and impairment							
	46,198	10,785	13,641	2,464	17,646	153	90,887
At 31 December 2025							
Cost	121,259	69,308	30,008	12,196	56,543	1,827	291,141
Accumulated depreciation and impairment	(75,061)	(58,523)	(16,367)	(9,732)	(38,897)	(1,674)	(200,254)
Net carrying amount	46,198	10,785	13,641	2,464	17,646	153	90,887

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

13. PROPERTY, PLANT AND EQUIPMENT (continued)

	Buildings RMB'000	Leasehold improvements RMB'000	Motor vehicles RMB'000	Office equipment and other facilities RMB'000	Plant and equipment RMB'000	Construction in progress RMB'000	Total RMB'000
At 1 January 2024:							
Cost	123,981	64,685	77,777	14,114	55,294	5,739	341,590
Accumulated depreciation and impairment	(59,216)	(30,899)	(22,256)	(12,351)	(22,061)	—	(146,783)
Net carrying amount	64,765	33,786	55,521	1,763	33,233	5,739	194,807
At 1 January 2024, net of							
accumulated depreciation	64,765	33,786	55,521	1,763	33,233	5,739	194,807
Additions	—	1,931	7,739	2,085	2,031	5,927	19,713
Disposals	(269)	—	(23,607)	(217)	(323)	(515)	(24,931)
Depreciation provided during the year (note 6)	(6,169)	(17,419)	(13,106)	(629)	(9,282)	—	(46,605)
Impairment	(2,020)	(3,144)	(1,036)	(69)	(2,901)	—	(9,170)
Transfers	—	2,564	—	—	8,434	(10,998)	—
At 31 December 2024, net of							
accumulated depreciation and impairment	56,307	17,718	25,511	2,933	31,192	153	133,814
At 31 December 2024							
Cost	121,259	69,180	51,469	12,213	62,593	153	316,867
Accumulated depreciation and impairment	(64,952)	(51,462)	(25,958)	(9,280)	(31,401)	—	(183,053)
Net carrying amount	56,307	17,718	25,511	2,933	31,192	153	133,814

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

13. PROPERTY, PLANT AND EQUIPMENT *(continued)*

The Group's buildings are located in Mainland China.

As at 31 December 2025, due to the downturn of the automotive market in mainland China, the Group performed an impairment test on cash-generating units which engaged in sale of motor vehicles in mainland China. The recoverable amount of the cash-generating units was RMB124,708,000 which was determined based on a value in use calculation using cash flow projections based on financial budgets approved by senior management. The discount rate applied in the cash flow projection was 11% (2024: 11%). Based on the impairment test the carrying amount of the cash-generating units was impaired by RMB20,443,000 (2024: RMB12,126,000) consequently, the carrying amounts of property, plant and equipment and right-of-use assets included in the cash-generating units were written down by RMB14,068,000 (2024: RMB9,170,000) and RMB6,375,000 (2024: RMB2,956,000). The impairment loss recognised was included in "other expenses" in the consolidated statement of profits or loss.

As at 31 December 2025, the Group was in the process of obtaining the relevant property ownership certificates for certain buildings with an aggregate net carrying amount of approximately RMB51,851,000 (2024: RMB54,860,000).

As at 31 December 2025, certain of the Group's buildings with a net carrying amount of RMB4,421,000 (2024: RMB5,035,000) were pledged to secure general banking facilities granted to the Group as further detailed in note 24 to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

14. LEASES

The Group as a lessee

The Group has lease contracts for various items of buildings, leasehold land and vehicles with lease terms of 2 to 33 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) *Right-of-use assets*

