

2024 Annual Results





Zhongsheng Strategic Vision: To Become the Most Trusted Auto Services Brand for Premium Consumers in China



Premium Positioning

New Car Sales Volume
485k units

Market Share of Luxury Brands¹
14.1%

Brand Reputation

Active Customers²
4.19mn

Zhongsheng GO Subscribers
3.50mn

Auto Services

Used Car Sales Volume
226k units

of After-sales Service Visits
8.05mn

Local Density³

Avg. # of Active Customers
130k

Avg. # of Stores/Structures
14

¹ Market share of luxury brands = # of retained customers of Zhongsheng's luxury brands in 32 core cities as of end of the period approximately / the car parc of these brands (the total sales volume of luxury brands in these cities during past 9 years); ² # of customers who sent their cars for after-sales services and buyers of new automobile calculated by VIN in past 12 months; ³ Average numbers calculated across all 32 core cities only





Context of Zhongsheng Branded Auto Services Strategy

Huge Luxury Brand Car Parc Market



~15.3mn
Car parc of traditional luxury brands in 32 core cities¹



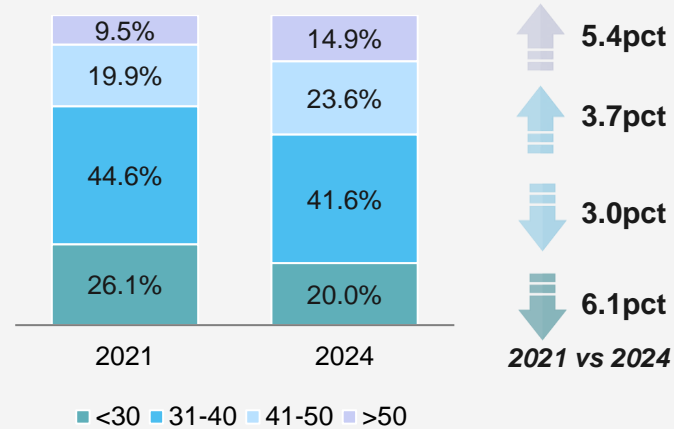
~3.6mn
Car parc of NEV luxury brands in 32 core cities¹

Customer Centric



More Sophisticated Customers

Potential auto buyers by age²



Repeat buyers in Chinese auto market³



Zhongsheng Branded Auto Services



Market Consolidation Expedited



62.7%
% of ownership for ALL luxury brands in 32 core cities⁴



14.1%
% of customer serviced for Zhongsheng-operated luxury brands within in 32 core cities

Premium Positioning



¹ Based on new passenger vehicle insurance registration data for 2016-2024; ² Source: Autohome Research Institute ³ Source: Yiche Research Institute. Repeat purchase includes additional purchase and replacement of existing vehicle; ⁴ % of ownership in 32 core cities for all luxury brands (both traditional and NEV luxury) = car parc of luxury brands in 32 core cities / car parc of luxury brands in China





Customer-centric Orientation and Brand-agnostic Operations

- New Car Sales
- Servicing and Maintenance
- OEM Warranty
- Collision Repair
- Cleaning and Detailing
- Used Car Sales
- Customer Service
- Insurance Renewal
- Courtesy Car
- Roadside Assistance
- Hainan Mobility



Brand-agnostic Operations

Customer-centric Orientation

- 3.50mn Zhongsheng GO Subscribers
- 8.31mn WeCom Customers
- 17.20mn Followers on Live Streaming Platform

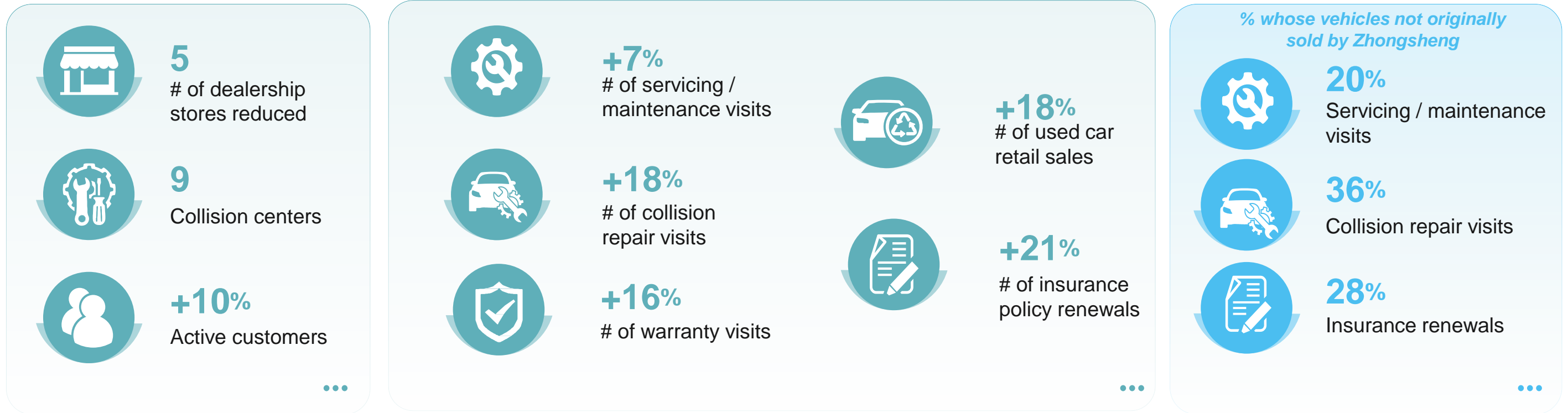
Premium Positioning





Centralized Operations Driving Growth in All Business Segments

Taking the aggregated data from Shenzhen, Dalian, Chengdu and Nanjing (the leading core cities in four regions) as an example¹



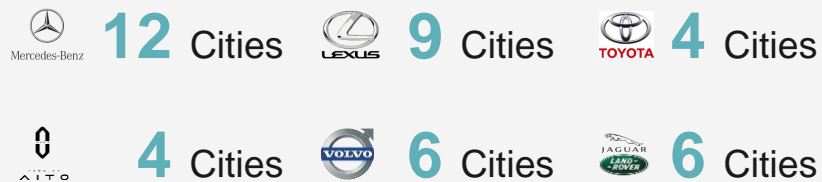
¹ Data as of December 31, 2024; changes are from comparison with the data of the same period in 2023



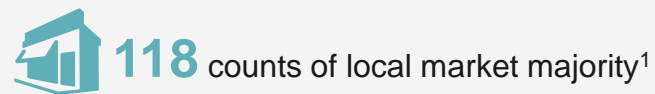
Zhongsheng Strategy Execution Guiding Principles

Prioritizing Local Concentration and Local Density

Sole Authorizations



50%+ Local Authorized Dealerships Market Share



Local New Car Market Share Gain in 32 Core Cities

	2016-2023 Average ²	2024年
Mercedes-Benz	19%	30%
LEXUS	47%	53%
TOYOTA	19%	24%
JAGUAR LAND ROVER	26%	41%
VOLVO	32%	42%

Prioritizing Customer Engagements through Diversified Value Offerings³



62%

Active customers enjoyed ancillary auto services



8mn

of cleaning and detailing services to customers



170k

of courtesy car services



RMB800_{mn}

GMV amount on Zhongsheng GO platform⁴

Prioritizing Facility Operating Efficiency Optimization

~500 Structures

1

Optimizing revenue streams at structure level

2

Disciplined capex/acquisitions



Local market level brands/structures reshuffling



Service scope expansion at structure level
(e.g. introducing cleaning and detailing services and used car sales)



Converting partial stores into brand-agnostic collision centers



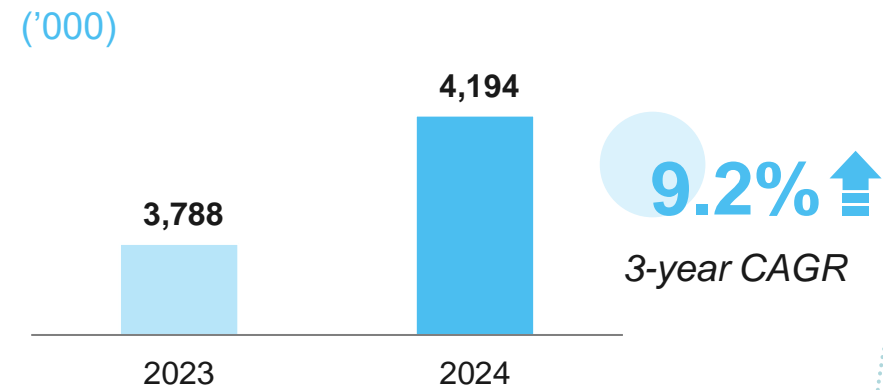
Multiple brands housed in a single structure
(still physically separated)

¹ Each count represents Zhongsheng owns the majority of authorized stores of a specific brand in the respective local market; ² Calculated by total Zhongsheng sales volume in core cities across 2016 – 2023, divided by the total auto sales volume of the same group in core cities in the same period; ³ In 2024; ⁴ Excluding purchase of after-sales maintenance service packages

