DONGFENG MOTOR GROUP COMPANY LIMITED*

東風汽車集團股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 489)

2024 ANNUAL RESULTS ANNOUNCEMENT

The Board of Directors (the "**Board**") of Dongfeng Motor Group Company Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "**Group**" or the "**Dongfeng Motor Group**") for the year ended 31 December 2024 together with the comparative figures in 2023.

In this announcement, unless otherwise specified, all references to business, including manufacture, research and development, outputs and sales volume, market share, investment, sales network, employee, motivation, social responsibility, corporate governance include all relating to the Dongfeng Motor Group, subsidiaries, joint ventures and associates (including subsidiaries, joint ventures and associates of the Company in which the members of the Group have direct or indirect equity interests).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Year ended 31 December 2024

	Notes	**2024 RMB million**	2023 RMB million (Restated)
REVENUE	4	**106,197**	99,383
Cost of sales		**(92,612)**	(89,550)
Gross profit		**13,585**	9,833
Other income and gains	4	**7,016**	4,161
Selling and distribution expenses		**(9,419)**	(8,301)
Administrative expenses		**(6,152)**	(5,395)
Impairment losses on financial assets	7	**(631)**	(1,144)
Other expenses		**(5,832)**	(5,601)
Finance expenses	6	**(837)**	(1,112)
Share of profits and losses of:		**1,107**	1,321
Joint ventures		**436**	514
Associates		**671**	807
LOSS BEFORE INCOME TAX	5	**(1,163)**	(6,238)
Income tax expense	8	**(59)**	(465)
LOSS FOR THE YEAR		**(1,222)**	(6,703)
Attributable to:			
Owners of the parent		**58**	(3,887)
Non-controlling interests		**(1,280)**	(2,816)
		(1,222)	(6,703)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	10		
Basic and diluted for profit/(loss) for the year		**RMB 0.70 cents**	RMB (45.66) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	Notes	**2024** **RMB million**	2023 RMB million (Restated)
LOSS FOR THE YEAR		**(1,222)**	(6,703)
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Changes in fair value of financial assets at fair value through other comprehensive income		**(3,862)**	5,888
Others		**(65)**	38
		(3,927)	5,926
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Currency translation differences		**(19)**	14
Income tax effect			
Item that will not be reclassified subsequently to profit or loss		**973**	(1,478)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**(2,973)**	4,462
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(4,195)**	(2,241)
Attributable to:			
Owners of the parent		**(2,893)**	557
Non-controlling interests		**(1,302)**	(2,798)
		(4,195)	(2,241)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	**31 December 2024 RMB million**	31 December 2023 RMB million (Restated)
NON-CURRENT ASSETS			
Property, plant and equipment		**28,588**	24,941
Investment properties		**4,228**	4,344
Right-of-use assets		**4,853**	4,796
Goodwill		**3,155**	3,155
Intangible assets		**14,129**	10,531
Investments in joint ventures		**36,011**	38,814
Investments in associates		**16,402**	16,611
Financial assets at fair value through other comprehensive income		**5,055**	8,998
Other non-current assets		**31,906**	37,450
Deferred tax assets		**5,572**	5,154
Total non-current assets		**149,899**	154,794
CURRENT ASSETS			
Inventories		**15,371**	14,432
Trade receivables	11	**12,412**	8,774
Bills receivable		**4,798**	7,304
Due from joint ventures		**1,309**	1,280
Prepayments, deposits and other receivables		**40,282**	40,516
Financial assets at fair value through other comprehensive income		**4,135**	9,248
Financial assets at fair value through profit or loss		**16,579**	16,568
Pledged bank balances and time deposits		**4,414**	4,159
Cash and bank deposits		**75,853**	79,355
Total current assets		**175,153**	181,636

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
31 December 2024

	Notes	**31 December 2024 RMB million**	31 December 2023 RMB million (Restated)
TOTAL ASSETS		**325,052**	336,430
CURRENT LIABILITIES			
Trade payables	12	**26,595**	27,164
Bills payable		**30,005**	29,534
Other payables and accruals		**20,704**	18,505
Contract liabilities		**3,694**	4,318
Due to joint ventures		**24,556**	20,513
Interest-bearing bank and other borrowings		**36,056**	34,454
Lease liabilities		**321**	332
Income tax payable		**229**	1,509
Provisions		**847**	1,012
Total current liabilities		**143,007**	137,341
NET CURRENT ASSETS		**32,146**	44,295
TOTAL ASSETS LESS CURRENT LIABILITIES		**182,045**	199,089
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**18,597**	28,518
Lease liabilities		**1,949**	1,836
Other long term liabilities		**2,206**	2,188
Government grants		**1,833**	2,198
Deferred tax liabilities		**678**	1,691
Provisions		**1,985**	1,942
Total non-current liabilities		**27,248**	38,373

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
31 December 2024

	Notes	**31 December 2024 RMB million**	31 December 2023 RMB million (Restated)
Net assets		**154,797**	160,716
EQUITY			
Equity attributable to owners of the parent			
Issued capital		**8,253**	8,302
Reserves		**23,848**	27,897
Treasury shares		**–**	(78)
Retained profits		**117,189**	117,762
Total equity attributable to owners of the parent		**149,290**	153,883
Non-controlling interests		**5,507**	6,833
Total equity		**154,797**	160,716
TOTAL EQUITY AND LIABILITIES		**325,052**	336,430

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2024

	Attributable to owners of the company							
	Issued capital RMB million	Capital reserves* RMB million	Treasury stock RMB million	Statutory reserves* RMB million	Retained profits RMB million	Total RMB million	Non-controlling interests RMB million	Total equity RMB million
At 31 December 2023	**8,302**	**7,197**	**(78)**	**19,709**	**117,658**	**152,788**	**6,822**	**159,610**
Business combination under common control	**–**	**991**	**–**	**–**	**104**	**1,095**	**11**	**1,106**
At 31 December 2023 and 1 January 2024 (as restated)	**8,302**	**8,188**	**(78)**	**19,709**	**117,762**	**153,883**	**6,833**	**160,716**
Total comprehensive income for the year	**–**	**(2,951)**	**–**	**–**	**58**	**(2,893)**	**(1,302)**	**(4,195)**
Shares repurchased	**–**	**–**	**(71)**	**–**	**–**	**(71)**	**–**	**(71)**
Shares cancellation	**(49)**	**(100)**	**149**	**–**	**–**	**–**	**–**	**–**
Interim 2024 dividend declared	**–**	**–**	**–**	**–**	**(413)**	**(413)**	**–**	**(413)**
Dividends paid to non-controlling equity holders	**–**	**–**	**–**	**–**	**–**	**–**	**(37)**	**(37)**
Capital contribution from non-controlling equity holders	**–**	**–**	**–**	**–**	**–**	**–**	**47**	**47**
Business combination under common control	**–**	**(1,096)**	**–**	**–**	**(26)**	**(1,122)**	**–**	**(1,122)**
Transactions with non-controlling equity holders	**–**	**(70)**	**–**	**–**	**(61)**	**(131)**	**(48)**	**(179)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

