YIXIN GROUP LIMITED
易鑫集团有限公司
(incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as "Yixin Automotive Technology Group Limited")
(Stock Code: 2858)

PRELIMINARY ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

The Board of Yixin Group Limited 易鑫集团有限公司 is pleased to announce the audited consolidated results of the Group for the year ended December 31, 2024. The results have been audited by PricewaterhouseCoopers, the Group's auditor, in accordance with International Standards on Auditing.

KEY HIGHLIGHTS

	Year ended December 31,		
	2024	2023	Year-on-year
	RMB'000	*RMB'000*	*%*
Revenues	**9,887,733**	6,685,971	48%
Transaction Platform Business	**7,894,414**	5,096,571	55%
Loan Facilitation Services	**4,317,600**	3,445,250	25%
SaaS Services	**1,803,835**	462,679	290%
Other Platform Services	**1,772,979**	1,188,642	49%
Self-Operated Financing Business	**1,993,319**	1,589,400	25%
Financing Lease Services	**1,960,214**	1,570,398	25%
Other Self-operated Services	**33,105**	19,002	74%
Gross profit	**4,636,271**	3,247,148	43%
Operating profit	**1,133,604**	689,258	64%
Net profit	**809,938**	554,958	46%
Adjusted operating profit	**1,438,410**	1,090,891	32%
Adjusted net profit	**1,078,804**	910,050	19%

	Year ended December 31,		
	2024	2023	Year-on-year
	'000	*'000*	*%*
Total financed transactions	**726**	678	7%
– By auto type			
New	**376**	399	-6%
Used	**350**	279	25%
– By service type			
Through loan facilitation services and SaaS services	**564**	494	14%
Through self-operated financing business	**162**	184	-12%

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Yixin Group Limited (易鑫集团有限公司), I am delighted to present the annual results announcement of the Group for the Reporting Period.

In 2024, China's economy demonstrated promising signs of recovery and maintained overall stability. According to data from China's National Bureau of Statistics, China's Gross Domestic Product (GDP) grew by 5% year-on-year in 2024. However, the rising uncertainty and complexity of the global environment have exerted pressure on the domestic economy. Meanwhile, challenges such as the prolonged downturn in the real estate sector and sluggish demand recovery continue to impact economic growth.

The automotive industry in China, a pivotal sector that supports and propels rapid economic expansion, experienced fluctuations throughout the first half of 2024, primarily due to weak domestic demand. Nevertheless, driven by large-scale equipment upgrades and consumer goods trade-in programs, the industry began to rebound in the second half of the year. According to data from the China Association of Automobile Manufacturers (CAAM) and the China Automobile Dealers Association (CADA), passenger car sales in China (including new and used vehicles) increased by 6% year-on-year in 2024.

At the same time, the industry exhibited structural growth potential, particularly amidst ongoing deepening reforms in new energy vehicles (NEVs) and automobile exports. According to data from the China Passenger Car Association (CPCA), retail sales of NEV passenger cars in 2024 increased by 41% year-on-year, and the penetration rate of NEVs in domestic new car retail sales exceeded 50% for several months. In addition, automobile exports experienced rapid growth. According to data from the CAAM, China's auto exports reached 5.9 million units in 2024, marking a year-on-year increase of 19%. Moreover, the automotive finance industry played a crucial role in supporting industrial development. We believe that, driven by favorable policies and recovering market demand, automotive financial services will continue to expand. These services will cater to diverse consumer car purchasing needs while ensuring the stable operation of the automotive supply chain, providing robust financial support for the industry's transformation and upgrade.

Despite the complex macroeconomic environment in China and intensifying industry competition, Yixin Group achieved remarkable results in 2024, leveraging its strategic vision and strong operational capabilities. The Group capitalized on its competitive strengths in automotive finance, achieving broad-based business growth and a historic breakthrough in financial performance. In 2024, the Group's revenue reached RMB9.9 billion, representing a year-on-year growth of 48%, while adjusted net profit of the Group exceeded RMB1 billion for the first time, growing by 19% year-on-year. This milestone signifies the beginning of a new growth phase for the Group. This achievement not only highlights the Group's resilience and execution strength in a challenging market environment but also reflects its ability to seize opportunities and foster innovation. Moving forward, the Group will enhance its strategy in the new energy and the FinTech sectors while strengthening partnerships with industry players to solidify its market position. We firmly believe that by pushing boundaries and exceeding our goals, Yixin Group will continue to create greater value for Shareholders, customers, and the industry. We are dedicated to advancing the high-quality development of the automotive finance sector.

In 2024, the Group processed 726 thousand financing transactions (including new and used cars), marking a year-on-year increase of 7%. The total financing amount reached RMB69.1 billion, up 5% from the previous year. In the new energy passenger vehicle segment, during 2024, NEV financing transaction volume (including new and used vehicles) totaled 175 thousand units, up 51% year-on-year.

The Group's asset management scale grew steadily, with automotive finance assets under management totaling RMB108.1 billion as of December 31, 2024. The Group's asset quality continued to improve and demonstrated strong resilience, with the 90+ days past due ratio declining to 1.86% as of December 31, 2024.

In the financing sector, the Group focused on reducing financing costs and achieved remarkable results. In November 2024, the Group issued Asset-Backed Notes (ABN) at an unprecedentedly low priority tranche coupon rate of 2.3%. Notably, the Group successfully issued its first bond outside of the PRC, which serves to accelerate the Group's international business expansion and enhance its global brand presence. This bond is notable for being the first yen-denominated bond issued by the Group and the first sustainability-linked bond of the Group tied to an overseas donation mechanism. These achievements underscore the Group's pioneering spirit in green finance and its strategic global expansion. Additionally, the Group has utilized Private Placement Notes (PPNs), Super and Short-term Commercial Papers (SCPs), and other credit debt instruments to optimize financing channels and ensure a diversified and stable financing structure. These initiatives have not only solidified the Group's financial foundation but also demonstrated its exceptional financial management skills in navigating a complex market environment.

In the value-added services segment, the Group recorded revenue of RMB249 million during the Reporting Period, representing a year-on-year growth of 11%. The innovative Battery GAP product garnered strong market recognition. In 2024, transaction volume for the Battery GAP product reached 57 thousand, representing 728% increase from the previous year. It was successfully introduced to the used car sector, helping more NEV owners address their concerns about battery residual value.

As a key strategic focus, the Group's FinTech business achieved strong growth in 2024. Fintech revenue soared to RMB1.8 billion, representing a year-on-year increase of 290%. Financing transactions facilitated by the Group's FinTech platform exceeded RMB20 billion, up 107% year-on-year, further enhancing market reach and service breadth. As of December 31, 2024, the Group had forged partnerships with nearly 60 institutions, including notable collaborations with premium brands such as Porsche. The Group also expanded services to regional banks including the Bank of Nanjing. In 2025, the Group will continue to prioritize the development of the FinTech sector, providing precise automotive financial analytics to a broader range of financial institutions. These initiatives are aimed at driving digital transformation and fostering high-quality digital finance development.

Yixin Group's self-developed Titan-AI Cloud Platform applied AI technology to fraud prevention, intelligence collection, and customer service, thereby enhancing operational efficiency and supporting sustainable growth. In 2024, the Group upgraded the core large AI model of Titan-AI and successfully registered "Xinzhi Lingxi (鑫智靈犀)" and "Zhixin Duowei (智鑫多維)" as strategic technology reserves. These initiatives not only bolstered the Group's operational efficiency and technological prowess in internal processes but also gradually extended its impact throughout the entire industry chain.

Guided by the philosophy of "Value Re-creation, Responsibility First", the Group has seamlessly integrated ESG factors into its core operations and management. Through concrete actions, we are advancing our sustainability initiatives, fostering sustainable and harmonious industrial and social development. In the realm of green finance, we have made significant strides. In November 2024, Yixin Group issued its first domestic ESG sustainability-linked syndicated loan, underscoring the Group's commitment to sustainability and social responsibility. Concurrently, the Group advanced inclusive financial services, reaching remote areas of China to provide tailored automotive financial services to grassroots communities, thereby addressing diverse transportation and logistics needs. Furthermore, Yixin Group is committed to advancing sustainability in automotive finance. In November 2024, the Group collaborated with banks, OEM financial institutions, and other stakeholders to issue the "2024 Automotive Finance Industry Sustainable Development Self-Regulation Convention." This initiative promotes self-regulation and collaboration, supporting high-quality development and the sector's green transformation.

Looking ahead to 2025, despite the uncertainties in the macroeconomic landscape, we firmly believe that as consumer demand rebounds, industrial upgrades progress, and new opportunities emerge in the automotive market, China's automotive finance industry will be poised for greater growth. At the same time, the accelerating Matthew Effect, where the strong becomes stronger, has further solidified Yixin Group's leadership in automotive finance. By leveraging our strengths in technology, operations, and innovation, our Group is attracting an increasing concentration of resources and opportunities, laying a strong foundation to enhance our market position and drive industry growth.

The Board is delighted to propose the continuation of final dividend payments as a gesture of gratitude to the Shareholders for their unwavering support and to provide them with direct returns. The Board recommends a final dividend of HK6.5 cents per Share, representing approximately 50.1% of our net profit per Share for the Reporting Period. In celebration of the Company's 10th anniversary in 2024, in addition to the final dividend, the Board has also proposed a special dividend of HK6.5 cents per Share, representing approximately 50.1% of our net profit per Share for the Reporting Period, in recognition of Shareholders' unwavering support since the Listing. The proposed final and special dividends are subject to Shareholders' approval at the Annual General Meeting. It is anticipated that the final and special dividends will be distributed on Thursday, June 26, 2025 to Shareholders whose names appear on the register of members of the Company on Tuesday, May 27, 2025.

Lastly, on behalf of the Group, I extend my heartfelt gratitude to our customers and partners. I also thank our dedicated employees and management team for their invaluable contributions. Finally, I am especially grateful to our Shareholders and stakeholders for their trust and support.

Andy Xuan Zhang
Chairman of the Board
Hong Kong
February 27, 2025

MANAGEMENT DISCUSSION AND ANALYSIS

MACROECONOMIC ENVIRONMENT

Amid a complex global economic environment, China's economy remained generally stable in 2024. According to the National Bureau of Statistics, the Gross Domestic Product (GDP) of China grew by 5.0% year-on-year, which is slightly below the previous year's GDP growth rate. Geopolitical conflicts, trade disputes, and other international uncertainties have weakened external demand, while insufficient domestic effective demand has become more pronounced. Deflationary pressures intensified, and market confidence remained subdued.

Consumer spending showed moderate growth, with total retail sales of consumer goods growing by 3.5% year-on-year, though its contribution to economic growth fell short of expectations. Durable goods, including automobiles and home furnishings, benefited significantly from supportive policies. On the investment side, fixed asset investment (excluding rural households) grew by 3.2%, primarily driven by robust manufacturing investment, particularly in high-tech industries. While infrastructure investment remained stable, real estate investment continued its downward trend. Trade performance improved, with the annual trade surplus approaching 1 trillion dollars, supported by a 1.1% growth in goods imports and 5.9% growth in goods exports. This shift has strengthened the contribution of net exports to GDP growth.

As a key pillar of China's economy, the automotive industry is undergoing accelerated transformation driven by shifts in market structure, product innovation, and evolving consumer demand. The adoption of new energy vehicles (NEVs) and autonomous driving technologies has fostered cross-industry collaboration in batteries, semiconductors, and artificial intelligence. These advancements reinforce the automotive sector's vital role in driving high-quality economic development in China.

INDUSTRY OVERVIEW

In 2024, the automotive industry faced multiple challenges at a critical stage of structural transformation. Intensifying competition among domestic brands and insufficient demand posed significant hurdles. However, advancements in intelligent and electric vehicle technologies have driven profound shifts in the market structure. China's automotive market continues to demonstrate strong innovation capacity and global competitiveness, laying the foundation for high-quality development through technological breakthroughs and policy support. According to the China Association of Automobile Manufacturers (CAAM) and the China Automobile Dealers Association (CADA), the total sales volume of new and used passenger vehicles in China increased by 6.0% year-on-year during the Reporting Period.

In 2024, China's automotive market exhibited new trends driven by policy support and market adjustments. The strategy of trading price for volume in the new car market has placed considerable pressure on various segments of the automotive industry chain, and the tactic of lowering prices to boost car sales is gradually losing effectiveness in stimulating sales. However, favorable policies like "Trade-in Programs", the concentrated launch of new models, and innovative marketing campaigns supported a recovery. According to the CAAM, the sales volume of new passenger vehicles in China reached 27.6 million units in 2024, representing a year-on-year increase of 5.8%. The used car market, as a stock market in automotive industry, has faced challenges from continued price reductions in the new cars. Nevertheless, with the release of replacement demand and ongoing advancement of policy incentives, it has maintained a steady and progressive growth trend. In 2024, the transaction volume of used passenger vehicles totaled 15.7 million units, reflecting year-on-year growth of 6.1%.

In the structural upgrade of the automotive market, NEVs have become a major growth driver for the industry, delivering robust performance throughout 2024. According to the China Passenger Car Association (CPCA), NEV retail sales reached 10.9 million units, a year-on-year growth of 40.7%. Domestic brands, leveraging high-quality products and price advantages, gained stronger consumer recognition, leading to a steady rise in market share. The ongoing improvements of charging infrastructure is also progressively meeting the demand of the rapidly developing NEV market, providing a solid foundation for further proliferation. According to CPCA, NEV penetration rates climbed steadily, exceeding 50% for several consecutive months.

The booming NEV market has not only become a crucial driving force in the domestic automotive sector but is also gaining prominence in international markets, serving as a key driver for the growth of Chinese automotive exports. According to the CAAM, China's auto exports in 2024 reached 5.9 million units, representing a year-on-year growth of 19.3%. In recent years, Chinese automakers have rapidly ascended in international markets through competitive pricing and localization strategies. This has not only successfully enhanced the global reputation of "Made in China" but also accelerated the export of technology and the internationalization of brands. This progress has laid a solid foundation for the transformation of China's automotive industry from a "manufacturing giant" to a "brand powerhouse," injecting new vitality and diversity into the global automotive industry landscape.

Automotive finance is pivotal to the transformation and upgrading of the industry. As competition intensifying, the sales and service segment are increasingly dependent on financial services to boost profitability. Consequently, for players in the auto finance sector, commissions have become a key competitive factor, making efficient channel management a crucial aspect of business decision-making. From an overall market perspective, the automotive finance system is evolving to be increasingly sophisticated. Stakeholders in the automotive finance sector are actively exploring new products and services to promote vehicle trade-ins and consumption upgrades. Looking ahead, as the penetration rate of automotive finance steadily increases, its role in supporting the development of the real economy will become even more pronounced.

POLICY STIMULUS

In 2024, central and local governments introduced a comprehensive series of multi-level, systematic support policies aimed at promoting the high-quality development of automotive industry and consumption upgrades. These policies cover areas such as trade-in programs, the promotion of NEVs, and automotive finance. The implementation of these policies provided strong support for driving the high-quality development of the automotive industry chain.

The trade-in policy emerged as a key driver of market activity in 2024. In April, seven ministries, including the Ministry of Commerce and the Ministry of Finance, jointly issued the《Implementation Details of Trade-In Subsidy for Cars》(《汽車以舊換新補貼實施細則》), officially launching the trade-in subsidy program. Local governments actively implemented these measures, offering regional subsidies to accelerate vehicle replacement and upgrades. In July, the National Development and Reform Commission (NDRC) and the Ministry of Finance introduced the《Measures to Strengthen Support for Large-Scale Equipment Upgrades and Trade-Ins for Consumer Goods》(《關於加力支持大規模設備更新和消費品以舊換新的若干措施》), further enhancing incentives for equipment renewal. In August, the Ministry of Commerce and six other departments had issued the《Notice on Further Enhancing the Trade-In of Old Vehicles for New Ones 》(《關於進一步做好汽車以舊換新工作的通知》), raising subsidy standards for scrappage and upgrades while increasing central government funding support.

The rapid development of NEVs has been closely tied to multi-dimensional, systematic support policies at the national level. In May 2024, the State Council issued the "2024-2025 Energy Conservation and Carbon Reduction Action Plan," (《2024 – 2025 年節能降碳行動方案》) calling for the gradual removal of local NEV purchase restrictions and the implementation of policies to facilitate NEV usage, further promoting their adoption and application. In July 2024, the Central Committee of the Communist Party of China and the State Council emphasized expanding green consumption in their "Opinions on Accelerating the Comprehensive Green Transformation of Economic and Social Development," (《關於加快經濟社會發展全面綠色轉型的意見》) introducing initiatives such as the 'new energy vehicles in rural areas' programs.

Infrastructure development for NEVs also received significant attention. In July 2024, the NDRC and other departments outlined nine special initiatives in the "Action Plan for Accelerating the Development of New Power Systems (2024-2027)," (《加快構建新型電力系統行動方案(2024 – 2027年)》) specifying the expansion of the NEVs charging infrastructure network. In October 2024, the People's Bank of China, the Ministry of Ecology and Environment, the National Financial Regulatory Administration, and the China Securities Regulatory Commission jointly issued the "Opinions on Leveraging Green Finance to Support the Construction of a Beautiful China." (《關於發揮綠色金融作用服務美麗中國建設的意見》) This document emphasized accelerating the construction of charging and battery-swapping infrastructure, advancing innovation in NEV technologies, and promoting green and low-carbon development. These measures aim to support the construction of a Beautiful China through the high-quality development of green finance.

Automotive finance plays a pivotal role in extending the automotive industry chain and driving consumption upgrades. In April 2024, the People's Bank of China and the National Financial Regulatory Administration jointly issued the "Notice on Adjusting Policies Related to Auto Loans," (《關於調整汽車貸款有關政策的通知》) optimizing the maximum loan-to-value ratio for car loans and encouraging financial institutions to integrate scenarios such as vehicle trade-ins. The notice also emphasized innovation in financial products and services. In September 2024, the National Financial Regulatory Administration released the "Notice on Promoting Non-Bank Financial Institutions' Support for Large-Scale Equipment Upgrades and Consumer Goods Trade-In Actions," (《關於促進非銀行金融機構支持大規模設備更新和消費品以舊換新行動的通知》) urging non-bank institutions to support equipment upgrades and trade-ins. it also encouraged consumer finance and auto finance companies to provide relevant consumer credit and auto finance services.