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Building	Leasehold land	Vehicles	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2024	67,953	9,091	958	78,002
Additions	8,879	—	67	8,946
Remeasurement from early termination of a lease	(18,318)	—	(858)	(19,176)
Depreciation charged	(9,561)	(503)	(145)	(10,209)
Impairment	(2,956)	—	—	(2,956)
As at 31 December 2024	45,997	8,588	22	54,607
Additions	4,463	—	—	4,463
Remeasurement from early termination of a lease	(8,927)	—	—	(8,927)
Depreciation charged	(7,355)	(503)	(22)	(7,880)
Impairment	(3,419)	—	—	(3,419)
As at 31 December 2025	30,759	8,085	—	38,844

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

14. LEASES (continued)

The Group as a lessee (continued)

(a) Right-of-use assets (continued)

At 31 December 2025, certain of the Group's right-of-use assets with a net carrying amount of approximately RMB8,085,000 (2024: RMB8,588,000) were pledged to secure general banking facilities granted to the Group as further detailed in note 24 to the consolidated financial statements.

The right-of-use assets represent the Group's rights to use underlying leased premises under operating lease arrangements over the lease terms, which are stated at cost less accumulated depreciation and impairment losses, and adjusted for any remeasurement of the lease liability.

(b) Lease liabilities

The carrying amount of lease liabilities (included under other payables and accruals) and the movements during the year are as follows:

	2025 RMB'000	2024 RMB'000
Carrying amount at 1 January	55,420	78,195
New leases	4,463	8,946
Remeasurement from early termination of a lease	(10,794)	(22,867)
Accretion of interest recognised during the year	2,533	3,006
Payments	(8,733)	(11,860)
Carrying amount at 31 December	42,889	55,420
Analysed into:		
Current portion (note 23)	6,310	7,765
Non-current portion	36,579	47,655

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

14. LEASES (continued)

The Group as a lessee (continued)

(c) *The amounts recognised in profit or loss in relation to leases are as follows:*

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities	2,533	3,006
Depreciation charge of right-of-use assets	7,880	10,210
Gains from remeasurement from early termination of a lease	(1,867)	(3,691)
Total amounts recognised in profit or loss	8,546	9,525

(d) *The amounts recognised in the consolidated statement of cash flows are as follows:*

	2025 RMB'000	2024 RMB'000
Amounts recognised in the consolidated statement of cash flows		
Total cash outflow for leases	(8,733)	(11,860)

	2025 RMB'000	2024 RMB'000
Lease liabilities		
Maturity analysis — contractual undiscounted cash flows:		
Less than one year	9,898	10,201
One to five years	37,398	36,091
After five years	10,037	18,734
Total undiscounted lease liabilities at 31 December	57,333	65,026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

15. OTHER INTANGIBLE ASSETS

31 December 2025

	Software RMB'000
Cost at 1 January 2025, net of accumulated amortisation	658
Addition during the year	57
Amortisation provided during the year	(411)
At 31 December 2025	304
At 31 December 2025	
Cost	1,347
Accumulated amortisation	(1,043)
Net carrying amount	304

31 December 2024

	Software RMB'000
Cost at 1 January 2024, net of accumulated amortisation	1,015
Addition during the year	47
Amortisation provided during the year	(404)
At 31 December 2024	658
At 31 December 2024	
Cost	1,290
Accumulated amortisation	(632)
Net carrying amount	658

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

16. DEFERRED TAX

Deferred tax assets

31 December 2025

	Impairment of inventories RMB'000	Losses available against future taxable profits for offsetting RMB'000	Government grants RMB'000	Lease liabilities RMB'000	Total RMB'000
At 1 January 2025	552	-	-	2,618	3,170
Charged/(credited) to profit or loss during the year (note 10)	183	965	-	(1,155)	(7)
At 31 December 2025	735	965	-	1,463	3,163

31 December 2024

	Impairment of inventories RMB'000	Losses available against future taxable profits for offsetting RMB'000	Government grants RMB'000	Lease liabilities RMB'000	Total RMB'000
At 1 January 2024	300	534	482	9,255	10,571
Charged/(credited) to profit or loss during the year (note 10)	252	(534)	(482)	(6,637)	(7,401)
At 31 December 2024	552	-	-	2,618	3,170

