

# 2025 年度報告 ANNUAL REPORT



TUHU CAR CARE WORKSHOP  
PUSAT SERVIS KERETA

途虎养车 正品  
自营

## 途虎养车

TUHU Car Inc.

於開曼群島註冊成立以不同投票權控制的有限公司  
A company controlled through weighted voting rights  
and incorporated in the Cayman Islands with limited liability

股份代碼 Stock Code: 9690

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## Corporate Information

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Chen Min (*Chairman of the Board*)  
Mr. Hu Xiaodong

#### Non-executive Director

Mr. Yao Leiwen

#### Independent Non-executive Directors

Ms. Yan Huiping  
Mr. Feng Wei (resigned on 29 June 2025)  
Ms. Zhou Lingfei (appointed on 29 June 2025)  
Mr. Wang Jingbo

### AUDIT COMMITTEE

Ms. Yan Huiping (*Chairperson*)  
Mr. Feng Wei (resigned on 29 June 2025)  
Ms. Zhou Lingfei (appointed on 29 June 2025)  
Mr. Wang Jingbo

### REMUNERATION COMMITTEE

Ms. Yan Huiping (*Chairperson*)  
Mr. Wang Jingbo  
Mr. Chen Min

### NOMINATION COMMITTEE

Mr. Wang Jingbo (*Chairperson*)  
Mr. Feng Wei (resigned on 29 June 2025)  
Ms. Zhou Lingfei (appointed on 29 June 2025)  
Mr. Hu Xiaodong

### CORPORATE GOVERNANCE COMMITTEE

Ms. Zhou Lingfei (*Chairperson*) (appointed on 29 June 2025)  
Mr. Feng Wei (resigned on 29 June 2025)  
Ms. Yan Huiping  
Mr. Wang Jingbo

### JOINT COMPANY SECRETARIES

Mr. Chen Zhe  
Mr. Lee Chung Shing (resigned on 9 October 2025)  
Ms. Wong Mei Fung Carrie  
(appointed on 9 October 2025)

### AUTHORISED REPRESENTATIVES

Mr. Chen Min  
Mr. Lee Chung Shing (resigned on 9 October 2025)  
Ms. Wong Mei Fung Carrie  
(appointed on 9 October 2025)

### AUDITOR

**Ernst & Young**  
*Certified Public Accountants*  
*Registered Public Interest Entity Auditor*  
27/F, One Taikoo Place  
979 King's Road  
Quarry Bay  
Hong Kong

### HONG KONG LEGAL ADVISER

**Kirkland & Ellis**  
26/F, Gloucester Tower  
The Landmark  
15 Queen's Road Central  
Hong Kong

### COMPLIANCE ADVISER

**Guotai Junan Capital Limited**  
27/F, Low Block  
Grand Millennium Plaza  
181 Queen's Road Central  
Hong Kong

## Corporate Information

### REGISTERED OFFICE

PO Box 309, Umland House  
Grand Cayman KY1-1104  
Cayman Islands

### HEADQUARTERS

8th Floor  
Building 24  
1999 Yishan Road  
Minhang District  
Shanghai, PRC

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

46/F, Hopewell Center  
183 Queen's Road East  
Wan Chai  
Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

**Maples Fund Services (Cayman) Limited**  
P.O. Box 1093, Boundary Hall  
Cricket Square, Grand Cayman, KY1-1102  
Cayman Islands

### WEIGHTED VOTING RIGHTS

The Company is controlled through weighted voting rights. Each Class A Share has one vote per share and each Class B Share has ten votes per share except with respect to resolutions regarding a limited number of Reserved Matters, where each Share has one vote. The Company's WVR structure enables the WVR Beneficiary to exercise voting control over the Company notwithstanding the WVR Beneficiary does not hold a majority economic interest in the share capital of the Company. This allows the Company to benefit from the continuing vision and leadership of the WVR Beneficiary who control the Company with a view to its long-term prospects and strategy.

Shareholders and prospective investors are advised to be aware of the potential risks of investing in companies with WVR structures, in particular that interests of the WVR Beneficiary may not necessarily always be aligned with those of the Shareholders as a whole, and that the WVR Beneficiary will be in a position to exert significant influence over the affairs of the Company and the outcome of Shareholders' resolutions, irrespective of how other Shareholders vote. Shareholders and prospective investors should make the decision to invest in the Company only after due and careful consideration.

### HONG KONG SHARE REGISTRAR

**Computershare Hong Kong Investor Services  
Limited**

Shops 1712-1716  
17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

### INVESTOR RELATIONS

Email: [ir@tuhu.cn](mailto:ir@tuhu.cn)

### WEBSITE

[www.tuhu.cn](http://www.tuhu.cn)

### STOCK CODE

9690

## Corporate Information

As at the Latest Practicable Date, the WVR Beneficiary is Mr. Chen Min. Mr. Chen Min was interested in and controlled 14,368,284 Class A Shares and 67,918,860 Class B Shares, representing approximately 48.2% of the voting rights of the issued Shares in general meetings of the Company (except for resolutions with respect to the Reserved Matters, in relation to which each Share is entitled to one vote).

Class B Shares may be converted into Class A Shares on a one-to-one ratio. Upon the conversion of all the issued and outstanding Class B Shares into Class A Shares, the Company will issue 67,918,860 Class A Shares, representing approximately 8.2% of the total number of issued and outstanding Class A Shares as of the Latest Practicable Date upon such conversion.

The weighted voting rights attached to the Class B Shares will cease when the WVR Beneficiary no longer has beneficial ownership of any of the Class B Shares, in accordance with Rule 8A.22 of the Listing Rules. This may occur:

- (i) upon the occurrence of any of the circumstances set out in Rule 8A.17 of the Listing Rule, in particular where the WVR Beneficiary is: (a) deceased; (b) no longer a member of the Board; (c) deemed by the Stock Exchange to be incapacitated for the purpose of performing his duties as a Director; or (d) deemed by the Stock Exchange to no longer meet the requirements of a Director set out in the Listing Rules;
- (ii) when the holder of Class B Shares has transferred to another person the beneficial ownership of, or economic interest in, all of the Class B Shares or the voting rights attached to them, other than in the circumstances permitted by Rule 8A.18 of the Listing Rule;
- (iii) where a vehicle holding Class B Shares on behalf of a WVR Beneficiary no longer complies with Rule 8A.18(2) of the Listing Rule; or
- (iv) when all of the Class B Shares have been converted to Class A Shares.

## Financial Summary and Key Operation Metrics

### FINANCIAL SUMMARY

#### For the year ended 31 December

	2025		2024		
	Amount RMB	As a percentage of revenue %	Amount RMB	As a percentage of revenue %	Year over year change %
<i>(in thousands, except for percentage)</i>					
Revenue	16,461,611	100.0	14,758,694	100.0	11.5
Gross profit	3,967,527	24.1	3,745,978	25.4	5.9
Operating profit	252,212	1.5	331,031	2.2	(23.8)
Profit for the year	419,400	2.5	482,038	3.3	(13.0)
Adjusted EBITDA (non-IFRS measure) <sup>(1)</sup>	843,381	5.1	777,262	5.3	8.5
Adjusted net profit (non-IFRS measure) <sup>(2)</sup>	700,119	4.3	624,138	4.2	12.2

#### Unaudited

#### For the six months ended 31 December

	2025		2024		
	Amount RMB	As a percentage of revenue %	Amount RMB	As a percentage of revenue %	Year over year change %
<i>(in thousands, except for percentage)</i>					
Revenue	8,584,673	100.0	7,632,533	100.0	12.5
Gross profit	1,985,396	23.1	1,900,213	24.9	4.5
Operating profit	30,283	0.4	119,147	1.6	(74.6)
Profit for the period	112,865	1.3	197,706	2.6	(42.9)
Adjusted EBITDA (non-IFRS measure) <sup>(1)</sup>	360,032	4.2	327,643	4.3	9.9
Adjusted net profit (non-IFRS measure) <sup>(2)</sup>	289,659	3.4	265,974	3.5	8.9

Notes:

- (1) Adjusted EBITDA (non-IFRS measure) represents profit for the year/period excluding income tax expense, finance income, finance costs, depreciation and amortisation and share-based payment expenses.
- (2) Adjusted net profit (non-IFRS measure) represents profit for the year/period excluding share-based payment expenses.