Year ended 31 December 2024

	Attributable to owners of the company							
	Issued capital RMB million	Capital reserves* RMB million	Treasury stock RMB million	Statutory reserves* RMB million	Retained profits RMB million	Total RMB million	Non-controlling interests RMB million	Total equity RMB million
Share-based payment	–	52	–	–	–	52	14	66
Transfer to reserves	–	–	–	190	(190)	–	–	–
Transfer from capital reserve upon on disposal of equity investments at fair value through other comprehensive income	–	(59)	–	–	59	–	–	–
Others	–	(15)	–	–	–	(15)	–	(15)
At 31 December 2024	**8,253**	**3,949**	**–**	**19,899**	**117,189**	**149,290**	**5,507**	**154,797**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

Year ended 31 December 2024

	Attributable to owners of the company							
	Issued capital RMB million	Capital reserves* RMB million (Restated)	Treasury stock RMB million	Statutory reserves* RMB million	Retained profits RMB million (Restated)	Total RMB million (Restated)	Non-controlling interests RMB million (Restated)	Total equity RMB million (Restated)
At 31 December 2022	8,616	5,359	(93)	19,723	122,247	155,852	9,684	165,536
Restatement for business combination under common control	–	982	–	–	203	1,185	21	1,206
At 31 December 2022 and 1 January 2023 (as restated)	8,616	6,341	(93)	19,723	122,450	157,037	9,705	166,742
Total comprehensive income for the year	–	4,444	–	–	(3,887)	557	(2,798)	(2,241)
Shares repurchased	–	–	(963)	–	–	(963)	–	(963)
Shares cancellation	(314)	(664)	978	–	–	–	–	–
Final 2022 dividend declared	–	–	–	–	(2,768)	(2,768)	–	(2,768)
Dividends paid to non-controlling equity holders	–	–	–	–	–	–	(50)	(50)
Transactions with non-controlling equity holders	–	3	–	(14)	–	(11)	(32)	(43)
Share-based payment	–	31	–	–	–	31	8	39
Transfer from capital reserve upon on disposal of equity investments at fair value through other comprehensive income	–	(1,967)	–	–	1,967	–	–	–
At 31 December 2023(as restated)	8,302	8,188	(78)	19,709	117,762	153,883	6,833	160,716

* These reserve accounts comprise the consolidated reserves of RMB23,848 million as at 31 December 2024 (31 December 2023: RMB27,897 million) in the consolidated statement of financial position.

1. GENERAL INFORMATION

Dongfeng Motor Group Company Limited (the "**Company**") is a joint stock limited liability company incorporated in the People's Republic of China (the "**PRC**"). The registered office of the Company is located at Special No. 1 Dongfeng Road, Wuhan Economic and Technology Development Zone, Wuhan, Hubei, the PRC.

During the year, the Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in the manufacture and sale of automobiles, engines and other auto parts and rendering of financing services.

In the opinion of the directors, the holding company and the ultimate holding company of the Company is Dongfeng Motor Corporation ("**DFM**"), a state-owned enterprise established in the PRC.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards ("**IFRS**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial assets and liabilities measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest million except when otherwise indicated.

Basis of consolidation

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

2. ACCOUNTING POLICIES (CONTINUED)

2.1 BASIS OF PREPARATION (CONTINUED)

Basis of consolidation (Continued)

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

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

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

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

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

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

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

2. ACCOUNTING POLICIES (CONTINUED)

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

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

The nature and the impact of the revised IFRSs are described below:

(a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

2. ACCOUNTING POLICIES (CONTINUED)

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(b) (Continued)

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

IFRS 18	*Presentation and Disclosure in Financial Statements*[3]
IFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to IAS 21	*Lack of Exchangeability*[1]
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*[2]

2. ACCOUNTING POLICIES (CONTINUED)

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

[1] Effective for annual periods beginning on or after 1 January 2025
[2] Effective for annual periods beginning on or after 1 January 2026
[3] Effective for annual/reporting periods beginning on or after 1 January 2027
[4] No mandatory effective date yet determined but available for adoption

Further information about those IFRSs that are expected to be applicable to the Group is described below.

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRSs. IFRS 18 and the consequential amendments to other IFRSs are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of IFRS 18 on the presentation and disclosure of the Group's financial statements.

2. ACCOUNTING POLICIES(CONTINUED)

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

IFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRSs. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with IFRSs. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply IFRS 19. Some of the Company's subsidiaries are considering the application of IFRS 19 in their specified financial statements.

Amendments to IFRS 9 and IFRS 7 clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the HKCPA. However, the amendments are available for adoption now.

2. ACCOUNTING POLICIES(CONTINUED)

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to IFRS Accounting Standards – Volume 11 set out amendments to IFRS 1, IFRS 7 (and the accompanying Guidance on implementing IFRS 7), IFRS 9, IFRS 10 and IAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- *IFRS 7 Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of IFRS 7 and paragraphs IG1, IG14 and IG20B of *the Guidance on implementing IFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that *the Guidance on implementing IFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- *IFRS 9 Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 of IFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of IFRS 9 and Appendix A of IFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2. ACCOUNTING POLICIES(CONTINUED)

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

- *IFRS 10 Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of IFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- *IAS 7 Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of IAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

The commercial vehicles segment: mainly manufactures and sells commercial vehicles and their related engines and other automotive parts;

The passenger vehicles segment: mainly manufactures and sells passenger vehicles and their related engines and other automotive parts;

The financing services segment: mainly provides financing services to external customers and companies within the Group. Revenue from financing services is mainly interest revenue from loans; and

The corporate and others segment: mainly manufactures and sells other automobile related products.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax from continuing operations. The adjusted profit/loss before tax from continuing operations is measured consistently with the Group's profit before tax from continuing operations except share of profits and losses of joint ventures and associates.

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

As the chief operating decision maker of the Group considers that most of the Group's consolidated revenue and results are attributable to the market in Mainland China and the Group's consolidated assets are mainly located inside the PRC, no geographical information is presented.

During the year ended 31 December 2024, no revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue.

Year ended 31 December 2024	**Commercial vehicles RMB million**	**Passenger vehicles RMB million**	**Financing services RMB million**	**Corporate and others RMB million**	**Elimination RMB million**	**Total RMB million**
Segment revenue *(note 4)*						
Sales to external customers	**47,117**	**52,118**	**5,439**	**1,523**	**–**	**106,197**
Intersegment sales	**103**	**179**	**180**	**433**	**(895)**	**–**
Total segment revenue	**47,220**	**52,297**	**5,619**	**1,956**	**(895)**	**106,197**
Segment results	**(2,344)**	**(1,636)**	**381**	**(762)**	**1,926**	**(2,435)**
Interest income	**425**	**290**	**–**	**2,397**	**(2,110)**	**1,002**
Finance expenses	**(172)**	**(211)**	**(7)**	**(676)**	**229**	**(837)**
Share of profits and losses of:						
Joint ventures	**528**	**(92)**	**–**	**–**	**–**	**436**
Associates	**(106)**	**258**	**425**	**94**	**–**	**671**
(Loss)/profit before income tax	**(1,669)**	**(1,391)**	**799**	**1,053**	**45**	**(1,163)**

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Year ended 31 December 2024	Commercial vehicles RMB million	Passenger vehicles RMB million	Financing services RMB million	Corporate and others RMB million	Elimination RMB million	Total RMB million
Segment assets	**70,733**	**90,443**	**156,627**	**102,179**	**(94,930)**	**325,052**
Segment liabilities	**49,824**	**52,907**	**117,001**	**45,542**	**(95,019)**	**170,255**
Other segment information						
Impairment losses of non-current assets	**17**	**14**	**–**	**4**	**–**	**35**
Impairment losses of financial assets	**29**	**(179)**	**695**	**86**	**–**	**631**
Depreciation and amortisation	**2,060**	**4,215**	**132**	**414**	**–**	**6,821**
Investments in joint ventures	**2,459**	**33,552**	**–**	**–**	**–**	**36,011**
Investments in associates	**532**	**6,203**	**8,577**	**1,090**	**–**	**16,402**
Capital expenditure*	**3,444**	**9,616**	**979**	**3,726**	**–**	**17,765**

* Capital expenditure consists of additions to property, plant and equipment, investment properties and intangible assets including assets from the acquisition of a subsidiary.