The digital transformation and upgrading of financial institutions have injected new momentum into the development of the automotive industry. In March 2024, the Government Work Report emphasized enhancing the financial system's risk resilience capabilities, utilizing financial technology and data elements to improve financial institutions' risk monitoring and fraud prevention capabilities. In November 2024, the People's Bank of China, together with six other departments, released the 'Action Plan for Promoting High-Quality Development of Digital Finance'《推動數字金融高質量發展行動方案》, proposing a systematically advancement of financial institutions' digital transformation, strengthening digital technology support capabilities, and building a robust digital financial service ecosystem.

BUSINESS REVIEW

In 2024, despite a complex macroeconomic environment and intensifying industry competition, Yixin Group maintained stable development momentum. The FinTech (SaaS) business continued to serve as the core engine for the group's expansion, while its new energy vehicle business delivered exceptional performance, revealing strong growth potential. Meanwhile, the Group deepened its focus on value-added services, enhancing its service system to cover the entire customer lifecycle and elevating the overall customer experience. By seizing opportunities amidst challenges, Yixin Group laid a solid foundation for future high-quality development.

AUTO FINANCING TRANSACTIONS

	Year ended December 31,					
	2024		2023		Year-on-year	
	Number of financing transactions	**Financing amount**	Number of financing transactions	Financing amount	Number of financing transactions	Financing amount
	'000	***RMB'000***	*'000*	*RMB'000*	*%*	*%*
New vehicles	**376**	**38,698,469**	399	40,205,373	-6%	-4%
Used vehicles	**350**	**30,444,759**	279	25,744,014	25%	18%
Total	**726**	**69,143,228**	678	65,949,387	7%	5%
NEV[1]	**175**	**17,921,608**	116	12,405,367	51%	44%

Note:

(1) NEV encompasses both new and used vehicles

Our total financing transactions increased by 7% year-on-year to 726 thousand for the Reporting Period, compared to 678 thousand for the same period last year. The total financing amount increased by 5% year-on-year to RMB69.1 billion for the Reporting Period, compared to RMB65.9 billion for the same period last year.

In 2024, the automotive market faced dual challenges of weak intrinsic consumption propensity and heightened competition. Additionally, the automotive financial services sector underwent changes in key product parameters such as interest rates, down payment requirements, and loan tenors. In response to these macroeconomic shifts and market volatility, we implemented timely adjustments to our growth strategy to ensure sustainable development.

For new vehicle financing, we aligned with the industry's shift toward localization and electrification. By focusing on partnerships with mainstream brands and sales network, we maintained the profitability of our new vehicle portfolio. Our new vehicle financing transactions decreased by 6% year-on-year to 376 thousand for the Reporting Period, compared to 399 thousand for the same period last year. The financing amount decreased by 4% year-on-year to RMB38.7 billion for the Reporting Period, compared to RMB40.2 billion for the same period last year.

For used vehicle financing, we adopted a differentiated competitive strategy by expanding our reach to more long-tail customers. Leveraging on our extensive industry experience and technology capabilities accumulated over years, we implemented accurate risk based pricing to generate reasonable returns and ensure long-term healthy growth. Our used vehicle financing transactions increased by 25% year-on-year to 350 thousand for the Reporting Period, compared to 279 thousand for the same period last year. As a result, the proportion of our used vehicle financing business in our total vehicle financing transactions increased to 48% for the Reporting Period. Compared to developed markets, China's used car market shows substantial growth potential, particularly considering vehicle ownership levels and the ratio of used-to-new car sales. With ongoing improvements in the policy framework and credit infrastructure, we anticipate expanding opportunities in used car financing sector. We remain committed to strengthening our leading position in this promising market through continued strategic investments.

The Group also introduced multiple value-added offerings like battery GAP insurance, further enhancing our service chain. Looking ahead, Yixin Group will sharpen its focus on customer experience, ensuring our services meet the evolving needs of our clients. We are committed to further strengthening our market competitiveness and brand influence, actively promoting innovation and contributing to high-quality growth.

SAAS SERVICES

Leveraging its deep expertise in automotive finance, the Group has built a FinTech platform for commercial banks, OEMs, and other partners, positioning itself as one of the few full-cycle solution providers in the automotive finance sector. Powered by advanced technology, the platform has developed a comprehensive solution framework that encompasses scenario-specific engagement, intelligent decision-making, and asset operations. This framework can provide standardized solutions alongside tailored customization to strengthen their operational resilience.

We empower financial institutions with core capabilities in automobile finance business – such as robust direct customer acquisition, comprehensive channel management, and vertical risk modeling. Via our SaaS model, we assist these financial institutions in developing the capacity for independent credit evaluation and enhancing their risk management accountability. This is in line with the latest regulatory guidelines.

As market recognition of our FinTech business continues to grow, economy scale is becoming increasingly evident, with bilateral network effects and data flywheels further amplifying the advantages of declining marginal cost. By the end of 2024, we had established collaborations with nearly 60 institutions, further solidifying our market position and industry influence.

In 2024, our FinTech business sustained strong growth momentum, becoming a key driver of the company's overall performance. In 2024, financing amount facilitated through the FinTech platform totaled RMB21.1 billion, showing significant year-on-year growth. The FinTech business recorded revenue of RMB1.8 billion during the Reporting Period, marking a year-on-year growth of 290%. These achievements fully demonstrate the stability and sustainability of our FinTech model across market cycles.

As the business evolved, our FinTech services gradually developed into two distinct business models. The first is the "pure technology" solution, where we offer technology solutions to partners, such as the risk control models supplied to Porsche's leasing division, which helped them effectively identify high-quality customers. The second model is the "traffic + technology" solution, which not only facilitates transactions but also provides additional technological empowerment. For example, through our strategic partnership, the commercial banks like Bank of Ningbo, can instantly access plug-and-play automotive finance solutions. In 2024, the pure technology model facilitated RMB1.8 billion by financing amount, while the "traffic + technology" model contributed RMB19.2 billion.

Key Indicators of Fintech Core Customers[1]

	Year ended December 31,		
	2024	2023	Year-on-year
	RMB'000, except for percentage	*RMB'000, except for percentage*	*%*
Average revenue per core customers	**103,946**	44,727	132%
Percentage of Revenue from core customers	**98%**	97%	–

Note:

(1) Core customers refer to those for whom the financing amount facilitated exceeds RMB100 million during the reporting period.

During the Reporting period, the number of core customers connected to our FinTech platform increased to 17, up from 10 in 2023. These customers accounted for 98% of the total revenue from our FinTech business. The average revenue per core customer (ARPCC) rose significantly to approximately 104 million in 2024, compared to 45 million in 2023, highlighting the strengthening connections between customers and our FinTech platform.

Looking ahead, we will continue to onboard more institutions into our platform, including but not limited to banks and automakers, boosting our market reputation and brand visibility. We will actively leverage cutting-edge technologies such as AI to enhance module functionalities and broaden the scope of our services, and inject more innovative momentum into the industry's digital development.

Technological Innovation and AI Practices

Yixin, as a specialized automotive financial technology platform, is the vanguard of the industry's technological innovation and digital transformation. Leveraging years of experience in automotive finance, the company accomplished a significant milestone in 2024 by successfully developing "Zhixin Duowei (智鑫多維)", the industry's first multimodal large model in the automotive domain. This model has been officially registered with the Cyberspace Administration of China.

The Group's intelligent robot platform serves as the cornerstone for the application of our large model technology. The AI applications developed by Yixin have been widely adopted across diverse scenarios and throughout the entire value chain of our business. By harnessing advanced technologies such as voice recognition, natural language processing, knowledge graphs, and reinforcement learning, our AI agents substantially boost operational efficiency and elevate customer satisfaction in key areas including marketing, risk management, customer service, and asset management. For instance, our AI Call Service has completed over 82 million calls, and the AI Quality Inspection Agent saves approximately 70 man-months of workload each month.

Yixin's robust R&D capabilities and extensive patent portfolio keep the company at the forefront of industry technology. Moving forward, the Group will continue to explore the commercialization of technological capabilities and AI products. This will not only enhance internal efficiency but also drive digital transformation across the industry, leading the automotive finance sector into a new era of intelligent development.

NON-IFRSs FINANCIAL MEASURES

To supplement our consolidated financial statements, which are prepared in accordance with the IFRSs, certain additional non-IFRSs financial measures (in terms of adjusted operating profit and adjusted net profit) have been presented in this announcement. These unaudited non-IFRSs financial measures should be considered in addition to, not as a substitute for, measures of the Group's financial performance prepared in accordance with the IFRSs. We believe that these non-IFRSs measures provide additional information to investors and others in understanding and evaluating our consolidated financial information of operations in the same manner as they help our management compare our financial results across accounting periods and with those of our peer companies. In addition, these non-IFRSs financial measures may be defined differently from similar terms used by other companies.

Adjusted operating profit eliminates the effect of certain non-cash items and one-time events, namely fair value changes arising from investee companies, impairment loss on investment in an associate, negative goodwill in relation to bargain purchase, amortization of intangible assets resulting from asset and business acquisitions and share-based compensation expenses ("**Adjusted Operating Profit**"). Adjusted net profit eliminates the effect of the aforesaid items and any related tax impact ("**Adjusted Net Profit**"). The terms Adjusted Operating Profit and Adjusted Net Profit are not defined under the IFRSs. The use of Adjusted Operating Profit and Adjusted Net Profit has material limitations as an analytical tool, as they do not include all items that impact our profit for the relevant periods. The effect of items eliminated from Adjusted Operating Profit and Adjusted Net Profit is a significant component in understanding and assessing our operating and financial performance.

In light of the foregoing limitations for Adjusted Operating Profit and Adjusted Net Profit, when assessing our operating and financial performance, you should not view Adjusted Operating Profit in isolation or as a substitute for our operating profit, nor should you view Adjusted Net Profit in isolation or as a substitute for our net profit or any other operating performance measure that is calculated in accordance with IFRSs. In addition, because these non-IFRSs measures may not be calculated in the same manner by all companies, they may not be comparable to other similarly titled measures used by other companies.

The following tables reconcile our Adjusted Operating Profit and Adjusted Net Profit for the periods presented to the most directly comparable financial measures calculated and presented in accordance with the IFRSs. Adjusted Operating Profit and Adjusted Net Profit are not required by, or presented in accordance with the IFRSs.

ADJUSTED OPERATING PROFIT

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Operating profit	**1,133,604**	689,258
Add:		
Fair value changes arising from investee companies	**100,254**	84,190
Impairment loss on investment in an associate	**12,031**	–
Amortization of intangible assets resulting from asset and business acquisitions	**239,266**	242,693
Negative goodwill in relation to bargain purchase	**(100,992)**	–
Share-based compensation expenses	**54,247**	74,750
Adjusted operating profit	**1,438,410**	1,090,891

Our adjusted operating profit was RMB1,438 million for the Reporting Period, compared to RMB1,091 million for the year ended December 31, 2023. The increase was mainly due to the increase in revenue.

ADJUSTED NET PROFIT

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Net profit	**809,938**	554,958
Add:		
Fair value changes arising from investee companies	**71,732**	51,827
Impairment loss on investment in an associate	**12,031**	–
Amortization of intangible assets resulting from asset and business acquisitions	**239,175**	242,602
Negative goodwill in relation to bargain purchase	**(100,992)**	–
Share-based compensation expenses	**46,920**	60,663
Adjusted net profit	**1,078,804**	910,050

Our adjusted net profit was RMB1,079 million for the Reporting Period, compared to RMB910 million for the year ended December 31, 2023. The increase was mainly due to the increase in revenue.

YEAR ENDED DECEMBER 31, 2024 COMPARED TO YEAR ENDED DECEMBER 31, 2023

The following table sets forth the comparative figures for the years ended December 31, 2024 and 2023.

	Year ended December 31,		
	2024	2023	Year-on-year
	RMB'000	*RMB'000*	*%*
Revenues	**9,887,733**	6,685,971	48%
Cost of revenues	**(5,251,462)**	(3,438,823)	53%
Gross profit	**4,636,271**	3,247,148	43%
Selling and marketing expenses	**(1,020,334)**	(1,051,132)	-3%
Administrative expenses	**(443,412)**	(351,506)	26%
Operation and servicing expenses	**(286,118)**	(278,225)	3%
Research and development expenses	**(232,581)**	(193,858)	20%
Credit impairment losses	**(1,565,379)**	(728,733)	115%
Other income and other gains, net	**45,157**	45,564	-1%
Operating profit	**1,133,604**	689,258	64%
Finance cost, net	**(28,475)**	(15,175)	88%
Share of (losses)/profits of investments accounted for using the equity method	**(15,607)**	34,741	-145%
Profit before income tax	**1,089,522**	708,824	54%
Income tax expense	**(279,584)**	(153,866)	82%
Profit for the period	**809,938**	554,958	46%
Non-IFRSs measure			
Adjusted operating profit	**1,438,410**	1,090,891	32%
Adjusted net profit	**1,078,804**	910,050	19%

REVENUES

Our total revenues increased by 48% year-on-year to RMB9,888 million for the Reporting Period, compared to RMB6,686 million for the year ended December 31, 2023. Both self-operated financing business and transaction platform business have grown. The following table sets forth the comparative figures for the years ended December 31, 2024 and 2023.

	Year ended December 31,				
	2024			2023	
	RMB'000	***% of total revenues***	***Year-on-year***	*RMB'000*	*% of total revenues*
Revenues					
Transaction platform business					
Loan Facilitation Services	**4,317,600**	**44%**	**25%**	3,445,250	52%
SaaS Services	**1,803,835**	**18%**	**290%**	462,679	7%
Other Platform Services	**1,772,979**	**18%**	**49%**	1,188,642	17%
Guarantee services	**1,523,868**	**15%**	**58%**	963,216	14%
Value-added services	**249,111**	**3%**	**11%**	225,426	3%
Subtotal	**7,894,414**	**80%**	**55%**	5,096,571	76%
Self-operated financing business					
Financing Lease Services	**1,960,214**	**20%**	**25%**	1,570,398	23%
From new transactions during the period	**757,908**	**8%**	**0%**	755,808	11%
From existing transactions in prior periods	**1,202,306**	**12%**	**48%**	814,590	12%
Other Self-operated Services[(1)]	**33,105**	**0%**	**74%**	19,002	1%
Subtotal	**1,993,319**	**20%**	**25%**	1,589,400	24%
Total	**9,887,733**	**100%**	**48%**	6,685,971	100%

Note:

(1) Include revenues from operating lease services, automobile sales and other revenues.

Transaction platform business

Revenues from our transaction platform business increased by 55% year-on-year to RMB7,894 million for the Reporting Period, compared to RMB5,097 million for the year ended December 31, 2023, mainly due to the increase in revenue of our SaaS services and guarantee services. Our transaction platform business contributed 80% of total revenues for the Reporting Period, compared to 76% for the year ended December 31, 2023.

Revenues from our loan facilitation services increased by 25% year-on-year to RMB4,318 million for the Reporting Period, compared to RMB3,445 million for 2023, mainly due to the increase in extended contract tenors as well as growth in higher-margin used-car loan facilitation.

Revenues from our SaaS services demonstrated significant growth, reaching RMB1,804 million in 2024, supported by a facilitated transaction amount of RMB21.1 billion. This represents a 290% year-over-year revenue increase and a 107% expansion in transaction scale. Notably, the take rate (calculated as SaaS revenue divided by facilitated transaction amount) rose to 8.6% in 2024, compared to 4.5% for the year ended December 31, 2023. The substantial growth of facilitated transaction is primarily attributed to our collaboration with an expanded network of funding partners, and the improved take rate reflects the diversification of capital providers catering to varying risk profiles, coupled with tailored solutions aligned with distinct customer segments.

Revenues from our other platform services increased by 49% to RMB1,773 million for the Reporting Period, compared to RMB1,189 million for the year ended December 31, 2023, mainly due to the increase in revenue from guarantee services. Our revenue from guarantee services was RMB1,524 million for the Reporting Period, which increased by 58% from RMB963 million for the year ended December 31, 2023, mainly due to the increase in the number of customers with guarantees.

Self-operated financing business

Revenues from our self-operated financing business increased by 25% year-on-year to RMB1,993 million for the Reporting Period, compared to RMB1,589 million for 2023, primarily due to the increase in revenues from existing financing lease transactions in prior Period.

Revenues from our financing lease services increased by 25% year-on-year to RMB1,960 million for the Reporting Period, compared to RMB1,570 million for the year ended December 31, 2023, due to the increase in finance receivables. The adjusted average yield of our net finance receivables(1) was 9.4% for the Reporting Period, compared to 9.8% for the year ended December 31, 2023. The lower yield was mainly driven by a higher proportion of new car in the finance receivables portfolio, which typically carry lower interest rates compared to used car.

Note:

(1) Calculated by dividing revenues before the deduction of amortized directly attributable costs from financing lease services by quarterly average balance of net finance receivables

COST OF REVENUES

For the Reporting Period, the Group's cost of revenues was RMB5,251 million, representing an increase of 53% compared to RMB3,439 million for the year ended December 31, 2023, primarily due to the increase in commissions associated with transaction platform business, and funding costs associated with self-operated financing services. Commissions increased to RMB4,138 million from RMB2,545 million in 2023, mainly due to the rising competition in the industry. Funding costs increased to RMB1,007 million from RMB782 million in 2023, resulting from increasing borrowings to support the growth of our self-operated financing business. The average cost rate[1] of the Group decreased to 4.5% for the Reporting Period, compared to 4.9% for the same period last year, mainly due to an upgrade in the Group's credit rating attributable to the continuous improvement of asset quality. The following table sets out the cost details of each business type during the period shown:

	Year ended December 31,				
	2024			2023	
	RMB'000	***% of total cost***	***Year-on-year***	*RMB'000*	*% of total cost*
Cost of revenues:					
Transaction platform business	**4,204,991**	**80%**	**61%**	2,616,234	76%
Self-operated financing business	**1,046,471**	**20%**	**27%**	822,589	24%
Total	**5,251,462**	**100%**	**53%**	3,438,823	100%

GROSS PROFIT AND MARGIN

	Year ended December 31,			
	2024		2023	
	RMB'000	***Margin***	*RMB'000*	*Margin*
Segment gross profit and gross profit margins				
Transaction platform business	**3,689,423**	**47%**	2,480,337	49%
Self-operated financing business	**946,848**	**48%**	766,811	48%
Total	**4,636,271**	**47%**	3,247,148	49%

For the Reporting Period, the Group's gross profit was RMB4,636 million, representing an increase of RMB1,389 million or 43% compared to RMB3,247 million for the year ended December 31, 2023. For the Reporting Period and the year ended December 31, 2023, the Group's gross profit margin was 47% and 49%, respectively.