## Financial Summary and Key Operation Metrics

### KEY OPERATION METRICS

	As of/For the year ended 31 December		
	2025	2024	Year over year change (%)
Number of Tuhu workshops	<b>8,008</b>	6,874	16.5
– Self-operated Tuhu workshops	<b>175</b>	158	10.8
– Franchised Tuhu workshops	<b>7,833</b>	6,716	16.6
Transacting users <sup>(1)</sup> (in millions)	<b>28.4</b>	24.1	17.7
Registered users <sup>(2)</sup> (in millions)	<b>162.3</b>	138.8	16.9

*Notes:*

- (1) Transacting user represents a user account that paid for at least one transaction of product or service on our platform (excluding Qipeilong) in a given period, regardless of whether the transaction was subsequently refunded.
- (2) Registered user represents a user that has registered by providing required information and logged in to our flagship app at least once since registration. We calculate the number of registered users as the cumulative number of valid user accounts at the end of the relevant period with duplicates eliminated.

## Chairman's Statement

In 2025, the Chinese economy continued to demonstrate resilience, with the annual year-over-year (“YoY”) growth rate of gross domestic product (“GDP”) reaching the target of 5%. The overall consumption structure has kept evolving with divergence: demand for basic living necessities remained resilient yet faced price pressures, while some upgraded consumption categories, especially discretionary consumption, recovered steadily. Domestic demand has gradually become a crucial pillar of China’s economic growth. The automotive service market, as an important component of domestic consumption, has continued the industry pattern of recent years, characterized by deep adjustment alongside structural evolution. The overall service volume of the industry maintained steady growth. According to China Insights Consultancy (“CIC”), the size of China’s automotive service market grew by approximately 4.7% YoY in 2025. Meanwhile, the supply side of the market witnessed accelerated consolidation, with the total number of stores in the industry contracting continuously – the decline in the number of 4S stores was notably faster than that of more resilient small chain stores and corner stores. Furthermore, the chain platforms we represent, characterized by their scale, standardised operations, and digital capabilities, have progressively established competitive advantages, contributing to an increasingly bifurcated market structure.

We are also delighted to witness the technology iteration in 2025, which has provided new tools and possibilities for us to fulfill our mission of **“To Innovate Simple and Easy Automotive Service.”** Since the advent of the mobile internet era, we have been dedicated to leveraging technology to transform the traditional automotive service industry. Through the creation of an integrated online-offline service model, we have secured a leading position in the industry. As a new wave of technological innovation unfolds, we will capitalise on the advantages we have built over time in areas such as capital, scale, data, industry expertise, and systematization to further drive the transformation of the automotive service industry. Staying focused on enhancing the lifetime value of car owners, we will continue to strengthen our differentiated competitive edge through platform scale, product capabilities, systematic data proficiency, supply chain efficiency, and our extensive nationwide offline service network.

We firmly believe that the long-term positive fundamentals of the automotive aftermarket remain unchanged. With the continuous improvement of industry consolidation, platforms that adhere to long-termism and continuously enhance service capabilities and operational efficiency in a complex environment will gain a more solid foundation for development and create sustainable long-term value for shareholders and car owners.

## FINANCIAL HIGHLIGHTS

In 2025, we achieved accelerated revenue growth YoY. We recorded total revenue of RMB16.5 billion during the year, a YoY increase of 11.5% compared with RMB14.8 billion in 2024, retaining our position as the No.1 player in China’s independent automotive service market in terms of revenue. Amid the continuous consumer preference shift towards affordability, we attracted more consumers through diversified product capabilities and proactive pricing strategies. In 2025, we recorded a gross profit of RMB4.0 billion, representing a YoY growth of 5.9%.

## Chairman's Statement

In 2025, although we maintained our disciplined approach in marketing expenses, our user growth continued to lead the industry thanks to our widely recognised brand image and excellent user reputation. Combined with continued optimisation on the fulfilment side, our adjusted selling and marketing expense ratio decreased by 0.9 percentage points YoY. In 2025, we strengthened the deployment of AI capabilities and their gradual implementation across various application scenarios, resulting in a slight YoY increase of 0.1 percentage points in the adjusted research and development (“R&D”) expense ratio. In addition, our adjusted operations and support expense ratio remained stable, while adjusted general and administrative expense ratio decreased by 0.1 percentage points YoY driven by operating leverage. As a result, in 2025, our total adjusted operating expenses, including operations and support expenses, R&D expenses, selling and marketing expenses, and general and administrative expenses, amounted to RMB3.6 billion, accounting for 21.8% of total revenue, which decreased by 0.9 percentage points compared with 2024. In the same period, we recorded an adjusted net profit of RMB0.7 billion, a YoY increase of 12.2%. As at the end of the Reporting Period, we maintained a robust cash position with total cash reserves of over RMB8.3 billion.

## PLATFORM OPERATIONS

As at the end of December 2025, our registered users increased to 162.3 million, representing a YoY addition of 23.5 million. In 2025, our omni-channel transacting users grew by 17.7% YoY to 28.4 million, further solidifying our position as China's largest automotive service platform. Measured by the proportion of our 2025 transacting users to China's passenger car ownership as at the end of December 2025, our penetration rate among China's passenger car owners has approached 10%.

In 2025, both our new and existing transacting users maintained healthy growth, with the growth of existing users being particularly prominent. That achievement was attributable to the continuous improvement of our annual user repeat purchase rate, which improved by 2.7 percentage points YoY to 65.0% in 2025<sup>1</sup>. By continuously enhancing the comprehensive capabilities of our platform, we have achieved a steady acquisition of new users and sustainable retention of loyal existing users.

We have been consistently promoting the popularisation of professional automotive knowledge in China and strengthening users' awareness of genuine products and professional expertise offered by our platform. We collaborated with Han Han, a renowned Chinese author, director and racing driver, to launch a series of “Han Han's Car-Care Class” to share professional car maintenance knowledge with users. In addition, we continued to optimise our product evaluation system and deepened cooperation with the China Automotive Technology and Research Centre (“CATARC”) in co-building a product evaluation and quality standard system. We also launched a new testing series titled “Extreme Challenge,” conducting rigorous performance tests. These tests include, among others, driving 24 hours on the highway with 24 nails in tires without air leakage, one million-kilometer road test for motor oils, and extreme abrasion tests for automotive films, providing users with scenario-based quality certification backed by real test data.

<sup>1</sup> Refers to the proportion of transacting users who placed orders in December 2024 and placed orders again within the following 12 months.

## Chairman's Statement

In terms of online operations, as our user base continues to grow, addressing the diverse needs of users has become central to the refined operations of our own platform. In 2025, we expanded the coverage of vehicle models and specifications across all business lines and enriched our product offerings across various price ranges, further enhancing the platform's capability to meet and respond to user demands. As at 31 December 2025, our auto parts database covered 11.5 million SKUs across more than 330 makes and more than 83,000 models. Meanwhile, we improved user stickiness and engagement through the penetration of high-frequency services such as refuelling and car wash, as well as the promotion of card-based products including maintenance pre-paid cards and premium memberships. In 2025, the average monthly active users ("MAUs") of the Tuhu Automotive Service App increased by 15.5% YoY to 13.8 million. Meanwhile, in 2025 our overall user satisfaction exceeded 96%, representing an improvement on the already high satisfaction level achieved in 2024. We have also maintained an open and proactive approach in the cooperation with third-party platforms to achieve broader and more diversified user outreach. In 2025, our transacting users on Douyin maintained a high growth rate of over 100%.

### STORE EXPANSION

In 2025, our store network sustained rapid growth. As at 31 December 2025, the total number of Tuhu workshops worldwide surpassed the 8,000-store milestone, reaching 8,008, with a net addition of 1,134 stores during the year and a growth rate exceeding that of the previous year. These Tuhu workshops comprised 175 self-operated workshops and 7,833 franchised workshops, managed by over 3,500 franchisees. We have become the world's largest automotive service platform in terms of number of automotive stores under management, according to CIC.<sup>2</sup>

In China, as at the end of the Reporting Period, our Tuhu workshops covered 32 province-level, 324 prefecture-level and 1,953 county-level administrative divisions, with the coverage rate of county regions with passenger car ownership of over 20,000 increasing to 75%. Over 60% of the new stores opened in 2025 were located in lower-tier cities, accelerating Tuhu's business penetration into all corners of cities nationwide. In terms of regional development, the number of Tuhu workshops in Xizang, Heilongjiang, Jilin, Xinjiang, Qinghai and other regions grew by over 40% YoY in 2025, continuously improving the balance and comprehensiveness of Tuhu's regional store layout. In addition, the number of Tuhu workshops in Hong Kong maintained steady growth.