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Year ended 31 December 2023	Commercial vehicles (Restated) RMB million	Passenger vehicles (Restated) RMB million	Financing service (Restated) RMB million	Corporate and others (Restated) RMB million	Elimination (Restated) RMB million	Total (Restated) RMB million
Segment revenue *(note 4)*						
Sales to external customers	49,419	42,383	6,114	1,467	–	99,383
Intersegment sales	119	159	105	137	(520)	–
Total segment revenue	49,538	42,542	6,219	1,604	(520)	99,383
Segment results	(4,108)	(6,563)	2,093	(676)	2,061	(7,193)
Interest income	522	253	–	2,136	(2,165)	746
Finance expenses	(81)	(23)	(4)	(1,145)	141	(1,112)
Share of profits and losses of:						
Joint ventures	245	269	–	–	–	514
Associates	(29)	(32)	808	60	–	807
(Loss)/profit before income tax	(3,451)	(6,096)	2,897	375	37	(6,238)

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Year ended 31 December 2023	Commercial vehicles (Restated) RMB million	Passenger vehicles (Restated) RMB million	Financing service (Restated) RMB million	Corporate and others (Restated) RMB million	Elimination (Restated) RMB million	Total (Restated) RMB million
Segment assets	74,621	85,977	151,063	100,920	(76,151)	336,430
Segment liabilities	52,056	47,546	110,590	42,047	(76,525)	175,714
Other segment information						
Impairment losses of non-current assets	191	104	–	23	–	318
Impairment losses of financial assets	244	(86)	1,031	(45)	–	1,144
Depreciation and amortisation	2,021	2,867	113	282	–	5,283
Investments in joint ventures	2,570	36,244	–	–	–	38,814
Investments in associates	544	2,480	10,626	2,961	–	16,611
Capital expenditure	2,733	8,144	316	1,593	–	12,786

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024 RMB million	2023 RMB million (Restated)
Revenue from principal operations	**106,197**	99,383

a) Disaggregated revenue information

	2024 RMB million	2023 RMB million (Restated)
Types of goods or services		
Commercial vehicles	**47,117**	49,419
Passenger vehicles	**52,118**	42,383
Financing services	**5,439**	6,114
Corporate and others	**1,523**	1,467
Total	**106,197**	99,383

4. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

a) Disaggregated revenue information (Continued)

An analysis of other income and gains is as follows:

	2024 **RMB million**	2023 RMB million (Restated)
Government grants and subsidies	**3,266**	1,163
Interest income	**1,002**	746
Dividends from financial assets at fair value through other comprehensive income	**601**	1,013
Employee dispatch fees received from the joint ventures	**196**	211
Technology licensing fees	**114**	–
Others	**1,837**	1,028
Total other income and gains	**7,016**	4,161

5. LOSS BEFORE INCOME TAX

The Group's loss before income tax is arrived at:

	2024 **RMB million**	2023 RMB million (Restated)
Cost of inventories sold	**88,081**	80,816
Interest expense for financing services (included in cost of sales)	**523**	648
Depreciation of property, plant and equipment	**4,268**	3,273
Depreciation of right-of-use assets	**409**	439
Depreciation of Investment properties	**161**	99
Amortisation of intangible assets	**1,983**	1,472
Research and development costs	**4,852**	4,571
Impairment of items of property, plant and equipment	**18**	198
Impairment of intangible assets	**4**	120
Lease expenses not included in the measurement of lease liabilities	**412**	288
Auditor's remuneration	**18**	18
Employee benefit expense (excluding directors' and supervisors' remuneration *(note 8)*):	**11,880**	10,553
Foreign exchange differences, net	**(24)**	(33)
Impairment losses on long-term investments	**13**	–
Impairment of financial assets, net	**631**	1,144
Write-down of inventories to net realisable value	**276**	426
Product warranty provision	**877**	650
Dividend income from equity investments at fair value through other comprehensive income	**601**	1,032
Interest income	**1,002**	746
Gain on disposal of items of property, plant and equipment and intangible assets, investment property and other long term assets	**(376)**	(178)
Royalty fee	**25**	26

6. FINANCE EXPENSES

An analysis of finance expenses is as follows:

	2024 **RMB million**	2023 RMB million (Restated)
Interest on bank loans and other loans	**583**	662
Interest on lease liabilities	**120**	113
Net exchange losses from financing activities	**134**	337
Total	**837**	1,112

7. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	2024 **RMB million**	2023 RMB million (Restated)
Reversal of impairment losses of trade receivables	**(83)**	(106)
Impairment losses of other receivables	**9**	142
Impairment losses of loans and receivables from financing services	**772**	931
Others	**(67)**	177
Total	**631**	1,144

8. INCOME TAX EXPENSE AND DEFERRED TAX INCOME TAX

	2024	2023
	RMB million	RMB million
		(Restated)
Current income tax	**517**	1,481
Deferred income tax	**(458)**	(1,016)
Income tax expense for the year	**59**	465

Under the PRC Corporate Income Tax Law and the respective regulations, the corporate income tax for the Company and its subsidiaries is calculated at a statutory rate of 25% or a preferential rate of 15% where applicable, on their estimated assessable profits for the year based on the existing legislation, interpretations and practices in respect thereof.

No provision for Hong Kong profits tax (tax rate: 16.5%) has been made as the Group had no assessable profits arising in Hong Kong during the year.

Deferred tax assets are mainly recognised in respect of temporary differences relating to certain future deductible expenses for the purpose of corporate income tax.

According to IAS 12 Income Taxes, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets are realised or the liabilities are settled.

9. DIVIDENDS

	2024 **RMB million**	2023 RMB million
Interim – RMB5 cents (2023: Nil) per ordinary share	**413**	–

Resolution for distribution of an interim dividend of RMB413 million (RMB0.05 per share) based on the interim net profit for 2024 attributable to shareholders was approved by the shareholders of the Company at the annual general meeting held on 29 August 2024 and was paid in October 2024 to shareholders.

10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 8,260,078,000 (2023: 8,512,533,783) outstanding during the year, as adjusted to reflect the rights issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2024 and 2023.

10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (CONTINUED)

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

	2024	2023
	RMB million	RMB million
		(Restated)
Earnings		
Profit/(loss) attributable to ordinary equity holders of the parent	**58**	(3,887)

	Number of shares	
	2024	2023
	million	million
		(Restated)
Shares		
Weighted average number of ordinary shares outstanding during the year	**8,260**	8,513
	RMB	RMB
Earnings/(loss) per share	**0.70 Cent**	(45.66) Cent

During this year, 49,664,000(2023：313,868,000)repurchased shares were cancelled by the Company.

11. TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the reporting period, based on the time of revenue recognition and net of loss allowance, is as follows:

	2024	2023
	RMB million	RMB million
		(Restated)
Within 1 year	**8,795**	5,499
1 to 2 years	**907**	1,685
2 to 3 years	**1,531**	619
Over 3 years	**3,120**	3,211
	14,353	11,014
Less: expected credit losses	**1,941**	2,240
Total	**12,412**	8,774

12. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period is as follows:

	2024	2023
	RMB million	RMB million
		(Restated)
Within 1 year	**25,513**	26,235
1 to 2 years	**785**	616
2 to 3 years	**73**	138
over 3 years	**224**	175
Total	**26,595**	27,164

The trade payables are non-interest-bearing and are normally settled on 60-day terms.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of the Company, I extend sincere gratitude to our shareholders, customers, partners, and all colleagues for their long-standing support! The year 2024 marks a pivotal phase of accelerated transformation for China's automotive industry and a critical year for the Company to seize opportunities and deepen its strategic evolution.

Over the past year, the global automotive sector continued to face complex challenges. The dual drivers of growth – new energy vehicles (NEVs) and overseas markets – have become increasingly prominent, reshaping the competitive landscape. Against this backdrop, The Company has steadfastly adhered to its strategy of "technology-driven innovation and open collaboration", leveraging innovation to synergize the development of its proprietary brands, NEV business, and global expansion, thereby achieving steady improvements in operational quality.

In 2024, China's automotive sales grew by 4.5% in a market where demand diversified and competition intensified. NEVs and overseas opportunities emerged as core growth drivers, surging by 35.5% and 19.3% year-on-year (YoY), respectively. NEV penetration reached 40.9%, while sales of proprietary passenger vehicles rose 23.1% YoY. Non-premium joint venture (JV) brands and internal combustion engine (ICE) vehicle sales continued to decline.

The Company proactively adapted to industry shifts by accelerating business optimization, structural adjustments, and technological innovation, driving transformative upgrades and high-quality growth. Despite intensifying competition and margin pressures, the Company achieved remarkable operational improvements: rapid growth of proprietary brands, NEVs, and overseas operations; robust technological innovation; and a successful turnaround from losses to profitability in business performance.

During the reporting period, the Company sold approximately 1.8959 million vehicles, marking a year-on-year decrease of 9.2%. Notably, domestic passenger vehicle sales demonstrated strong growth in both volume and profitability, with approximately 438,900 units sold–representing a 26.4% year-on-year increase–while gross margin improved by 8.4 percentage points compared to the same period last year. Commercial vehicle (CV) sales reached approximately 351,800 units, reflecting a 2.4% increase year-on-year. NEV sales totaled approximately 394,600 units, up 13.4% year-on-year, with NEV sales accounting for a higher proportion of total Group sales (an increase of 4.1 percentage points compared to the prior-year period). Meanwhile, JV operations were actively engaged in transformation and development, strengthening shareholder strategic synergy and accelerating product upgrading. However, impacted by the continued decline in market share in the non-premium JV market, JV sales registered

1.1052 million units. Overseas exports surged to approximately 195,200 units, a 15.5% year-on-year increase, propelling overall sales to a new record level.

During the reporting period, the Company achieved revenue of RMB106.2 billion, representing a year-on-year increase of 6.9%. Gross profit reached RMB13.6 billion, up 38.2% year-on-year, while net profit attributable to listed company shareholders amounted to RMB58 million, marking a significant year-on-year increase of RMB3.9 billion, successfully turning losses into profitability. The Company maintained a robust balance sheet structure with a debt-to-asset ratio of 52.4%. Operating cash flow increased by RMB8.2 billion year-on-year, and cash reserves[1] at the end of the period approached RMB100 billion.

In 2024, the Company achieved positive progress in all areas of work, with significant achievements in its transformation:

Transformation has accelerated across the board. NEV development accelerated with the launch of 7 new and 2 refreshed proprietary passenger vehicle models, alongside 7 CV models. Voyah's monthly sales exceeded 10,000 units for four consecutive months, with its "Dreamer" model leading the NEV MPV market. The Nammi brand achieved monthly sales of over 10,000 units for two consecutive months, while the e π 007 and e π 008 gained immediate market traction upon launch. The Fengshen L7 set a new benchmark with a combined range exceeding 2,000 km. Intelligentization efforts advanced rapidly, with the "Xiaoyao" intelligent cockpit ranking among industry leaders and full-scenario intelligent off-road cockpits entering mass production. L2+ autonomous driving adoption reached 77% for proprietary passenger vehicles, while L4 autonomous solutions commenced pilot operations in multiple cities. Internationally, the Company made significant strides. Exports reached approximately 195,000 units, a 15.5% year-on-year increase, setting a new record for the Company.

1 including: i) cash and bank deposits, ii) pledged bank balances and time deposits, iii) financial assets at fair value through profit or loss, and iv) financial assets at fair value through other comprehensive income –current.

Structural optimization deepened. The Company further advanced the R&D Transition Initiative", driving integrated development and centralized procurement of basic vehicle platforms, powertrains, and common technologies, consolidating PV platforms to five while enhancing shared modular components. The "PV Transition Initiative" was intensified, with the establishment of a Proprietary PV Operations Committee to create a unified operational mechanism. This strengthened cross-functional synergies in product planning, procurement, and marketing, optimizing resource allocation efficiency and operational quality. The "CV Transition Initiative" was implemented through the formation of a CV Business Division, fostering collaboration in R&D, procurement, marketing, and branding. The initiative standardized platform definitions, planned three modular platforms, and established an initial full-value-chain operational system. JV business transformation accelerated through enhanced strategic alignment with partners, expediting the shift to NEVs. Key milestones included the launch of the Dongfeng Nissan N7, the Dongfeng Honda e:NS2 "Hunting Light", and collaborative production of the Nammi S32 in Dongfeng Peugeot Citroen Automobile Co., Ltd. The "Parts and Components Transition Initiative" was rolled out, marked by the creation of a Parts and Components Business Division to build integrated operations and vehicle-component synergy mechanisms. Auto finance business were strategically expanded with the establishment of a Finance Business Development Committee, refining the financial ecosystem. Financial penetration rose to 28%, with NEV-related financial services exceeding 40%.

Technological Innovation Intensified. The Company continued to intensify R&D investments in proprietary technologies, accelerating the construction of cutting-edge facilities such as the Global Innovation Center, Global Design Center, Software Research Institute. The Group prioritized major technological initiatives, making advances in critical technologies and industrialization. In energy efficiency and new energy, the Mach Super Hybrid Engine achieved a thermal efficiency of 47.06%, setting a new industry benchmark. Pilot production commenced for solid-state batteries with an energy density of 350 Wh/kg, while a 20–350 kW hydrogen fuel cell product portfolio was strategically deployed. The Group maintained its leadership in hydrogen fuel cell commercial vehicle demonstrations. In intelligentization, the next-generation "Tianyuan Architecture" was developed, with four proprietary chips undergoing testing. The DF30, China's first self-developed high-performance automotive-grade MCU chip, was unveiled, marking a milestone in domestic semiconductor autonomy. The Company ranked first in patent innovation among Chinese automakers for three consecutive years and secured 17 awards from the China Society of Automotive Engineers, the highest in the industry. These achievements underscore the Group's unwavering commitment to pioneering technologies that redefine mobility.