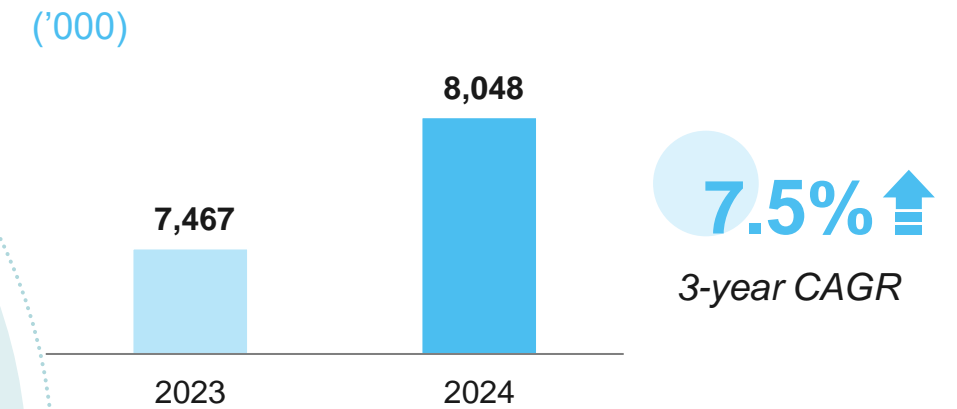


Zhongsheng Branded Auto Services Pivotal Strategy Creates a Virtuous Circle

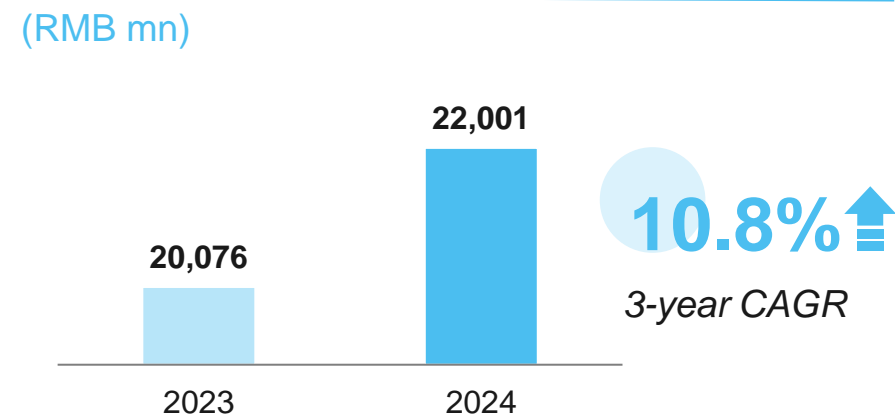
Customers Served



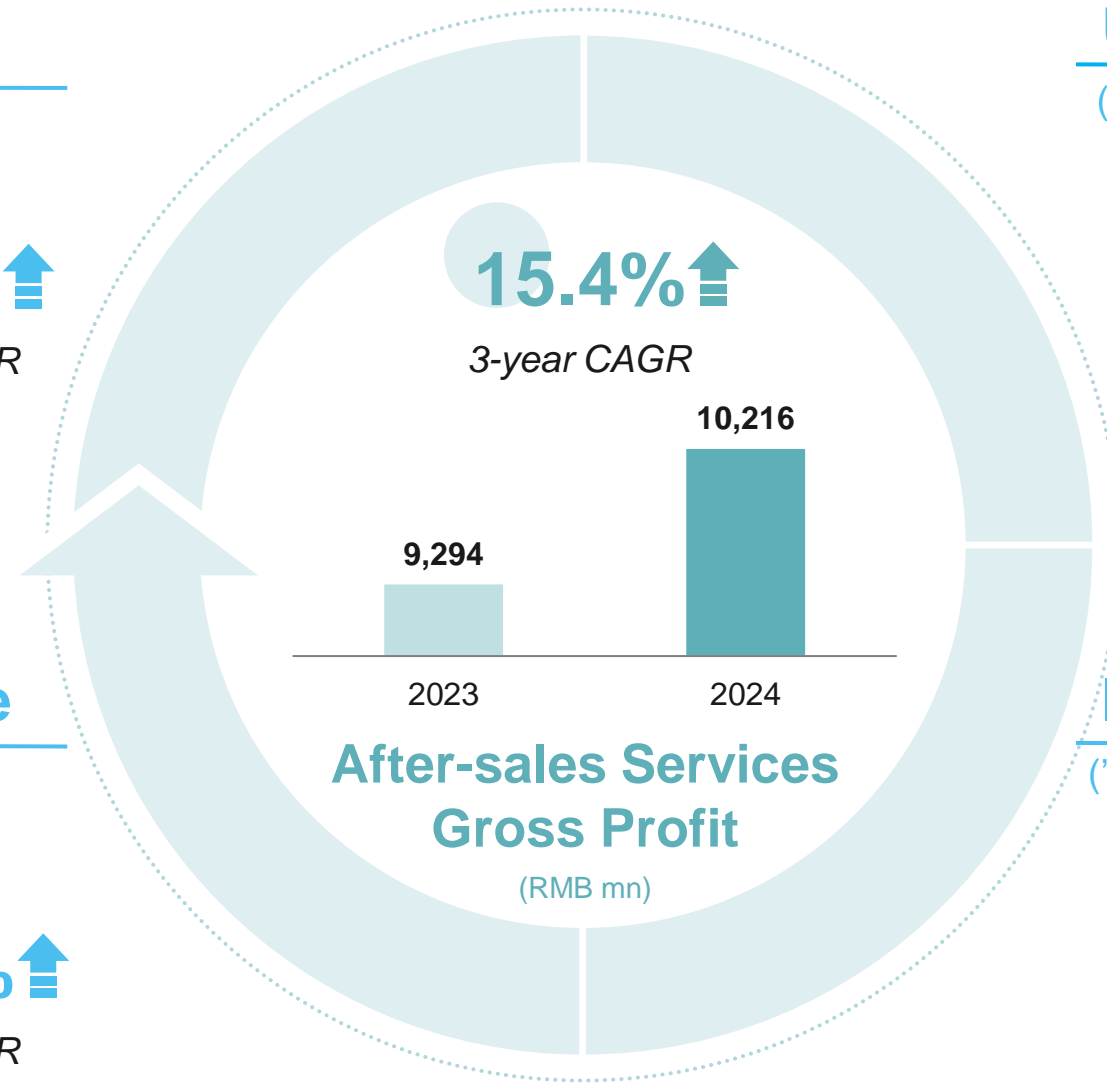
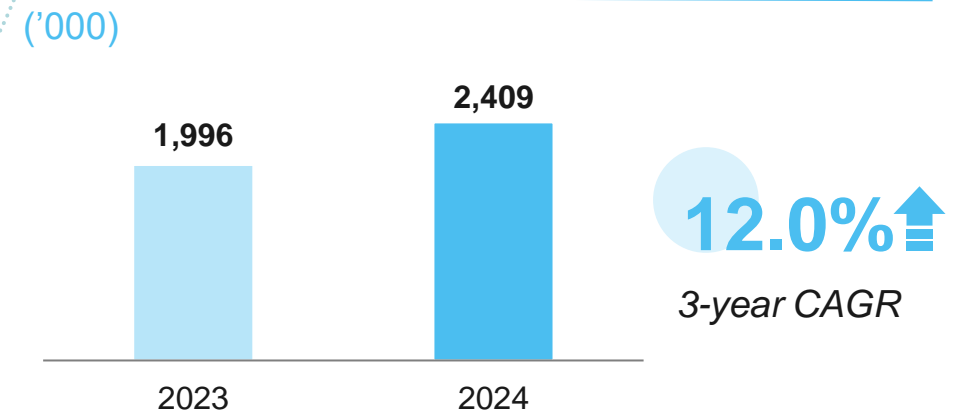
Units Served



After-sales Services Revenue



Insurance Policies Brokered

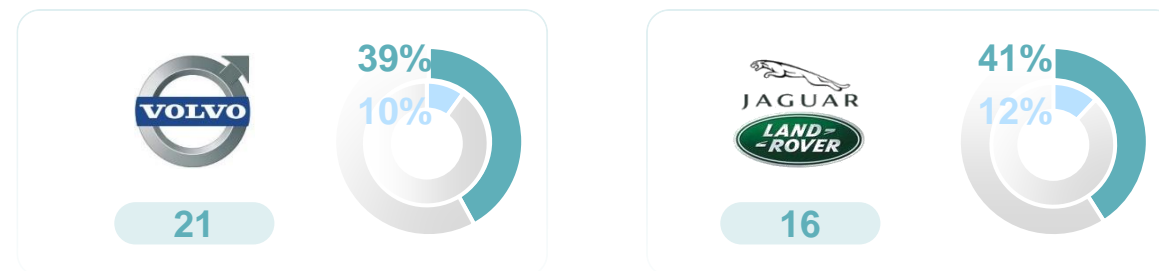
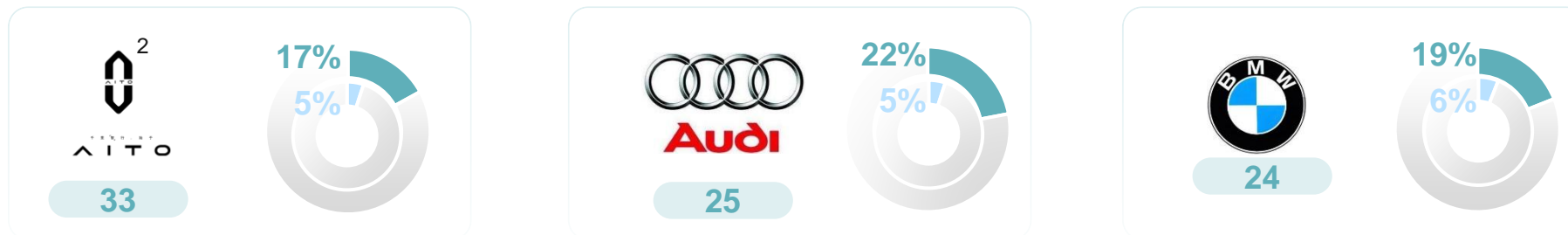
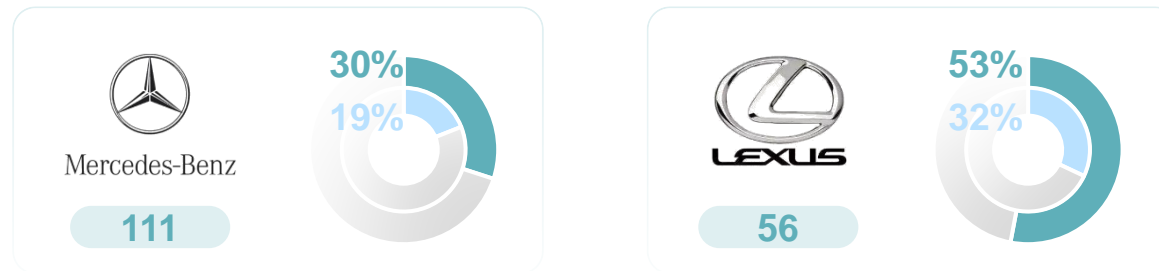