We have also begun exploring overseas expansion, with encouraging initial results. Towards the end of 2025, we entered the Malaysian market by launching franchised Tuhu workshops in the Klang Valley, which have received highly positive feedback from the local market. To date, the total number of overseas Tuhu workshops in operation or in the pipeline has exceeded 10.

<sup>2</sup> Based on number of automotive stores under our management as of 31 December, 2025, including self-operated and franchised stores.

## Chairman's Statement

### STORE OPERATIONS

In 2025, building on the proven success and positive feedback of the “New Store Improvement Program,” we extended the coverage of dedicated technical support to existing stores. Specifically, we established a professional team of technical supervisors to provide on-site support to stores nationwide through inspection tours. By combining on-site training with remote guidance, we facilitated the rapid service capability enhancement in key sub-categories among technically weaker stores, enabling them to surpass the national average. This effort resulted in a balanced upgrade of service capabilities across our entire network.

Meanwhile, we continued to strengthen incentives for offline stores and technicians, issuing a total of approximately RMB285 million in various incentives and subsidies throughout the year. These efforts aimed to guide franchisees and technicians in aligning their behaviors with our operational strategies and development goals. We launched diversified incentive programs for stores at different development stages, including the “Top-Rated Stores” reward based on user feedback and comprehensive performance assessment, the “New Store Improvement” subsidies to support the rapid ramp-up of new stores, the “Self-Promotion Reward” to incentivise stores to enhance independent customer acquisition capabilities, and store construction subsidies to support store renovation and workstation upgrading. Through a structured incentive system, we guide stores to focus on service quality and steadily improve their comprehensive competitiveness.

Benefiting from the aforementioned series of initiatives, the operational quality of Tuhu workshops continued to optimise. In 2025, our same-store user growth<sup>3</sup> stood at over 6% YoY. In addition, nearly 90% of franchised Tuhu workshops operating for more than six months remained profitable in December 2025. As at 31 December 2025, approximately 44% of our franchisees had opened two or more stores with us, demonstrating the attractiveness and scalability of our franchise model.

### PRODUCTS AND SERVICES: TIRES

We continued to enrich our private label and exclusive product portfolio, and our platform's product launching capability has been further validated. On the one hand, the newly added value-for-money supplies have effectively met market demand for high-quality yet affordable products, with several new brands, such as Great Wall, Shenyi, and Laufenn, achieving rapid sales growth after their launch. On the other hand, our mid-to-high-end private label brands have gradually built user reputation and organic word-of-mouth through continuous product iteration, significantly increasing their market share. As a notable example, the sales volume share of Dongfeng Victory Tires grew ninefold during the year. At the same time, we maintained close cooperation with leading international brands. In particular, we have sustained long-term stable relationships with the global top ten tire manufacturers, which has helped us consistently strengthen our core supply and procurement advantages amid industry price fluctuations.

<sup>3</sup> Same-store is defined as stores that were in operation in every month of both 2024 and 2025.

## Chairman's Statement

On the operational side, we further extended our refined operation capabilities to medium and long-tail tire specifications, achieving phased breakthroughs, particularly in the large-diameter tire segment. In response to the challenges posed by scattered vehicle models and complex specifications, we increased targeted investments starting from the second half of the year and enhanced efficiency through systems and tools. This allowed us to refine operational granularity to hundreds of specification levels, driving continuous improvements in conversion efficiency. During the year, the sales share of large-diameter tires, sized 18 inches and above, rose to nearly 30%, representing a YoY increase of over 5 percentage points.

### PRODUCTS AND SERVICES: AUTO MAINTENANCE

In 2025, our auto maintenance business strengthened its supply foundation around core categories and responded to industry changes through refined operations, with transacting users maintaining a YoY growth of 18.2%.

For motor oil, we continued to drive product upgrading and structural optimisation. On one hand, leveraging our supply chain advantages, we actively strengthened product offerings in the low-price segment to enhance competitiveness, resulting in a YoY increase of over 40% in the number of offline users for basic maintenance package priced under RMB200 in 2025. On the other hand, we systematically upgraded our private label products, significantly enhancing product capabilities while maintaining price competitiveness, which drove a YoY growth of 45% in the annual sales volume of private label motor oils. At the same time, high-performance motor oil products continued to experience rapid sales growth, with certain performance series achieving strong performance post-launch, becoming a key driver of structural improvement.

For other maintenance categories, we focused on strengthening refined operations and service capabilities. In 2025, the sales volume of storage batteries grew by over 30% YoY, and the sales volume of brake-related parts increased by over 23% YoY. These categories outperformed the overall auto maintenance business, effectively offsetting the structural pressure in the automotive fluid category.

### OTHER PRODUCTS AND SERVICES

The quick repair category involves significantly higher complexity in product SKUs and service requirements compared to tires and general auto maintenance, while users also face greater information asymmetry. As a result, standardising this category presents a challenging yet valuable long-term undertaking. Over the past two years, through continued endeavor, we have largely completed the foundational build-out of this business from the ground up, with revenue<sup>4</sup> growing by over 50% YoY in 2025. During the Reporting Period, our quick repair business further deepened its focus on core sub-categories, enhancing both product variety and value for money. This effort led to a 5.2 percentage points improvement in availability rates for online search matches and a 7.1 percentage points increase in in-stock rates for parts identified during in-store vehicle inspections as requiring replacement. Meanwhile, we expanded horizontally into additional long-tail sub-categories for specific car makes, covering over 100 such sub-categories to date. During the Reporting Period, we introduced on-site practical training, starting with the control arm sub-category, which drove the average daily installation users in trained stores to more than double compared to pre-training levels. In 2026, we plan to expand this program to additional stores and sub-categories, further enhancing our service capabilities.

<sup>4</sup> Revenue from quick repair services excludes quick repair product categories sourced externally through Qipeilong.

## Chairman's Statement

Our car beauty and detailing business also achieved steady development under different strategic focuses. Notably, our car wash and waxing business serves as effective entry-point services, supporting efficient customer acquisition and driving higher service frequency. As at the end of 2025, car wash and waxing services were available at more than 6,700 Tuhu workshops. The expansion of store coverage, coupled with the refined online operations and standardised offline fulfillment, drove a 60% YoY growth in our online orders for car wash and waxing service during the Reporting Period. In addition, with the continuous expansion of the user base, the share of new car wash and waxing users who subsequently placed orders in other service categories within 12 months remained stable at around 40%.

The exploration of collision repair business is still ongoing. The number of Tuhu workshops capable of undertaking collision repair expanded steadily in Shanghai, with related transaction volume growing by over 100% YoY in 2025. Through a combination of insurance company cooperation and organic traffic conversion online and offline, our collision repair business model has been initially verified.

## NEV PENETRATION

In 2025, the number of new energy vehicle (“**NEV**”) transacting users on our platform reached 4.27 million, a YoY increase of approximately 60%, accounting for over 15% of our total transacting users. The penetration rate continues to be higher than China's NEV ownership penetration rate, laying a solid foundation for the continued expansion of our NEV user base.

We have actively advanced product development and offerings for NEV models across all business lines, leveraging our existing store network and business model to continuously attract NEV owners into the Tuhu ecosystem for after-sales services. In the tire business, we precisely tailored product supply and operational strategies to meet the differentiated needs of various NEV owner segments, including commercial NEV owners engaged in ride-hailing, luxury-brand NEV owners, and mass-brand NEV owners. This drove a steady increase in the sales contribution of NEV users within the tire business. In addition, by continuously enriching SKUs for high-demand maintenance services among NEV models, such as specialized air conditioning system maintenance, we achieved YoY growth of over 40% in hybrid vehicle owners and over 70% in pure electric vehicle owners within the auto maintenance business.