Advancing Sustainability Through Corporate Social Responsibility (CSR). The Company has ingrained CSR into its corporate DNA. We actively align with national strategies by advancing green manufacturing systems, strengthening supply chain resilience, and supporting rural revitalization and public welfare initiatives. Through employee career development platforms and refined incentive mechanisms, we harness the collective expertise and dedication of all Dongfeng members, fueling sustained momentum for high-quality growth.

In 2024, the Company achieved a landmark moment in China's automotive industry–the production of its 60 millionth vehicle, the all-new Voyah Dreamer. This premium NEV MPV, equipped with Huawei's Qiankun intelligent driving system and a HarmonyOS-powered smart cockpit, set a domestic sales record with an average price of RMB390,000, redefining benchmarks in intelligent electrification. As the flagship of the Company's transformation into a "technology-driven enterprise," Voyah blends the Group's automotive heritage with cutting-edge innovation, achieving breakthroughs in safety, battery-motor-control systems, and smart technologies. It epitomizes China's leap from "manufacturing" to "smart manufacturing."

2025 outlook: The global automotive industry will accelerate its shift toward intelligent and low-carbon transformations in 2025. Guided by China's 14th Five-Year Plan, the Company will deepen its commitment to innovation-driven growth and open collaboration, fast-tracking its evolution into a technology-driven, globally competitive enterprise. With strategic foresight and operational resilience, we are poised to contribute decisively to China's vision of becoming an automotive powerhouse.

Lastly, we extend our heartfelt gratitude to all stakeholders for your unwavering trust and partnership. Together, let us pioneer a future defined by innovation and shared success!

Chairman
Yang Qing

Wuhan, the PRC, 26 March 2025

BUSINESS OVERVIEW

The Company is principally engaged in the businesses of research and development, manufacturing and sales of passenger vehicles, commercial vehicles, engines and other auto parts, automobile equipment manufacturing, import and export of automobile products, logistics services, financial services, insurance agency and used car trading.

1. WHOLE VEHICLE

(1) Passenger Vehicle (PV)

The PV business of the Company is mainly operated in the proprietary business units such as M TECH, VOYAH Automobile, Dongfeng Aeolus and Dongfeng Liuzhou Automobile, and the joint venture business units such as Dongfeng Nissan and Dongfeng Honda. The main products include:

- Dongfeng M-HERO 917;
- Dongfeng VOYAH FREE, DREAM, PASSION, COURAGE;
- Dongfeng Aeolus L7, Yixuan; Dongfeng eπ 007, eπ 008; Dongfeng NAMMI 01;
- Dongfeng Forthing S7, T5, V9;
- Dongfeng Venucia V-online DDI, VX6;
- Dongfeng Nissan Altima, Sylphy, X-Trail, Qashqai; Dongfeng Infiniti QX50, QX60;
- Dongfeng Honda CIVIC, CR-V, XR-V, UR-V, INSPIRE, ELYSION and eNS2;
- Dongfeng Peugeot 408, 408X; Dongfeng Citroën C5 AIRCROSS, C5X.

(2) Commercial Vehicle (CV)

The CV business of the Company is mainly operated by Dongfeng Commercial Vehicle Co., Ltd., Dongfeng Motor Automobile Co., Ltd., Dongfeng Liuzhou Motor Co., Ltd., Dongfeng Special Commercial Vehicle Co., Ltd. and Zhengzhou Nissan Automobile. The main products include:

- Heavy-and medium-duty trucks: Dongfeng Kinland, Dongfeng Kingrun, Dongfeng Vasol and Chenglong;
- Light-duty trucks: Dongfeng Duolika, Dongfeng Captain, Dongfeng Tuyi, Dongfeng Xiaobawang and Dongfeng Furika;
- Pickup trucks: Rich;
- Buses: Dongfeng Tianyi and Dongfeng Yufeng.

2. NEW ENERGY VEHICLE (NEV)

The Company actively responds to industry changes and promotes the "NEV Transition Initiative". During the reporting period, the main NEV PV products included: M-HERO 917; VOYAH FREE, DREAM, PASSION, COURAGE; Dongfeng Aeolus L7, SKY EV01, E70; Dongfeng eπ 007, eπ 008; Dongfeng NAMMI 01; Dongfeng Forthing S7, V9; Dongfeng Venucia V-online DDI, VX6; Dongfeng Honda CR-V e:PHEV, e:NS2 Hunting Light, INSPIRE e:PHEV. The main NEV CV included: Dongfeng KL, Dongfeng Kingrun KR, Dongfeng e-Star EV200, Dongfeng Captain EV180, Dongfeng Yufeng EM27, Chenglong H5, Chenglong L2EV.

3. CAPACITY

As at 31 December 2024, the Company's total automotive production capacity was approximately 3.76 million vehicles, including a PV production capacity of approximately 3.14 million units and a CV production capacity of approximately 0.62 million units.

4. SALES AND SERVICE CHANNELS

As at 31 December 2024, the Company, together with its joint ventures and associated enterprises, had 6,440 sales outlets covering 32 provinces (autonomous regions and municipalities) across the country.

5. FINANCING SERVICES

As at 31 December 2024, the financing service business of the Company was operated by the following companies: Dongfeng Auto Finance Co., Ltd., Dongfeng Motor Finance Co., Ltd., Chuangge Financial Leasing CO.,LTD., Dongfeng Nissan Auto Finance Co., Ltd..

6. CAPITAL EXPENDITURE

The Company's actual capital expenditure (on an equity method basis) for 2024 amounted to RMB17.765 billion, representing an increase of RMB4.979 billion compared to the same period last year, up by 38.94%. The expenditures were primarily allocated to: 1) 2.2 billion for NEV platforms and technology R&D at the headquarters and R&D centers; 2) RMB6.4 billion for NEV initiatives in proprietary PV models from VOYAH, M-HERO, eπ, NAMMI, etc.; and 3) RMB3.0 billion for CV product development and production line upgrades.

7. BUSINESS OUTLOOK

2025 marks the final year of the "14th Five-Year Plan". The overall automotive industry sales are expected to grow by 3.6%, with PV sales increasing by 3.4% and CV sales by 5%. NEV sales are projected to grow by 23%, while exports are expected to rise by 11%. The industry will exhibit the following characteristics: 1. Enhanced and expanded implementation of "Two New" (large equipment updating and consumer goods trade-in) policies will promote an increase in the proportion of new purchases and trade-ins exceeding 50%, accelerating vehicle replacement rates. 2. NEV penetration is expected to exceed 50%. Multiple technological routes will coexist, with hybrid models' sales share further increasing. Advanced intelligent technologies and autonomous driving will see broader applications. 3. Continued growth of domestic brands. Sales of domestically-branded PVs are expected to account for up to 70% of the market. 4. Exports will shift from trade-oriented to operation-oriented. However, due to geopolitical tensions and trade protectionism, the growth rate of overseas exports may slow down, potentially intensifying domestic competition. 5. Deep adjustment of competitive landscape. Corporate performance differentiation will become more pronounced. Industry consolidation will lead to a winner-takes-all effect and stronger polarization dynamics.