Notes:

(1) Calculated by dividing funding costs by quarterly average balance of interest-bearing liabilities.

Transaction platform business

The gross profit margin of our transaction platform business was affected by the change of net take rate. The following table sets forth the net take rate during the periods indicated below.

	2024	2023	*Change %*
Net take rate[(1)]	**3.7%**	2.9%	0.8%

Net take rate of the Group for 2024 increased by 0.8 percentage points to 3.7% as compared with the previous year, which was primarily driven by a reduction in funding costs from cooperative financial partners, coupled with an expanded service fee margin resulting from a higher proportion of used car financing.

Note:

(1) Calculated by dividing revenues exclude commissions from our loan facilitation services and SaaS services by financing amounts from our transaction platform business.

Self-operated financing business

The gross profit margin of our self-operated financing business was affected by the change of net interest spread. The following table sets forth the net interest spread during the periods indicated below.

	2024	2023	*Change %*
Net interest spread[(2)]	**4.9%**	4.9%	0%

Net interest spread of the Group for 2024 remained stable at 4.9% in 2024, consistent with the previous year. This was primarily due to a 0.4 percentage point decrease in the average cost of interest-bearing liabilities, which was offset by a corresponding 0.4 percentage point decline in the average yield on finance receivables.

Notes:

(2) Calculated as the difference between the adjusted average yield and the average cost rate.

SELLING AND MARKETING EXPENSES

Selling and marketing expenses decreased by 3% year-on-year to RMB1,020 million for the Reporting Period, compared to RMB1,051 million for the year ended December 31, 2023, primarily due to the decrease in marketing and advertising expenditures, share-based compensation expenses, and partially offset by the increase in salaries. Share-based compensation expenses for our sales and marketing personnel were RMB14 million for the Reporting Period, compared to RMB26 million for the year ended December 31, 2023. After eliminating the effect of certain non-cash items, namely amortization of intangible assets resulting from asset and business acquisitions and share-based compensation expenses, the selling and marketing expenses decreased by 2% year-on-year to RMB767 million for the Reporting Period, compared to RMB783 million for the year ended December 31, 2023.

ADMINISTRATIVE EXPENSES

Our administrative expenses increased by 26% year-on-year to RMB443 million for the Reporting Period, compared to RMB352 million for the year ended December 31, 2023, primarily due to the increase in salaries and professional service expenses. Share-based compensation expenses for our administrative personnel were RMB31 million for the Reporting Period, compared to RMB31 million for the year ended December 31, 2023. After eliminating the effect of certain non-cash items, namely amortization of intangible assets resulting from asset and business acquisitions and share-based compensation expenses, the administrative expenses increased by 29% year-on-year to RMB412 million for the Reporting Period, compared to RMB320 million for the year ended December 31, 2023.

OPERATION AND SERVICING EXPENSES

Our operation and servicing expenses increased by 3% from RMB278 million for the year ended December 31, 2023 to RMB286 million for the year ended December 31, 2024, primarily due to the increase of asset balance, partially offset by our expense control measures leveraging AI-powered intelligent technologies to optimize operational efficiency.

RESEARCH AND DEVELOPMENT EXPENSES

Our research and development expenses increased by 20% year-on-year to RMB233 million for the Reporting Period, compared to RMB194 million for the year ended December 31, 2023, primarily due to the increase in salaries and professional service expenses. Share-based compensation expenses for our research and development personnel were RMB9 million for the Reporting Period, compared to RMB18 million for the year ended December 31, 2023. After eliminating the effect of certain non-cash item, namely share-based compensation expenses, research and development expenses increased by 27% year-on-year to RMB223 million for the Reporting Period, compared to RMB176 million for the year ended December 31, 2023, primarily due to the increase of research and development input in respect of the FinTech team.

CREDIT IMPAIRMENT LOSSES

Credit impairment losses increased by approximately 115% year-on-year to RMB1,565 million for the Reporting Period, compared to RMB729 million for the year ended December 31, 2023, which was primarily attributable to two key factors: the growth in the asset balance and the prudent enhancement of the provision coverage ratio as a risk mitigation measure against heightened economic uncertainties. The following table sets forth a breakdown of the provision for assets of the Group for the periods indicated:

	For the year ended 31 December				
	2024		2023		
	RMB'000	***% of total***	*RMB'000*	*% of total*	*Change %*
Provision for finance receivables	**584,472**	**37.34%**	422,507	60.72%	32.08%
Reversal of finance receivable after write-off	**(59,706)**	**-3.81%**	(148,797)	-20.42%	-59.87%
Provision for other receivables	**382,996**	**24.47%**	276,981	38.01%	38.28%
Provision for risk assurance liabilities	**645,949**	**41.26%**	158,059	21.69%	308.68%
Provision for trade receivables	**11,668**	**0.76%**	(17)	0.00%	N/A
Total	**1,565,379**	**100.00%**	728,733	100.00%	114.81%

OTHER INCOME AND OTHER GAINS, NET

Our other income and other gains, net decreased by 1% year-on-year to RMB45 million for the Reporting Period, compared to RMB46 million for the year ended December 31, 2023. A new gain from a bargain purchase was offset by larger fair value losses on financial assets and net foreign exchange losses, leading to this overall decline.

OPERATING PROFIT

Our operating profit for the Reporting Period was RMB1,134 million, compared to RMB689 million for the year ended December 31, 2023, mainly due to the increase in gross profit.

FINANCE COST, NET

Our finance cost, net for the Reporting Period was RMB28 million, compared to RMB15 million for the year ended December 31, 2023, mainly due to the increase in operational borrowings which attributed to the expansion of the company's business activities.

INCOME TAX EXPENSE

Our income tax expense was RMB280 million for the Reporting Period, compared to RMB154 million for the year ended December 31, 2023. This was mainly due to the increase in profit before income tax and the occurrence of certain expenses for which deferred income assets could not be recognized during the Reporting Period.

PROFIT FOR THE PERIOD

Our profit was RMB810 million for the Reporting Period, compared to RMB555 million for the year ended December 31, 2023, due to the increase in gross profit.

DIVIDEND

The Board has recommended the payment of a final dividend of HK6.5 cents per Share and a special dividend of HK6.5 cents per Share for the year ended December 31, 2024 (2023: a final dividend of HK3.00 cents per Share). The total amount of the proposed final and special dividends is approximately HK$878.5 million (equivalent to approximately RMB810.9 million) (2023: the total amount of final dividends is approximately HK$195.7 million), which is based on 6,757,594,701 Shares in issue on February 27, 2025.

SELECTED FINANCIAL INFORMATION FROM OUR CONSOLIDATED BALANCE SHEET

	As at December 31,		
	2024	2023	Year-on-year
	RMB'000	*RMB'000*	*%*
Carrying amount of finance receivables	**28,117,882**	23,884,879	18%
Cash and cash equivalents	**4,212,760**	3,479,550	21%
Total borrowings	**26,948,957**	23,155,782	16%
Current assets	**22,949,977**	21,266,259	8%
Current liabilities	**18,305,774**	15,990,417	14%
Net current assets	**4,644,203**	5,275,842	-12%
Total equity	**16,480,133**	15,765,170	5%

FINANCE RECEIVABLES

We provide financing lease services in our self-operated financing business segment, and in return, customers pay us interest and principal monthly. Our carrying amount of finance receivables increased to RMB28.1 billion as at December 31, 2024, compared to RMB23.9 billion as at December 31, 2023.

The following table sets forth our net finance receivables and the amount of provision for expected credit losses and the corresponding provision to net finance receivables ratios as at the dates indicated:

	As at December 31,	
	2024	2023
	(RMB'000, except for percentage)	
Finance receivables, net (ending balance)	**29,050,309**	24,639,182
Provision for expected credit losses (ending balance)	**(932,427)**	(754,303)
Provision to net finance receivables ratio[1]	**3.21%**	3.06%

Note:

(1) Provision for expected credit losses divided by net finance receivables.

Maturity Profile

The following table sets forth the maturity profile of the net finance receivables as of the dates indicated:

	December 31, 2024		December 31, 2023	
	RMB'000	***% of total***	*RMB'000*	*% of total*
Maturity date				
Within 1 year	**10,587,862**	**36.45%**	9,618,946	39.04%
1 to 2 years	**7,888,941**	**27.16%**	6,665,509	27.05%
2 to 3 years	**5,376,668**	**18.51%**	4,530,717	18.39%
Above 3 years	**5,196,838**	**17.88%**	3,824,010	15.52%
Total	**29,050,309**	**100.00%**	24,639,182	100.00%

Net finance receivables due within one year represent net finance receivables which the Group will receive within one year as of the reporting dates indicated. As of December 31, 2024, net finance receivables due within one year as set forth in the table above represented 36.45% of the Group's net finance receivables, which decreased as compared to the end of the previous year, primarily due to the increase of finance receivables with longer financing terms. In addition, with the stimulus and supportive policies of the auto industry, we facilitated approximately 162 thousand financed transactions through self-operated financing business for the Reporting Period, which contributes to the increase of net finance receivables due after one year and beyond. The evenly distributed maturity of the Group's net finance receivables could provide the Group with healthy liquidity and sustainable cash inflows.

OFF BALANCE-SHEET LOANS

Under the arrangements with certain financial institutions for transaction platform business, the Group is obligated to purchase the relevant loans upon certain specified events of default by car buyers. As of December 31, 2024, the total outstanding balance of loans funded by financial institutions under such arrangements was RMB73.9 billion. As of December 31, 2024, the risk assurance liabilities recognized by the Group under such financial guarantee contracts was RMB2.3 billion.

The asset performance of our financed transactions depends on our customer's repayment capability and willingness to pay. However, it is also affected by the uncertainties of the macro environment, which may change customer income status. The quality of the portfolio as well as the expected volatility ahead have been taken into consideration in the increase in our provision of finance receivables and risk assurance liabilities.

DAY PAST DUE RATIO

The following table sets forth past due ratios for all financed transactions through both our self-operated financing lease services and our transaction platform business to facilitate assessment of the overall quality of our financed transactions:

	December 31, 2024	December 31, 2023
Past due ratio:		
180+ days(1)	**1.39%**	1.49%
90+ days (including 180+ days)(2)	**1.86%**	1.89%

Notes:

(1) 180+ days past due net finance receivables from our self-operated financing lease services and past due outstanding loan balances from our loan facilitation service divided by total net finance receivables and outstanding loan balances.

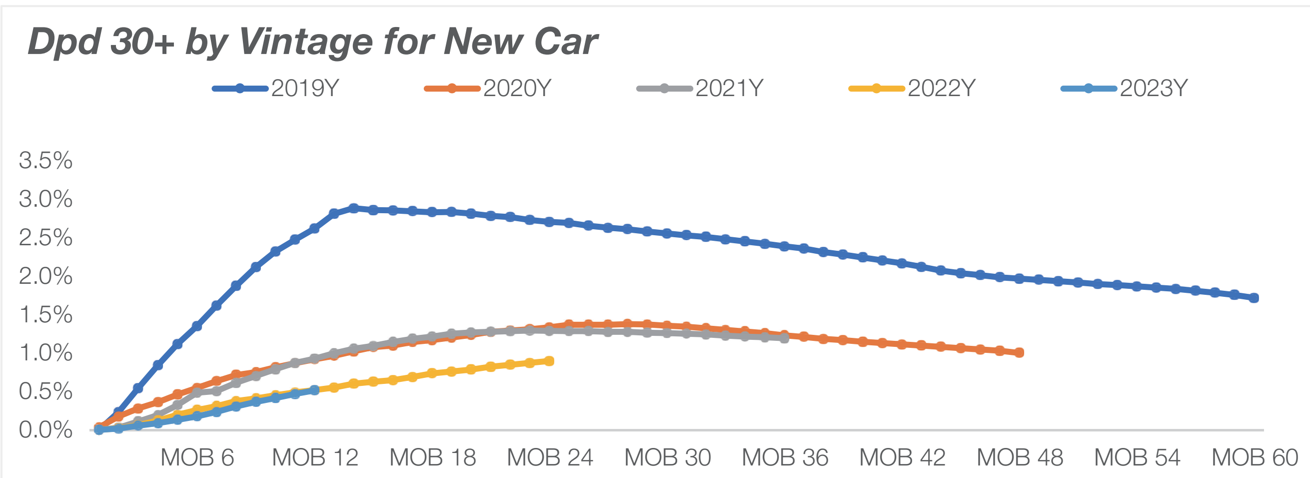
(2) 90+ days (including 180+ days) past due net finance receivables from our self-operated financing lease services and past due outstanding loan balances from our loan facilitation service divided by total net finance receivables and outstanding loan balances.

As at December 31, 2024, our 180+ days past due ratio and 90+ days (including 180+ days) past due ratio for all financed transactions through both our self-operated financing lease services and loan facilitation services were 1.39% and 1.86%, respectively (December 31, 2023: 1.49% and 1.89%, respectively). The asset quality remained resilient due to the effective response we have taken along the business procedure. The Group proactively tightens the standards of underwriting considering the uncertainties of macro-economic environment in 2024. Through our newly launched early warning and decision-making engine, we could approach delinquent customers at early stage.

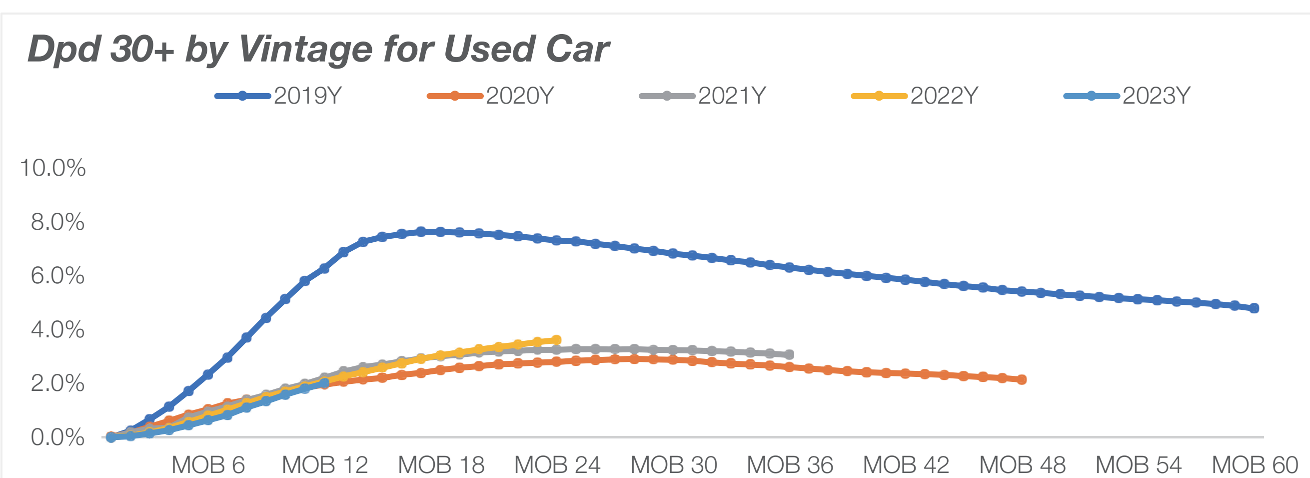
DAY PAST DUE RATIO BY VINTAGE

DPD 30+ delinquency rates by vintage is defined as the total balance of outstanding principal of a vintage for which any payment is over 30 calendar days past due as of a particular date (adjusted to reflect total amount of recovered principal after write-offs), divided by the total initial principal in such vintage. Months on book, or MOB, is the number of complete calendar months that have elapsed since the calendar month in which the assets was originated, measured at the end of each calendar month.

The following chart depicts the DPD 30+ delinquency rates by vintage as of December 31, 2024, for all new car financing that have been originated by us.



The following chart depicts the DPD 30+ delinquency rates by vintage as of December 31, 2024, for all used car financing that have been originated by us.



Internal Control

The Company has developed comprehensive risk management and internal control systems to address the credit risks that the Company is exposed to, being the Company's principal exposure. The Company has implemented the credit assessment process, which focuses on a consumer's ability and willingness to pay its financial obligations, and developed our data-driven credit assessment system, which is tailored to our business model. Our credit assessment and approval policies are similar across our service categories or product lines. While applicants may choose different financing product offerings based on their different financing needs, all applicants go through a similar credit assessment and approval process governed by similar policies and receive credit decisions, regardless of the product lines being applied for. We implement similar credit risk management measures across our service categories or product lines, by actively monitoring historical past due ratio and continuously improving our data analytics capabilities, as well as executing post-financing management and loss recovery measures by leveraging the vehicle telematics systems installed on all automobiles financed by us. For details, please refer to "Business – Risk Management and Internal Control – Credit Risk Management" of the Prospectus.

Further, the Group implemented classification management of finance receivables that accurately reveals the asset risk profile and tracks the quality of assets primarily by obtaining information on the qualification of assets. On such basis, we have deployed management resources and efforts in a focused manner to effectively implement measures on classification management and have strengthened risk expectation and the relevance of risk prevention to improve the ability to control asset risks.

We also continue to monitor and review the operation and performance of our risk management and internal control systems, and adapt to the changes in market conditions, our product and service offerings, and the regulatory environment. Since the listing of the Company on November 16, 2017, the Company has adopted a series of internal policies to further set out detailed procedures in relation to credit assessment and approval procedures, post-financing management and loss recovery.

Credit Assessment and Approval Procedures

Our credit assessment and approval procedures include: assessment and approval, request of settlement, and settlement.

Assessment and Approval

We use a holistic approach to implement our assessment and approval procedures, which consist of automatic preliminary assessment, screening, and manual assessment.

When an applicant submits an application through our online channels, we perform automated preliminary assessment based on the applicant's key information such as ID card and cell phone number through our anti – fraud system and credit scoring system. In the meantime, we will also check the applicant's credit report through the PBC Credit Reference Center and investigate any criminal track record from the public security system. The automatic assessment will yield a preliminary result on the creditworthiness of the applicant, based on which we will decide whether further manual assessment process is required. Our anti-fraud system and the credit scoring system collectively encompass over 40 models that analyze massive data including user profile, behavior data, credit data, consumption data and other information relating to the credit worthiness of applicants, as well as the specifics and valuation of the automobiles that the applicant is purchasing and the amount of down payment.

When an applicant submits an application through our network dealer, a service consultant will meet and communicate with the applicant face to face to form a preliminary judgment on the creditworthiness of the applicant, collect key information and required documents, and submit them to the Risk Management Center of the Company for assessment. We would conduct an automatic preliminary assessment based on the information and documents provided, as screening is not a standalone procedure during which we make credit assessment decisions.