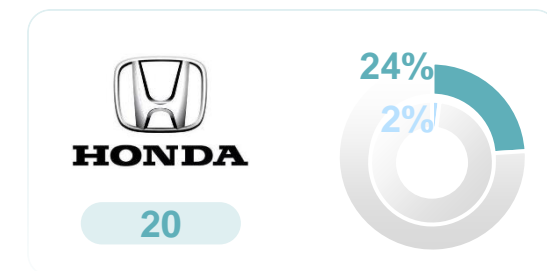
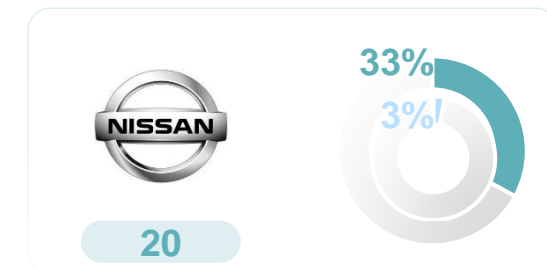
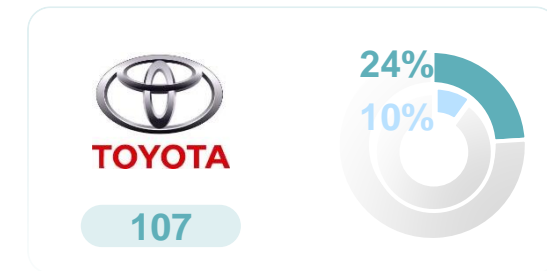
New Car Sales Brand Mix and Market Share in Core Cities

436 Dealership Stores

Luxury Brands – 288 dealership stores^{1, 2}



Mid-to-high-end Brands – 148 dealership stores^{2, 3}



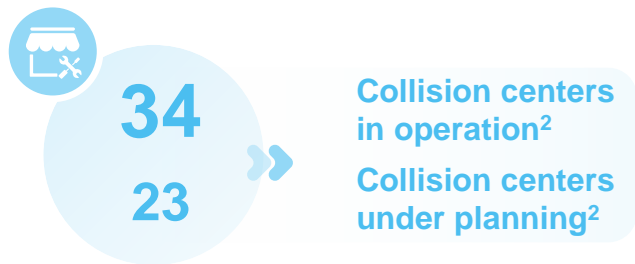
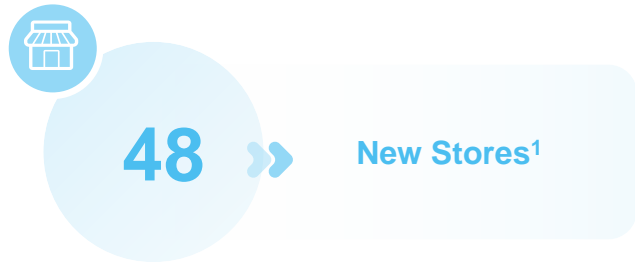
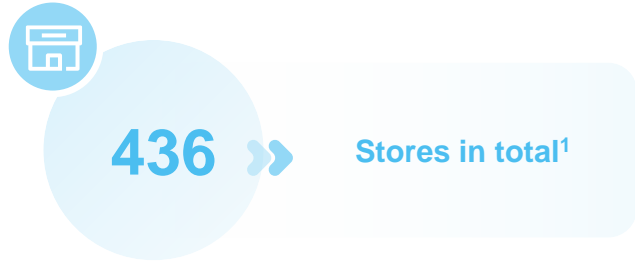
Number of Stores Market Share in Core Cities⁴ Market Share in China⁵

¹ Other luxury brands includes Porsche (2 stores); ² All data as of December 2024, except for AITO, whose number of stores is as of March 2025 and whose market share reflects the 15 fully operational stores among our core cities in both January and February 2025; ³ Other mid-to-high-end brands includes Volkswagen (1 store); ⁴ Market share in Core Cities = our new automobile sales of a certain brand in 32 core cities in this period / total new automobile sales of that brand in those cities; ⁵ Market share in China = our new automobile sales of a certain brand across China in this period / total new automobile sales of that brand across China

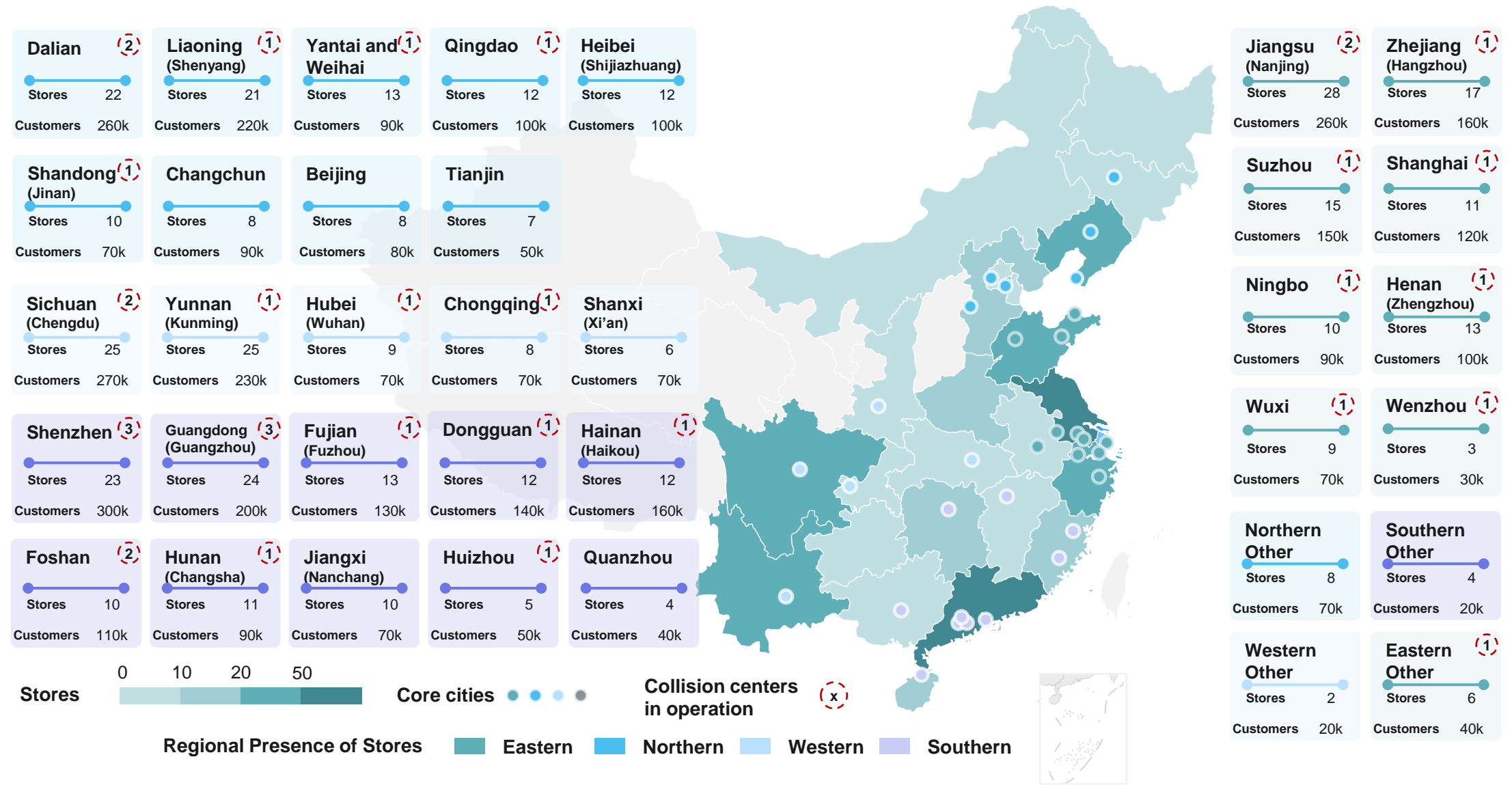




Business Presence in Core Cities



32 Core Cities



¹ Number of stores is as the end of December 2024 for all brands other than AITO, which is as the end of March 2025; ² As the end of March 2025



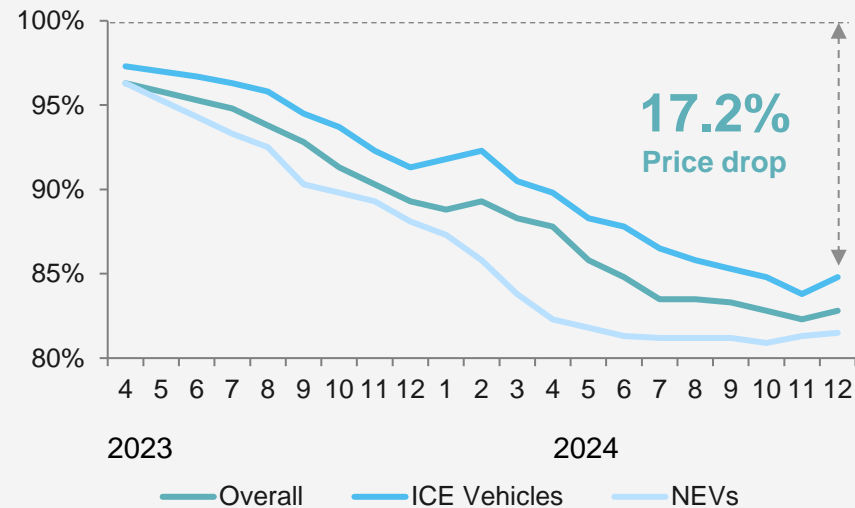


Stable Growth from the Used Car Business



Used car price under pressure against cut-throat new car price competition

Price index¹

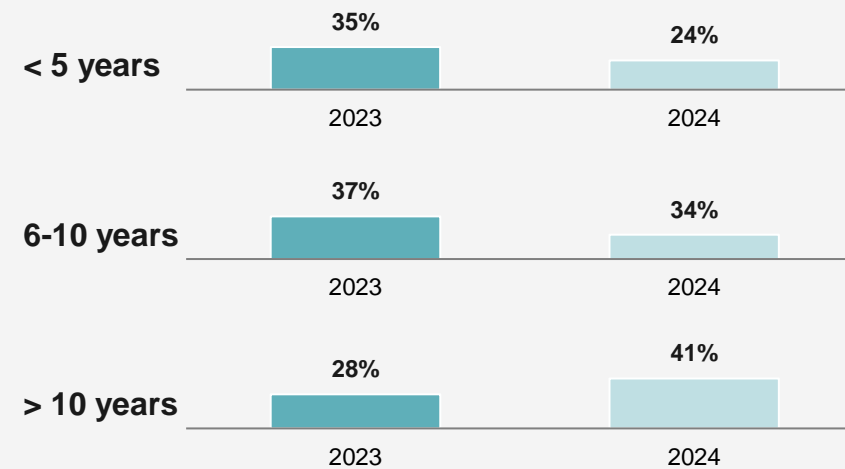


High price risk and profit pressure for used car dealership



More policies driven aged vehicle transactions

Zhongsheng used car transactions by vehicle age



According to the Ministry of Commerce, **6.8+ million** vehicles were scrapped and replaced in 2024