Looking ahead to 2025, the Company will advance the implementation of its strategic objectives under the framework of "Three Transitions and One Renewed Orientation": NEV Transition, Intelligentization Transition, Internationalization Transition, while better balancing corporate development with employee growth, propelling a renewed Dongfeng into the future. In the new year, the Company will deepen optimization of NEV operations to ensure a successful transformation, advance intelligent initiatives, accelerating related commercialization and industrialization, accelerate international expansion, actively leveraging resources to expand global market presence, and strengthen supply chain competitiveness through accelerated transformation of the parts and components business.

MANAGEMENT DISCUSSION AND ANALYSIS

I. OPERATION ENVIRONMENT

In 2024, China's Gross Domestic Product (GDP) grew by 5.0% year-on-year, placing it among the fastest growing economies globally. Its contribution to global economic growth remained around 30%. Overall, the economy showed steady progress with a transition from old to new growth drivers accelerating. Both domestic and external demand worked in tandem, further solidifying the foundation for high-quality development.

The automotive market in 2024 exhibited a stable and improving trend. Vehicle production and sales reached 31.282 million units and 31.436 million units respectively, representing year-on-year increases of 3.7% and 4.5%. This marked the 16th consecutive year that China maintained its position as the world's largest vehicle producer and seller.

The PV market performed particularly well, with sales reaching 27.563 million units, a year-on-year increase of 5.8%. Among these: SUVs saw a year-on-year increase of 11.5%. Basic sedan sales increased by 0.2% year-on-year. MPV sales decreased by 4.8% year-on-year. Cross-type PV saw a year-on-year increase of 3.5%.

Due to reduced investment and persistently low freight rates, the commercial vehicle market faced weak demand for fleet renewal, resulting in relatively sluggish performance. Commercial vehicle sales amounted to 3.873 million units, a year-on-year decrease of 3.9%. By vehicle type, bus sales increased by 3.9% year-on-year, and truck sales decreased by 5.0% year-on-year.

The NEV market continued to grow rapidly, with production and sales surpassing 10 million units. Annual production and sales reached 12.888 million units and 12.866 million units respectively, representing year-on-year increases of 34.4% and 35.5%. The NEV penetration rate reached 40.9%.

II. OPERATION ANALYSIS

In 2024, despite facing numerous challenges such as insufficient consumer confidence, intensifying industry competition, and escalating global trade protectionism, China's automotive market demonstrated a stable and improving trend. This was largely due to supportive national policies and promotional activities launched by manufacturers. Industry sales reached 31.4362 million units, representing a year-on-year increase of 4.5%. Specifically, production and sales of PV continued to grow, playing a crucial role in stabilizing the overall automotive consumption base; NEVs and exports became the primary growth engines for the industry; but performance of CV remained weak, with production and sales falling short of expectations, resulting in an overall decline. The Company has been fully committed to promoting transformation and high-quality development. In the face of increasingly fierce competition and narrowing profit margins within the automotive industry, operational efficiency and performance achieved significant improvement against the trend. Key highlights include: proprietary brands experienced rapid growth; NEVs saw substantial expansion; overseas business witnessed fast development; technological innovations were steadily advanced; and the Company successfully turned from loss to profit.

For the year of 2024, the Company achieved sales of approximately 1.8959 million units, representing a year-on-year decrease of about 9.2%. Sales revenue reached approximately RMB106.197 billion, with a year-on-year increase of about 6.9%. The gross margin was 12.8%, which is 2.9 percentage points higher than the same period last year, and the profit attributable to shareholders was approximately RMB58 million. Among these: sales volume of proprietary PV reached approximately 438,900 units, marking a year-on-year increase of 26.4%; profitability continued to improve, with the gross margin for the proprietary PV business reaching 12.9%, an increase of 8.4 percentage points; we actively promoted transformation and development of JV business, strengthening shareholder strategic collaboration, accelerating product upgrading, and optimizing sales network structures. Efforts were made to stabilize the fundamentals of ICE vehicles while accelerating the transition to NEV. For the year of 2024, JV business sales reached approximately 1.1052 million units.

The Company's CV sales outperformed the overall market trend, with sales reaching approximately 351,800 units for the period, representing a year-on-year increase of about 2.4%. The Company's CV business boasts full-product-chain core independent research and development capabilities. The "LOONG-GINE" powertrain brand for CV features industry-leading technical performance.

The Company's NEV business achieved rapid development, with sales reaching 394,600 units for the period, representing a year-on-year increase of 13.4%. The proportion of NEV sales within the Company's total sales exceeded 20%, an increase of 4.1 percentage points compared to the same period last year. This year, the Group has successively launched several new products, including the Nammi 01, eπ 007 and eπ 008, VOYAH FREE318, VOYAH COURAGE, the all-new VOYAH Dreamer, Fengshen L7, FORTHING V9, S7, and others.

III. FINANCIAL ANALYSIS

1. Revenue

The revenue of the Group for 2024 was approximately RMB106,197 million, an increase of about RMB6,814 million from approximately RMB99,383 million in the same period last year, representing a growth rate of about 6.9%. The change in revenue was mainly from VOYAH Automobile Technology Co., Ltd., Dongfeng Motor Group Co., Ltd. Passenger Vehicle Company, Dongfeng Liuzhou Motor Co., Ltd., and Dongfeng Commercial Vehicle Co., Ltd.

	2024 Revenue RMB million	2023 Revenue RMB million (Restated)
Passenger vehicle	**52,297**	42,542
Commercial vehicle	**47,220**	49,538
Financing service	**5,619**	6,219
Corporate and others	**1,956**	1,604
Elimination	**-895**	-520
Total	**106,197**	99,383

1.1 PV Business

In 2024, the Company's PV business achieved sales revenue of approximately RMB52,297 million, an increase of about RMB9,755 million from approximately RMB42,542 million in the same period last year, representing a growth rate of about 22.93%. The increase in PV business revenue primarily came from VOYAH Automobile Technology Co., Ltd. and Dongfeng Motor Group Co., Ltd. Passenger Vehicle Company.

1.2 CV Business

Due to weakened investment and persistently low freight rates, the end-market demand for vehicle replacement remains insufficient, resulting in a relatively weak performance in the CV market. For the current period, the Company's CV business achieved sales revenue of approximately RMB47,220 million, a decrease of about RMB2,318 million from approximately RMB49,538 million in the same period last year, representing a decline of about 4.68%. The reduction in CV business revenue primarily came from Dongfeng Commercial Vehicle Co., Ltd.

1.3 Auto Financing Service

In 2024, the Company achieved sales promotions of 485,000 vehicles through financing services, with a retail penetration rate of 27.8%. Among these, the NEV penetration rate was 44.2% (an increase of 17.7 percentage points). The Company's financial business will continue to focus on purchasing, using, and replacing vehicle scenarios, providing customers with customized financial services throughout their entire journey.

Due to a decrease in the average loan balance, financial business revenue decreased compared to the same period last year. In 2024, the Company's automotive finance business revenue was approximately RMB5,619 million, a decrease of about RMB600 million from approximately RMB6,219 million in the same period last year, representing a decline of about 9.65%.

2. Cost of Sales and Gross Profit

The total sales costs of the Company for 2024 were approximately RMB92,612 million, an increase of about RMB3,062 million from approximately RMB89,550 million in the same period last year, representing a growth rate of about 3.4%. The total gross profit was approximately RMB13,585 million, an increase of about RMB3,752 million from approximately RMB9,833 million in the same period last year, representing a growth rate of about 38.2%.