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

16. DEFERRED TAX (continued)

Deferred tax liabilities

31 December 2025

	Right-of-use assets RMB'000
At 1 January 2025	2,294
Credited to profit or loss during the year (note 10)	(1,250)
At 31 December 2025	1,044

31 December 2024

	Right-of-use assets RMB'000
At 1 January 2024	8,438
Credited to profit or loss during the year (note 10)	(6,144)
At 31 December 2024	2,294

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

16. DEFERRED TAX (continued)

Deferred tax liabilities (continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	2025 RMB'000	2024 RMB'000
Deferred tax assets recognised in the consolidated statement of financial position	3,163	3,170
Deferred tax liabilities recognised in the consolidated statement of financial position	(1,044)	(2,294)
Net deferred tax assets recognised in the consolidated statement of financial position	2,119	876

As at 31 December 2025, the Group has tax losses arising in Mainland China of approximately RMB116,539,000 (2024: RMB95,504,000) which will expire in one to five years for offsetting against future taxable profits. Deferred tax assets in respect of such cumulative tax losses have not been recognised as it is not probable that taxable profits will be available against which the above items can be utilised.

Pursuant to the CIT Law, a 10% (or a lower rate if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors) withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

As at 31 December 2025 and 2024, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the Directors, the Group's earnings will be retained in Mainland China, so it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. As at 31 December 2025, the aggregate amounts of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately RMB173,457,000 (2024: RMB34,185,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

17. INVENTORIES

	2025 RMB'000	2024 RMB'000
Vehicles	112,768	108,378
Accessories	8,354	10,301
Total	121,122	118,679

As at 31 December 2025, the Group's inventories with a carrying amount of approximately RMB66,702,000 (2024: RMB45,793,000) were pledged as security for the Group's interest-bearing bank and other borrowings, as further detailed in note 24 to the consolidated financial statements.

18. TRADE RECEIVABLES

	2025 RMB'000	2024 RMB'000
Trade receivables	17,201	12,343
Impairment	(172)	(123)
Total	17,029	12,220

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 2025 and 2024. Trade receivables were interest-free and unsecured as at 31 December 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

18. TRADE RECEIVABLES (continued)

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:

	2025	2024
	RMB'000	RMB'000
Within 3 months	13,505	10,407
3 to 12 months	3,524	1,813
Total	17,029	12,220

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

	2025	2024
	RMB'000	RMB'000
At beginning of year	123	59
Impairment losses (note 6)	49	64
At the end of year	172	123

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

18. TRADE RECEIVABLES (continued)

As at 31 December 2025

	Invoice date Within 3 months	Invoice date 3 to 12 months	Total
ECL rate	1%	1%	1%
Gross carrying amount (RMB'000)	13,641	3,560	17,201
ECLs (RMB'000)	136	36	172

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 (RMB'000)	10,512	1,831	12,343
ECLs (RMB'000)	105	18	123

The Group has applied the simplified approach to provide for ECLs prescribed by IFRS 9, which permits the use of the lifetime expected credit 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2025	2024
	RMB'000	RMB'000
Advances to suppliers	65,870	81,137
Deposit	4,737	10,486
Value added taxes recoverable	15,295	16,665
Prepayments	983	1,702
Other receivables	9,095	8,662
Total	95,980	118,652

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Long ageing balances are reviewed regularly by senior management. In view of the fact that the Group's deposits and other receivables relate to a large number of diversified counterparties, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its deposits and other receivable balances. Other receivables are non-interest-bearing and not secured with collateral.