In the field of high-voltage components unique to NEVs, we continued to build core service capabilities and steadily advance the preliminary exploration and pilot implementation of various businesses. In response to the repair needs of those components from out-of-warranty NEV models, we officially launched services targeting the out-of-warranty segment, with 14 standardised service offerings available by the end of the Reporting Period. In 2025, we completed over 500 orders for out-of-warranty NEV owners, accumulating valuable experience for future large-scale rollout. Meanwhile, we have established cooperation with upstream professional manufacturers to launch branded auto parts dedicated to NEV models, further strengthening the supply chain capability to complement our service capabilities.

We also actively cooperate with leading enterprises across the automotive industry value chain to explore diversified development opportunities in the NEV-related business. In 2025, we officially announced an in-depth cooperation with Huawei Qiankun ADS (“**Advanced Driving System**”). As one of the early key partners of the Huawei Qiankun ADS ecosystem, we aim to jointly build an intelligent automotive service network through a real-time collaborative system linking vehicle, cloud, and store.

## Chairman's Statement

### SUPPLY CHAIN AND LOGISTICS

Our efficient supply chain stocking, warehousing and distribution system is the foundation for supporting product availability and timeliness.

We have been striving to enrich product assortment and deepen our coverage across sub-categories, user segments and price ranges. In 2025, our sales covered over 3,000 international and domestic automotive parts brands, with the total number of transacting SKUs growing by approximately 20% YoY. Despite the continuously expanding product complexity, our inventory turnover days remained largely stable at 66 days, supported by ongoing optimisation of our supply chain stocking algorithms as well as inventory management capabilities. In 2025, we fully applied the intelligent stocking algorithm to the tire stocking model in our regional distribution centres ("**RDCs**"). The upgraded algorithm enables more accurate prediction of regional sales volume based on historical sales data and operational factors, which, combined with parameters such as safety stock levels, supports improved stocking decisions. As a result, against the backdrop of a 22% YoY growth in online transacting SKUs for tires during the Reporting Period, we achieved a 3.4% YoY reduction in turnover days and a 3.2 percentage point increase in regional fulfillment rate<sup>5</sup>, greatly improving product supply efficiency and fulfillment timeliness. We also applied similar algorithm models to the pre-stocking decision at our stores and front distribution centres ("**FDCs**"), which further improved product availability rate while reducing turnover days for categories such as motor oil, brake discs and pads, and storage batteries.

In terms of our logistics system, we continued to optimise our warehousing and distribution network, achieving sustained improvements in fulfillment timeliness while lowering the fulfillment expense ratio and enhancing service quality. As of 31 December 2025, our network consisted of 31 RDCs, 738 FDCs, and 268 company-operated delivery routes across China.

At the RDC level, we improved space utilisation through the upgrade of high-density storage systems, increasing storage capacity by more than 20% while warehouse area expanded by only 6% YoY. Automation and other initiatives also contributed to improved operational efficiency and accuracy. When it comes to distribution, we implemented measures to reduce costs and enhance efficiency, such as increasing the penetration rate of company-operated routes and optimising alternative warehouse selection. Meanwhile, by leveraging algorithms for route planning, we managed to reduce delivery mileage while maintaining high timeliness. These combined efforts in warehousing and distribution, along with upgrades to our stocking model, drove a 3.8 percentage points increase in our same-day and next-day fulfillment rate, reaching 82.8% in 2025.

At the FDC level, we continued to open new FDCs to support the growing walk-in demand driven by the rapid expansion of stores. As at 31 December 2025, our FDC network covered 80% of prefecture-level administrative divisions in China. Through the expansion of FDCs, the optimisation of pre-stocking models and the enhancement of the cost-performance ratio of our products, our inventory fulfillment rate for walk-in customers increased by 1.7 percentage points YoY to over 80%.

<sup>5</sup> Regional fulfillment rate refers to the proportion of regional demand fulfilled directly from RDCs within the same region.

## Chairman's Statement

### TECHNOLOGY AND INNOVATION

In 2025, we regarded new technologies as an important lever to improve efficiency, optimise user experience and build long-term competitive barriers. We carried out structured exploration around AI applications, warehouse automation and autonomous delivery, with implementation achieved in multiple core scenarios.

In 2025, guided by the principles of “usability, scalability, and cost reduction,” we advanced the deep integration of AI into critical areas such as customer service, store operations, and user decision-making. In customer service, we completely reconstructed the pre-sales shopping guide system and introduced an intelligent shopping guide for the tire and auto maintenance businesses, significantly enhancing conversion efficiency while improving user experience. Following the launch of the intelligent product, the tire shopping guide conversion rate in December 2025 increased by approximately 10% YoY, while user satisfaction improved by 17%. With continuous improvements in model capabilities, the transfer rate to human agents also dropped substantially, creating the potential to significantly reduce labour costs in the future. Additionally, we expanded the application of AI-powered customer service to various scenarios such as after-sales service, non-tire and non-maintenance businesses, and WeCom customer service, achieving a comprehensive upgrade of the user service experience through continuous development and iteration. In offline store operations, we leveraged multimodal AI to enhance store standardisation and safety management. Applications such as intelligent hygiene inspections, fire hazard detection, and equipment operational status recognition significantly improved inspection efficiency, reduced reliance on manual reviews and management resources, and strengthened store operational stability and risk prevention, all while lowering costs. In user interaction, we launched the AI Car-Care Assistant in the second half of the year, addressing high-frequency needs such as maintenance consultation, fault identification, and tire diagnosis, with related capability accuracy reaching approximately 90%. The growing user base and engagement levels further validated the application potential of AI in supporting front-end user decision-making.

In terms of warehouse automation, our fully automated Guangzhou RDC has operated stably since its commissioning in the first half of the year, effectively supporting fulfilment needs during both daily operations and promotional periods, with significantly improved inbound and outbound efficiency and operational accuracy. Notably, during the Singles' Day (Double Eleven) shopping festival, outbound tire shipments on the peak day reached 42,000 units, increasing by over 30% YoY. Meanwhile, the average labour cost per tire processed at the RDC has been reduced by over 50% compared to the manual mode. This facility also retains sufficient capacity to support business growth in the region over the coming years. At the same time, we piloted autonomous delivery vehicles in cities such as Chengdu and Wuhan, successfully completing full-process verification in certain RDC-to-FDC delivery scenarios with a 100% on-time rate. This initiative has laid a solid foundation for the subsequent large-scale application of autonomous delivery in regions where road access permissions are gradually being opened up.

We believe that the value of new technologies lies not in the concept itself, but in their ability to deliver practical and replicable solution to real-world problems. In the future, we will continue to steadily deepen and expand technical capabilities centering around our business scenarios, and support the long-term improvement of overall efficiency and user experience.

## Chairman's Statement

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE

While driving the steady development of the business, we continue to focus on fulfilling social and environmental responsibilities.

In terms of social responsibility, during the Reporting Period, we improved employee incentives and welfare through the optimisation of the salary structure; provided entrepreneurship subsidies for approximately 150 young people through the "Auto Service Youth Talent Entrepreneurship Support Plan"; supported over 60,000 jobs in technician and related roles through our nationwide store network; participated in local government's "trade-in" and "15-minute community living circle" programs to stimulate consumption vitality and provide convenient consumption guarantees; participated in cutting-edge industry discussions such as the "Autonomous Driving Mobility Ecosystem Forum" to promote industry dialogue and development; launched emergency rescue during severe weather across the country and made donations immediately after the Tai Po fire, actively providing practical support and long-term value for all stakeholders including employees, franchisees, technicians, users, industry upstream and downstream participants, and communities.

In terms of environmental responsibility, we continued to optimise waste management. During the Reporting Period, our self-operated stores collected and transferred to licensed third-party recyclers approximately 1.2 million litres of motor oil, 300,000 tires and 6,000 storage batteries, for proper treatment and recycling. We also continued to promote green logistics: as at the end of the Reporting Period, over 70% of company-operated routes used NEVs for delivery; during the Reporting Period, our warehousing and logistics network recycled and reused over 700,000 used cartons; and we reduced the consumption of consumables per maintenance order by more than 10% through measures such as optimising packaging adaptation recommendations.

### CONCLUSION

The growth of the automotive service industry is like running a marathon, requiring endurance, patience, and a steadfast commitment to steady progress. Just as a towering tree grows from a small seedling, great achievements are built upon a strong and solid foundation. Automotive service is a field with long cycles and intensive operational engagement. Success requires continuous investment and grounded efforts, enabling trust to accumulate over time and value to be realized amidst constant change. We have always believed that strengthening a lasting foundation is far more important than pursuing short-term profits, and that prioritizing stability, depth, and sustainable long-term growth outweighs rushing for speed.