In 2024, despite intensifying competition and continuously declining profit levels in the automotive industry, the Company's operational efficiency and quality showed significant improvement against the trend. The gross profit margin for this period was 12.8%, which is 2.9 percentage points higher than the same period last year. The change in gross profit for this period was mainly due to a substantial increase in the gross profit of the Company's proprietary PV business and NEV (VOYAH and e π series) compared to the same period last year.

3. Other Income

The total other income of the Company for 2024 was approximately RMB7,016 million, an increase of about RMB2,855 million from approximately RMB4,161 million in the same period last year.

The increase in other income was mainly due to: 1. Receipt of relevant government special subsidy during this period; and 2. An increase in interest income compared to the same period last year.

4. Selling and Distribution Expenses

The sales and distribution costs of the Company for 2024 were approximately RMB9,419 million, an increase of about RMB1,118 million from approximately RMB8,301 million in the same period last year.

The increase in sales and distribution costs was mainly due to: the continuous growth and expanding scale of the Company's PV business, leading to an increase in corresponding expenses; increased market promotion and advertising expenses for new model launches (such as VOYAH, e π, M-hero, etc.) under the Group.

5. Administrative Expenses

The administrative expenses of the Company for 2024 were approximately RMB6,152 million, an increase of about RMB757 million from approximately RMB5,395 million in the same period last year.

The increase in management expenses was mainly due to the enhancement of the Company's NEV and export businesses, leading to increases in staff salaries, travel expenses, and other related costs.

6. Impairment Losses on Financial Assets

The impairment losses on financial assets of the Company for 2024 was approximately RMB631 million, a decrease of about RMB513 million from approximately RMB1,144 million in the same period last year.

The change in impairment losses on financial assets was mainly due to the Company's recovery of previously issued loans, resulting in the reversal of bad debt losses that were previously accrued.

7. Other Expenses

The net of other expenses of the Company for 2024 was approximately RMB5,832 million, an increase of about RMB231 million from approximately RMB5,601 million in the same period last year.

The main reason for the change in net of other expenses for this period was an increase in research and development (R&D) expenses.

The Company continues to focus on the development trends of automotive new energy, digitalization, and intelligence, with ongoing investments in key core technologies. R&D expenses have continued to increase, with this period's R&D expenses showing a year-on-year growth of 6.15%.

8. Finance Expenses

The finance expenses of the Company for 2024 were approximately RMB837 million, a decrease of about RMB275 million from approximately RMB1,112 million in the same period last year.

The main reasons for the decrease in finance expenses for this period were: 1. A reduction in interest expenses on payable bonds compared to the previous period; and 2. A decrease in foreign exchange losses due to changes in the exchange rate between the Euro and the Chinese Yuan (RMB).

9. Share of Profits and Losses of Joint Ventures

Affected by the annual decline in market share of the non-premium joint venture automotive market, the Company's share of profits and losses from joint ventures in 2024 was approximately RMB436 million, a decrease of about RMB78 million from approximately RMB514 million in the same period last year. The main reasons for this change were: 1. Dongfeng Motor Co., Ltd. reported a decrease of about RMB25 million compared to the same period last year; 2. Dongfeng Honda Automobile Co., Ltd. reported a decrease of about RMB308 million compared to the same period last year; and 3. Dongfeng Peugeot Citroen Automobile Co., Ltd. reported an increase of about RMB252 million compared to the same period last year.

10. Share of Profits and Losses of Associates

The share of profits and losses of associates of the Company for 2024 was approximately RMB671 million, a decrease of about RMB136 million from approximately RMB807 million in the same period last year. The main reason for this change was the variation in investment income from Dongfeng Nissan Auto Finance Co., Ltd.

11. Income Tax Expense

The income tax expense of the Company for 2024 was approximately RMB59 million, a decrease of about RMB406 million from approximately RMB465 million in the same period last year.

12. Profit Attributable to Equity Holders of the Company for the Year

The profit attributable to shareholders of the Company was approximately RMB58 million, an increase of about RMB3,945 million from approximately RMB -3,887 million of the corresponding period of last year. The net profit margin (a percentage of profit attributable to the equity holders of the Company to total revenue) was approximately 0.05%, an increase of about 3.96 percentage points from approximately -3.91% of the corresponding period of last year. The return on assets (a percentage of profit attributable to equity holders of the Company to average equity attributable to equity holders of the Company) was approximately 0.04%.

13. Total Assets

Total assets of the Company as at the end of 2024 were approximately RMB325,052 million, a decrease of about RMB11,378 million from approximately RMB336,430 million at the end of the previous year, representing a decline of 3.38%. The main reasons for this decrease were: 1. A decrease in prepayments, deposits, other receivables, and other non-current assets by RMB5,778 million; 2.A decrease in bills receivable and financial assets measured at fair value through other comprehensive income –current by RMB7,619 million;3. An increase in inventory by RMB939 million.

14. Total Liabilities

Total liabilities of the Company as at the end of 2024 were approximately RMB170,255 million, a decrease of about RMB5,459 million from approximately RMB175,714 million at the end of the previous year, representing a decline of 3.11%. The main reasons for this decrease were: 1. A reduction in interest-bearing borrowings by RMB8,319 million; 2. A decrease in deferred tax liabilities by RMB1,013 million; 3. An increase in amounts payable to jointly controlled entities by RMB4,043 million.

15. Total Equity

Total equity of the Company as at the end of 2024 was RMB154,797 million, a decrease of RMB5,919 million from approximately RMB160,716 million at the end of the previous year, representing a decline of 3.68%. This includes: equity attributable to the equity holders of the Company was RMB149,290 million, a decrease of RMB4,593 million from RMB153,883 million at the end of the previous year; and non-controlling interests amounted to RMB5,507 million, a decrease of RMB1,326 million from RMB6,833 million at the end of the previous year.

16. Liquidity and Sources of Capital

Item	**Twelve months ended 31 December 2024 (RMB million)**	Twelve months ended 31 December 2023 (RMB million) (Restated)
Net cash inflow from operating activities	**17,399**	9,253
Net cash inflow from investing activities*	**-11,802**	3,961
Net cash inflow from financing activities	**-8,902**	-2,199
Net increase of cash and cash equivalents*	**-3,305**	11,015
Net cash inflow from operating and investing activities*	**5,597**	13,214

* The Company's certificates of deposit with original maturity of three months or more amounted to RMB28,870 million, resulting in a cash outflow from investing activities of RMB22,036 million in 2024. Considering that the Company's certificates of deposit with original maturity of three months or more can be easily converted to cash, and that only a portion of the interest will be lost in the event of an early withdrawal of the time deposits. In order to more appropriately reflect the Company's capital reserve capacity,adjustments have been made to the net cash flow from investing activities for the years 2023 and 2024. For 2023, the net cash flow was increased by RMB4.10 billion, and for 2024, it was increased by RMB22.04 billion.

Net outflow of cash and cash equivalents in 2024 was RMB3,305 million, which is a decrease of RMB14,302 million compared to 2023. This includes: net cash inflow from operating activities of RMB17,399 million; net cash outflow from investing activities of RMB11,802 million; and net cash outflow from financing activities of RMB8,902 million.