After evaluating the results of automatic preliminary assessment, we will decide if additional information is needed to further assess the creditworthiness of the applicant. The information and documents we may need cover (i) information of the related automobile, (ii) credit profile of the applicant or the guarantor(s), if necessary, (iii) key leasing term including proper down-payment ratio, and (iv) completeness of the requested supporting documents and certificates. In addition, we may conduct telephone interviews or home visits in the manual assessment process, if necessary.

Request of Draw-down

We will not process the request of draw-down from an applicant unless each of the following requirements has been fulfilled:

- The automobile purchase agreement must be duly executed by the parties named in the approved application package.

- The invoice must be duly stamped. The transaction amount and the VIN on the invoice must be consistent with our records in the system.

- A valid repayment bank account must be available.

Draw-down of Loans

After a request of draw-down that satisfies our requirements has been duly processed, we will initiate the procedures for draw-down of the loan. We will not settle for an applicant unless each of the following requirements has been fulfilled:

- All the legal documents and agreements must have been duly signed with the witness by our own staff or the staff of the relevant dealership store and a photo of the onsite signing has been uploaded to our system.

- The underlying automobiles have been properly pledged to us, where appropriate.

- The required insurance policy and the vehicle telematics systems are in place.

Post-Financing Management

Our post-financing management process includes the following steps:

- Our post-financing management team will make welcome calls to our new consumers within 15 days after settlement in order to understand their customer experience as well as identify early stage of potential risks of delinquency.

- Our post-financing management team monitors the status of GPSs installed on the subject automobiles on a daily basis.

- In order to ensure that the consumers' repayments are on schedule, the post-financing service team will send reminders via text messages three days prior to the repayment due dates.

If any delinquency arises or we observed any abnormal behavior in consumers, we will initiate our collection process, which includes the following:

- our customer service team or outsourced call center team will remind the consumer of the repayment and send a collection notice to the said consumer within 10 days after the due date;

- our outsourced local collection specialists may conduct an on-site collection if there is any further delay;

- in the case of serious delinquency, based on the terms of the contract, we may investigate, monitor and track the automobile to re-possess the automobile directly and implement other necessary measures within the legal boundaries; and

- ultimately, we reserve the right to take legal action against the delinquent consumer.

Loss Recovery

Our asset management center is responsible for repossessing automobiles arising from overdue payments and disposing of such automobile via auction, consignment or re-acquisition. We will recover, minimise or mitigate our losses through such measures.

After our asset management center collects the automobile with the support of outsourced local collection specialists, it will assess the automobile condition and obtain proper third-party appraisal reports with respect to the automobile. We will enter into direct negotiation with the consumer to ascertain the possibility of re-acquisition of the automobile by the consumer. If the consumer waives the re-acquisition option or does not respond in time, the asset management center may assess the disposal value based on the relevant materials such as the used automobile appraisal reports. After the licenses and compliance status and the residual lease have been confirmed, the asset management center will initiate bidding for the repossessed automobile.

In the event that the financing receivable is overdue for 180 days, we may consider writing off the relevant receivable according to our leased assets impairment policy. Based on our past experience, we believe that financing receivables overdue for less than 180 days have viable likelihood of being collected, and we believe it is within industry practice to assess and consider writing off finance receivables that are past due for over 180 days.

CASH AND CASH EQUIVALENTS

As at December 31, 2024, our cash and cash equivalents amounted to RMB4,213 million, compared to RMB3,480 million as at December 31, 2023. The increase in cash and cash equivalents was mainly due to the improvement of profitability and working capital management.

As at December 31, 2024, RMB3,344 million of our cash and cash equivalents were denominated in RMB, compared to RMB3,115 million as at December 31, 2023.

Our net cash used in operating activities was RMB2.0 billion for the Reporting Period, compared to RMB8.7 billion for the year ended December 31, 2023, which was primarily driven by accelerated recovery of loan facilitation receivables due to enhanced collection measures, and a reduction in self-operated leasing activities.

BORROWINGS AND SOURCE OF FUNDS

By leveraging our leading industry position as well as continuously improved profitability and asset performance, we obtained more recognition by financial institutions and further expanded funding channels to support the funding needs of the Group.

As at December 31 2024, our total borrowings were RMB26.9 billion, compared to RMB23.2 billion, as at December 31, 2023. The increase was mainly due to the increase in the scale of business. Total borrowings were comprised of (i) asset-backed securities and asset-backed notes of RMB6.6 billion as at December 31, 2024; and (ii) bank loans and borrowings from other institutions of RMB20.3 billion. Asset-backed securities and asset-backed notes as a percentage of our total borrowings was 25% as at December 31, 2024.

As at December 31, 2024, Yixin, as the original owner and sponsor, has issued in aggregate 63 standardized products, totaling RMB58.5 billion, on the Shanghai Stock Exchange, National Association of Financial Market Institutional Investors, and Shanghai Insurance Exchange, etc. In February 2024, Yixin successfully issued its first medium-to-long-term private placement notes (PPN), marking a significant milestone in its credit financing journey. In November 2024, Yixin achieved another breakthrough by securing its first onshore RMB ESG-linked syndicated loan, amounting to RMB300 million with a 2-year tenor. In December 2024, Yixin made history by issuing its first offshore bond, which was also the first Japanese yen-denominated bond issued by the Group and the first sustainability-linked bond under the overseas donation mechanism for the Group. The bond, with an initial issuance size of JPY 4 billion and a 3-year tenor, set a precedent in the industry. This transaction supports Yixin's international business expansion and enhances its brand recognition across global markets.

NET CURRENT ASSETS

Our net current assets decreased by 12% to RMB4,644 million as at December 31, 2024, compared to RMB5,276 million as at December 31, 2023. Our current assets were RMB23.0 billion as at December 31, 2024, compared to RMB21.3 billion as at December 31, 2023, primarily due to the increase of the current portion of finance receivables. Our current liabilities were RMB18.3 billion as at December 31, 2024, compared to RMB16.0 billion as at December 31, 2023, primarily due to the new borrowings.

TOTAL EQUITY

Our total equity increased to RMB16.5 billion as at December 31, 2024, compared to RMB15.8 billion as at December 31, 2023, primarily due to the net profit incurred during the Reporting Period.

	As at December 31,	
	2024	2023
Current ratio (times)[(1)]	**1.25**	1.33
Gearing ratio[(2)]	**55%**	53%
Debt to equity ratio (times)[(3)]	**1.64**	1.47

Notes:

(1) Current ratio is our current assets divided by our current liabilities at the end of each financial period.

(2) Gearing ratio is net debt divided by total capital at the end of each financial period. Net debt is calculated as total borrowings plus lease liabilities, less our cash and cash equivalents and restricted cash. Total capital is calculated as total equity plus net debt.

(3) Debt to equity ratio is total borrowings plus lease liabilities divided by total equity at the end of each financial period.

Current Ratio

Our current ratio decreased to 1.25 as at December 31, 2024, compared to 1.33 as at December 31, 2023, mainly due to the increase in the current portion of borrowings of the Group.

Gearing Ratio

Our gearing ratio increased to 55% as at December 31, 2024, compared to 53% as at December 31, 2023, mainly due to the increase in the net debt of the Group.

Debt to Equity Ratio

Our debt-to-equity ratio increased to 1.64 as at December 31, 2024, compared to 1.47 as at December 31, 2023, mainly due to the increase in total borrowings. The Group continues to maintain a good debt-paying ability and has further improved financial leverage while raising the return on assets.

CAPITAL EXPENDITURE AND INVESTMENTS

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Purchase of property and equipment and non-current assets	**235,766**	30,184
Prepayment for equity transactions	**50,000**	384,000
Purchase of intangible assets	**9,004**	611
Investments in financial assets at fair value through profit or loss	**28,035**	226,790
Investments in associates in the form of ordinary shares	**129,048**	54,000
Total	**451,853**	695,585

FOREIGN EXCHANGE RISK

Our Group's subsidiaries primarily operate in the PRC and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States dollar and the Hong Kong dollar. Therefore, foreign exchange risk primarily arose from recognized assets and liabilities in our Group's PRC subsidiaries when receiving or to receive foreign currencies from, or paying or to pay foreign currencies to, overseas business partners. Certain forward contract and a cross currency interest rate swap arrangement were entered into during the Reporting Period for hedging purpose, although hedge accounting was not applied.

Details of the currencies in which cash and cash equivalents are held and in which borrowings are made are set out in Note 22 and Note 29 to the consolidated financial statements, respectively.

SIGNIFICANT INVESTMENTS HELD

On June 13, 2018, the Company and Yusheng, a company principally engaged in used automobile transaction business and an independent third party, entered into a convertible note purchase agreement (the "**Convertible Note Purchase Agreement**"), pursuant to which Yusheng agreed to issue, and the Company agreed to purchase, the convertible note (the "**Convertible Note**") in the principal amount of US$260 million (equivalent to approximately HK$2,040 million). The Convertible Note is interest free and convertible into 13 million non-voting Series Pre-A preferred shares of Yusheng with a par value of US$0.0001 per share (the "**Series Pre-A Preferred Shares**") at the conversion price of US$20.00 (equivalent to approximately HK$156.93). The Series Pre-A Preferred Shares convertible under the Convertible Note represent an interest of approximately 40.63% in the share capital of Yusheng assuming full subscription of the Series A-1 and Series A-2 preferred shares of Yusheng by the investors under the securities subscription agreement separately entered into by them with Yusheng and that all the equity securities which Yusheng intends to reserve for issuance pursuant to its future employee equity incentive plan have been issued. The Convertible Note will mature on June 12, 2038 (the "**Maturity Date**") or such later date as otherwise agreed by the Company and Yusheng. Unless converted into Series Pre-A Preferred Shares prior to the Maturity Date, the outstanding principal of the Convertible Note will be due and payable upon demand by the Company on the Maturity Date or any time thereafter.

As consideration for the subscription of the Convertible Note, the Company agreed to (i) pay a cash consideration of US$21 million (equivalent to approximately HK$165 million), and (ii) provide certain cooperation services to Yusheng and/or its affiliates pursuant to the terms of the business cooperation agreement dated June 13, 2018 entered into between the Company and Yusheng. For further details, please refer to the announcement of the Company dated June 13, 2018.

In November 2019 and December 2020, the Company subscribed for additional convertible note issued by Yusheng with a cash consideration of US$43 million (equivalent to approximately HK$335 million) and a cash consideration of US$12 million (equivalent to approximately HK$95 million), to further strengthen our cooperation relationship with Yusheng in used automobile business.

In July 2023, the Company subscribed for additional convertible note issued by Yusheng with a cash consideration of US$12 million (equivalent to approximately HK$94 million), to further strengthen our cooperation relationship with Yusheng in used automobile business.

SIGNIFICANT INVESTMENTS HELD (CONTINUED)

Yusheng achieved significant year-on-year growth in transaction volume and sales revenue during the Reporting Period, thanks to its solid market leadership and the sustainable development of used car market in China. Yusheng continued to expand its national sales network and enhanced market share in key cities by opening multiple stores and upgrading existing stores. To embrace customers' increasing attention to new media including live streaming and their evolving online shopping habits, Yusheng increased its investment in new media during the Reporting Period by introducing a team of live streamers on store level. On overseas expansion, Yusheng established partnership with over 100 dealers and sold thousands of used cars in Middle East and Africa.

As at December 31, 2024, the fair value of our investment in Yusheng was RMB2,578,853,000 (December 31, 2023: RMB2,523,091,000), which constituted 5.3% of the total assets of the Group (December 31, 2023: 5.8%). The Company did not receive any dividends in respect of its investment in Yusheng for the years ended December 31, 2024 and 2023, and there were unrealized gains of approximately RMB17,940,000 from changes in fair value arising from the investee company for the year ended December 31, 2024 (2023: RMB64,217,000).

Save as disclosed above, we did not hold any significant investments in the equity interests of any other companies for the Reporting Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this announcement, we did not have other plans for material investments and capital assets.

EMPLOYEE AND REMUNERATION POLICY

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our retention strategy, we offer employees with competitive salaries, performance-based cash bonuses and other incentives. We primarily recruit our employees through recruitment agencies, on-campus job fairs, industry referrals, and online channels.

As at December 31, 2024, we had 4,278 full-time employees (December 31, 2023: 4,231). In line with the performance of the Group and individual employees, a competitive remuneration package is offered to retain employees, including salaries, discretionary bonuses, and contributions to benefit plans (including pensions). Employees of the Group are eligible participants of the Pre-IPO Share Option Scheme, the First Share Award Scheme (which was terminated with effect from July 9, 2024), the Second Share Award Scheme and the 2024 Share Scheme, the details of which are set out in the Prospectus and Note 25 to the consolidated financial statements.

In addition to on-the-job training, we have adopted a training policy, pursuant to which various internal and external training courses are provided to our employees.

The total remuneration cost (including share-based compensation expenses) incurred by the Group for the Reporting Period was RMB1,019 million, compared to RMB945 million for the year ended December 31, 2023.

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in this announcement, the Group did not have any other material acquisitions and disposals of subsidiaries or associated companies for the Reporting Period.

PLEDGE OF ASSETS

Certain deposits placed with banks were used as pledged assets for the Group's bank borrowings and bank notes as well as loan facilitation services. Certain finance receivables were used as pledge for the borrowings and securitization transactions. For more details, please refer to the Note 22 and Note 29 to the consolidated financial statements.

CONTINGENT LIABILITIES

As at December 31, 2024, we did not have any material contingent liabilities (December 31, 2023: nil).

CONSOLIDATED INCOME STATEMENT

	Note	Year ended 31 December **2024** *RMB'000*	2023 *RMB'000*
Revenues	*5*		
Transaction Platform Business		**7,894,414**	5,096,571
Self-operated Financing Business		**1,993,319**	1,589,400
		9,887,733	6,685,971
Cost of revenues	*7*	**(5,251,462)**	(3,438,823)
Gross profit		**4,636,271**	3,247,148
Selling and marketing expenses	*7*	**(1,020,334)**	(1,051,132)
Administrative expenses	*7*	**(443,412)**	(351,506)
Operation and servicing expenses	*7*	**(286,118)**	(278,225)
Research and development expenses	*7*	**(232,581)**	(193,858)
Credit impairment losses	*7*	**(1,565,379)**	(728,733)
Other income and other gains, net	*6*	**45,157**	45,564
Operating profit		**1,133,604**	689,258
Finance cost, net	*9*	**(28,475)**	(15,175)
Share of (losses)/profits of investments accounted for using equity method	*16*	**(15,607)**	34,741
Profit before income tax		**1,089,522**	708,824
Income tax expense	*10*	**(279,584)**	(153,866)
Profit for the year		**809,938**	554,958
Profit attributable to:			
– Owners of the Company		**809,938**	554,958
– Non-controlling interests		**–**	–
		809,938	554,958
Profit per share attributable to owners of the Company for the year (expressed in RMB per share)	*11*		
– Basic		**0.125**	0.086
– Diluted		**0.120**	0.083

The above consolidated income statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Profit for the year	**809,938**	554,958
Other comprehensive income, net of tax:		
Items that may not be reclassified to profit or loss		
Currency translation differences	**34,893**	8,177
Total comprehensive income for the year	**844,831**	563,135
Attributable to:		
– Owners of the Company	**844,831**	563,135
– Non-controlling interests	**–**	–
	844,831	563,135

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET

	Note	As at 31 December **2024** ***RMB'000***	 2023 *RMB'000*
ASSETS			
Non-current assets			
Property and equipment	*12*	**631,520**	444,073
Right-of-use assets	*13*	**27,108**	27,603
Intangible assets	*14*	**673,649**	911,155
Associates and joint ventures using equity method	*16*	**303,041**	500,353
Financial assets at fair value through profit or loss	*17*	**3,368,991**	3,459,575
Deferred income tax assets	*30*	**523,272**	561,351
Prepayments, deposits and other assets	*21*	**92,431**	506,293
Finance receivables	*19*	**17,997,701**	14,712,242
Trade receivables	*20*	**1,990,395**	1,153,042
Restricted cash	*22*	**33,156**	33,156
		25,641,264	22,308,843
Current assets			
Finance receivables	*19*	**10,120,181**	9,172,637
Trade receivables	*20*	**2,917,220**	3,641,289
Prepayments, deposits and other assets	*21*	**3,179,497**	2,621,365
Restricted cash	*22*	**2,520,319**	2,083,808
Cash and cash equivalents	*22*	**4,212,760**	3,479,550
		22,949,977	20,998,649
A joint venture classified as held for sale	*16(b)*	**–**	267,610
		22,949,977	21,266,259
Total assets		**48,591,241**	43,575,102
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	*23*	**4,285**	4,262
Share premium	*23*	**34,858,220**	34,964,305
Other reserves	*24*	**1,633,808**	1,296,382
Accumulated losses		**(20,016,180)**	(20,499,779)
Total equity		**16,480,133**	15,765,170

CONSOLIDATED BALANCE SHEET (CONTINUED)

	Note	As at 31 December **2024** ***RMB'000***	2023 *RMB'000*
Liabilities			
Non-current liabilities			
Borrowings	*29*	**12,845,901**	10,851,621
Lease liabilities	*13*	**15,036**	9,609
Deferred income tax liabilities	*30*	**111,441**	76,420
Other non-current liabilities	*31*	**832,956**	881,865
		13,805,334	11,819,515
Current liabilities			
Trade payables	*26*	**964,344**	901,487
Risk assurance liabilities	*27*	**2,339,355**	1,602,733
Other payables and accruals	*28*	**671,848**	1,014,614
Current income tax liabilities		**216,392**	152,946
Borrowings	*29*	**14,103,056**	12,304,161
Lease liabilities	*13*	**10,779**	14,476
		18,305,774	15,990,417
Total liabilities		**32,111,108**	27,809,932
Total equity and liabilities		**48,591,241**	43,575,102