As other receivables were settled within 12 months and had no historical default, the financial assets included in the above balances were categorised in stage 1 at the end of each of the reporting periods. In calculating the expected credit loss rate, the Group considers the historical loss rate and adjusts for forward-looking macroeconomic data, as appropriate. During the years ended 31 December 2025 and 2024, the management of the Group estimated the expected loss rate for other receivables is minimal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

20. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	2025 RMB'000	2024 RMB'000
Cash and bank balances	41,025	84,499
Less: Pledged deposits:		
Pledged for bills payable	—	(4,501)
Others	(325)	(1,001)
	(325)	(5,502)
Cash and cash equivalents	40,700	78,997

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to approximately RMB41,025,000 (2024: RMB84,499,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The Group's exposure to credit risk arising from bank balances and term deposits is limited because the bank balances and term deposits are deposited with creditworthy banks with no recent history of default, for which the Group considers having low credit risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

21. 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:

	2025	2024
	RMB'000	RMB'000
Within 3 months	4,726	11,000
3 to 12 months	3,381	18,021
over 1 year	869	1,778
Total	8,976	30,799

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 nil as at 31 December 2025 (2024: RMB4,501,000).

22. CONTRACT LIABILITIES

The following table provides information about contract liabilities from contracts with customers:

	2025	2024
	RMB'000	RMB'000
Contract liabilities:		
Advances from customers	20,687	26,074

The contract liabilities represent the Group's obligations to transfer goods or services to customers for which the Group has received consideration, or for which an amount of consideration is due from the customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

22. CONTRACT LIABILITIES (continued)

Changes in contract liabilities during the reporting period are as follows:

	2025	2024
	RMB'000	RMB'000
At beginning of the year	26,074	42,654
Revenue recognised that was included in the contract liabilities at the beginning of the year	(26,074)	(42,654)
Increases due to cash received, excluding amounts recognised as revenue during the year	20,687	26,074
At end of the year	20,687	26,074

Contract liabilities included short-term advances received to deliver goods and render services. The decrease in contract liabilities during the year ended 31 December 2025 and 2024 was mainly due to the decrease in short-term advances received from customers in relation to the sales of goods.

23. OTHER PAYABLES AND ACCRUALS

	2025	2024
	RMB'000	RMB'000
Lease liabilities (note 14)	6,310	7,765
Payroll payable	3,139	3,548
Other taxes payable	816	694
Others	54,921	55,737
Total	65,186	67,744

The above balances are unsecured and non-interest-bearing. The carrying amounts of other payables and accruals as at the end of each of the reporting periods approximated to their fair values due to their short-term maturities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

24. INTEREST-BEARING BANK AND OTHER BORROWINGS

	2025			2024		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Current						
Bank loans – unsecured	–	–	–	3.30	March 2025	4,000
Bank loans – secured	2.6–2.8	May 2025 to December 2026	41,900	2.75–4.50	June 2024 to December 2025	47,556
Other loans – secured	2.28–2.92	September 2025 to September 2026	54,201	4.92	March 2025 to December 2025	44,054
Total-current			96,101			95,610
Non-current						
Bank loans – secured	–	–	–	5.30	April 2029	2,006
Total			96,101			97,616
				2025		2024
				RMB'000		RMB'000
Analysed into:						
Bank loans repayable:						
Within one year			41,900			51,556
In the second year			–			908
In the third to fifth year, inclusive			–			1,098
Subtotal			41,900			53,562
Other loans repayable:						
Within one year			54,201			44,054
Total			96,101			97,616

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

24. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

Notes:

- (a) As at 31 December 2025 and 2024, the Group's bank borrowings are all denominated in RMB.
- (b) The Group's bank borrowings are secured by:
- (i) certain of the Group's merchandised goods amounting to approximately RMB66,702,000 (note 17) as at 31 December 2025 (2024: RMB45,793,000);
 - (ii) the Group's buildings, which a net carrying amount of approximately RMB4,421,000 (note 13) as at 31 December 2025 (2024: RMB5,035,000);
 - (iii) the Group's right-of-use assets, which a net carrying amount of approximately RMB8,085,000 (note 14) as at 31 December 2025 (2024: RMB8,588,000); and
 - (iv) certain buildings and leasehold lands held by the Group's related parties as at 31 December 2025 and 2024.