Finally, on behalf of the Board of Directors and the entire management team, I would like to extend our heartfelt gratitude to all car owners, franchise partners, suppliers, employees, and shareholders for your unwavering trust and support over the years. The road ahead may be long, but every step forward brings us closer to our destination; the task may be challenging, but perseverance will lead to success. May Tuhu continue to walk hand in hand with the industry and our users, sharing growth and progress together in every journey to come.

**Mr. Chen Min**

*Founder, Chairman, and Chief Executive Officer*  
Hong Kong, 20 March 2026

## Management Discussion and Analysis

### SELECTED CONSOLIDATED INCOME STATEMENT ITEMS

Year Ended 31 December 2025 Compared to Year Ended 31 December 2024

	For the year ended 31 December	
	2025	2024
	<i>(RMB in thousands)</i>	
<b>Revenue</b>	<b>16,461,611</b>	14,758,694
<b>Cost of revenue</b>	<b>(12,494,084)</b>	(11,012,716)
<b>Gross profit</b>	<b>3,967,527</b>	3,745,978
Other income and gains, net	<b>118,457</b>	62,007
Operations and support expenses	<b>(681,209)</b>	(576,569)
Research and development expenses	<b>(763,655)</b>	(639,785)
Selling and marketing expenses	<b>(2,024,946)</b>	(1,916,253)
General and administrative expenses	<b>(399,960)</b>	(354,891)
Fair value changes on financial assets at fair value through profit or loss	<b>35,998</b>	10,544
<b>Operating profit</b>	<b>252,212</b>	331,031
Finance income	<b>175,936</b>	183,420
Finance costs	<b>(11,960)</b>	(15,701)
Share of profits and losses of joint ventures and associates	<b>6,298</b>	(11,557)
<b>Profit before tax</b>	<b>422,486</b>	487,193
Income tax expense	<b>(3,086)</b>	(5,155)
<b>Profit for the year</b>	<b>419,400</b>	482,038
<b>Adjusted EBITDA (non-IFRS measure)</b>	<b>843,381</b>	777,262
<b>Adjusted net profit (non-IFRS measure)</b>	<b>700,119</b>	624,138

## Management Discussion and Analysis

### Revenues

Our revenue for the year ended 31 December 2025 amounted to RMB16.5 billion, representing an increase of 11.5% as compared with RMB14.8 billion for the year ended 31 December 2024.

The following table sets forth the breakdown of our revenue, in amounts and as percentages of total revenue for the years indicated:

	For the year ended 31 December			
	2025		2024	
	RMB	%	RMB	%
	<i>(in thousands, except for percentage)</i>			
<b>Automotive products and services</b>	<b>15,385,815</b>	<b>93.5</b>	13,801,674	93.5
Individual end customers	<b>13,889,232</b>	<b>84.4</b>	12,393,548	84.0
– Tires and chassis parts	<b>6,904,233</b>	<b>41.9</b>	6,131,538	41.6
– Auto maintenance	<b>6,036,148</b>	<b>36.7</b>	5,421,126	36.7
– Others <sup>(1)</sup>	<b>948,851</b>	<b>5.8</b>	840,884	5.7
Qipeilong <sup>(2)</sup>	<b>1,496,583</b>	<b>9.1</b>	1,408,126	9.5
<b>Advertising, franchise and other platform initiatives</b>	<b>1,075,796</b>	<b>6.5</b>	957,020	6.5
Franchise services	<b>874,507</b>	<b>5.3</b>	785,869	5.3
Advertising services	<b>147,026</b>	<b>0.9</b>	88,053	0.6
Other platform initiatives	<b>54,263</b>	<b>0.3</b>	83,098	0.6
<b>Total</b>	<b>16,461,611</b>	<b>100.0</b>	14,758,694	100.0

Notes:

- (1) Others under automotive products and services to individual end customers primarily consist of revenues from auto accessories, car beauty and detailing, and collision repairs.
- (2) Qipeilong primarily consist of sales of auto parts to (i) Tuhu workshops and partner stores; and (ii) third-party auto parts dealers/customers and service providers.

## Management Discussion and Analysis

### *Revenue from automotive products and services*

Our revenue from automotive products and services increased by 11.5% from RMB13.8 billion in 2024 to RMB15.4 billion in 2025. This increase was primarily due to (i) a 12.0% growth in revenue from tires and chassis parts segment, and auto maintenance segment, from RMB11.6 billion in 2024 to RMB12.9 billion in 2025, primarily attributable to our continuous refinement and optimisation of marketing strategies, diversification of our product offerings, and the expansion of our Tuhu workshop network, which together broadened our customer base and increased transaction volume. This increase was partially offset by the decrease in the average transaction value as more customers opted for more cost-effective products; (ii) a 12.8% growth in revenue from other products and services segment, from RMB840.9 million in 2024 to RMB948.9 million in 2025, primarily attributable to the further increase in revenue contribution from car beauty and detailing services as we expanded the availability of these services across more Tuhu workshops to meet growing customer demand; and (iii) a 6.3% growth in revenue from sales of auto parts through Qipeilong, from RMB1,408.1 million in 2024 to RMB1,496.6 million in 2025, primarily attributable to increased sales from our instant procurement service driven by the expansion of our Tuhu workshop network, which was partially offset by the decline in the revenue contribution from the wholesale service.

### *Revenue from advertising, franchise and other platform initiatives*

Our revenue from advertising, franchise and other platform initiatives increased by 12.4% from RMB957.0 million in 2024 to RMB1,075.8 million in 2025, primarily due to (i) the growth in revenue from franchise service, resulting from the expansion of our franchised Tuhu workshop network; and (ii) the growth in advertising service revenue driven by our ongoing platform investments and the expansion of our workshop network, which continuously strengthened our brand recognition and attracted more brand partners to advertise on our platform.

## Management Discussion and Analysis

### Cost of Revenue

Our cost of revenue for the year ended 31 December 2025 amounted to RMB12.5 billion, representing an increase of 13.5% as compared with RMB11.0 billion for the year ended 31 December 2024.

The following table sets forth the breakdown of our cost of revenue, in amounts and as percentages of total revenue for the years indicated:

	For the year ended 31 December			
	2025		2024	
	RMB	%	RMB	%
<i>(in thousands, except for percentage)</i>				
<b>Cost of automotive products and services</b>	<b>12,081,549</b>	<b>73.4</b>	10,590,126	71.8
Individual end customers	10,928,844	66.4	9,450,424	64.1
– Tires and chassis parts	5,932,462	36.0	5,133,719	34.8
– Auto maintenance	4,244,660	25.8	3,639,717	24.7
– Others	751,722	4.6	676,988	4.6
Qipeilong	1,152,705	7.0	1,139,702	7.7
<b>Cost of advertising, franchise and other platform initiatives</b>	<b>103,479</b>	<b>0.6</b>	125,280	0.8
Franchise services	86,026	0.5	87,798	0.6
Advertising services	3,592	0.0	4,013	0.0
Other platform initiatives	13,861	0.1	33,469	0.2
<b>Cost of self-operated Tuhu workshops and others</b>	<b>309,056</b>	<b>1.9</b>	297,310	2.0
<b>Total</b>	<b>12,494,084</b>	<b>75.9</b>	11,012,716	74.6

This increase was primarily due to a 14.1% growth in cost of automotive products and services, from RMB10.6 billion in 2024 to RMB12.1 billion in 2025, which was in line with our revenue growth resulting from the expansion of our Tuhu workshop network and customer base. This increase was partially offset by the decrease in the cost of advertising, franchise and other platform initiatives, resulting from the decline in cost associated with the closure of NEV sales business.

## Management Discussion and Analysis

### Gross Profit and Gross Profit Margin

As a result of the foregoing, the gross profit of our Group was RMB4.0 billion for the year ended 31 December 2025, as compared with RMB3.7 billion for the year ended 31 December 2024.