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	**Share capital** *RMB'000*	**Share premium** *RMB'000*	**Other reserves** *RMB'000*	**Accumulated losses** *RMB'000*	**Total equity** *RMB'000*
Balance at 1 January 2024		**4,262**	**34,964,305**	**1,296,382**	**(20,499,779)**	**15,765,170**
Comprehensive income						
Profit for the year		–	–	–	809,938	809,938
Currency translation differences	*24*	–	–	34,893	–	34,893
Total comprehensive income for the year		–	–	34,893	809,938	844,831
Transactions with owners in their capacity as owners						
Share-based compensation	*24, 25*	–	–	53,901	–	53,901
Appropriation to statutory surplus reserve	*24*	–	–	326,339	(326,339)	–
Shares issued upon exercise of employee share options	*23,24, 25*	–	226	(225)	–	1
Vesting of restricted awarded shares	*23,24, 25*	23	71,381	(71,404)	–	–
Purchase of restricted shares under share award scheme	*24, 25*	–	–	(6,078)	–	(6,078)
Dividends declared	*23*	–	(177,692)	–	–	(177,692)
Total transactions with owners in their capacity as owners		23	(106,085)	302,533	(326,339)	(129,868)
Balance at 31 December 2024		**4,285**	**34,858,220**	**1,633,808**	**(20,016,180)**	**16,480,133**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Note	Share capital *RMB'000*	Share premium *RMB'000*	Other reserves *RMB'000*	Accumulated losses *RMB'000*	Total equity *RMB'000*
Balance at 1 January 2023		4,238	35,080,671	1,195,082	(20,953,778)	15,326,213
Comprehensive income						
Profit for the year		–	–	–	554,958	554,958
Currency translation differences	*24*	–	–	8,177	–	8,177
Total comprehensive income for the year		–	–	8,177	554,958	563,135
Transactions with owners in their capacity as owners						
Share-based compensation	*8, 24, 25*	–	–	74,750	–	74,750
Appropriation to statutory surplus reserve	*24*	–	–	100,959	(100,959)	–
Shares issued upon exercise of employee share options	*23, 24, 25*	–	690	(688)	–	2
Vesting of restricted awarded shares	*23, 24, 25*	24	70,400	(70,424)	–	–
Purchase of restricted shares under share award scheme	*24, 25*	–	–	(11,474)	–	(11,474)
Dividends declared	*23*	–	(187,456)	–	–	(187,456)
Total transactions with owners in their capacity as owners		24	(116,366)	93,123	(100,959)	(124,178)
Balance at 31 December 2023		4,262	34,964,305	1,296,382	(20,499,779)	15,765,170

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Year ended 31 December 2024 RMB'000	2023 RMB'000
Cash flows from operating activities			
Cash used in operations		**(1,917,709)**	(8,638,409)
Income tax paid		**(80,614)**	(12,581)
Net cash used in operating activities		**(1,998,323)**	(8,650,990)
Cash flows from investing activities			
Interest received		**19,252**	39,161
Proceeds from disposal of property and equipment and intangible assets		**12,970**	3,988
Purchase of property and equipment and other non-current assets		**(235,766)**	(30,184)
Purchase of intangible assets		**(9,004)**	(611)
Loans to third parties and related parties		**(2,000)**	(206,000)
Collection of loans to third parties and related parties		**60,480**	419,000
Investments in financial assets at fair value through profit or loss		**(28,035)**	(226,790)
Proceeds from financial assets		**3,509**	20,216
Investments in associates		**(129,048)**	(54,000)
Prepayment for equity transactions	*21*	**(50,000)**	(384,000)
Proceeds from disposal of a joint venture	*16*	**263,191**	–
Dividends from a joint venture		**–**	14,470
Cash acquired from acquisition of a subsidiary, net of consideration paid		**59,688**	–
Placements of restricted cash		**(50,856)**	(440,257)
Maturity of restricted cash		**277,231**	62,483
Net cash generated from/(used in) investing activities		**191,612**	(782,524)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Note	**Year ended 31 December 2024** *RMB'000*	2023 *RMB'000*
Cash flows from financing activities			
Proceeds from borrowings		**26,146,312**	22,698,401
Repayment of borrowings		**(22,389,888)**	(12,137,996)
Release/(Payment) of deposits for borrowings		**66,999**	(18,846)
Principal elements of lease payments		**(15,338)**	(15,501)
Proceeds from exercise of share options		**1**	2
Purchase of restricted shares under share award scheme	*24*	**(6,078)**	(11,474)
Dividends paid to company's shareholders		**(177,681)**	(191,963)
Interest paid		**(1,060,371)**	(836,188)
Net cash generated from financing activities		**2,563,956**	9,486,435
Net increase in cash and cash equivalents		**757,245**	52,921
Cash and cash equivalents at beginning of year		**3,479,550**	3,433,182
Exchange losses on cash and cash equivalents		**(24,035)**	(6,553)
Cash and cash equivalents at end of year		**4,212,760**	3,479,550

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Yixin Group Limited (the "**Company**") was incorporated in the Cayman Islands on 19 November 2014 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and carries on business in Hong Kong as Yixin Automotive Technology Group Limited. The address of the Company's registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 16 November 2017.

The Company is an investment holding company. The Company together with its subsidiaries and consolidated affiliated entities (together, the "**Group**") are principally engaged in (i) the provision of loan facilitation services, software-as-a-service ("**SaaS**") services, value-added services and guarantee services ("**Transaction Platform Business**"); and (ii) the provision of financing lease services and other self-operated services ("**Self-operated Financing Business**") substantially in the People's Republic of China (the "**PRC**").

As at the date of these consolidated financial statements, there is no ultimate parent of the Company. Tencent Holdings Limited ("**Tencent**", collectively with its subsidiaries, the "**Tencent Group**") is the largest shareholder of the Company.

The Group's major subsidiaries are based in the PRC and the majority of their transactions are denominated in Renminbi ("**RMB**"). The conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange controls promulgated by the PRC government. As at 31 December 2024, other than restrictions from exchange control regulations, there is no significant restriction on the Group's ability to access or use the assets and settle the liabilities of the Group.

The consolidated financial statements are presented in RMB, unless otherwise stated. All companies comprising the Group have adopted 31 December as their financial year-end date.

United States Dollars are defined as "USD", Hong Kong Dollars are defined as "HKD", Singapore Dollars are defined as "SGD", Japanese Yen is defined as "JPY", Macau Pataca is defined as "MOP" and Thai Baht is defined as "THB".

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("**IFRS**") and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS and disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance (Cap.622). The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss and associates measured at fair value through profit or loss, which are carried at fair value.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are critical to the consolidated financial statements are disclosed in Note 4.

The consolidated financial statements are prepared on a going concern basis.

(a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2024:

Standards and amendments	**Effective for annual periods beginning on or after**
Classification of Liabilities as Current or Non-current – Amendments to International Accounting Standards (IAS) 1	1 January 2024
Non-current liabilities with covenants – Amendments to IAS 1	1 January 2024
Lease liability in sale and leaseback – Amendments to IFRS 16	1 January 2024
Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024

The above amendments to IFRS effective for the financial year beginning on 1 January 2024 do not have a material impact on the Group's consolidated financial statements.

(b) New standards and interpretations not yet adopted

The following new accounting standards and interpretations have been published but are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Standards and amendments	**Effective for annual periods beginning on or after**
Lack of Exchangeability – Amendments to IAS 21	1 January 2025
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
Presentation and Disclosure in Financial Statements – IFRS 18	1 January 2027
Subsidiaries without Public Accountability: Disclosures – IFRS 19	1 January 2027
Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28	To be determined

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose itself to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk, liquidity risk and other financial risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Risk management is carried out under policies approved by the board of Directors. The management identifies and evaluates financial risks in close co-operation with the Group's operating units.

(a) Credit risk

(i) Risk management and impairment of financial instruments

Credit risk is managed on group basis. Credit risk mainly arises from cash and cash equivalents, restricted cash, trade receivables, other receivables, finance receivables, investment in debt instruments and risk assurance liabilities.

To manage this risk arising from cash and cash equivalents, and restricted cash, the Group only transacts with state-owned or large medium sized joint-stock commercial banks in the PRC and reputable international financial institution outside of the PRC. There has been no recent history of default in relation to these financial institutions.

The Group has policies in place to ensure that trade receivables with credit terms are made to counterparties with an appropriate credit history and management performs ongoing credit evaluations of the counterparties.

Finance receivables are typically secured with automobiles for financing leases and derived from substantially all revenues earned from customers in the PRC, which are exposed to credit risk. The risk is mitigated by credit evaluations the Group performs on its customers and its ongoing monitoring process of outstanding balances. The Group maintains reserves for expected credit losses and these losses have generally been within its expectations.

Loans recognized as a result of payment under risk assurance and risk assurance liabilities are typically secured with automobiles for loan facilitation services and derived from revenues earned from customers in the PRC, which are exposed to credit risk. The risk is mitigated by credit evaluations the Group performs on the borrowers and its ongoing monitoring process of balances of outstanding off balance-sheet items. The Group maintains reserves for expected credit losses and these losses have generally been within its expectations.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

(i) Risk management and impairment of financial instruments (Continued)

For other receivables other than loans recognized as a result of payment under risk assurance, the Group makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records, past experience and forward-looking information.

The Group's investments in debt instruments measured at FVPL are considered to be low risk investments.

Trade receivables, other receivables, finance receivables, and risk assurance liabilities of the Group are subject to the expected credit loss model. While cash and cash equivalents, restricted cash and the Group's investments in debt instruments are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(ii) Expected credit loss measurement

Models

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition except for purchased or originated credit-impaired ("**POCI**") financial assets as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage I'.

- If a significant increase in credit risk ("**SICR**") since initial recognition is identified, the financial instrument is moved to 'Stage II'. The Group considers a financial instrument to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage III'. The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, if the borrower is more than 90 days past due on its contractual payments.

- Financial instruments in Stage I have their expected credit losses ("**ECL**") measured at an amount equal to the portion of lifetime ECL that result from default events possible within the next 12 months. Instruments in Stage II or III have their ECL measured based on ECL on a lifetime basis.

The following diagram summarises the impairment requirements under IFRS 9 (other than purchased or originated credit-impaired financial assets).

Change in credit quality since initial recognition

Stage I	**Stage II**	**Stage III**
(Initial recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

(ii) Expected credit loss measurement (Continued)

Significant increase in credit risk (SICR)

The Group considers a financial instrument to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments. No qualitative criterion is considered by the Group since the Group monitors the risk of borrowers purely based on overdue period.

Definition of default and credit-impaired assets

The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired if the borrower is more than 90 days past due on its contractual payments. No qualitative criterion is considered by the Group since the Group monitors the risk of borrowers purely based on overdue period.

The criteria above have been applied to all financial instruments except for POCI financial assets held by the Group and are consistent with the definition of default used for internal credit risk management purpose. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) throughout the Group's expected loss calculations.

Measuring ECL-Explanation of inputs, assumptions and estimation techniques

The ECL is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. ECL is the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired assets" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

- EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).

- LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculate on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 month and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e., the exposure has not prepaid or defaulted in an earlier month).

The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio. This is supported by historical analysis.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

(ii) Expected credit loss measurement (Continued)

POCI financial assets

For POCI financial assets, the Group only recognises cumulative changes in lifetime ECL after initial recognition at the end of the reporting period as loss provision.

Forward-looking information incorporated in the ECL models

The calculation of ECL incorporates forward-looking information. The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. The forecasts of these economic variables are provided periodically and the most relevant variables are picked and estimated by the Group.

Maximum exposure to credit risk-Financial instruments subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognized. The gross carrying amount of financial assets below also represents the Group's maximum exposures to credit risk on these assets.

	Maximum exposure to credit risk of the Group As at 31 December 2024					
	Stage I 12 months expected credit loss *RMB'000*	Stage II Lifetime expected credit losses *RMB'000*	Stage III Lifetime expected credit losses *RMB'000*	Purchased or originated credit-impaired loans Lifetime expected credit losses *RMB'000*	Simplified Approach Lifetime expected credit losses *RMB'000*	Total *RMB'000*
Cash and cash equivalents	4,212,760	–	–	–	–	4,212,760
Restricted cash	2,553,475	–	–	–	–	2,553,475
Finance receivables	28,399,713	126,044	524,552	–	–	29,050,309
Trade receivables	–	–	–	–	4,941,727	4,941,727
Other receivables	1,987,575	173,920	122,462	719,180	–	3,003,137
Gross balance	37,153,523	299,964	670,014	719,180	4,941,727	43,761,408
Allowance for impairment losses	(622,150)	(84,734)	(366,118)	(104,339)	(34,112)	(1,211,453)
Net balance	36,531,373	215,230	280,896	614,841	4,907,615	42,549,955
Off balance-sheet items	73,705,913	821,141	–	–	–	74,527,054
Risk assurance liabilities	(2,185,159)	(154,196)	–	–	–	(2,339,355)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

(ii) Expected credit loss measurement (Continued)

Maximum exposure to credit risk of the Group
As at 31 December 2023

	Stage I 12 months expected credit loss *RMB'000*	Stage II Lifetime expected credit losses *RMB'000*	Stage III Lifetime expected credit losses *RMB'000*	Purchased or originated credit-impaired loans Lifetime expected credit losses *RMB'000*	Simplified Approach Lifetime expected credit losses *RMB'000*	Total *RMB'000*
Cash and cash equivalents	3,479,550	–	–	–	–	3,479,550
Restricted cash	2,116,964	–	–	–	–	2,116,964
Finance receivables	24,069,864	86,586	482,732	–	–	24,639,182
Trade receivables	–	–	–	–	4,817,902	4,817,902
Other receivables	1,416,561	52,000	141,919	742,517	–	2,352,997
Gross balance	31,082,939	138,586	624,651	742,517	4,817,902	37,406,595
Allowance for impairment losses	(481,112)	(48,920)	(325,717)	(97,181)	(23,571)	(976,501)
Net balance	30,601,827	89,666	298,934	645,336	4,794,331	36,430,094
Off balance-sheet items	47,348,178	810,761	–	–	–	48,158,939
Risk assurance liabilities	(1,481,940)	(120,793)	–	–	–	(1,602,733)

Finance receivables

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that the risk exposures within a group are homogeneous. The Group determines groupings by product type, namely consumption loan, automobile mortgage loan and commercial vehicle loan.

Provision for expected credit losses as at 31 December 2024 and 2023 was determined as follows for finance receivables:

31 December 2024	**Stage I** ***RMB'000***	**Stage II** ***RMB'000***	**Stage III** ***RMB'000***	**Total** ***RMB'000***
Expected loss rate	**2.10%**	**48.89%**	**52.28%**	**3.21%**
Gross carrying amount *(Note 19)*	**28,399,713**	**126,044**	**524,552**	**29,050,309**
Provision for expected credit losses	**596,549**	**61,627**	**274,251**	**932,427**

31 December 2023	Stage I *RMB'000*	Stage II *RMB'000*	Stage III *RMB'000*	Total *RMB'000*
Expected loss rate	1.92%	49.12%	51.77%	3.06%
Gross carrying amount *(Note 19)*	24,069,864	86,586	482,732	24,639,182
Provision for expected credit losses	461,847	42,527	249,929	754,303

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

(ii) Expected credit loss measurement (Continued)

The forward-looking assumptions used for the ECL estimate as at 31 December 2024 are M2 and Gross Domestic Product ("**GDP**") (31 December 2023: M2 and Producer Price Index ("**PPI**")). Due to the fluctuation of the macroeconomic environment, the Group used historical data to refit the prospective regression model to determine key economic variables. Back testing has been performed to prove these variables are the most relevant. The scenarios "base", "upside" and "downside" were used for all portfolios. On 31 December 2024, the weightings allocated to each economic scenario were 85% base, 10% upside and 5% downside (31 December 2023: the weightings allocated to each economic scenario were 85% base, 10% upside and 5% downside).

As at 31 December 2024, the Group has assessed and forecasted the key macroeconomic indicators for 2025 are as follows:

Indicator	**Range**
GDP	3%~6%
M2	6.4%~8.2%

A sensitivity analysis is performed on the key economic variables, namely M2 and GDP. Set out below are the changes to the ECL as at 31 December 2024 that would result from reasonably possible changes in these parameters from the actual assumptions used in the Group's economic variable assumptions:

			M2	
		-5%	**No Change**	**5%**
		RMB'000	***RMB'000***	***RMB'000***
	-5%	45,979	2,426	(38,055)
GDP	**No Change**	43,357	–	(40,300)
	5%	40,752	(2,410)	(42,530)

Finance receivables are written off when there is no reasonable expectation of recovery (Note 19). Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan after the completion of legal proceedings and execution, and a failure to make contractual payments for a certain period of time past due.

Provision for expected credit losses on finance receivables is presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Trade receivables and other receivables other than loans recognized as a result of payment under risk assurance

For trade receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. To measure the expected credit losses, trade receivables have been grouped based on counterparties with reference to external credit rating and historical observed default rates. For other receivables other than loans recognized as a result of payment under risk assurance, the ECL are assessed individually. The Company consider the counterparties with good credit worthiness with reference to external credit rating and historical observed default rates over the expected life. The Company has identified the Total Retail Sales of Consumer Goods (Retail) and Producer Price Index (PPI) to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. In the opinion of the Company, the estimated loss rates of these counterparties are not significant and the Group assessed that the ECL on these balances are insignificant.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

(ii) Expected credit loss measurement (Continued)

Trade receivables and other receivables other than loans recognized as a result of payment under risk assurance are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Provision for impairment of trade receivables and other receivables other than loans recognized as a result of payment under risk assurance is presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Off balance-sheet items and loans recognized as a result of payment under risk assurance

Under the arrangements with certain financial institutions for loan facilitation services, the Group is obligated to purchase the relevant loans upon certain specified events of default by car buyers. As of 31 December 2024, the total outstanding balance of loans funded by financial institutions under such arrangements was RMB73,922 million (2023: RMB47,554 million). As at 31 December 2024, the risk assurance liabilities recognised by the Group under such financial guarantee contracts was RMB2,325.7 million (2023: RMB1,589.1 million).

Expected credit loss provisions of related risk assurance liabilities are modelled on a collective basis. A grouping of exposures is performed on the basis of shared risk characteristics, such that the risk exposures within a group are homogeneous. The Group determines groupings by product type, namely consumption loan and automobile mortgage loan.

The forward-looking assumptions used for the ECL estimate as at 31 December 2024 are M2 and GDP (31 December 2023: M2 and PPI). Due to the fluctuation of the macroeconomic environment, the Group used historical data to refit the prospective regression model to determine key economic variables. Back testing has been performed to prove these variables are the most relevant. The scenarios "base", "upside" and "downside" were used for all portfolios. On 31 December 2024, the weightings allocated to each economic scenario were 85% base, 10% upside and 5% downside (31 December 2023: the weightings allocated to each economic scenario were 85% base, 10% upside and 5% downside).