25. DEFERRED INCOME

	2025 RMB'000	2024 RMB'000
Government grant	2,226	1,473
At beginning of year	1,473	1,928
Grants received during the year	1,732	241
Released to the consolidated statement of profit or loss during the year	(979)	(696)
At end of year	2,226	1,473

The grants are related to the subsidies received from the government for the purpose of compensation for expenses arising from charging stations. Such expenses incurred by the Company and certified by the government are recognised "other income and gains" in the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

26. SHARE CAPITAL

Shares

	2025	2024
Authorised: 2,000,000,000 ordinary shares of HK\$0.01 each as at 31 December 2025 and 2024	HK\$20,000,000	HK\$20,000,000
Issued and fully paid: 530,002,000 ordinary shares of HK\$0.01 each as at 31 December 2025 and 505,202,000 ordinary shares of HK\$0.01 each as at 31 December 2024	HK\$5,300,020	HK\$5,052,020
Equivalent to	RMB4,784,000	RMB4,558,000

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Share capital RMB'000
At 1 January 2024, 31 December 2024 and 1 January 2025	505,202,000	4,558,000
Share options exercised (Note)	24,800,000	226,000
At 31 December 2025	530,002,000	4,784,000

Note:

The subscription rights attaching to 3,000,000, 16,300,000 and 5,500,000 share options were exercised at the subscription price of HK\$0.48, HK\$0.81 and HK\$0.32 per share respectively (note 27), resulting in the issue of 18,800,000 shares for a total cash consideration, before expenses, of HK\$12,533,000 (equivalent to RMB11,440,000) and 6,000,000 shares for offsetting amount due to a director of HK\$3,870,000 (equivalent to RMB3,548,000). An amount of HK\$16,155,000 (equivalent to RMB14,757,000) was transferred from the share option reserve to share capital upon the exercise of the share options.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

27. SHARE OPTION SCHEME

The Company adopted a share option scheme (the “**Scheme**”) on 16 September 2019, and granted three batches of options on 21 May 2020, 21 May 2021 and 16 May 2025 respectively, for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations and/or to enable the Group to recruit and retain high calibre employees and attract human resources that are valuable to the Group and any invested entity.

The following share options were outstanding under the Scheme during the year:

	2025	
	Weighted average exercise price HK\$ per share	Number of options '000
At 31 December 2024	0.68	27,418
Granted during the year	0.32	5,500
Exercised during the year	0.48	(3,000)
Exercised during the year	0.81	(16,300)
Exercised during the year	0.32	(5,500)
Forfeited during the year	0.48	(8,118)
At 31 December 2025	—	—
	2024	
	Weighted average exercise price HK\$ per share	Number of options '000
At 31 December 2023	0.68	31,318
Forfeited during the year	0.48	(1,200)
Forfeited during the year	0.81	(2,700)
At 31 December 2024	0.68	27,418

No share options under the Scheme were granted, or exercised during the year ended 31 December 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

27. SHARE OPTION SCHEME (Continued)

The fair value of the share options granted during the year ended 31 December 2025 was HK\$1,015,000 (equivalent to RMB935,000). The Group recognised a share option expense of approximately RMB878,000 for the year ended 31 December 2025 (2024: RMB155,000).

As at 31 December 2025, there is no outstanding share options under the Scheme. As at 31 December 2024, the Company had 27,418,000 share options outstanding under the Scheme. The exercise of the outstanding share options as at 31 December 2024 and share options granted during the year ended 31 December 2025 would, under the present capital structure of the Company, result in the issue of 24,800,000 additional ordinary shares of the Company and additional share capital of HK\$248,000 (equivalent to RMB226,000) (before issue expenses).