Continuous improvements on Zhongsheng used car operations

RMB1.3bn

Used car aggregate profit

~RMB5.7k

Aggregate profit per vehicle

2023

VS

2024

31%

Used car trade-in rate²

38%

46k

Used car retail volume

51k

37

Stores with 100+ used cars sales volume (95% in core cities)

49

¹ Source: Autohome Research Institute. Monthly price cut is calculated based on 1Q2023 average selling prices for 168 model series in sale; ² Used car trade-in rate = Used car trade-ins / New cars sold

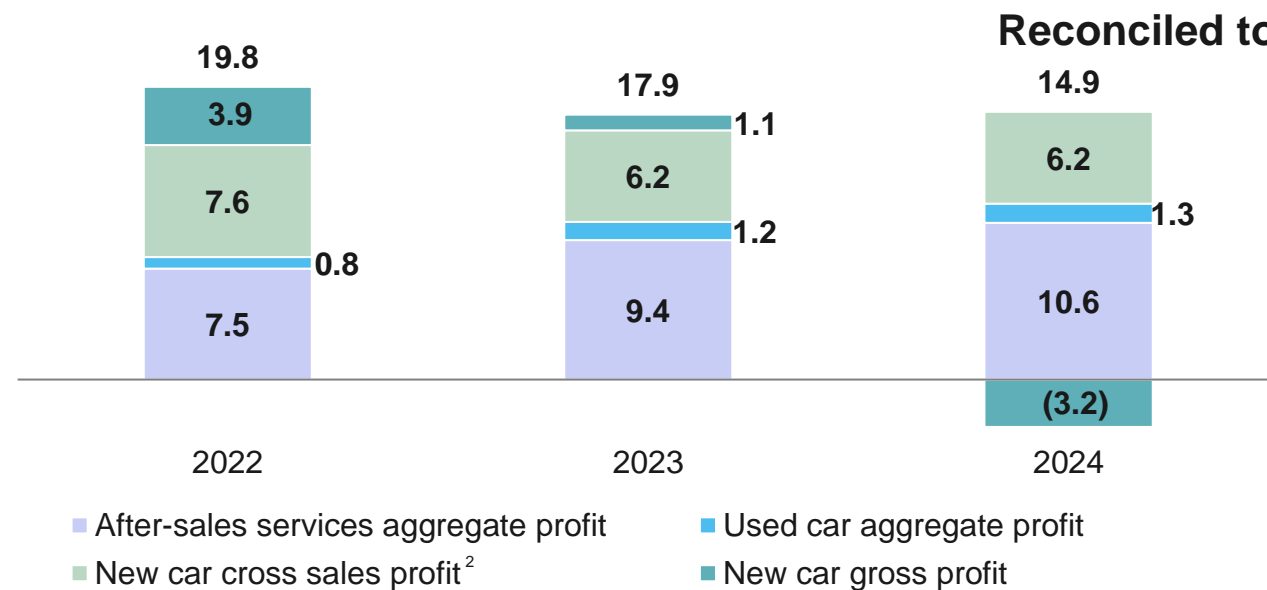
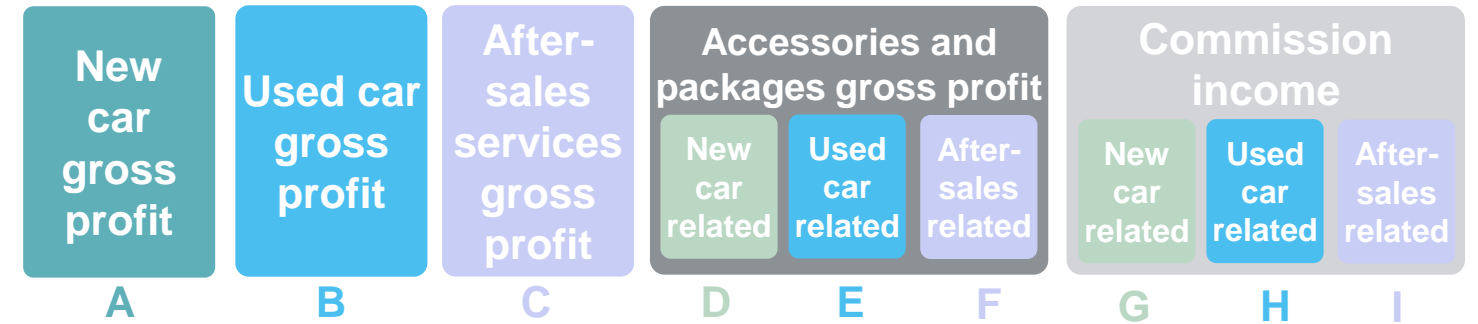
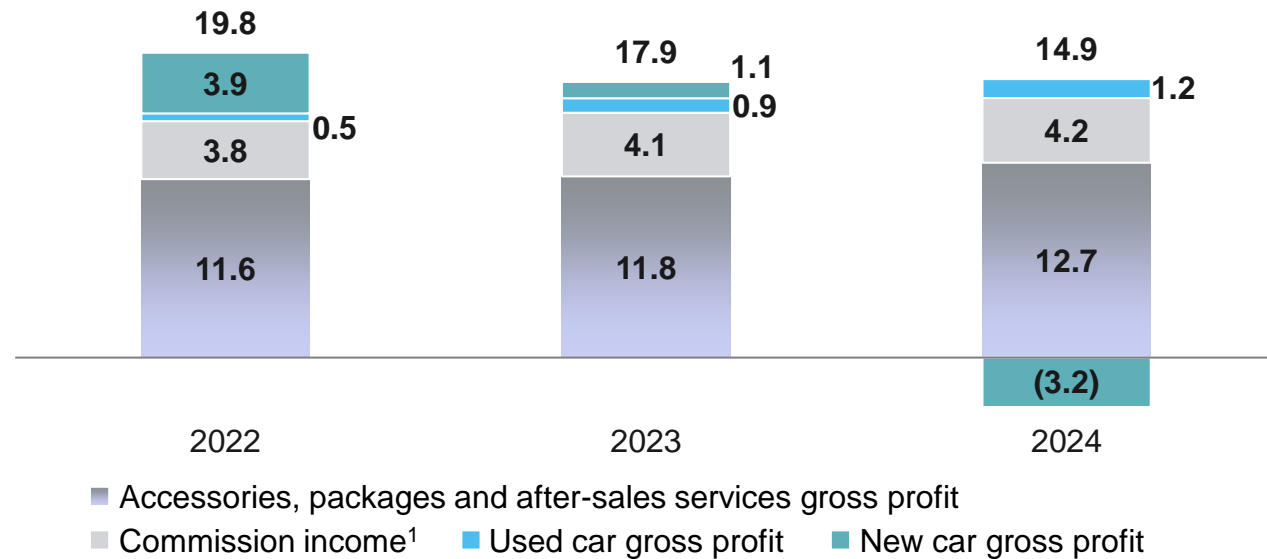




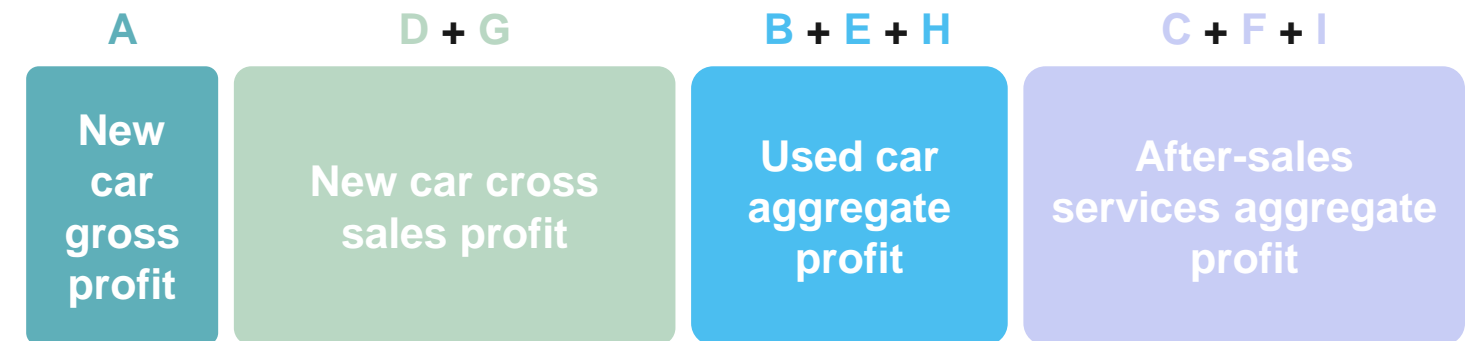
Aggregate Profit (Gross Profit + Commission Income) Reconciliation

(RMB bn)

As disclosed in financial reports



Reconciled to reflect business segments



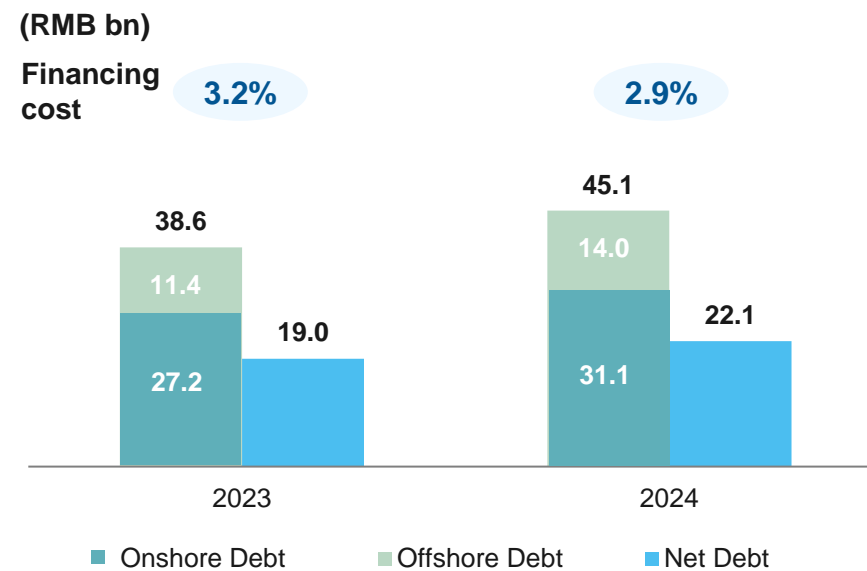
¹ Include automobile insurance, automobile finance and automobile registration services, etc.; ² Accessories and packages gross profit and commission income earned at the new automobile point of sales;