Gross profit margin of our Group decreased from 25.4% for the year ended 31 December 2024 to 24.1% for the year ended 31 December 2025, primarily due to the decrease in gross profit margin on automotive products and services, as customers' preferences shifted towards more cost-effective products, leading to increased transaction volume but lower average transaction value in the tires and chassis parts segment and auto maintenance segment. This decrease was partially offset by improvements in gross profit margins of other business lines, specifically, (i) the gradual improvement in gross profit margin on sales of auto parts through Qiipeilong; and (ii) the improvement in gross profit margin on advertising, franchise and other platform initiatives, primarily attributable to increased revenue contribution coupled with decreased costs.

### Other Income and Gains, Net

Our other income and gains for the year ended 31 December 2025 amounted to RMB118.5 million, representing an increase of 91.0% as compared with RMB62.0 million for the year ended 31 December 2024. This increase was primarily due to the increase in government grants in 2025, partially offset by foreign exchange losses resulting from exchange rate fluctuations.

### Operations and Support Expenses

Our operations and support expenses increased by 18.1% from RMB576.6 million for the year ended 31 December 2024 to RMB681.2 million for the year ended 31 December 2025. This increase was primarily attributable to (i) the increase in personnel costs and share-based payment expenses, resulting from the increase in the number and average salary of operations and support personnel; and (ii) higher travel-related expenses in connection with the active expansion of our workshop network.

### Research and Development Expenses

Our research and development expenses increased by 19.4% from RMB639.8 million for the year ended 31 December 2024 to RMB763.7 million for the year ended 31 December 2025. This increase was primarily due to our continuing investment in research and development, specifically, (i) additional share-based incentives granted to existing and newly recruited core research and development personnel in key positions to align with the development of AI; (ii) the increase in personnel costs resulting from salary adjustments to optimise the skill structure of research and development personnel, while maintaining a stable research and development headcount; and (iii) the increase in cloud service fees and server depreciation expenses to strengthen the deployment of AI capabilities and related technology enhancement.

## Management Discussion and Analysis

### Selling and Marketing Expenses

Our selling and marketing expenses increased by 5.7% from RMB1.9 billion for the year ended 31 December 2024 to RMB2.0 billion for the year ended 31 December 2025, primarily due to (i) increased spending on online traffic acquisition and offline workshop promotional activities to further enhance brand recognition; and (ii) the increase in personnel costs and share-based payment expenses resulting from the increase in the average salary of selling and marketing personnel, while the number of total selling and marketing personnel decreased. This increase was partially offset by the decrease in warehouse rental expenses, as a result of improving warehousing and logistics efficiency.

### General and Administrative Expenses

Our general and administrative expenses increased by 12.7% from RMB354.9 million for the year ended 31 December 2024 to RMB400.0 million for the year ended 31 December 2025. This increase was primarily due to (i) share-based payment expenses in respect of additional share incentives granted to key management personnel; and (ii) higher transaction processing fees driven by the overall increase in transaction volume.

### Finance Income

Our finance income for the year ended 31 December 2025 amounted to RMB175.9 million, representing a slight decrease of 4.1% as compared with RMB183.4 million for the year ended 31 December 2024. This decrease was primarily due to the overall decline in prevailing interest rates.

### Profit for the Year

As a result of the foregoing, our profit for the year ended 31 December 2025 amounted to RMB419.4 million. In 2024, we recorded profit of RMB482.0 million.

## Management Discussion and Analysis

Six Months Ended 31 December 2025 Compared to Six Months Ended 31 December 2024

	<b>Unaudited</b>	
	<b>For the six months</b>	
	<b>ended 31 December</b>	
	<b>2025</b>	2024
	<i>(RMB in thousands)</i>	
<b>Revenue</b>	<b>8,584,673</b>	7,632,533
<b>Cost of revenue</b>	<b>(6,599,277)</b>	(5,732,320)
<b>Gross profit</b>	<b>1,985,396</b>	1,900,213
Other income and gains, net	<b>28,803</b>	40,965
Operations and support expenses	<b>(371,501)</b>	(293,483)
Research and development expenses	<b>(420,072)</b>	(337,744)
Selling and marketing expenses	<b>(1,003,272)</b>	(1,008,128)
General and administrative expenses	<b>(205,728)</b>	(168,810)
Fair value changes on financial assets at fair value through profit or loss	<b>16,657</b>	(13,866)
<b>Operating profit</b>	<b>30,283</b>	119,147
Finance income	<b>88,837</b>	92,977
Finance costs	<b>(5,756)</b>	(7,066)
Share of profits and losses of joint ventures and associates	<b>(2,497)</b>	(6,975)
<b>Profit before tax</b>	<b>110,867</b>	198,083
Income tax expense	<b>1,998</b>	(377)
<b>Profit for the period</b>	<b>112,865</b>	197,706
<b>Adjusted EBITDA (non-IFRS measure)</b>	<b>360,032</b>	327,643
<b>Adjusted net profit (non-IFRS measure)</b>	<b>289,659</b>	265,974

## Management Discussion and Analysis

### Revenues

Our revenue for the six months ended 31 December 2025 amounted to RMB8.6 billion, representing an increase of 12.5% as compared with RMB7.6 billion for the same period of 2024.

The following table sets forth the breakdown of our revenue, in amounts and as percentages of total revenue for the periods indicated:

	<b>Unaudited</b>			
	<b>For the six months ended 31 December</b>			
	<b>2025</b>		<b>2024</b>	
	<b>RMB</b>	<b>%</b>	<b>RMB</b>	<b>%</b>
	<i>(in thousands, except for percentage)</i>			
<b>Automotive products and services</b>	<b>8,023,413</b>	<b>93.5</b>	7,158,394	93.8
Individual end customers	<b>7,256,411</b>	<b>84.6</b>	6,423,452	84.2
– Tires and chassis parts	<b>3,619,029</b>	<b>42.2</b>	3,158,920	41.4
– Auto maintenance	<b>3,129,267</b>	<b>36.5</b>	2,803,401	36.7
– Others <sup>(1)</sup>	<b>508,115</b>	<b>5.9</b>	461,131	6.1
Qipeilong <sup>(2)</sup>	<b>767,002</b>	<b>8.9</b>	734,942	9.6
<b>Advertising, franchise and other platform initiatives</b>	<b>561,260</b>	<b>6.5</b>	474,139	6.2
Franchise services	<b>450,330</b>	<b>5.2</b>	407,604	5.3
Advertising services	<b>83,815</b>	<b>1.0</b>	40,008	0.5
Other platform initiatives	<b>27,115</b>	<b>0.3</b>	26,527	0.4
<b>Total</b>	<b>8,584,673</b>	<b>100.0</b>	7,632,533	100.0

*Notes:*

- (1) Others under automotive products and services to individual end customers primarily consist of revenues from auto accessories, car beauty and detailing, and collision repairs.
- (2) Qipeilong primarily consist of sales of auto parts to (i) Tuhu workshops and partner stores; and (ii) third-party auto parts dealers/customers and service providers.

## Management Discussion and Analysis

### *Revenue from automotive products and services*

Our revenue from automotive products and services increased by 12.1% from RMB7.2 billion for the six months ended 31 December 2024 to RMB8.0 billion for the same period of 2025. This increase was primarily due to (i) a 13.2% growth in revenue from tires and chassis parts, and auto maintenance segment from RMB6.0 billion for the six months ended 31 December 2024 to RMB6.7 billion for the same period of 2025, primarily attributable to our continuous optimisation of marketing strategies, diversified product offerings and the expansion of our Tuhu workshop network, which together broadened our customer base and transaction volume. This increase was partially offset by the decrease in the average transaction value as more customers opted for more cost-effective products; (ii) a 10.2% growth in revenue from other products and services segment, from RMB461.1 million for the six months ended 31 December 2024 to RMB508.1 million for the same period of 2025, primarily attributable to higher revenue contribution from car beauty and detailing services as we expanded the availability of these services across more Tuhu workshops to meet growing customer demand; and (iii) our revenue from sales of auto parts through Qipeilong slightly increased from RMB734.9 million for the six months ended 31 December 2024 to RMB767.0 million for the same period of 2025, primarily attributable to enhanced sales from our instant procurement service, in line with the expansion of our Tuhu workshop network, which was partially offset by a decline in the revenue contribution from the wholesale service.

### *Revenue from advertising, franchise and other platform initiatives*

Our revenue from advertising, franchise and other platform initiatives increased by 18.4% from RMB474.1 million for the six months ended 31 December 2024 to RMB561.3 million for the same period of 2025. This increase was primarily due to (i) higher franchise service revenue resulting from the expansion of our Tuhu workshop network; and (ii) growth in advertising service revenue, as we continued to increase investment in our platform and expand our store network footprint, thereby enhancing brand influence and attracting a greater number of brand partners to place advertisements on our platform.