The fair value of equity-settled share options granted during the year ended 31 December 2025, the year ended 31 December 2021 and the year ended 31 December 2020 respectively were estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

For the year ended 31 December

	2025	2021	2020
Dividend yield (%)	0	2.47	0
Expected volatility (%)	80.24	54.07	54.61
Risk-free interest rate (%)	2.22	0.68	0.40
Expected life of options (year)	5	5	5
Exercise multiple — Directors	N/A	3.34	3.34
Exercise multiple — Employees	2.97	2.86	2.86

The expected life of options is based on the historical data over the past three years and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

28. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 62 to 63 of the consolidated financial statements.

Other reserve

The balance represented the reserve arising from the corporate reorganisation and the aggregate paid-in capital of the subsidiaries acquired, offset by investment costs in subsidiaries of the Company during the corporate reorganisation.

Statutory surplus reserve

Pursuant to the relevant laws and regulations in the PRC, the companies registered in the PRC shall appropriate a certain percentage of their net profit after tax (after offsetting any prior years' losses) calculated under the accounting principles generally applicable to the PRC enterprises to the reserve fund. When the balance of this reserve fund reaches 50% of the entity's capital, any further appropriation is optional. The statutory surplus reserve can be utilised to offset prior years' losses or to increase capital. However, the balance of the statutory surplus reserve must be maintained at a minimum of 25% of the capital after these usages. After making the appropriation to the statutory surplus reserve, the companies may also appropriate their profits for the year to the discretionary surplus reserve upon approval by the board of directors or the shareholders in a general meeting.

29. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's bank loans and bills payable are included in notes 13, 14, 17, 20 and 24, respectively, to the consolidated financial statements.

30. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	2025 RMB'000	2024 RMB'000
Contracted, but not provided for:		
Buildings	1,396	2,914
Plant and equipment	1,779	1,779
	3,175	4,693

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

31. CONTINGENT LIABILITIES

As at 31 December 2025 and 2024, the Group did not have any significant contingent liabilities.

32. 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 parties

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

	2025	2024
	RMB'000	RMB'000
Non-trade		
Mr. Law Hau Kit	76,305	131,041

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

33. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Changes in liabilities arising from financing activities during the reporting period is as follows:

2025

	Amount due to a director RMB'000	Interest- bearing bank and other borrowings RMB'000	Total RMB'000
At 1 January 2025	131,041	97,616	228,657
Changes from financing cash flows	(54,736)	(1,515)	(56,251)
At 31 December 2025	76,305	96,101	172,406

2024

	Amount due to a director RMB'000	Interest- bearing bank and other borrowings RMB'000	Total RMB'000
At 1 January 2024	149,939	200,355	350,294
Changes from financing cash flows	(20,504)	(102,739)	(123,243)
Discount factor arising from amount due to a director	1,606	—	1,606
At 31 December 2024	131,041	97,616	228,657

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

34. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

	2025 RMB'000	2024 RMB'000
Financial assets at amortised costs		
Trade receivables	17,029	12,220
Financial assets included in prepayments, other receivables and other assets	13,832	19,148
Pledged deposits	325	5,502
Cash and cash equivalents	40,700	78,997
Total	71,886	115,867

Financial liabilities

	2025 RMB'000	2024 RMB'000
Financial liabilities at amortised costs		
Trade and bills payables	8,976	30,799
Lease liabilities (non-current)	36,579	47,655
Financial liabilities included in other payables and accruals	61,231	63,502
Interest-bearing bank and other borrowings	96,101	97,616
Amount due to a director	76,305	131,041
Total	279,192	370,613

35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, trade receivables, financial assets included in prepayments, other receivables and other assets, trade and bills payables, an amount due to a director, current interest-bearing bank borrowings and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the non-current interest-bearing borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing borrowings was assessed to be insignificant.

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. Corporate finance team reports directly to the chief financial officer and the audit committee. At each reporting date, the treasury department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings, pledged deposits and cash and cash equivalents. The Group has various other financial assets and liabilities such as trade and bills receivables, deposits and other receivables, an amount due to a director, and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk and liquidity risk. The board of directors reviews and agrees policies for managing the risks and they are summarised below.