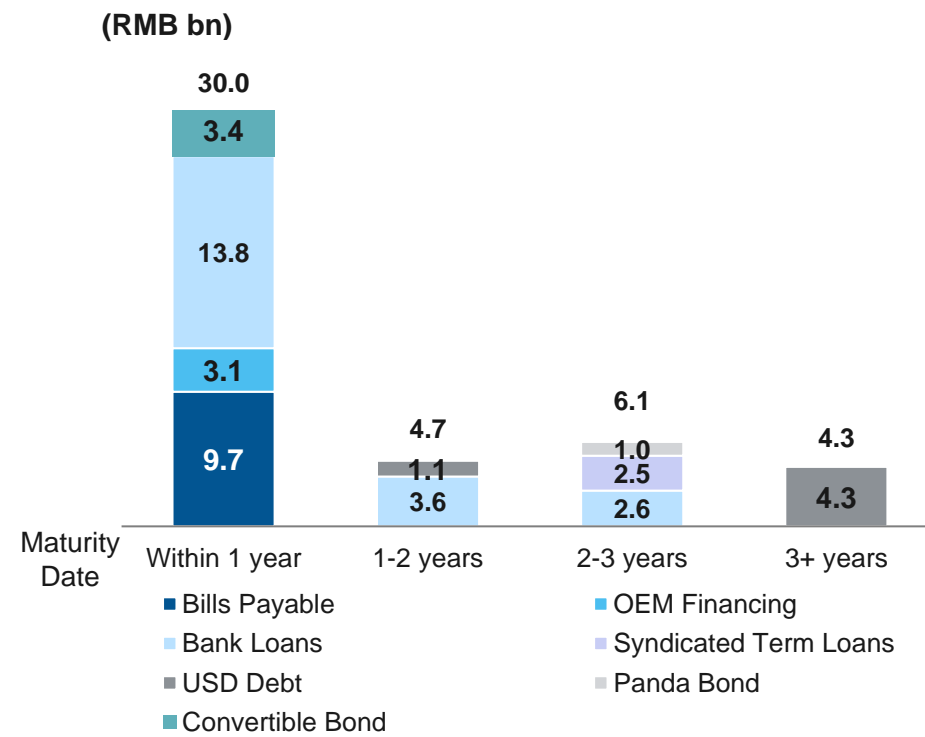
Proactive and Prudent Liabilities Management

- Diverse and accessible funding sources through proactive and effective liabilities management
- Successfully tapped diversified onshore and offshore refinancing channels, including but not limited to:
 - ✓ Jul 2024: issuance of **US\$600mn 3.5-year senior unsecured bonds**
 - ✓ Jul 2024: **RMB5.0bn Panda bonds quota** approved by NAFMII (among which RMB1.0bn was issued in Aug 2024 with 3-year term)
 - ✓ Nov 2024: obtained **US\$350mn 3-year syndicates term loan**

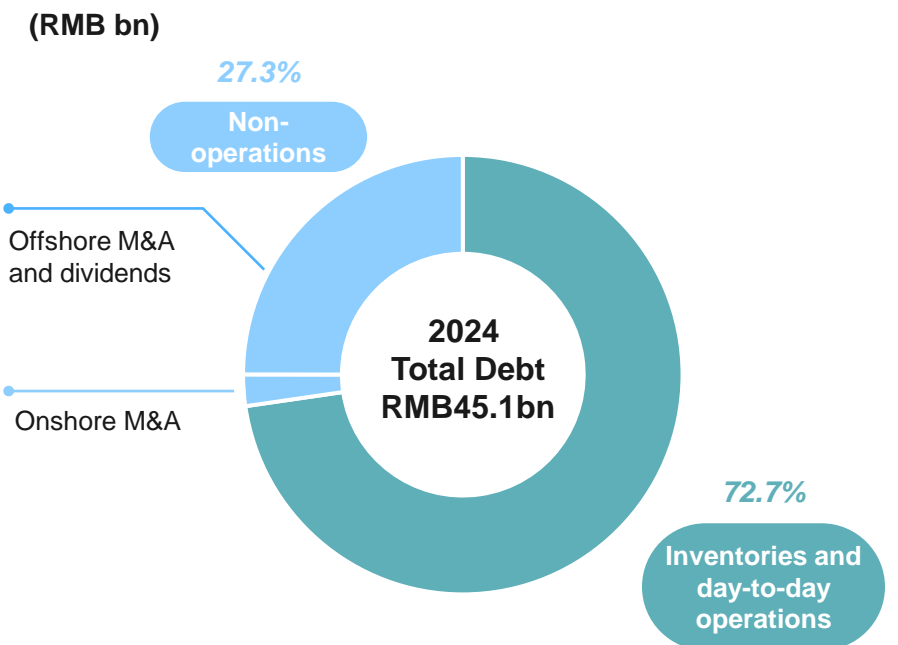
Total Debt / Net Debt ¹



Existing Debt Maturity Profile



Debt Structure



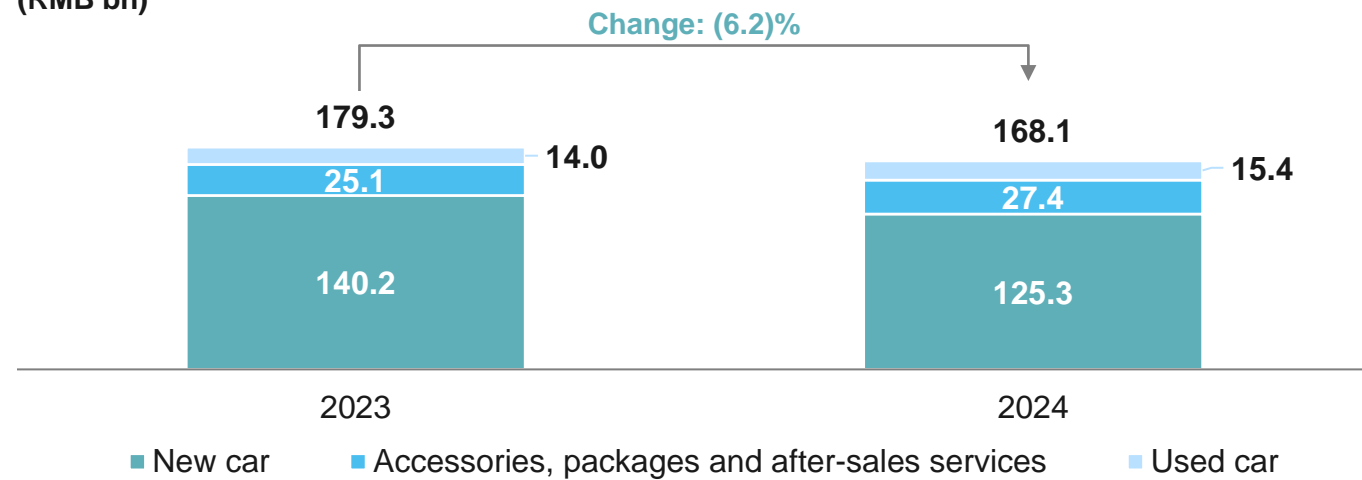
¹ Total debt includes bills payable, trade payables, bank loans, syndicated loans, USD debt, Panda bond and convertible bonds. Net debt = Total debt – Total cash. Total cash includes cash and cash equivalents, cash in transit, time deposits and pledged bank deposits



Revenue Breakdown

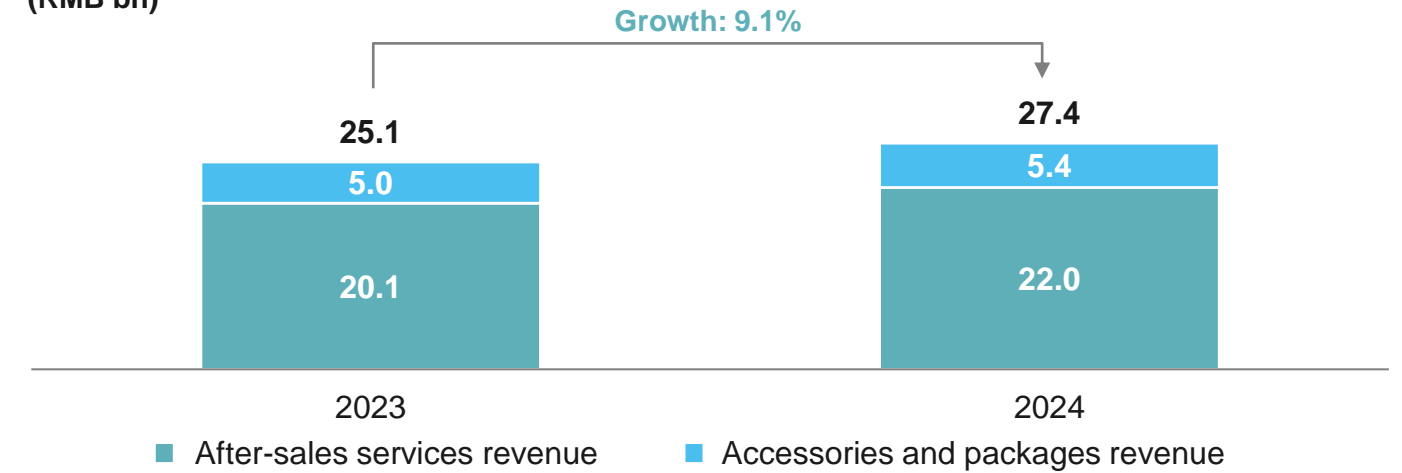
Total Revenue

(RMB bn)