As at 31 December 2024, the Group has assessed and forecasted the key macroeconomic indicators for 2025 are as follows:

Indicator	**Range**
GDP	3%~6%
M2	6.4%~8.2%

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Credit risk (Continued)

(ii) Expected credit loss measurement (Continued)

A sensitivity analysis is performed on the key economic variables, namely M2 and GDP. Set out below are the changes to the ECL as at 31 December 2024 that would result from reasonably possible changes in these parameters from the actual assumptions used in the Group's economic variable assumptions:

		M2 -5%	M2 No Change	M2 5%
		RMB'000	*RMB'000*	*RMB'000*
GDP	**-5%**	56,097	14,999	(24,191)
	No Change	41,098	–	(39,190)
	5%	26,329	(14,768)	(53,958)

Under the guarantee agreement with a certain third party, Xinche Investment (Shanghai) Co., Ltd. ("**Xinche**"), an indirectly wholly-owned subsidiary of the Company, is required to pay the redemption price on behalf of the third party upon certain events. As of 31 December 2024, the total outstanding redemption price under the guarantee agreement was RMB605 million (2023: RMB605 million). As at 31 December 2024, the risk assurance liabilities recognised by the Group under such guarantee contracts was RMB13.6 million (2023: RMB13.6 million).

Loans recognized as a result of payment under risk assurance are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan after the completion of legal proceedings and execution, and a failure to make contractual payments for a certain period of time past due.

Provision for expected credit losses on risk assurance liabilities and loans recognized as a result of payment under risk assurance is presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("**CODM**"). The Chief Executive Officer of the Group has been identified as the chief operating decision-maker, responsible for allocating resources and assessing performance of the operating segments.

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the CODM. As a result of this evaluation, the Group determined that it has operating segments as follows:

– Transaction Platform Business

– Self-operated Financing Business

The CODM assesses the performance of the operating segments mainly based on segment revenues, segment gross profit and segment operating profit. The revenues from external customers reported to CODM are measured as segment revenues, which is the revenues derived from the customers in each segment. The segment gross profit is calculated as segment revenues minus segment cost of revenues. Cost of revenues for Transaction Platform Business segment is primarily comprised of commission fees and other direct service costs. Cost of revenues for Self-operated Financing Business segment is primarily comprised of funding costs and cost of automobiles sold. The segment operating profit is calculated as segment gross profit minus selling and marketing expenses, administrative expenses, research and development expenses, credit impairment losses and other income and other gains, net associated with the respective segment.

The "Finance cost, net" is not included in the measurement of the segments' performance which is used by CODM as a basis for the purpose of resource allocation and assessment of segment performance.

Other information, together with the segment information, provided to the CODM is measured in a manner consistent with that applied in these consolidated financial statements. There was no separate segment assets and segment liabilities information provided to the CODM, as CODM does not use this information to allocate resources to or evaluate the performance of the operating segments.

The segment results for the year ended 31 December 2024 are as follows:

	Year ended 31 December 2024		
	Transaction Platform Business	**Self-operated Financing Business**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Revenues	**7,894,414**	**1,993,319**	**9,887,733**
– Recognized at a point in time	**6,370,546**	**178**	**6,370,724**
– Recognized over time	**1,523,868**	**–**	**1,523,868**
– Recognized over the lease or contractual term	**–**	**1,993,141**	**1,993,141**
Gross profit	**3,689,423**	**946,848**	**4,636,271**
Operating profit/(loss)	**1,171,255**	**(37,651)**	**1,133,604**

5 SEGMENT INFORMATION (CONTINUED)

The segment results for the year ended 31 December 2023 are as follows:

	Year ended 31 December 2023		
	Transaction Platform Business	Self-operated Financing Business	Total
	RMB'000	*RMB'000*	*RMB'000*
Revenues	5,096,571	1,589,400	6,685,971
– Recognized at a point in time	4,133,355	–	4,133,355
– Recognized over time	963,216	–	963,216
– Recognized over the lease or contractual term	–	1,589,400	1,589,400
Gross profit	2,480,337	766,811	3,247,148
Operating profit/(loss)	834,530	(145,272)	689,258

The Company is domiciled in the Cayman Islands while the Group mainly operates its businesses in the PRC and earns substantially all of the revenues from external customers attributed to the PRC.

As at 31 December 2024 and 2023, substantially all of the non-current assets of the Group were located in the PRC.

The reconciliation of operating profit to profit before income tax for the years ended 31 December 2024 and 2023 is presented in the consolidated income statements of the Group.

The Group derives revenue from the following services and transfer of goods:

	Year ended 31 December 2024			
	Recognized at a point in time	**Recognized over time**	**Recognized over the lease or contractual term**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
Transaction Platform Business:	**6,370,546**	**1,523,868**	**–**	**7,894,414**
– Loan facilitation services	**4,317,600**	**–**	**–**	**4,317,600**
– SaaS services	**1,803,835**	**–**	**–**	**1,803,835**
– Guarantee services	**–**	**1,523,868**	**–**	**1,523,868**
– Value-added services	**249,111**	**–**	**–**	**249,111**
Self-operated Financing Business:	**178**	**–**	**1,993,141**	**1,993,319**
– Financing lease services	**–**	**–**	**1,960,214**	**1,960,214**
– Factoring services and other automobile services	**178**	**–**	**32,927**	**33,105**
Total	**6,370,724**	**1,523,868**	**1,993,141**	**9,887,733**

5 SEGMENT INFORMATION (CONTINUED)

	Year ended 31 December 2023			
	Recognized at a point in time *RMB'000*	Recognized over time *RMB'000*	Recognized over the lease or contractual term *RMB'000*	Total *RMB'000*
Transaction Platform Business:	4,133,355	963,216	–	5,096,571
– Loan facilitation services	3,445,250	–	–	3,445,250
– SaaS services	462,679	–	–	462,679
– Guarantee services	–	963,216	–	963,216
– Value-added services	225,426	–	–	225,426
Self-operated Financing Business:	–	–	1,589,400	1,589,400
– Financing lease services	–	–	1,570,398	1,570,398
– Factoring services and other automobile services	–	–	19,002	19,002
Total	4,133,355	963,216	1,589,400	6,685,971

6 OTHER INCOME AND OTHER GAINS, NET

	Year ended 31 December	
	2024 *RMB'000*	2023 *RMB'000*
Negative goodwill in relation to bargain purchase *(Note 15)*	**100,992**	–
Fair value losses on financial assets *(Note 17)*	**(97,063)**	(82,462)
Other income from business cooperation arrangements with Yusheng Holdings Limited ("**Yusheng**")	**65,481**	64,791
Foreign exchange losses, net	**(33,593)**	(8,707)
Government grants	**13,649**	32,793
Impairment loss of an associate *(Note 16)*	**(12,031)**	–
Bank fees and charges	**(11,219)**	(11,594)
Investment income	**190**	11,046
Others, net	**18,751**	39,697
Total	**45,157**	45,564

7 EXPENSES BY NATURE

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Commission fees incurred for transaction platform business	**4,137,977**	2,545,006
Employee benefit expenses	**1,019,394**	945,227
Funding costs	**1,007,293**	781,629
Provision for expected credit losses:		
– Risk assurance liabilities	**645,949**	158,059
– Finance receivables	**524,766**	293,710
– Other receivables	**382,996**	276,981
– Trade receivables	**11,668**	(17)
Depreciation and amortization charges	**306,342**	295,934
Expenses incurred for self-operated financing lease business	**229,637**	250,382
Office and administrative expenses	**203,750**	170,082
Marketing and advertising expenditures	**157,281**	202,913
Auditors' remuneration		
– Audit services	**6,566**	6,980
– Non-audit services	**1,338**	580
Reversal of provision for impairment of other non-current assets	**(8,494)**	(2,354)
Other expenses	**172,823**	117,165
Total	**8,799,286**	6,042,277

8 EMPLOYEE BENEFIT EXPENSES

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Wages, salaries and bonuses	**738,282**	678,959
Pension and benefits	**226,865**	191,518
Share-based compensation expenses	**54,247**	74,750
Total employee benefit expenses	**1,019,394**	945,227

9 FINANCE COST, NET

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Finance income:		
– Interest income	**71,550**	71,854
Finance expenses:		
– Interest expenses	**(100,025)**	(87,029)
Net finance cost	**(28,475)**	(15,175)

10 INCOME TAX EXPENSE

Income tax expense of the Group for the years ended 31 December 2024 and 2023 is as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Current income tax expense	**137,573**	20,007
Deferred income tax *(Note 30)*	**142,011**	133,859
Income tax expense	**279,584**	153,866

11 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Weighted average number of issued ordinary shares	**6,456,835,246**	6,422,972,470
Less: shares held for restricted share scheme	**(2,065,428)**	(3,080,468)
Weighted average number of issued ordinary shares for calculating basic earnings per share	**6,454,769,818**	6,419,892,002
Profit attributable to owners of the Company for calculating basic earnings per share (RMB'000)	**809,938**	554,958
Diluted impact on profit (RMB'000)	**–**	–
Profit attributable to owners of the Company for calculating diluted earnings per share (RMB'000)	**809,938**	554,958
Numbers of restricted shares with potential dilutive effect *(Note (b))*	**278,306,854**	285,762,087
Weighted average number of issued ordinary shares for calculating diluted earnings per share *(Note (b))*	**6,733,076,672**	6,705,654,089
Earnings per share		
– Basic (RMB per share)	**0.125**	0.086
– Diluted (RMB per share) *(Note (a))*	**0.120**	0.083

Notes:

(a) Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the year ended 31 December 2024 and 2023, the Company's dilutive potential ordinary shares comprise shares options and restricted shares awarded under the Pre-IPO Share Option Scheme and the First and Second Share Award Scheme (Note 25).

(b) For the year ended 31 December 2024, a calculation was done to determine the number of shares that could have been converted at fair value (determined as the average market share price of the Company's shares during the period) based on the monetary value of the subscription rights attached to outstanding unexercised awarded options and unvested awarded shares. The number of shares calculated as above was compared with the number of shares that would have been issued, assuming the conversion of the share options and restricted shares, with the difference being adjusted in arriving at the weighted average number of shares for diluted earnings per share.

12 PROPERTY AND EQUIPMENT

	Buildings *RMB'000*	Office equipment *RMB'000*	Vehicles *RMB'000*	Leasehold improvement *RMB'000*	Total *RMB'000*
As at 1 January 2024					
Cost	**454,219**	**82,485**	**37,612**	**7,284**	**581,600**
Accumulated depreciation	**(56,992)**	**(63,138)**	**(14,528)**	**(2,900)**	**(137,558)**
Currency translation differences	**–**	**4**	**7**	**20**	**31**
Net book amount	**397,227**	**19,351**	**23,091**	**4,404**	**444,073**
For the year ended 31 December 2024					
Opening net book amount	**397,227**	**19,351**	**23,091**	**4,404**	**444,073**
Business combination *(Note 15)*	**–**	**307**	**–**	**16**	**323**
Additions	**68,150**	**115,296**	**59,722**	**161**	**243,329**
Disposals	**(127)**	**(2,436)**	**(11,106)**	**–**	**(13,669)**
Depreciation charge	**(14,690)**	**(15,715)**	**(10,674)**	**(1,544)**	**(42,623)**
Currency translation differences	**2**	**81**	**3**	**1**	**87**
Closing net book amount	**450,562**	**116,884**	**61,036**	**3,038**	**631,520**
As at 31 December 2024					
Cost	**522,242**	**195,692**	**82,201**	**7,325**	**807,460**
Accumulated depreciation	**(71,682)**	**(78,893)**	**(21,175)**	**(4,308)**	**(176,058)**
Currency translation differences	**2**	**85**	**10**	**21**	**118**
Net book amount	**450,562**	**116,884**	**61,036**	**3,038**	**631,520**

12 PROPERTY AND EQUIPMENT (CONTINUED)

	Buildings *RMB'000*	Office equipment *RMB'000*	Vehicles *RMB'000*	Leasehold improvement *RMB'000*	Total *RMB'000*
As at 1 January 2023					
Cost	454,219	69,633	29,065	11,111	564,028
Accumulated depreciation	(42,613)	(56,661)	(9,100)	(5,349)	(113,723)
Net book amount	411,606	12,972	19,965	5,762	450,305
For the year ended 31 December 2023					
Opening net book amount	411,606	12,972	19,965	5,762	450,305
Additions	–	14,472	12,681	1,163	28,316
Disposals	–	(93)	(2,990)	(363)	(3,446)
Depreciation charge	(14,379)	(8,004)	(6,572)	(2,178)	(31,133)
Currency translation differences	–	4	7	20	31
Closing net book amount	397,227	19,351	23,091	4,404	444,073
As at 31 December 2023					
Cost	454,219	82,485	37,612	7,284	581,600
Accumulated depreciation	(56,992)	(63,138)	(14,528)	(2,900)	(137,558)
Currency translation differences	–	4	7	20	31
Net book amount	397,227	19,351	23,091	4,404	444,073

Depreciation expenses have been charged to the consolidated income statement as follows:

	Year ended 31 December	
	2024 ***RMB'000***	2023 *RMB'000*
Cost of revenues	**–**	–
Selling and marketing expenses	**15,043**	13,094
Administrative expenses	**20,989**	15,674
Research and development expenses	**6,591**	2,365
	42,623	31,133

13 LEASES

(a) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Right-of-use assets		
Properties	**27,108**	27,603
Lease liabilities		
Current	**10,779**	14,476
Non-current	**15,036**	9,609
	25,815	24,085

Additions to the right-of-use assets during the year ended 31 December 2024 were RMB16,198,000 (2023: RMB23,967,000).

(b) Amounts recognised in the income statement

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Depreciation charge of right-of-use assets		
Properties	**16,693**	14,827
Interest expenses (included in finance expenses)	**1,203**	887
Expense relating to short-term leases (included in administrative expenses, selling and marketing expenses, and research and development expenses)	**14,670**	12,613

The total cash outflow for leases in 2024 was RMB28,085,000 (2023: RMB29,001,000).

14 INTANGIBLE ASSETS

	Goodwill *RMB'000*	Trademarks and licenses *RMB'000*	Domain names *RMB'000*	Computer software and technology *RMB'000*	Business Cooperation Agreements *RMB'000*	Total *RMB'000*
As at 1 January 2024						
Cost	**105,631**	**45,899**	**12,828**	**29,342**	**2,344,363**	**2,538,063**
Accumulated amortization	**–**	**(25,283)**	**(9,615)**	**(17,618)**	**(1,574,392)**	**(1,626,908)**
Net book amount	**105,631**	**20,616**	**3,213**	**11,724**	**769,971**	**911,155**
For the year ended 31 December 2024						
Opening net book amount	**105,631**	**20,616**	**3,213**	**11,724**	**769,971**	**911,155**
Business combination *(Note 15)*	**–**	**–**	**–**	**320**	**–**	**320**
Additions	**–**	**2,874**	**–**	**6,593**	**–**	**9,467**
Disposal	**–**	**–**	**–**	**(267)**	**–**	**(267)**
Amortization charge	**–**	**(3,687)**	**(1,283)**	**(3,154)**	**(238,902)**	**(247,026)**
Closing net book amount	**105,631**	**19,803**	**1,930**	**15,216**	**531,069**	**673,649**
As at 31 December 2024						
Cost	**105,631**	**48,773**	**12,828**	**35,187**	**2,344,363**	**2,546,782**
Accumulated amortization	**–**	**(28,970)**	**(10,898)**	**(19,971)**	**(1,813,294)**	**(1,873,133)**
Net book amount	**105,631**	**19,803**	**1,930**	**15,216**	**531,069**	**673,649**

14 INTANGIBLE ASSETS (CONTINUED)

	Goodwill *RMB'000*	Trademarks and licenses *RMB'000*	Domain names *RMB'000*	Computer software and technology *RMB'000*	Business Cooperation Agreements *RMB'000*	Total *RMB'000*
As at 1 January 2023						
Cost	105,631	45,899	12,828	29,307	2,344,363	2,538,028
Accumulated amortization	–	(21,758)	(8,320)	(15,785)	(1,332,063)	(1,377,926)
Net book amount	105,631	24,141	4,508	13,522	1,012,300	1,160,102
For the year ended 31 December 2023						
Opening net book amount	105,631	24,141	4,508	13,522	1,012,300	1,160,102
Additions	–	–	–	1,305	–	1,305
Disposal	–	–	–	(278)	–	(278)
Amortization charge	–	(3,525)	(1,295)	(2,825)	(242,329)	(249,974)
Closing net book amount	105,631	20,616	3,213	11,724	769,971	911,155
As at 31 December 2023						
Cost	105,631	45,899	12,828	29,342	2,344,363	2,538,063
Accumulated amortization	–	(25,283)	(9,615)	(17,618)	(1,574,392)	(1,626,908)
Net book amount	105,631	20,616	3,213	11,724	769,971	911,155

Amortization charges were expensed in the following categories in the consolidated income statements:

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Cost of revenues	**2,662**	3,070
Selling and marketing expenses	**239,316**	242,512
Administrative expenses	**4,210**	3,665
Research and development expenses	**838**	727
	247,026	249,974

15 BUSINESS COMBINATIONS

On 2 April 2024, Xinche Investment (Shanghai) Co., Ltd. ("**Xinche**"), an indirectly wholly-owned subsidiary of the Company, acquired the remaining 67.7966% equity interest in Dalian Rongxin Financing Guarantees Company Ltd. ("**Dalian Rongxin**"), previously a joint venture of the Company's, under the equity transfer agreement entered into by Xinche, Beijing Bitauto Internet Information Company Limited ("**Beijing Bitauto**") and Dalian Rongxin, with a cash consideration of RMB640 million. Dalian Rongxin became an indirectly wholly-owned subsidiary of the Company after the transaction was completed. The Company acquired Dalian Rongxin to expand its transaction platform businesses.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	RMB'000
Purchase consideration paid in cash	640,000
The assets and liabilities recognised as a result of the acquisition:	
Cash and cash equivalents	315,688
Restricted cash	570,867
Guarantee receivables	137,055
Prepayments, deposits and other assets	176,481
Property, plant and equipment	323
Right-of-use assets	407
Intangible assets	320
Net deferred tax assets	70,102
Risk assurance liabilities	(176,730)
Other payables and accruals	(1,134)
Lease liabilities	(416)
Net identifiable assets acquired	1,092,963
Less: investments in the joint venture	(351,971)
Less: negative goodwill in relation to bargain purchase	(100,992)
	640,000

16 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Investments in associates and joint ventures:		
Associates and joint ventures using equity method *(a)*	**303,041**	500,353
Assets classified as held for sale *(b)*	**–**	267,610
	303,041	767,963

(a) Associates and joint ventures using equity method

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
At beginning of the year	**500,353**	660,155
Capital injections	**181,337**	110,000
Step acquisition of a joint venture *(Note 15)*	**(351,971)**	–
Share of (losses)/profits of associates and joint ventures	**(15,607)**	34,741
Impairment loss of associates	**(12,031)**	–
Classified as held for sale *(b)*	**–**	(267,610)
Dividend distribution	**–**	(14,470)
Currency translation differences	**960**	(22,463)
At end of the year	**303,041**	500,353

As at 31 December 2024, the Group invested in eight associates using equity method. In the opinion of the directors of the Company, none of the associates is material to the Group.