Credit risk

The Group has no significant concentration of credit risk. The Group's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit risk in respect of trade receivables is limited since credit sales are offered in rare cases subject to high level management's approval. Trade receivables are normally settled within one month directly by major financial institutions. Normally, the Group does not obtain collateral from customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(Continued)

Maximum exposure and year-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. The amounts presented are gross carrying amounts for financial assets and the exposure to credit risk for the financial guarantee contracts.

As at 31 December 2025

	31 December 2025			31 December 2024		
	12-month ECLs	Lifetime ECLs	Total RMB'000	12-month ECLs	Lifetime ECLs	Total RMB'000
	Stage 1 RMB'000	Simplified approach RMB'000		Stage 1 RMB'000	Simplified approach RMB'000	
Trade receivables*	—	17,029	17,029	—	12,220	12,220
Financial assets included in prepayments other receivables and other assets						
— Normal**	13,832	—	13,832	19,148	—	19,148
Pledged deposits						
— Not yet past due	325	—	325	5,502	—	5,502
Cash and cash equivalents						
— Not yet past due	40,700	—	40,700	78,997	—	78,997
Total	54,857	17,029	71,886	103,647	12,220	115,867

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 18 to the consolidated financial statements.

** The credit quality of the amount due from a related company and financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(Continued)

Liquidity risk

The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

2025

	Within 1 year RMB'000	1 to 5 years RMB'000	over 5 year RMB'000	Total RMB'000
Trade and bills payables	8,107	869	—	8,976
Lease liabilities (non-current)	—	37,398	10,037	47,435
Financial liabilities included in other payables and accruals	64,819	—	—	64,819
Interest-bearing bank and other borrowings	97,607	—	—	97,607
Amount due to a director	—	76,305	—	76,305
Total	170,533	114,572	10,037	295,142

2024

	Within 1 year RMB'000	1 to 5 years RMB'000	over 5 year RMB'000	Total RMB'000
Trade and bills payables	29,021	1,778	—	30,799
Lease liabilities (non-current)	—	36,091	18,734	54,825
Financial liabilities included in other payables and accruals	65,938	—	—	65,938
Interest-bearing bank and other borrowings	96,703	2,467	—	99,170
Amount due to a director	11,041	120,000	—	131,041
Total	202,703	160,336	18,734	381,773

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(Continued)

Capital management

The Group's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of business.

The directors review the capital structure on a continuous basis taking into account the cost of capital and the risks associated with each class of capital. Based on the recommendations of the directors, the Group will balance its overall capital structure through the raising of new debts as well as the redemption of the existing debt. The Group's overall strategy remains unchanged during the year.

The Group monitors capital using a gearing ratio, which is total debt divided by total equity. Total debt includes interest-bearing bank borrowings and an amount due to a director. The gearing ratios as at the end of the reporting periods were as follows:

	2025	2024
	RMB'000	RMB'000
Interest-bearing bank and other borrowings	96,101	97,616
Amount due to a director	76,305	131,041
Total debt	172,406	228,657
Total equity	79,712	100,160
Gearing ratio	216%	228%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS		
Investments in subsidiaries	—*	—*
Amounts due from subsidiaries	71,680	74,913
Total non-current assets	71,680	74,913
CURRENT ASSETS		
Prepayments, other receivables and other asset	25	237
Cash and cash equivalents	12,659	41,305
Total current assets	12,684	41,542
CURRENT LIABILITIES		
Other payables and accruals	1,228	1,059
Amounts due to subsidiaries	3,424	3,424
Total current liabilities	4,652	4,483
NET CURRENT ASSETS/(LIABILITIES)	8,032	37,059
TOTAL ASSETS LESS CURRENT ASSETS	79,712	111,972
Net assets	79,712	111,972
EQUITY		
Share capital	4,784	4,558
Reserves (note)	74,928	107,414
Total equity	79,712	111,972