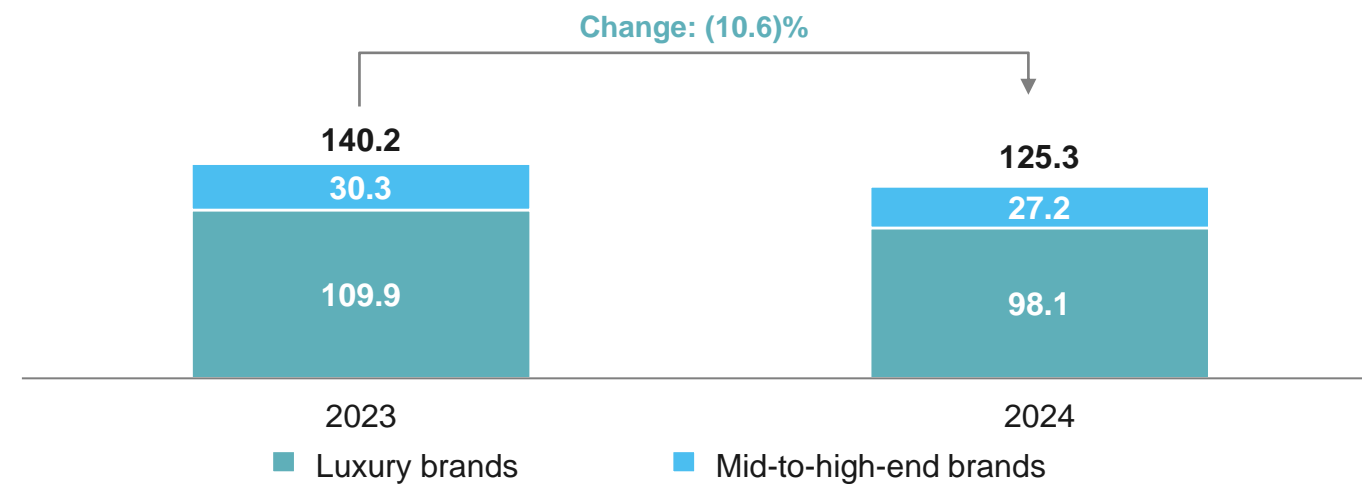
Accessories, Packages and After-sales Services Revenue

(RMB bn)



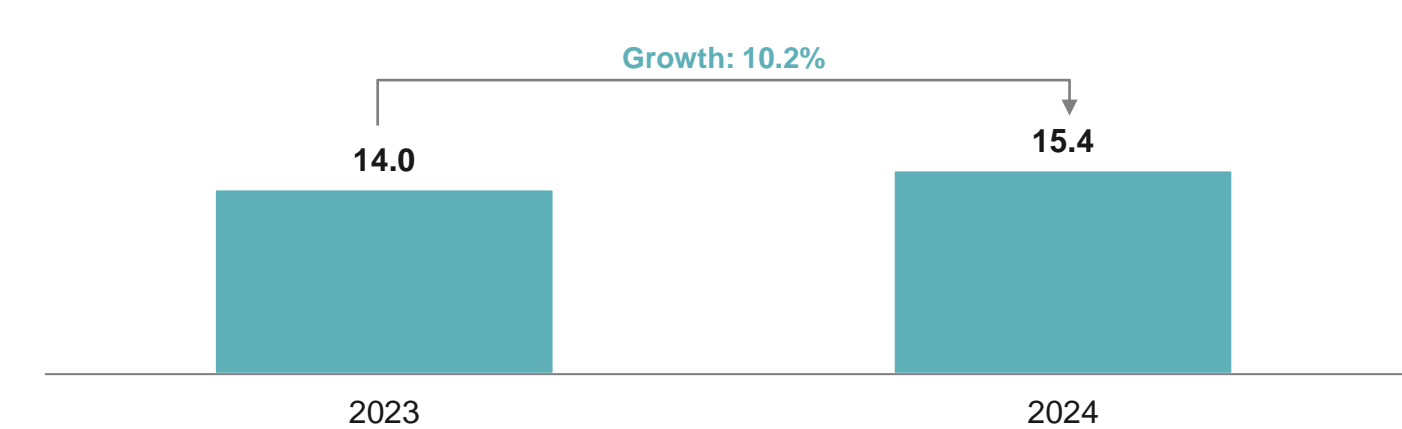
New Car Revenue

(RMB bn)



Used Car Revenue

(RMB bn)



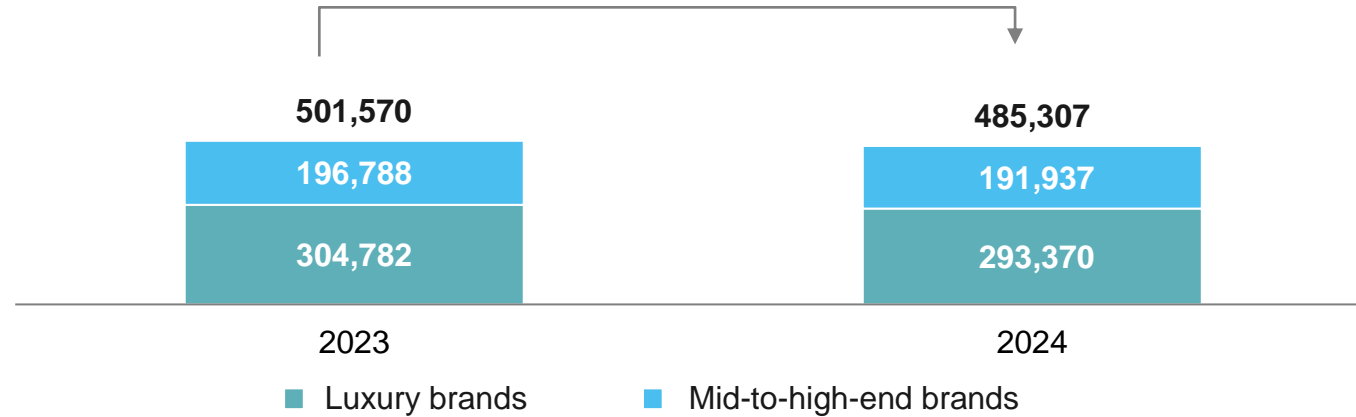


Vehicle Sales Breakdown

New Car Sales Volume

(units)

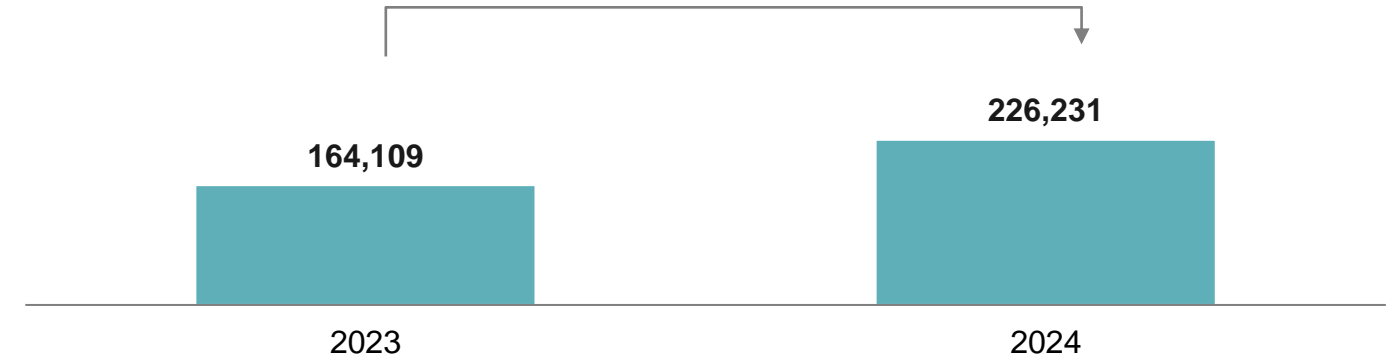
Change: (3.2)%



Used Car Sales Volume

(units)

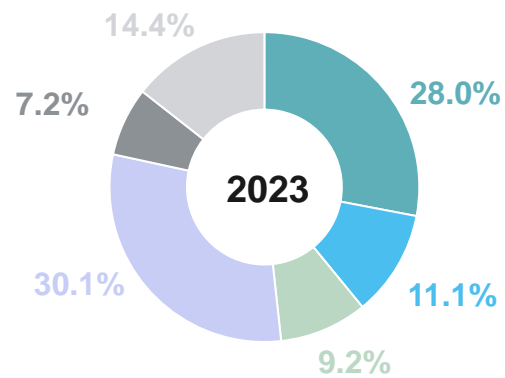
Growth: 37.9%



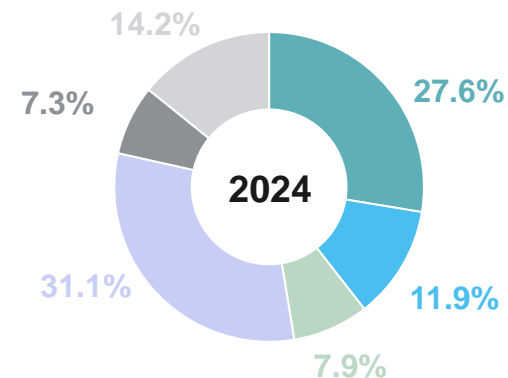
New Car Sales Volume by Brand

Luxury split

60.8%



60.5%

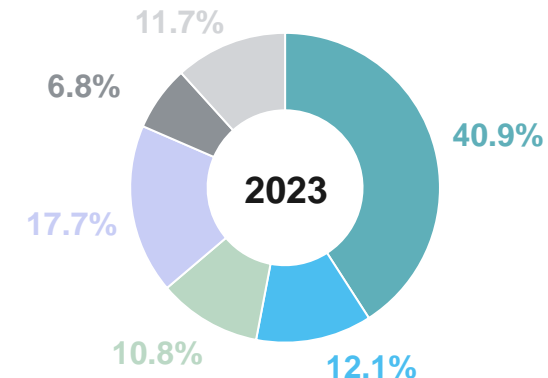


Mercedes-Benz Lexus BMW Toyota Audi Others

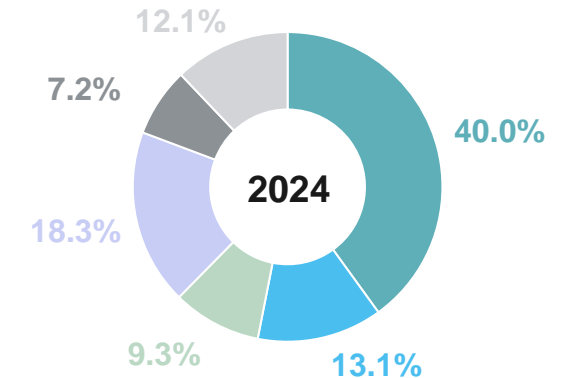
New Car Sales by Brand

Luxury split

78.4%



78.3%



Mercedes-Benz Lexus BMW Toyota Audi Others

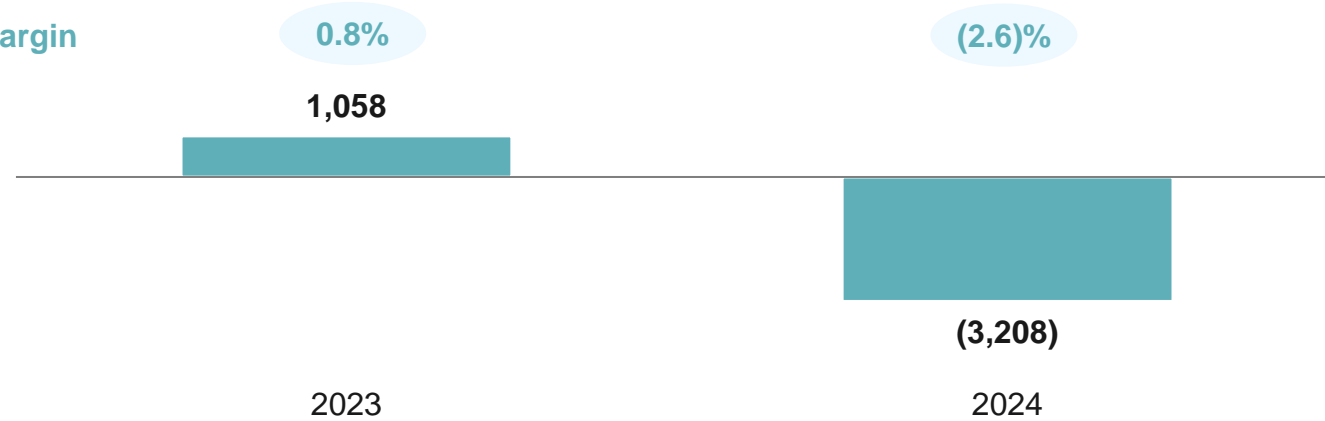


Aggregate Profit Breakdown

New Car Gross Profit

(RMB mn)

