

## Our Strategic Vision


/I

## To become the most trusted auto service brand for premium consumers in China

Premium positioning

Sales volume of luxury brand $305_{k \text { units }}$

Market share of luxury brand ${ }^{1}$
16\%

Brand reputation
Retained customers ${ }^{2}$
$3,790_{k}$
Membership customers
$2,390_{k}$

Auto services

Used car sales volume 164 k units
\# of after-sales service visits

## 7,470k

Local density ${ }^{3}$
Avg. \# of active customers 110k

Avg. \# of stores
13 stores


## Advantages of Zhongsheng＇s centralized CRM system

## Scale of digital CRM channels

Traditional model：VIN－based and brand－
specific store－based services

ZS model：customer－centric CRM catering to customers，vehicles
Dealership store A Dealership store B Dealership store C



Dealership stores



## Business Updates on Collision Centers



## Operational Highlights of Used Car Business



[^0]
## Our Brand Mix and Local Market Share



[^1]
## Global Major OEMs On－track for EV Transition

PHEV


## Continuous Customer Base Expansion



## Aggregate Profit Breakdown

## Aggregate Profit（Gross Profit＋Commission Income）${ }^{1}$



[^2]

## New Car Sales by Brand Type



New Car Sales by Brand


## Aggregate Profit

| New Car Gross Profit |  |  |
| :--- | :---: | :--- |
| （RMB mn） <br> Margin | $2.7 \%$ | $0.8 \%$ |
|  | 3,940 |  |
|  |  | 1,058 |


| Parts，Packages and After－sales Services Gross Profit |  |  |
| :--- | :---: | :---: |
| （RMB mn） |  |  |
| Margin | $47.1 \%$ | $46.9 \%$ |
|  | 11,586 | 11,766 |
|  |  |  |
|  | 2022 | 2023 |



## Operational Expenses

| Selling and Distribution Expenses |  | Administrative Expenses |  |
| :---: | :---: | :---: | :---: |
| （RMB mn） |  | （RMB mn） |  |
| As $\%$ of revenue | 4．3\％ | As $\%$ of $\quad 1.4 \%$ revenue | 1．3\％ |
| 7，841 | 7，737 | 2，446 | 2，419 |
| 2022 | 2023 | 2022 | 2023 |
| Finance Costs |  | Effective Tax Rate ${ }^{1}$ |  |
| （RMB mn） |  | （\％） |  |
| $\begin{array}{ll}\begin{array}{l}\text { As \％of } \\ \text { revenue }\end{array} & 0.7 \% \\ & \mathbf{1 , 2 1 9}\end{array}$ | $\begin{gathered} 0.8 \% \\ 1,507 \end{gathered}$ | 25．9\％ | 26．9\％ |
| 2022 | 2023 | 2022 | 2023 |

## Operational Efficiency and Financial Return

## Absorption Ratio ${ }^{1}$



ROA and ROE


## Other Financial Highlights

| （RMB mn） | FY2022 | FY2023 |
| :---: | :---: | :---: |
| Cash，cash equivalent and cash in transit | 11，829 | 15，730 |
| Cash flow from operating activities | 8，785 | 6，426 |
| （－）Capex ${ }^{1}$ | 2，432 | 1，136 |
| （－）Lease payments | 778 | 817 |
| Free cash flow | 5，575 | 4，473 |
| Profit before tax | 8，951 | 6，831 |
| （－）Interest income | 240 | 455 |
| （＋）Financial expenses | 1，219 | 1，507 |
| （＋）Depreciation \＆amortization | 2，851 | 2，218 |
| EBITDA | 12，781 | 10，101 |
| Dividends paid | 1，728 | 2，375 |
| Repurchase of shares | 405 | 449 |
| Cash to shareholders | 2，133 | 2，824 |

## Leverage and Liquidity

## Total Assets／Net Assets

（x）

Adj．Debt／EBITDA ${ }^{1}$
（x）


Interest Coverage ${ }^{2}$
（x）



[^0]:    Number of customers per month who leave leads to the used car account via the platform；${ }^{2}$ Number of leads converted into transaction orders／total number of leads

[^1]:    Number of Stores Market Share ${ }^{3}$

[^2]:    The sum of New car gross profit，Used car gross profit，Parts，packages and after－sales services gross profit，and Commission income；${ }^{2}$ Parts and packages gross profit and Commission income earned at the new car point of sales