* Less than RMB1,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

A summary of the Company's reserves is as follows:

	Share premium RMB'000	Share option reserve RMB'000	Other reserves RMB'000	Foreign currency translation reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At at 1 January 2024	103,214	6,676	30,000	(591)	(30,416)	108,883
Loss for the year	—	—	—	—	(3,475)	(3,475)
Other comprehensive income for the year:						
Translation from functional currency to presentation currency	—	—	—	1,851	—	1,851
Total comprehensive loss for the year	—	—	—	1,851	(3,475)	(1,624)
Equity-settled share option arrangements	—	155	—	—	—	155
At 31 December 2024 and 1 January 2025	103,214	6,831	30,000	1,260	(33,891)	107,414
Loss for the year	—	—	—	—	(45,858)	(45,858)
Other comprehensive income for the year:						
Translation from functional currency to presentation currency	—	—	—	(2,263)	—	(2,263)
Issue of shares	22,466	(7,709)	—	—	—	14,757
Equity-settled share option arrangements	—	878	—	—	—	878
At 31 December 2025	125,680	—	30,000	(1,003)	(79,749)	74,928

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

38. SUBSEQUENT EVENTS

- (a) Mandatory unconditional cash offer by Rainbow Capital (HK) Limited for and on behalf of MSINT LTD (the “Offeror”) to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it)

On 20 January 2026, Rainbow Capital (HK) Limited (for and on behalf of MSINT LTD, the “Offeror”) and the Company jointly issued a composite document in relation to making a mandatory unconditional cash offer for all the issued shares of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) (the “Offer”) under Rule 26.1 of The Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong.

The Offer was closed at 4:00 p.m. on 10 February 2026. The Offeror had received 2 valid acceptances in respect of a total of 16,000 Shares under the Offer, representing approximately 0.003% of the total issued share capital of the Company. Immediately after the close of the Offer, the Offeror and the parties acting in concert with it were interested in an aggregate of 377,434,000 Shares, representing approximately 71.21% of the total issued share capital of the Company. The Offer did not have a material financial effect on the Group’s financial position as at 31 December 2025. Accordingly, no adjustment has been made to the consolidated financial statements of the Group for the year ended 31 December 2025 in respect of the Offer.

- (b) Change of the Company’s name

On 22 January 2026, the shareholders of the Company approved the change of English name of the Company from “Centenary United Holdings Limited” to “Zhong Ju Investment Group Limited” (the “Change of Company Name”). The Change of Company Name became effective following the issue of the certificate of incorporation on change of name by the Registrar of Companies in the Cayman Islands on 23 January 2026. The Change of Company Name did not have any financial effect on the Group.

39. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 31 March 2026.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and of the assets, liabilities and equity of the Group for the last five financial years, as extracted from this annual report and previous year's annual reports, is set out below.

RESULTS

	Year ended 31 December				2025 RMB'000
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000	
Revenue	2,051,803	1,998,707	1,619,147	1,242,382	898,217
(Loss)/profit before taxation	8,317	(18,555)	(50,689)	(90,553)	(34,946)
Taxation	(6,155)	(5,270)	(2,556)	3,402	491
(Loss)/profit for the year	2,162	(23,825)	(53,245)	(90,151)	(34,455)
(Loss)/profit attributable to equity shareholders of the Company	2,681	(23,632)	(52,358)	(89,735)	(33,931)

ASSETS AND LIABILITIES

	As at 31 December				2025 RMB'000
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000	
Total assets	801,897	896,716	860,991	524,005	407,310
Total liabilities	(538,639)	(654,791)	(671,521)	(423,845)	(327,598)
	263,258	241,925	189,470	100,160	79,712
Equity attributable to equity shareholders of the Company	261,672	240,532	188,964	100,070	80,146
Non-controlling interests	1,586	1,393	506	90	(434)
	263,258	241,925	189,470	100,160	79,712