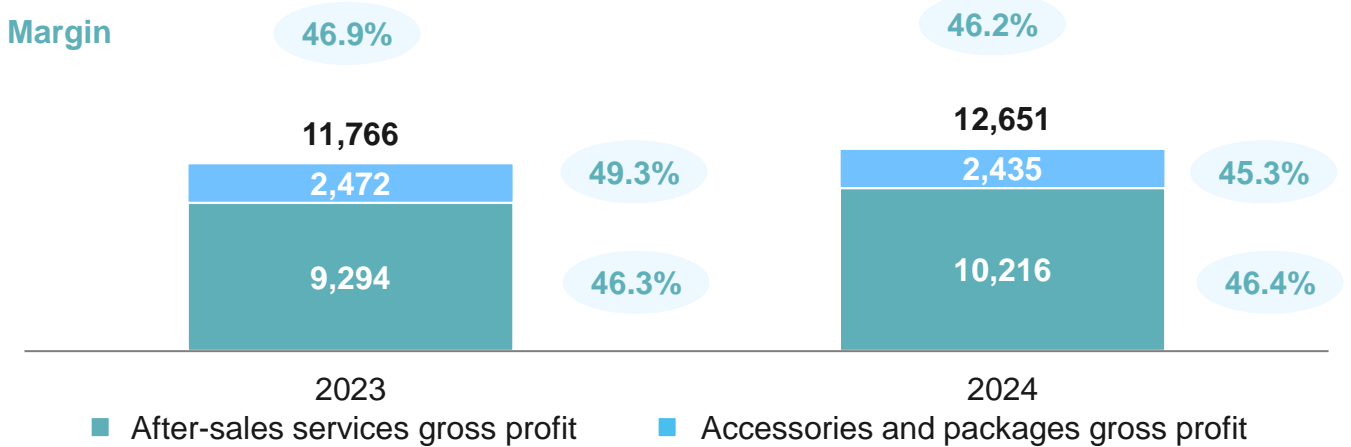
Margin



Accessories, Packages and After-sales Services Gross Profit

(RMB mn)

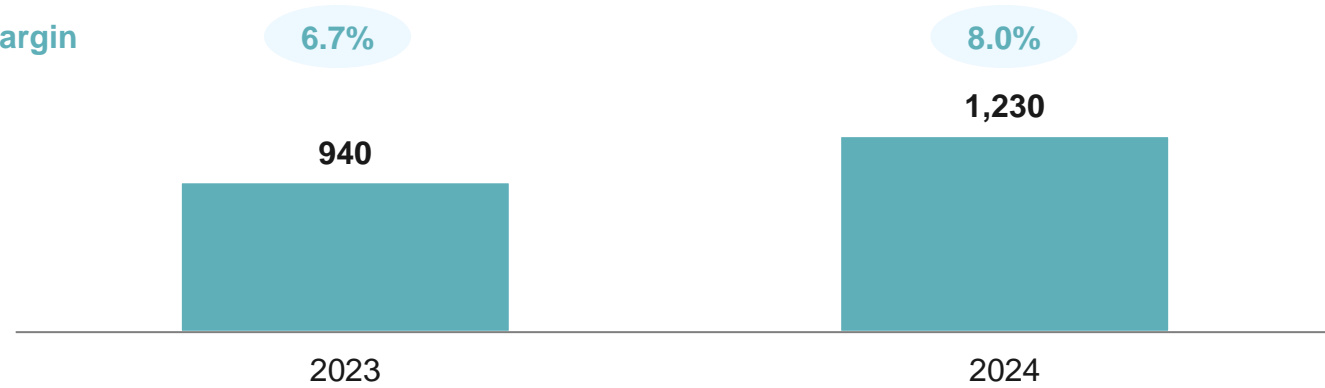
Margin



Used Car Gross Profit

(RMB mn)

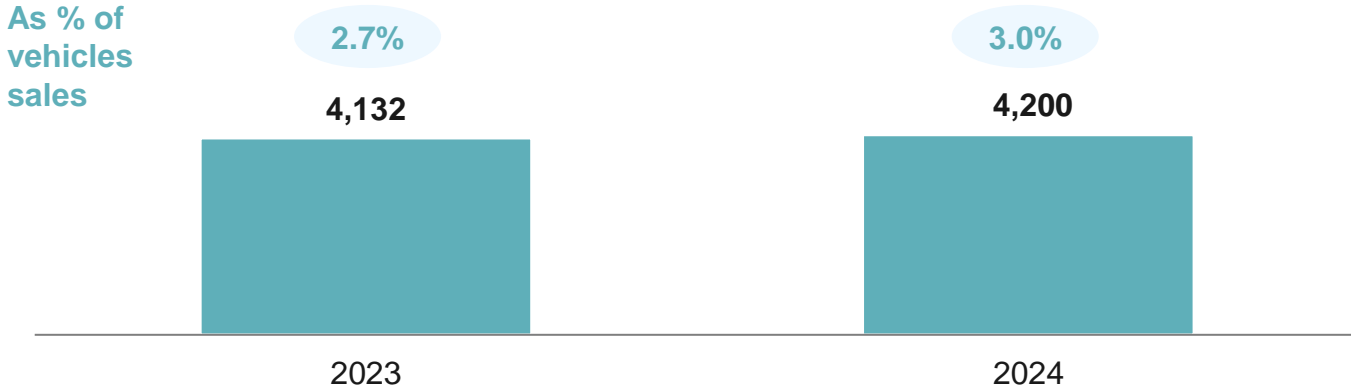
Margin



Commission Income

(RMB mn)