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Aggregate carrying amount of individually immaterial associates and joint ventures	**303,041**	390,353
Aggregate amounts of the Group's share of:		
(Loss)/Gain from continuing operations	**(15,607)**	34,741
Total comprehensive (loss)/Income	**(15,607)**	34,741

16 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

(b) Assets classified as held for sale

During the year ended 31 December 2021, the Group invested RMB245,000,000 to establish Qingdao Caitong Yixin Financial Leasing Co., Ltd. ("**Qingdao Caitong Yixin**") with Qingdao Caitong Group Co., Ltd. in the Qingdao Free Trade Zone. The group held 49% of the equity interests and was rightful to two of the five board seats, resulting in the significant impact on Qingdao Caitong Yixin. The investment was accounted for using equity method of accounting. On 27 December 2023, the board of directors of the Group agreed to sell the entire equity interest in Qingdao Caitong Yixin held by the Group. The Group reclassified the investment in joint venture as the asset held for sale as of 31 December 2023. The transaction was completed on 5 February 2024.

The investment in joint venture classified as asset held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification. The fair value less costs to sell of the joint venture was carried out by the Group using certain key valuation assumptions including the selection of comparable companies and recent market transactions. As a result, the carrying amount of investment in Qingdao Caitong Yixin was lower than the fair value less costs to sell as of 31 December 2023.

17 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
At beginning of the year	**3,459,575**	3,204,387
Additions	**39,731**	306,790
Disposals	**(72,854)**	(9,170)
Fair value losses	**(97,063)**	(82,462)
Currency translation differences	**39,602**	40,030
At end of the year	**3,368,991**	3,459,575

18 FINANCIAL INSTRUMENTS BY CATEGORY

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Assets as per balance sheet		
Financial assets at fair value through profit or loss:		
– Long-term investments *(Note 17)*	**3,368,991**	3,459,575
Financial assets at amortized cost:		
– Finance receivables *(Note 19)*	**28,117,882**	23,884,879
– Trade receivables *(Note 20)*	**4,907,615**	4,794,331
– Deposits and other receivables	**2,972,928**	2,540,943
– Restricted cash *(Note 22(b))*	**2,553,475**	2,116,964
– Cash and cash equivalents *(Note 22(a))*	**4,212,760**	3,479,550
	46,133,651	40,276,242

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Liabilities as per balance sheet		
Financial liabilities at amortized cost:		
– Borrowings *(Note 29)*	**26,948,957**	23,155,782
– Trade payables *(Note 26)*	**964,344**	901,487
– Other payables (excluding advance from customers, staff costs and welfare accruals, tax payable, deferred revenue and other accruals)	**250,130**	495,149
– Other non-current liabilities (excluding deferred revenue) *(Note 31)*	**3,489**	1,389
Risk assurance liabilities *(Note 27)*	**2,339,355**	1,602,733
Lease liabilities *(Note 13)*	**25,815**	24,085
	30,532,090	26,180,625

19 FINANCE RECEIVABLES

The Group provides automobile financing lease services on its self-operated financing business. Details of finance receivables as at 31 December 2024 and 2023 are as below:

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Finance receivables		
– Finance receivables, gross	**32,604,142**	27,562,432
– Unearned finance income	**(3,553,833)**	(2,923,250)
Finance receivables, net	**29,050,309**	24,639,182
Less: provision for expected credit losses	**(932,427)**	(754,303)
Carrying amount of finance receivables	**28,117,882**	23,884,879
Finance receivables, gross		
– Within one year	**12,395,208**	11,190,283
– After one year but not more than two years	**9,005,905**	7,511,427
– After two years but not more than three years	**5,914,728**	4,890,207
– After three years	**5,288,301**	3,970,515
	32,604,142	27,562,432
Finance receivables, net		
– Within one year	**10,587,862**	9,618,946
– After one year but not more than two years	**7,888,941**	6,665,509
– After two years but not more than three years	**5,376,668**	4,530,717
– After three years	**5,196,838**	3,824,010
Total	**29,050,309**	24,639,182

The following table sets forth the carrying amount of finance receivables by major categories:

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Finance receivables:		
– Individual customers	**27,891,273**	23,537,198
– Auto dealers	**226,609**	347,681
	28,117,882	23,884,879

19 FINANCE RECEIVABLES (CONTINUED)

Movements on the Group's provision for expected credit losses of finance receivables are as follows:

	Year ended 31 December 2024			
	Stage I	**Stage II**	**Stage III**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
Opening balance at 1 January 2024	**461,847**	**42,527**	**249,929**	**754,303**
Provision for impairment	**328,811**	**2,661**	**253,000**	**584,472**
Reversal of impairment	**–**	**–**	**(59,706)**	**(59,706)**
Transfer for the period:				
Conversion to Stage I	***86***	***(60)***	***(26)***	**–**
Conversion to Stage II	***(47,179)***	***47,257***	***(78)***	**–**
Conversion to Stage III	***(147,016)***	***(30,758)***	***177,774***	**–**
Asset derecognised (including final repayment)	**–**	**–**	**59,706**	**59,706**
Write-off	**–**	**–**	**(406,348)**	**(406,348)**
Ending balance at 31 December 2024	**596,549**	**61,627**	**274,251**	**932,427**

	Year ended 31 December 2023			
	Stage I	Stage II	Stage III	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Opening balance at 1 January 2023	303,249	65,291	245,870	614,410
Provision for impairment	290,566	(7,081)	159,022	442,507
Reversal of impairment	–	–	(148,797)	(148,797)
Transfer for the period:				
Conversion to Stage I	*340*	*(310)*	*(30)*	–
Conversion to Stage II	*(26,075)*	*26,113*	*(38)*	–
Conversion to Stage III	*(106,233)*	*(41,486)*	*147,719*	–
Asset derecognised (including final repayment)	–	–	148,797	148,797
Write-off	–	–	(302,614)	(302,614)
Ending balance at 31 December 2023	461,847	42,527	249,929	754,303

20 TRADE RECEIVABLES

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Trade receivables	**4,941,727**	4,817,902
Less: provision for impairment	**(34,112)**	(23,571)
Trade receivables, net	**4,907,615**	4,794,331
Trade receivables, net	**4,907,615**	4,794,331
– Within one year	**2,917,220**	3,641,289
– After one year but not more than five years	**1,990,395**	1,153,042

Trade receivables include loan facilitation receivables and guarantee premium receivables.

(a) An aging analysis of trade receivables (net of provision for impairment) based on transaction date is as follows:

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Up to 3 months	**4,895,785**	4,783,946
3 to 6 months	**997**	187
Over 6 months	**10,833**	10,198
	4,907,615	4,794,331

As at 31 December 2024 and 2023, the carrying amounts of trade receivables are primarily denominated in RMB and approximate their fair values at each of the reporting dates.

(b) Movements on the Group's provision for impairment of trade receivables are as follows:

	Provision for impairment	
	2024	2023
	RMB'000	*RMB'000*
At 1 January	**23,571**	39,498
Charge for the year	**11,668**	13
Recovery of write-off	**–**	30
Reversal of provision provided in relation to the recovery of write-off	**–**	(30)
Write-off	**(1,127)**	(15,940)
At 31 December	**34,112**	23,571

21 PREPAYMENTS, DEPOSITS AND OTHER ASSETS

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Included in non-current assets:		
Vehicles collected from financing lease customers	**77,579**	120,702
Prepayment for equity transactions *(a)*	**50,000**	384,000
Deposits	**8,945**	76,620
Long-term prepaid expense	**2,442**	452
Others	**2,242**	9,549
	141,208	591,323
Less: provision for impairment of vehicles collected from financing lease customers	**(48,777)**	(85,030)
	92,431	506,293
Included in current assets:		
Other receivables from third parties	**823,643**	858,608
Loans recognized as a result of payment under the risk assurance	**719,180**	742,517
Deposits	**695,699**	570,039
Factoring	**572,500**	–
Loans to third parties *(b)*	**227,222**	271,400
Prepaid taxes	**184,055**	142,069
Other receivables from disposal of assets	**102,170**	122,752
Prepayments	**26,611**	24,221
Loans to related parties	**5,720**	20,000
Other receivables from related parties	**120**	6,613
Others	**67,491**	61,773
	3,424,411	2,819,992
Less: provision for impairment of other receivables	**(244,914)**	(198,627)
	3,179,497	2,621,365
Total	**3,271,928**	3,127,658

Notes:

(a) In November 2024, the prepayment for an equity transaction amounted to RMB50 million was paid by Beijing Xulu Information Technology Co., Ltd. in certain investee. As of 31 December 2024, the transaction has not been completed.

As of 31 December 2023, the prepayment for an acquisition transaction amounted to RMB384 million was paid in accordance with the equity transfer agreement entered into by Xinche, Beijing Bitauto Internet Information Company Limited and Dalian Rongxin Financing Guarantees Company Ltd. on 29 May 2023 in regard to the acquisition of the remaining equity interests in Dalian Rongxin with a total consideration of RMB640 million. On April 2 2024, the transaction has been completed. Dalian Rongxin became an indirectly wholly-owned subsidiary of the Company (Note 15).

(b) The loans to third parties are arranged to be recovered by the end of December 2025 given the business terms. As at 31 December 2024, the applicable interest rates on loans to third parties are from 7.00% to 10.00% (2023: 7.00% to 10.00%) per annum.

21 PREPAYMENTS, DEPOSITS AND OTHER ASSETS (CONTINUED)

As at 31 December 2024 and 2023, the carrying amounts of prepayments, deposits and other assets are primarily denominated in RMB and approximate their fair values at each of the reporting dates. As at 31 December 2024 and 2023, there are no significant balances that are past due.

Movements on the Group's provision for impairment of prepayments, deposits and other assets are as follows:

	Provision for impairment	
	2024	2023
	RMB'000	*RMB'000*
As at 1 January	**283,657**	370,622
Business combination *(Note 15)*	**24,662**	–
Provision for impairment	**390,657**	293,705
Recovery of write-off	**16,155**	19,078
Reversal of provision provided in relation to the recovery of write-off	**(16,155)**	(19,078)
Write-off	**(405,285)**	(380,670)
As at 31 December	**293,691**	283,657

As at 31 December 2024, the ECL allowance of loans recognized as a result of payment under risk assurance amounted to approximately RMB104,339,000 (2023: RMB97,181,000).

22 CASH AND BANK BALANCES

(a) Cash and cash equivalents

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Cash and cash equivalents	**4,212,760**	3,479,550

As at 31 December 2024 and 2023, the carrying amounts of the Group's cash and cash equivalents are denominated in the following currencies:

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
RMB	**3,344,365**	3,114,859
USD	**582,468**	211,354
JPY	**199,552**	608
SGD	**80,776**	42,558
HKD	**5,561**	109,851
MOP	**28**	320
THB	**10**	–
	4,212,760	3,479,550

22 CASH AND BANK BALANCES (CONTINUED)

(b) Restricted cash

Cash that is restricted as to withdrawal for use or pledged as security is reported separately on the face of the consolidated balance sheets, and is not included in the total cash and cash equivalents in the consolidated statements of cash flows.

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Cash deposited for loan facilitation & SaaS services *(a)*	**2,188,419**	1,514,887
Cash deposited for borrowings *(b)*	**309,667**	422,653
Term deposits pledged for bank borrowings *(c)*	**54,722**	168,407
Others	**667**	11,017
	2,553,475	2,116,964
Of which are:		
Current restricted cash	**2,520,319**	2,083,808
Non-current restricted cash	**33,156**	33,156

Notes:

(a) The balance represents the deposits placed with banks for the Group's loan facilitation services and SaaS services. Such balance is restricted from withdrawal by the Group.

(b) The balance represents the cash deposited for bank borrowings and cash collected from the finance receivables that are deposited for asset-backed securitization or other secured borrowings of the Group. Such balance is restricted from withdrawal by the Group.

(c) The balance represents the term deposits placed with banks and used as pledged assets for the Group's bank borrowings (Note 29).

As at 31 December 2024 and 2023, the carrying amounts of the Group's restricted cash are denominated in the following currencies:

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
RMB	**2,553,288**	2,036,019
HKD	**187**	–
MOP	**–**	35,348
USD	**–**	34,951
SGD	**–**	10,646
	2,553,475	2,116,964

As at 31 December 2024, the applicable interest rates per annum on restricted cash ranged from 0.00% to 2.00% (2023: 0.00% to 5.20%).

23 SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares	Nominal value of ordinary shares *USD'000*	Number of preferred shares	Nominal value of preferred shares *USD'000*
Authorized:				
As at 1 January and 31 December 2024	**15,000,000,000**	**1,500**	**–**	**–**
As at 1 January and 31 December 2023	15,000,000,000	1,500	–	–

	Number of ordinary shares	Nominal value of ordinary shares *USD'000*	Equivalent nominal value of ordinary shares *RMB'000*	Share premium *RMB'000*
Issued:				
At 1 January 2024	**6,524,065,512**	**639**	**4,262**	**34,964,305**
Newly issued ordinary shares	**–**	**–**	**–**	**–**
Shares issued upon exercise of employee share options	**63,000**	**–**	**–**	**226**
Vesting of restricted awarded shares	**–**	**3**	**23**	**71,381**
Dividend declared	**–**	**–**	**–**	**(177,692)**
As at 31 December 2024	**6,524,128,512**	**642**	**4,285**	**34,858,220**
At 1 January 2023	6,523,873,012	636	4,238	35,080,671
Newly issued ordinary shares	–	–	–	–
Shares issued upon exercise of employee share options	192,500	–	–	690
Vesting of restricted awarded shares	–	3	24	70,400
Dividend declared	–	–	–	(187,456)
As at 31 December 2023	6,524,065,512	639	4,262	34,964,305

24 OTHER RESERVES

	Note	Capital Reserves *RMB'000*	Statutory surplus reserve *RMB'000*	Share-based compensation reserve *RMB'000*	Shares held for share award scheme *RMB'000*	Currency translation differences *RMB'000*	Total *RMB'000*
At 1 January 2024		**(431,554)**	**218,502**	**1,168,313**	**(2,047)**	**343,168**	**1,296,382**
Currency translation differences		**–**	**–**	**–**	**–**	**34,893**	**34,893**
Share-based compensation		**–**	**–**	**53,901**	**–**	**–**	**53,901**
Shares issued upon exercise of employee share options		**–**	**–**	**(225)**	**–**	**–**	**(225)**
Vesting of restricted awarded shares		**–**	**–**	**(79,068)**	**7,664**	**–**	**(71,404)**
Purchase of restricted shares under share award scheme	*25*	**–**	**–**	**–**	**(6,078)**	**–**	**(6,078)**
Appropriation to statutory reserves		**–**	**326,339**	**–**	**–**	**–**	**326,339**
At 31 December 2024		**(431,554)**	**544,841**	**1,142,921**	**(461)**	**378,061**	**1,633,808**
At 1 January 2023		(431,554)	117,543	1,175,591	(1,489)	334,991	1,195,082
Currency translation differences		–	–	–	–	8,177	8,177
Share-based compensation	*25*	–	–	74,750	–	–	74,750
Shares issued upon exercise of employee share options		–	–	(688)	–	–	(688)
Vesting of restricted awarded shares		–	–	(81,340)	10,916	–	(70,424)
Purchase of restricted shares under share award scheme	*25*	–	–	–	(11,474)	–	(11,474)
Appropriation to statutory reserves		–	100,959	–	–	–	100,959
At 31 December 2023		(431,554)	218,502	1,168,313	(2,047)	343,168	1,296,382

25 SHARE-BASED PAYMENTS

The total expenses recognized in the consolidated income statement for share-based awards granted to the Group's employees are RMB54,247,000 for the year ended 31 December 2024 (2023: RMB74,750,000).

(a) Share options granted to employees under the Pre-IPO Share Option Scheme and the 2024 Share Scheme

Pre-IPO Share Option Scheme

The exercise price of the granted options to employees is USD0.0014. The options have graded vesting terms determined in the grant letter, on the condition that employees remain in service without any performance requirements. The vesting dates are determined by the Company and grantees for each option agreement. The granted options have a contractual option term of ten years. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

2024 Share Scheme

On 9 May 2024, the Company conditionally proposed the adoption of the 2024 Share Scheme and the 2024 Share Scheme was approved by the Shareholders in general meeting. Upon the approval of adoption of the 2024 Share Scheme, the Company granted 250,000,000 share options on 27 June 2024.

The directors have used a Binomial option pricing model to determine the fair value of the share options as at the grant date. Key assumptions are required to be determined by the directors using their best estimates. Fair value per share is HKD0.2624 and exercise price of the granted options to employees is HKD0.70. The options have graded vesting terms determined in the grant letter, on the condition that employees remain in service without any performance requirements. The vesting dates are determined by the Company and grantees for each option agreement. The granted options have a contractual option term of seven or ten years.

Movements in the number of share options granted to employees outstanding are as follows:

	Number of share options	
	2024	2023
Outstanding as at 1 January	**235,163,848**	235,356,348
Granted during the year	**250,000,000**	–
Exercised during the year	**(63,000)**	(192,500)
Outstanding as at 31 December	**485,100,848**	235,163,848
Exercisable as at 31 December	**235,100,848**	235,163,848

25 SHARE-BASED PAYMENTS (CONTINUED)

(a) Share options granted to employees under the Pre-IPO Share Option Scheme and the 2024 Share Scheme (Continued)

2024 Share Scheme (Continued)

The directors have used the discounted cash flow method to determine the underlying equity fair value of the Company and adopted an equity allocation model to determine the fair value of the underlying ordinary shares. Key assumptions, such as discount rate and projections of future performance, are required to be determined by the directors using their best estimates.