## Management Discussion and Analysis

### Cost of Revenue

Our cost of revenue for the six months ended 31 December 2025 amounted to RMB6.6 billion, representing an increase of 15.1% as compared with RMB5.7 billion for the same period of 2024.

The following table sets forth the breakdown of our cost of revenue, in amounts and as percentages of total revenue for the periods indicated:

	Unaudited			
	For the six months ended 31 December			
	2025		2024	
	RMB	%	RMB	%
	<i>(in thousands, except for percentage)</i>			
<b>Cost of automotive products and services</b>	<b>6,400,226</b>	<b>74.6</b>	5,519,284	72.3
Individual end customers	<b>5,820,275</b>	<b>67.8</b>	4,933,401	64.6
– Tires and chassis parts	<b>3,167,727</b>	<b>36.9</b>	2,682,130	35.1
– Auto maintenance	<b>2,246,807</b>	<b>26.2</b>	1,882,799	24.7
– Others	<b>405,741</b>	<b>4.7</b>	368,472	4.8
Qipeilong	<b>579,951</b>	<b>6.8</b>	585,883	7.7
<b>Cost of advertising, franchise and other platform initiatives</b>	<b>51,978</b>	<b>0.6</b>	56,986	0.7
Franchise services	<b>43,421</b>	<b>0.5</b>	44,515	0.6
Advertising services	<b>2,501</b>	<b>0.0</b>	1,448	0.0
Other platform initiatives	<b>6,056</b>	<b>0.1</b>	11,023	0.1
<b>Cost of self-operated Tuhu workshops and others</b>	<b>147,073</b>	<b>1.7</b>	156,050	2.1
<b>Total</b>	<b>6,599,277</b>	<b>76.9</b>	5,732,320	75.1

This increase was primarily due to a 16.0% growth in cost of automotive products and services, from RMB5.5 billion for the six months ended 31 December 2024 to RMB6.4 billion for the same period of 2025, which was in line with our revenue growth resulting from the expansion of our Tuhu workshop network and customer base. This increase was partially offset by (i) the decrease in the cost of advertising, franchise and other platform initiatives, resulting from the discontinuation of our NEV sales business and the corresponding elimination of related costs; and (ii) the decrease in cost of self-operated Tuhu workshops and others, attributable to our effective cost control measures.

## Management Discussion and Analysis

### Gross Profit and Gross Profit Margin

As a result of the foregoing, the gross profit of our Group was RMB2.0 billion for the six months ended 31 December 2025, as compared with RMB1.9 billion for the same period of 2024.

Gross profit margin of our Group decreased from 24.9% for the six months ended 31 December 2024 to 23.1% for the six months ended 31 December 2025, primarily due to a decrease in gross profit margin on automotive products and services, attributable to a consumer preference shift toward more cost-effective products, which resulted in higher sales volume but lower average transaction value in the tires, chassis parts and automobile maintenance segment, thereby compressing gross profit margin. This decrease was, however, partially offset by improvements in gross profit margins across other business lines, specifically: (i) a further improvement in the gross profit margin of automobile parts sold through Qipeilong; and (ii) an increase in the gross profit margin of advertising, franchise and other platform initiatives, primarily as a result of increased revenue contribution coupled with decreased costs.

### Other Income and Gains, Net

Our other income and gains for the six months ended 31 December 2025 amounted to RMB28.8 million, representing a decrease of 29.7% as compared with RMB41.0 million for the same period of 2024. This decrease was primarily due to a reduction in government grants received during the period as compared to the corresponding period in 2024.

### Operations and Support Expenses

Our operations and support expenses increased by 26.6% from RMB293.5 million for the six months ended 31 December 2024 to RMB371.5 million for the six months ended 31 December 2025. This increase was primarily due to (i) higher personnel costs expenses and share-based payment expenses resulting from an increase in operations and support headcount and the average salary; and (ii) an increase in travel-related expenses in connection with our proactive efforts to expand our store network.

### Research and Development Expenses

Our research and development expenses increased by 24.4% from RMB337.7 million for the six months ended 31 December 2024 to RMB420.1 million for the six months ended 31 December 2025. This increase was primarily due to (i) additional share incentives granted to existing and newly recruited core research and development personnel in key positions to align with our Group's strategic focus on AI development; (ii) higher employee compensation expenses resulting from salary adjustments as we recalibrated the skill mix of our technology teams while maintaining overall headcount at a stable level; and (iii) increased cloud service fees and server depreciation costs for infrastructure, to support the enhancement of AI capability deployment and related technological upgrades.

### Selling and Marketing Expenses

Our selling and marketing expenses remained stable at RMB1.0 billion for the six months ended 31 December 2024 and 2025, primarily reflecting our Group's continued refinement and optimisation of its marketing strategies, whereby spending on advertising and promotional campaigns was reduced during the second half of 2025, with our Group instead adopting proactive pricing strategies to attract a wider consumer base.

## Management Discussion and Analysis

### General and Administrative Expenses

Our general and administrative expenses increased by 21.9% from RMB168.8 million for the six months ended 31 December 2024 to RMB205.7 million for the six months ended 31 December 2025. This increase was primarily due to (i) share-based payment expenses in respect of additional share incentives granted to key management personnel; and (ii) higher transaction processing fees driven by the overall increase in transaction volume.

### Finance Income

Our finance income remained stable at RMB88.8 million for the six months ended 31 December 2025, as compared to RMB93.0 million for the six months ended 31 December 2024, with the modest decline mainly reflecting the overall decline in prevailing interest rates during the period.

### Profit for the Period

As a result of the foregoing, our profit for the six months ended 31 December 2025 amounted to RMB112.9 million. For the same period of 2024, we recorded profit of RMB197.7 million.

### Non-IFRS Measure

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted EBITDA (non-IFRS measure), and adjusted net profit (non-IFRS measure) as additional financial measures, which are not required by or presented in accordance with IFRS. Adjusted EBITDA (non-IFRS measure) represents profit for the year/period excluding income tax expense, finance income, finance costs, depreciation and amortisation and share-based payment expenses. Adjusted net profit (non-IFRS measure) represents profit for the year/period excluding share-based payment expenses.

	For the year ended 31 December		Unaudited For the six months ended 31 December	
	2025	2024	2025	2024
	<i>(RMB in thousands)</i>			
<b>Profit for the year/period</b>	<b>419,400</b>	482,038	<b>112,865</b>	197,706
<i>Adjusted for:</i>				
Income tax expense	<b>3,086</b>	5,155	<b>(1,998)</b>	377
Finance income	<b>(175,936)</b>	(183,420)	<b>(88,837)</b>	(92,977)
Finance costs	<b>11,960</b>	15,701	<b>5,756</b>	7,066
Depreciation and amortisation	<b>304,152</b>	315,688	<b>155,452</b>	147,203
Share-based payment expenses	<b>280,719</b>	142,100	<b>176,794</b>	68,268
<b>Adjusted EBITDA (non-IFRS measure)</b>	<b>843,381</b>	777,262	<b>360,032</b>	327,643

## Management Discussion and Analysis

	For the year ended 31 December		Unaudited For the six months ended 31 December	
	2025	2024	2025	2024
	<i>(RMB in thousands)</i>			
<b>Profit for the year/period</b>	<b>419,400</b>	482,038	<b>112,865</b>	197,706
<i>Adjusted for:</i>				
Share-based payment expenses	<b>280,719</b>	142,100	<b>176,794</b>	68,268
<b>Adjusted net profit (non-IFRS measure)</b>	<b>700,119</b>	624,138	<b>289,659</b>	265,974

We present the non-IFRS financial measures because they are used by our management to evaluate our operating performance and formulate business plans. Adjusted EBITDA (non-IFRS measure) enables our management to assess our operating results eliminating the impact of income tax expense, finance income, finance costs, depreciation and amortisation and share-based payment expenses. Adjusted net profit (non-IFRS measure) enables our management to assess our operating results eliminating the impact of share-based payment expenses.