As % of vehicles sales

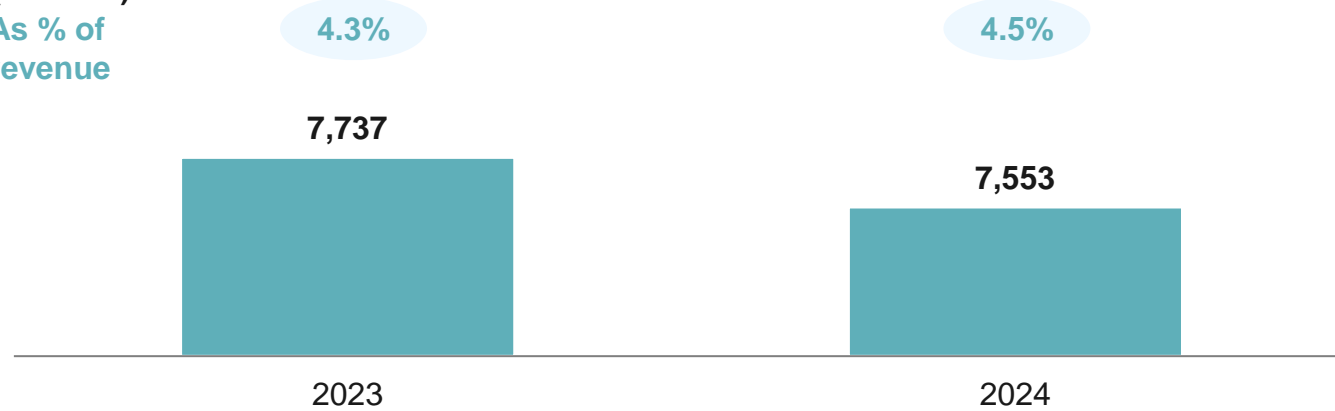




Operational Expenses

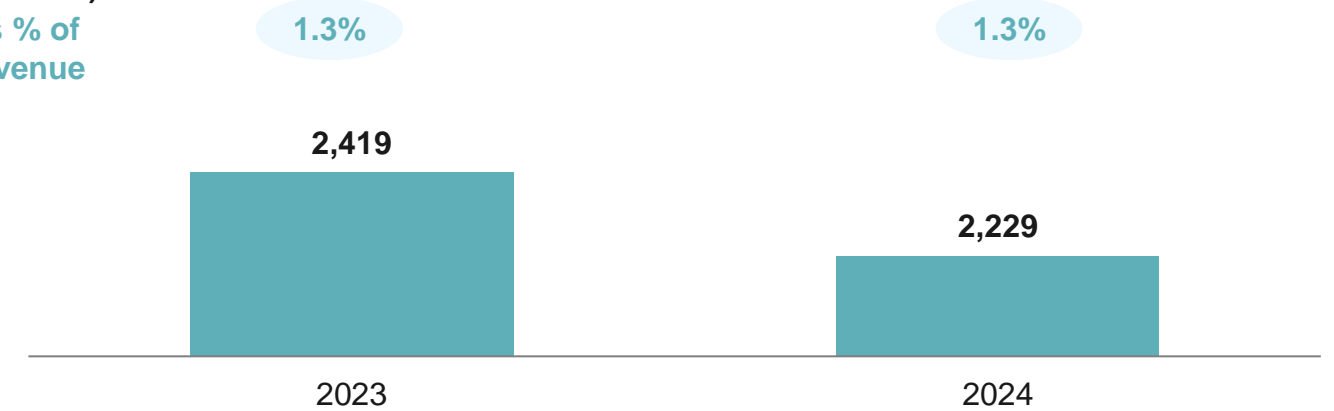
Selling and Distribution Expenses

(RMB mn)
As % of revenue



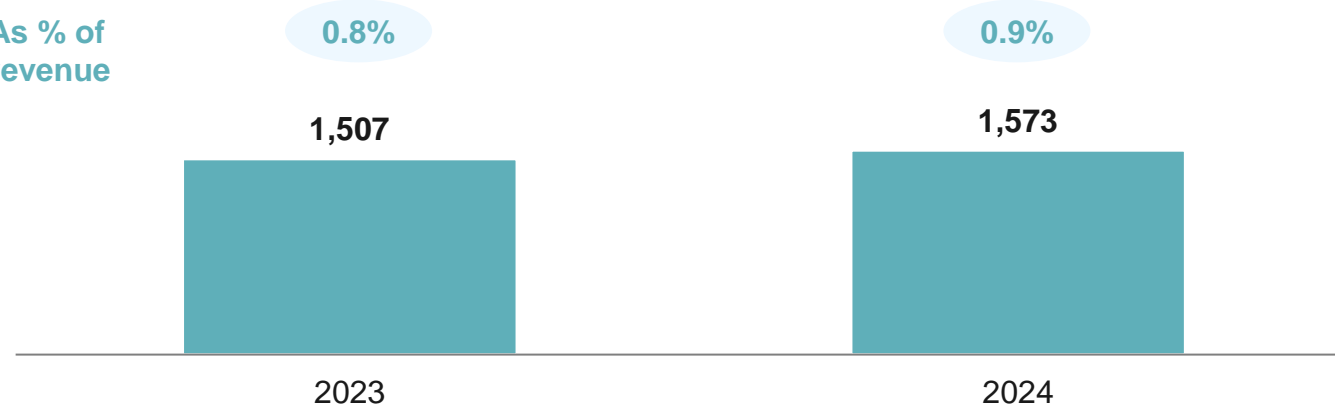
Administrative Expenses

(RMB mn)
As % of revenue



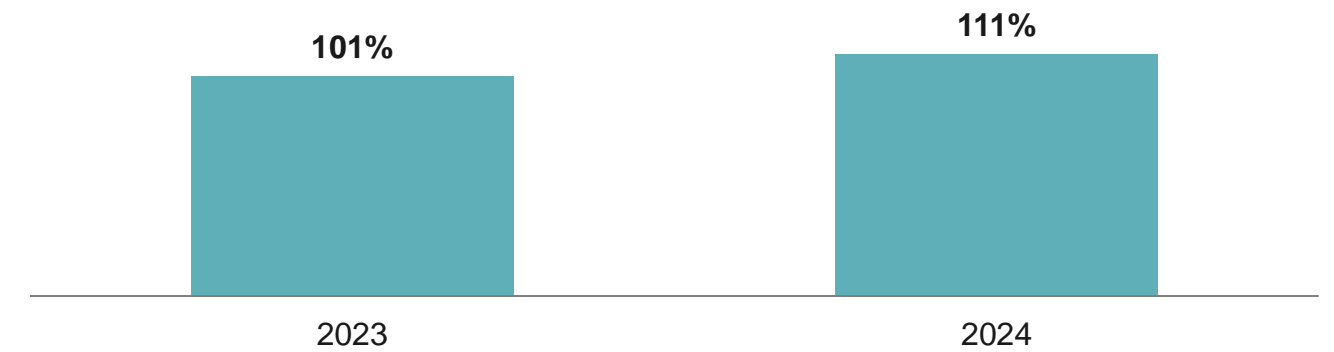
Finance Costs

(RMB mn)
As % of revenue



Absorption Ratio¹

(%)



¹ Absorption Ratio = Accessories, Packages and After-sales Services Gross Profit / (Selling and Distribution Expenses + Administrative Expenses + Finance Costs)



Other Financial Metrics

Total Assets / Net Assets

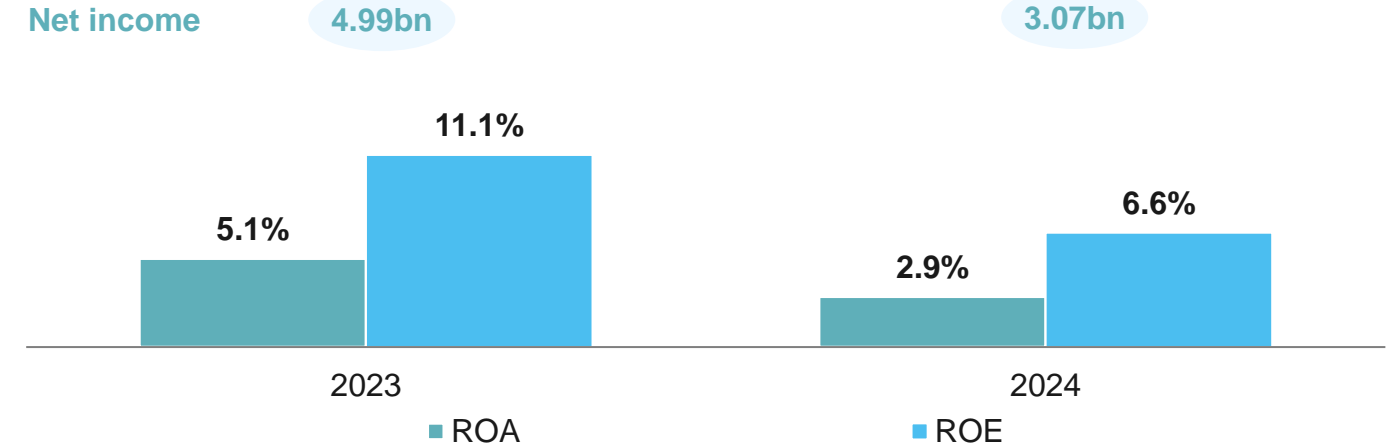
(x)



ROA and ROE

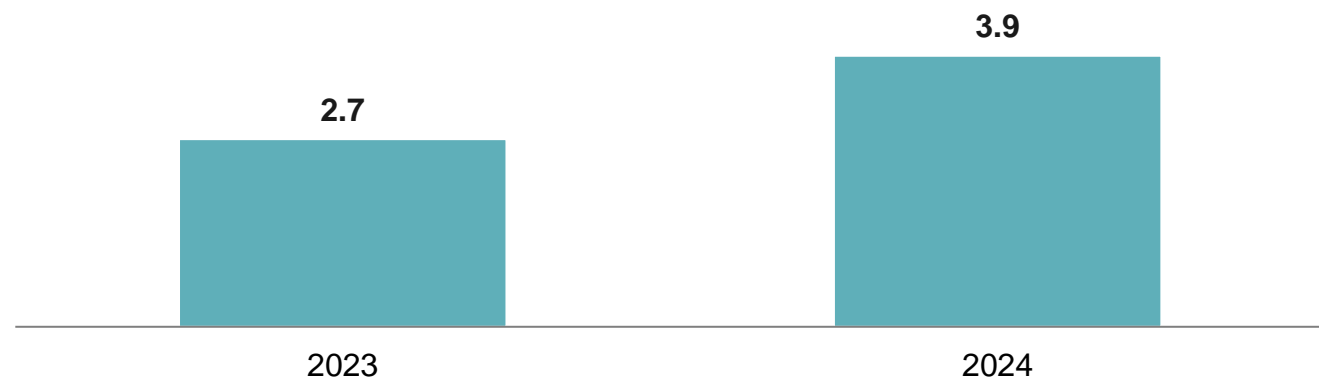
(%)

Net income



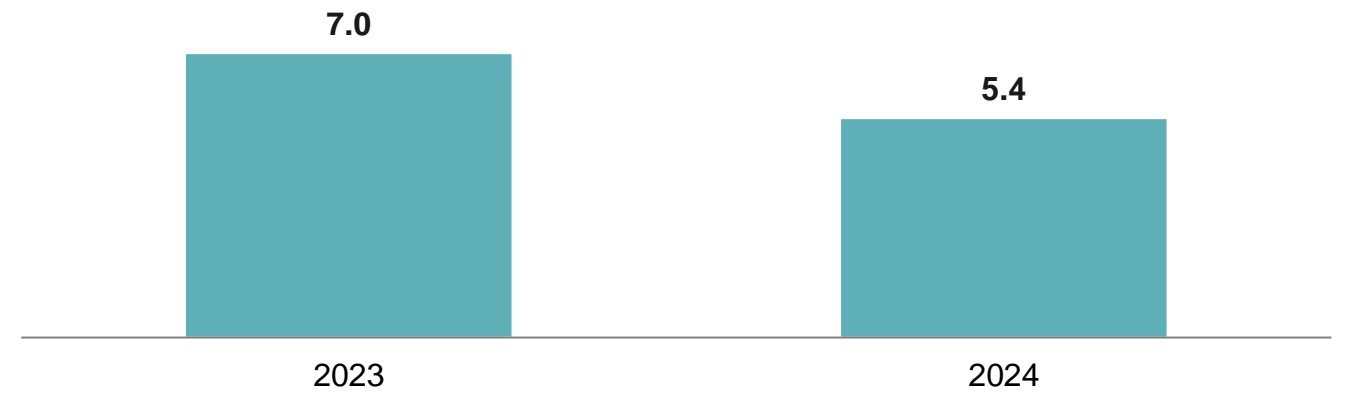
Adj. Debt / EBITDA¹

(x)



Interest Coverage²

(x)



¹ Debt is adjusted debt, including trade and bills payables, excluding inventory; ² Interest coverage = (Profit before tax + financial expenses + depreciation and amortization) / financial expenses



Financial Highlights

(RMB mn)	2023	2024
Cash and cash equivalent	15,612	18,688
Time deposits	1,955	924
Pledged bank deposits	1,916	3,332
Cash in transit	118	60
Cash, cash equivalent and cash in transit	19,601	23,004
Cash flow from operating activities	6,426	3,439
(-) Capex ¹	1,136	826
(-) Lease payments	817	1,058
Free cash flow	4,473	1,555
Profit before tax	6,831	4,103
(-) Interest income	455	322
(+) Financial expenses	1,507	1,573
(+) Depreciation & amortization	2,218	2,878
EBITDA	10,101	8,232
Dividends paid	2,375	1,735
Repurchase of shares	449	194
Cash to shareholders	2,824	1,929

¹ Includes expenditures on property, plant and equipment, land use right, intangible assets and fleets (test-drive cars and courtesy cars, etc.) owned as long-term assets, net of related sales proceeds