The net cash inflow from operating activities was RMB17,399 million. The amount mainly consisted of: 1. Pre-tax profit adjusted for non-cash items such as depreciation and impairments amounted to approximately RMB3,479 million; 2. An increase in trade payables, bills payable, contract liabilities, other payables, and accrued expenses , provisions and other long term liabilities contributed RMB1,000 million to cash flow; 3. An increase in amounts payable to joint ventures contributed RMB4,043 million to cash flow; 4. A decrease in loans granted and receivable finance lease payments by the financial company contributed RMB6,570 million to cash flow; 5. A decrease in trade receivables, bills receivable, financial assets at fair value through other comprehensive income (current), prepayments, deposits, and other receivables contributed RMB3,226 million to cash flow.

The net cash outflow from investing activities was RMB11,802 million. The amount mainly consisted of: 1. Expenditure on the acquisition and construction of property, plant, and equipment increased by RMB11,658 million; 2. Research and development expenditures amounted to RMB6,084 million; 3. Dividends received from joint ventures and associates amounted to RMB4,385 million.

The net cash outflow from financing activities was RMB8,902 million. The amount mainly consisted of: 1. Cash inflow from obtaining loans and issuing bonds amounted to RMB5,993 million; 2. Receipt of government infrastructure investment budget payments from DFM (Dongfeng Motor Corporation) amounted to RMB507 million; 3. Repayment of loans and bonds amounted to RMB14,342 million.

As a result of the aforementioned factors, as at December 31, 2024, the Company's cash and bank deposits (which include non-pledged time deposits with original maturity of three months or more when acquired amounting to RMB28.9 billion) were RMB75,853 million, a decrease of RMB3,502 million from RMB79,355 million at the end of the previous period.

17. Major Financial Figures Based on Proportionate Consolidation

Based on proportionate consolidation, the revenue of the Company in 2024 was approximately RMB178,430 million, a decrease of about RMB21,454 million from approximately RMB199,884 million of the corresponding period of last year, representing a decline of about 10.73%. The loss before income tax was approximately RMB736 million, a decrease of about RMB4,876 million from loss before income tax of approximately RMB5,612 million of the corresponding period of last year, representing a decline of about 86.89%. Total assets were approximately RMB361,785 million, a decrease of about RMB26,237 million from approximately RMB388,022 million as at the end of last year, representing a decline of about 6.76%.

OTHER INFORMATION

PROPOSED FINAL DIVIDENDS

The Board does not propose to distribute a final dividend for the year ended 31 December 2024.

MATERIAL LEGAL PROCEEDINGS

For the year ended 31 December 2024, Dongfeng Motor Group was not involved in any material litigation or arbitration and no material litigation or claim was pending or threatened or made against Dongfeng Motor Group as far as Dongfeng Motor Group was aware.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Reference is made to the circular dated 30 May 2024 relating to the annual general meeting, domestic share class meeting and H share class meeting of the Company, the directors of the Company believe that the reason to repurchase of the Company's H Shares is based on the full confidence in the future development of the Company, and to maintain the Company's investment value and the Company's reputation in the capital market, which is also in line with the Company's future development strategy. The directors of the Company are of the view that the flexibility offered by the H Share Repurchase Mandate would be beneficial to and in the best interest of the Company and its Shareholders. The relevant H Share Repurchase Mandate had been passed at annual general meeting, domestic share class meeting and H share class meeting held on 21 June 2024.

For the year ended 31 December 2024, the Company bought back a total of 27,490,000 H Shares on The Stock Exchange of Hong Kong Limited. As at 31 December 2024, the total number of issued H shares of the Company was 2,492,200,000 shares.

Details of Share purchases are as follows:

Month	**Number of Shares bought back**	**Buy-back price per Share (HKD)**		**Total consideration (before expenses)**
		Highest	*Lowest*	HKD
April 2024	27,490,000	2.92	2.72	77,881,733

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2024.

CORPORATE GOVERNANCE

The Board believes that high standards of corporate governance brings long-term benefits in protecting shareholders' interests and increasing corporate value. Good corporate governance enables to enhance the confidence and recognition of our existing and future shareholders, investors, employees, and business partners. As such, The Board is committed to reaching the highest standards of corporate governance and has taken the principles and code provisions ("**Code Provisions**") of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as the Company's corporate governance practices.

For the year ended 31 December 2024, the Company has fully complied with all code provisions of the Corporate Governance Code, except for Code Provisions B.2.2 and C.2.1.

The current Board of Directors was elected on 25 September 2020. According to Code Provision B.2.2 of the Code, each director should be subject to retirement by rotation at least once every three years, which means the term of the current Board should expire on 24 September 2023, and the directors should retire by rotation. However, due to the collective nature of the Board, various factors need to be considered to ensure the smooth continuation of the Company's senior management. As a result, the Company was unable to complete the Board renewal process on schedule. The Board renewal process is currently underway and will be presented for discussion at the shareholders' meeting in due course.

According to Code Provision C.2.1 under the Corporate Governance Code, the roles of chairman of the board of directors and chief executive officer should be separate and should not be performed by the same individual. The Chairman and President of the Company should be acted by different persons with a clear division of duties. Mr. Yang Qing has served as the President of the Company since 13 May 2021 and was appointed as the Chairman of the Board of Directors of the Company on 2 November 2023. At that time, due to the temporary vacancy of the President position, Mr. Yang Qing assumed the role concurrently until a suitable candidate could be found. Subsequently, Mr. Zhou Zhiping was appointed as the President of the Company on 21 June 2024, and Mr. Yang Qing continued to serve as the Chairman of the Company.

SECURITIES TRANSACTION OF THE DIRECTORS AND THE SUPERVISORS

The Company has adopted a code of conduct regarding the directors' and supervisors' securities transactions on terms no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Having made specific enquiries of all directors by the Company, all directors and supervisors have confirmed that they have fully complied with the Model Code during the year ended 31 December 2024.

ANNUAL GENERAL MEETING

The Annual General Meeting for the year 2024 of the Company will be held on Friday, 20 June 2025. In order to determine the name list of shareholders who are entitled to attend the annual general meeting, the register of members of the Company will be closed from Tuesday, 17 June 2025 to Friday, 20 June 2025 (both days inclusive). Holders of H shares and domestic shares with their names listed on the register of members on Friday, 20 June 2025 are entitled to attend the 2024 annual general meeting.

In order to be qualified to attend and vote at the annual general meeting, holders of H shares whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong at or before 4:30 p.m. on Monday, 16 June 2025 (Hong Kong time), being the last share registration date.

REVIEW OF THE ACCOUNTS

The audit and risk management committee has reviewed the audited financial reports for the year ended 31 December 2024 of the Company and the Group.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

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

The annual report of the Company for the year ended 31 December 2024 containing all the information required by the Listing Rules will be dispatched to the H Shareholders of the Company (upon request) and published on the websites of the Stock Exchange and the Company in due course.

BOARD OF DIRECTORS

As at the date of this announcement, Mr. Yang Qing and Mr. You Zheng are the executive directors of the Company, Ms. Liu Yanhong is the non-executive director of the Company, Mr. Zong Qingsheng, Mr. Leung Wai Lap, Philip and Mr. Hu Yiguang are the independent non-executive directors of the Company.

By order of the Board
Yang Qing
Chairman

Wuhan, the PRC, 26 March 2025

* *For identification only*