Based on the fair value of the underlying ordinary shares, the directors have used a Binomial option-pricing model to determine the fair value of the share options as at the grant date. Key assumptions are set as below:

	3 July 2017	1 October 2017	27 June 2024
Fair value per share	USD3.70	USD4.90	HKD0.2624
Exercise price	USD0.01	USD0.01	HKD0.70
Risk-free interest rate	2.50%	2.46%	3.4% or 3.6%
Dividend yield	0.00%	0.00%	4.3%
Expected volatility	51%	56%	51%
Expected terms	10 years	10 years	7 or 10 years
Weighted-average remaining contractual life	2.5 years	2.75 years	6.5 or 9.5 years
Weighted-average fair value per option granted	USD3.69	USD4.89	HKD0.2624
Weighted-average fair value per option granted (after the effect of the Capitalization Issue)	USD0.53	USD0.70	HKD0.2624

The directors estimated the risk-free interest rate based on the yield of US Treasury Strips with a maturity life closed to the remaining maturity life of the share option for Pre-IPO share options and the yield of Hong Kong Government Debt with a maturity life equal to the expected option life for 2024 share options. Volatility was estimated at grant date based on average of historical volatilities of the comparable companies with length commensurable to the time to maturity of the share option for Pre-IPO share options and the historical daily stock prices of the Company for a period with length commensurable to the remaining maturity life of the share option for 2024 share options. Dividend yield is based on management estimation at the grant date. Before IPO, the directors have only granted two batches of share options to employees under the Pre-IPO Share Option Scheme.

25 SHARE-BASED PAYMENTS (CONTINUED)

(b) Restricted share units ("RSUs") granted to employees under the First and Second Share Award Scheme

Starting from 2018, the Group granted RSUs to the Group's employees under the First and Second Share Award Scheme ("**Share Award Scheme**"). The RSUs granted would vest on specific dates, or in equal tranches from the grant date over two to four years, on condition that employees remain in service without any performance requirements. Once the vesting conditions underlying the respective RSUs are met, the RSUs are considered duly and validly issued to the holder, and free of restrictions on transfer.

520,000 RSUs under the 2024 Share Award Scheme were modified in the year ended 31 December 2024 from equity-settled to cash-settled. There was no incremental fair value incurred.

Movements in the number of RSUs granted to the Group's employees and the respective weighted-average grant date fair value are as follows:

	Number of RSUs	**Weighted average fair value per RSU** ***(USD)***
Outstanding as at 1 January 2024	**87,012,573**	**USD0.28**
Granted during the year	**2,080,000**	**USD0.09**
Vested and sold during the year	**(43,578,787)**	**USD0.28**
Forfeited during the year	**(2,017,500)**	**USD0.18**
Outstanding as at 31 December 2024	**43,496,286**	**USD0.27**
Vested as at 31 December 2024	**227,396,874**	**USD0.29**
Outstanding as at 1 January 2023	131,279,360	USD0.30
Granted during the year	4,400,000	USD0.14
Vested and sold during the year	(45,326,787)	USD0.28
Forfeited during the year	(3,340,000)	USD0.15
Outstanding as at 31 December 2023	87,012,573	USD0.28
Vested as at 31 December 2023	183,818,087	USD0.29

The fair value of RSUs is determined based on the closing price of the Group's publicly traded ordinary shares on the date of grant.

(c) Expected Retention Rate

The Group has to estimate the expected yearly percentage of grantees that will stay within the Group at the end of the vesting periods of the share options and RSUs (the "**Expected Retention Rate**") in order to determine the amount of share-based compensation expenses charged to the consolidated income statement. As at 31 December 2024, the Expected Retention Rate for the Group's directors, senior management members, and other employees was assessed to be 100%, 100% and 95%, respectively (31 December 2023: 100%, 100% and 95%).

26 TRADE PAYABLES

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Trade payables	**964,344**	901,487

An aging analysis of trade payables based on transaction date is as follows:

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Up to 3 months	**957,436**	791,244
3 to 6 months	**80**	3,874
6 months to 1 year	**16**	78,414
Over 1 year	**6,812**	27,955
	964,344	901,487

27 RISK ASSURANCE LIABILITIES

A summary of the Group's risk assurance liabilities movement for the years ended 31 December 2024 and 2023 is presented below:

	2024	2023
	RMB'000	*RMB'000*
As at 1 January	**1,602,733**	1,150,498
Business combination *(Note 15)*	**176,730**	–
Addition arising from new business	**2,456,043**	1,695,585
Income from guarantee services and related VAT	**(1,615,300)**	(1,021,009)
ECL	**645,949**	158,059
Payouts during the year, net	**(926,800)**	(380,400)
As at 31 December	**2,339,355**	1,602,733

As at 31 December 2024, the ECL allowance of risk assurance liabilities amounted to approximately RMB1,934,970,000 (2023: RMB872,295,000).

28 OTHER PAYABLES AND ACCRUALS

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Accrued expenses	**150,319**	139,358
Staff costs and welfare accruals	**122,983**	119,476
Deposits payable	**119,765**	136,290
Deferred other income – current	**77,948**	76,101
Tax payable	**52,381**	48,866
Advances from customers	**18,087**	135,664
Other payables to related parties	**–**	295,437
Others	**130,365**	63,422
	671,848	1,014,614

As at 31 December 2024 and 2023, the carrying amounts of the Group's other payables and accruals, excluding advances from customers, staff costs and welfare accruals, tax payable, deferred revenue and other accruals, approximate their fair values at each of the reporting date.

29 BORROWINGS

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Included in non-current liabilities:		
Unsecured borrowings	**8,946,161**	6,444,408
Asset-backed securitization debt	**2,662,314**	2,784,331
Other secured borrowings	**950,598**	837,710
Pledge borrowings	**286,828**	785,172
	12,845,901	10,851,621
Included in current liabilities:		
Unsecured borrowings	**7,075,093**	5,111,983
Asset-backed securitization debt	**3,954,608**	3,380,268
Other secured borrowings	**2,888,610**	3,457,204
Pledge borrowings	**184,745**	354,706
	14,103,056	12,304,161
Total borrowings	**26,948,957**	23,155,782

30 DEFERRED INCOME TAX

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Deferred income tax assets:		
– To be recovered within 12 months	**546,663**	598,432
Set-off of deferred income tax assets	**(23,391)**	(37,081)
Net deferred income tax assets	**523,272**	561,351
Deferred income tax liabilities:		
– To be recovered after 12 months	**(134,741)**	(113,410)
– To be recovered within 12 months	**(91)**	(91)
	(134,832)	(113,501)
Set-off of deferred income tax liabilities	**23,391**	37,081
Net deferred income tax liabilities	**(111,441)**	(76,420)

The gross movements on the deferred income tax account are as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
At 1 January	**484,931**	618,964
Business combination *(Note 15)*	**70,102**	–
Credited to consolidated income statement	**(142,011)**	(133,859)
Currency translation differences	**(1,191)**	(174)
At 31 December	**411,831**	484,931

31 OTHER NON-CURRENT LIABILITIES

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Deferred other income	**829,467**	880,476
Long-term deposits payable	**3,489**	680
Other liabilities	**–**	709
	832,956	881,865

32 CONTINGENCIES

The Group did not have any material contingent liabilities as at 31 December 2024 (2023: nil).

33 SUBSEQUENT EVENTS

Since year end, the directors have recommended the payment of final and special dividends of HK13.0 cents per fully paid ordinary share. Subject to the approval at the Annual General Meeting, the aggregate amount of the proposed dividend expected to be paid on Thursday, June 26, 2025 out of profit for the year ended 31 December 2024, but not recognised as a liability at year end, is HKD878.5 million (equivalent to RMB810.9 million).

OTHER INFORMATION

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

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale or transfer of treasury Shares, if any).

Compliance with the Corporate Governance Code

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all our Shareholders.

The Company adopted the code provisions as set out in the CG Code contained in Appendix C1 to the Listing Rules. In the opinion of the Directors, throughout the Reporting Period, the Company has complied with all applicable code provisions set out in the CG Code, save and except for the following deviation from code provision C.2.1 of the CG Code.

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Andy Xuan Zhang is the Chairman and Chief Executive Officer of the Company. The Board believes that vesting the roles of both Chairman and Chief Executive Officer of the Company in Mr. Andy Xuan Zhang has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. Furthermore, the Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of Chairman and Chief Executive Officer of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

Further information of the corporate governance practice of the Company is set out in the corporate governance report in the annual report of the Company for the Reporting Period.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code, and maintain a high standard of corporate governance practices of the Company.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has devised its own code of conduct regarding securities transactions, regarding Directors' and relevant employees' dealings in the Company's securities on terms no less exacting than the Model Code. Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Company's Securities Dealing Code during the Reporting Period.

The Company's Securities Dealing Code also applies to all relevant employees of the Company who are likely to be in possession of inside information of the Company. No incident of non-compliance of the Company's Securities Dealing Code by the relevant employees was noted by the Company.

Event Occurring after the Reporting Period

From January 1, 2025 to the date of this announcement, there was no important event or transaction affecting the Group and which is required to be disclosed by the Company to its Shareholders.

Audit Committee and Review of Financial Statements

The Company has established the Audit Committee with written terms of reference in compliance with the CG Code. As at the date of this announcement, the Audit Committee comprises three independent non-executive Directors, namely Mr. Chester Tun Ho Kwok, Mr. Tin Fan Yuen and Ms. Lily Li Dong. Mr. Chester Tun Ho Kwok is the chairman of the Audit Committee.

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the Reporting Period. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management and PricewaterhouseCoopers. Based on this review and discussions with the management, the Audit Committee was satisfied that the Group's audited consolidated financial statements were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the Reporting Period.

The consolidated financial statements of the Group for the Reporting Period have been audited by PricewaterhouseCoopers.

Scope of Work of the Auditor

The figures contained in this announcement of the Group's consolidated results and the related notes thereto for the Reporting Period have been agreed by PricewaterhouseCoopers, to the figures set out in the audited consolidated financial statements of the Group for the Reporting Period. PricewaterhouseCoopers performed this work in accordance with Hong Kong Standard on Related Services 4400 "Engagements to Perform Agreed-upon Procedures Regarding Financial Information" and with reference to Practice Note 730 (Revised) "Guidance for Auditors Regarding Preliminary Announcements of Annual Results" issued by the HKICPA. The work performed by PricewaterhouseCoopers in this respect does not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements, or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement.

Use of Proceeds

Our shares were listed on the Stock Exchange on November 16, 2017 and the net proceeds raised during our IPO amounted to approximately HK$6,508 million (equivalent to RMB5,525 million). There was no change in the intended use of net proceeds as previously disclosed in the Prospectus.

As at December 31, 2024, the Group had utilised the proceeds as set out in the table below:

	Net proceeds from the IPO		Utilization up to December 31, 2024		Utilization during the Reporting Period		Unutilized amount	
	HK$'000	*RMB'000*	*HK$'000*	*RMB'000*	*HK$'000*	*RMB'000*	*HK$'000*	*RMB'000*
Sales and marketing	1,952,278	1,657,523	1,952,278	1,657,523	–	–	–	–
Research and technology capabilities enhancement	1,301,519	1,105,016	1,301,519	1,105,016	36,351	30,863	–	–
Self-operated financing business	1,301,519	1,105,016	1,301,519	1,105,016	–	–	–	–
Potential investments or acquisitions	1,301,519	1,105,016	1,301,519	1,105,016	–	–	–	–
Working capital and other general corporate purposes	650,760	552,506	650,760	552,506	–	–	–	–
Total	**6,507,595**	**5,525,077**	**6,507,595**	**5,525,077**	**36,351**	**30,863**	**–**	**–**

The net proceeds have been fully utilized during the Reporting Period.

Dividend

The Board recommended the payment of a final dividend of HK6.5 cents per Share and a special dividend of HK6.5 cents per Share for the year ended December 31, 2024 (2023: a final dividend of HK3.00 cents per Share) to Shareholders whose names appear on the register of members of the Company on Tuesday, May 27, 2025. The total amount of the proposed final and special dividends is estimated to be approximately HK$878.5 million (equivalent to approximately RMB810.9 million) based on 6,757,594,701 Shares in issue as at the date of this announcement. The Shareholders are reminded that there is no assurance that a dividend will be proposed or declared in any subsequent periods. The Board will continue to review and assess from time to time in accordance with the dividend policy of the Company to determine whether any dividend payment will be proposed or declared in the future.

Annual General Meeting

The Annual General Meeting is scheduled to be held on Monday, May 12, 2025. A notice convening the Annual General Meeting will be published and disseminated to our Shareholders in accordance with the requirements of the Listing Rules in due course.

Closure of Register of Members

In order to determine the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Wednesday, May 7, 2025 to Monday, May 12, 2025, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, May 6, 2025.

For determining the entitlement to the proposed final and special dividends, the register of members of the Company will be closed from Thursday, May 22, 2025 to Tuesday, May 27, 2025, both dates inclusive, during which period no transfer of shares will be registered. The record date on which the Shareholders are qualified to receive the proposed final and special dividends is Tuesday, May 27, 2025. In order to be qualified for the proposed final and special dividends, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, May 21, 2025.

Publication of Annual Results and Annual Report

This annual results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.yixincars.com). The annual report of the Group for the Reporting Period will be published on the aforesaid websites and disseminated to our Shareholders in due course.

APPRECIATION

On behalf of the Group, I extend my heartfelt thanks to our customers and partners, as well as my deep appreciation for the commitment and contributions of our employees and management team. I am also grateful for the trust and support from our Shareholders and stakeholders.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

"2024 Share Scheme"	the share scheme of the Company approved by the Shareholders at the extraordinary general meeting of the Company on June 27, 2024, a summary of the principal terms of which is set out in Appendix I to the circular of the Company dated June 11, 2024
"affiliate(s)"	any company that directly or indirectly controls, is controlled by or is under common control of the company in question, provided that control shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management of a company, whether through the ownership of voting securities, by contract, credit arrangement or proxy, as trustee, executor, agent or otherwise, and accordingly, for the purpose of the definition of affiliate(s), a company shall be deemed to control another company if such first company, directly or indirectly, owns or holds more than 50% of the voting equity securities in such other company, and terms deriving from control, such as "controlling" and "controlled", shall have a meaning corollary to that of control
"Annual General Meeting"	the annual general meeting of the Company to be held on Monday, May 12, 2025
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of the Company
"Beijing Xulu"	Beijing Xulu Information Technology Co., Ltd.* (北京序祿信息科技有限公司, formerly known as Beijing Yixin Information Technology Co., Ltd.* (北京易鑫信息科技有限公司), a company established under the laws of the PRC and the Consolidated Affiliated Entity
"Board"	the board of Directors
"CG Code"	the Corporate Governance Code set out in Appendix C1 of the Listing Rules
"China" or "PRC"	the People's Republic of China and, except where the context requires and only for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Company" or "Yixin"	Yixin Group Limited (易鑫集团有限公司), an exempted company incorporated under the laws of the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2858)

"Company's Securities Dealing Code"	the Company's own code of conduct for securities transactions regarding the Directors' and relevant employees' dealings in the securities of the Company on terms no less exacting than the Model Code
"Consolidated Affiliated Entity"	the entity that the Company controls through the Contractual Arrangements, namely Beijing Xulu
"Contractual Arrangements"	the series of contractual arrangements entered into by, among others, Tianjin Kars, our Consolidated Affiliated Entity and its shareholders in respect of, among others, the Company's effective control over the Consolidated Affiliated Entity
"Director(s)"	the director(s) of the Company
"ESG"	Environmental, Social and Governance
"FinTech"	financial technology
"First Share Award Scheme"	the share award scheme of the Company, which was adopted on May 26, 2017 and amended on September 1, 2017 and May 6, 2021 and terminated on July 9, 2024, further details of which are disclosed in the section headed "Statutory and General Information – Pre-IPO Share Option and Share Award Schemes – First Share Award Scheme" in Appendix IV to the Prospectus and in the circular of the Company dated June 11, 2024
"Group", "our Group", "Yixin Group", "we", "us" or "our"	the Company, its subsidiaries and the Consolidated Affiliated Entity (the financial results of which have been consolidated and accounted for as a subsidiary of the Company by virtue of the Contractual Arrangements) from time to time
"HKICPA"	the Hong Kong Institute of Certified Public Accountants
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IFRSs"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
"IPO"	initial public offering of the Shares on the Main Board
"Listing"	the listing of the Shares on the Main Board
"Listing Date"	November 16, 2017, the date the Shares were listed on the Stock Exchange

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
"Main Board"	the stock market (excluding the options market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
"NEV(s)"	the new energy vehicle(s)
"OEM(s)"	the original equipment manufacturer(s)
"Pre-IPO Share Option Scheme"	the pre-IPO share option scheme approved and adopted by the Board on May 26, 2017 and amended on September 1, 2017, the principal terms of which are set out in the section headed "Statutory and General Information – Pre-IPO Share Option and Share Award Schemes – Pre-IPO Share Option Scheme" of the Prospectus
"PricewaterhouseCoopers"	the Group's auditor
"Prospectus"	the prospectus of the Company dated November 6, 2017
"Reporting Period"	the year ended December 31, 2024
"RMB"	Renminbi, the lawful currency of the PRC
"SaaS"	software-as-a-service
"Second Share Award Scheme"	the share award scheme conditionally approved and adopted by written resolutions of all the Shareholders on September 1, 2017 and effective from the Listing Date, the principal terms of which are set out in the section headed "Statutory and General Information – Pre-IPO Share Option and Share Award Schemes – Second Share Award Scheme" of the Prospectus
"Share(s)"	ordinary share(s) in the share capital of the Company with a par value of US$0.0001 each
"Shareholder(s)"	holder(s) of Share(s) from time to time
"State Council"	the State Council of the PRC
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules

"Tianjin Kars"	Tianjin Kars Information Technology Co., Ltd.* (天津卡爾斯信息科技有限公司), a wholly foreign-owned enterprise established under the laws of the PRC and a wholly-owned subsidiary of the Company
"United States" or "US"	the United States of America, its territories, possessions and all areas subject to its jurisdiction
"US$"	United States dollars, the lawful currency of the United States
"Yusheng"	Yusheng Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability
"%"	per cent

* *for identification purpose only*

By Order of the Board
Yixin Group Limited
易鑫集团有限公司
Andy Xuan Zhang
Chairman

Hong Kong, February 27, 2025

As at the date of this announcement, the Directors are:

Executive Directors	Mr. Andy Xuan Zhang and Mr. Dong Jiang
Non-executive Directors	Mr. Qing Hua Xie and Ms. Amanda Chi Yan Chau
Independent non-executive Directors	Mr. Tin Fan Yuen, Mr. Chester Tun Ho Kwok and Ms. Lily Li Dong