Adjusted EBITDA (non-IFRS measure) and adjusted net profit (non-IFRS measure) should not be considered in isolation or construed as an alternative to profit for the year/period or any measure of performance. Investors are encouraged to review our historical non-IFRS financial measures together with the most directly comparable IFRS measures. Adjusted EBITDA (non-IFRS measure) and adjusted net profit (non-IFRS measure) presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to our data. We encourage investors and others to review our financial information in its entirety and not rely on a single financial measure.

## Management Discussion and Analysis

### SELECTED CONSOLIDATED BALANCE SHEET DATA

	As of 31 December	
	2025	2024
	<i>(RMB in thousands)</i>	
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	1,069,993	1,046,417
Right-of-use assets	384,305	398,257
Goodwill	24,044	20,323
Other intangible assets	23,739	54,337
Long-term treasury investments	2,364,878	1,871,794
Financial investments at fair value through profit or loss	199,772	199,917
Investments in joint ventures and associates	378,987	376,251
Equity investments designated at fair value through other comprehensive income	–	349,934
Restricted cash	145,458	91,500
Deferred tax assets	9,687	–
Other non-current assets	16,826	23,233
<b>Total non-current assets</b>	<b>4,617,689</b>	4,431,963
<b>CURRENT ASSETS</b>		
Inventories	2,373,234	2,118,684
Trade receivables	362,459	226,116
Prepayments, other receivables and other assets	371,200	462,106
Short-term treasury investments	2,759,367	3,073,842
Restricted cash	1,093,287	1,109,080
Cash and cash equivalents	1,923,850	1,375,448
<b>Total current assets</b>	<b>8,883,397</b>	8,365,276
<b>CURRENT LIABILITIES</b>		
Trade and bills payables	5,067,135	4,457,577
Other payables and accruals	1,661,004	1,626,708
Contract liabilities	729,125	871,239
Interest-bearing borrowings	202	7,507
Tax payable	125,991	117,052
Lease liabilities	106,654	118,846
<b>Total current liabilities</b>	<b>7,690,111</b>	7,198,929
<b>NET CURRENT ASSETS</b>	<b>1,193,286</b>	1,166,347
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>5,810,975</b>	5,598,310

## Management Discussion and Analysis

	As of 31 December	
	2025	2024
	<i>(RMB in thousands)</i>	
<b>NON-CURRENT LIABILITIES</b>		
Interest-bearing borrowings	1,700	–
Contract liabilities	51,629	46,798
Lease liabilities	176,014	185,589
Deferred tax liabilities	–	7,391
Other non-current liabilities	528,057	499,154
Total non-current liabilities	757,400	738,932
<b>Net Assets</b>	5,053,575	4,859,378
<b>EQUITY</b>		
<b>Equity Attributable to Owners of the Parent</b>		
– Share capital	118	118
– Reserves	5,056,434	4,862,215
	5,056,552	4,862,333
Non-controlling interests	(2,977)	(2,955)
<b>Total equity</b>	5,053,575	4,859,378

## Management Discussion and Analysis

### Trade Receivables

Trade receivables primarily represent (i) trade receivables from franchised Tuhu workshops and third-party auto dealers for payment of auto products sourced from Qipeilong platform; (ii) trade receivables from certain key account customers for bulk purchase of automotive services; (iii) trade receivables from franchised Tuhu workshops in connection with the franchises services we provide; and (iv) trade receivables from brand owners in connection with the advertising services we provide.

The below table sets forth the breakdown of trade receivables as of the dates indicated.

	As of 31 December	
	2025	2024
	<i>(RMB in thousands)</i>	
Trade receivables from bulk sales to key account customers	<b>68,633</b>	67,208
Trade receivables from sales on Qipeilong	<b>75,386</b>	20,392
Trade receivables from franchise services	<b>103,944</b>	73,237
Trade receivables from advertising services	<b>93,418</b>	47,222
Others	<b>35,739</b>	28,862
Allowance for expected credit losses	<b>(14,661)</b>	(10,805)
<b>Total</b>	<b>362,459</b>	226,116

Our trade receivables as of 31 December 2025 amounted to RMB362.5 million, representing an increase of 60.3% as compared with RMB226.1 million as of 31 December 2024. This increase was primarily due to (i) the adoption of more favourable credit policies for merchants on our Qipeilong platform, coupled with an increase in Qipeilong platform revenue, leading to higher trade receivables from the platform; (ii) the continuous expansion of our store network, resulting in an increase in franchise fees receivable; and (iii) the growth of our advertising business, resulting in higher advertising fees receivable. Our trade receivables turnover days increased from 5 days in 2024 to 7 days in 2025, primarily due to adjustments to our credit policies.

## Management Discussion and Analysis

### Prepayments, Other Receivables and Other Assets

Prepayments, other receivables and other assets primarily include (i) advances to suppliers for purchase of goods and services, such as tires; (ii) deposits and other receivables, which mainly of lease deposits in connection with leased warehouses and offices; and (iii) VAT recoverable.

The below table sets forth the breakdown of prepayments, other receivables and other assets as of the dates indicated.

	<b>As of 31 December</b>	
	<b>2025</b>	2024
	<i>(RMB in thousands)</i>	
Prepayments	<b>128,159</b>	208,201
Deposits and other receivables	<b>89,126</b>	102,648
VAT recoverable	<b>153,341</b>	148,630
Loans receivable	<b>1,069</b>	1,576
Receivable from employees	<b>590</b>	2,123
Impairment allowance	<b>(1,085)</b>	(1,072)
<b>Total</b>	<b>371,200</b>	462,106

Our prepayments, other receivables and other assets as of 31 December 2025 amounted to RMB371.2 million, representing a decrease of 19.7% as compared with RMB462.1 million as of 31 December 2024, primarily due to the more favourable credit terms granted by certain suppliers in 2025, leading to a reduction in prepayment balances.

## Management Discussion and Analysis

### Treasury Investments

Treasury investments primarily consist of wealth management products issued by major and reputable commercial banks without guaranteed returns, which are measured at fair value through profit or loss, and certificate of deposit and time deposit, which are measured at amortised cost.

The below table sets forth the breakdown of treasury investments as of the dates indicated.

	<b>As of 31 December</b>	
	<b>2025</b>	2024
	<i>(RMB in thousands)</i>	
<b>Long-term treasury investments at</b>		
– Amortised cost	<b>2,364,878</b>	1,871,794
<b>Short-term treasury investments measured at</b>		
– Amortised cost	<b>505,019</b>	1,123,449
– Fair value through profit or loss	<b>2,254,348</b>	1,950,393
<b>Total</b>	<b>5,124,245</b>	4,945,636

Our treasury investments as of 31 December 2025 amounted to RMB5.1 billion, representing an increase of 3.6% as compared with RMB4.9 billion as of 31 December 2024, primarily driven by our efforts to better utilise our cash position to enhance financial returns while maintaining safety and liquidity for the daily operation.

## Management Discussion and Analysis

### Restricted Cash

The restricted cash primarily consists of security deposits held in designated bank accounts for issuance of bills payable and letters of guarantee.

The below table sets forth the breakdown of restricted cash as of the dates indicated.

	As of 31 December	
	2025	2024
	<i>(RMB in thousands)</i>	
Non-current portion	145,458	91,500
Current portion	1,093,287	1,109,080
<b>Total</b>	<b>1,238,745</b>	1,200,580

### Cash and Cash Equivalents

Cash and cash equivalents primarily consist of cash at bank and in hand and time deposits with original maturities within three months.

The below table sets forth the breakdown of cash and cash equivalents as of the dates indicated.

	As of 31 December	
	2025	2024
	<i>(RMB in thousands)</i>	
Cash at banks and on hand	1,114,740	1,151,889
Time deposits with original maturities within three months	809,110	223,559
<b>Total</b>	<b>1,923,850</b>	1,375,448

## Management Discussion and Analysis

### Trade and Bills Payable

Trade and bills payables represent payable to suppliers from whom we purchase auto products and payable to service providers for services provided.

The below table sets forth the breakdown of trade and bills payable as of the dates indicated.

	<b>As of 31 December</b>	
	<b>2025</b>	2024
	<i>(RMB in thousands)</i>	
Trade payables	<b>1,072,080</b>	935,918
Bills payable	<b>3,995,055</b>	3,521,659
<b>Total</b>	<b>5,067,135</b>	4,457,577

Our trade and bills payables as of 31 December 2025 amounted to RMB5.1 billion, representing an increase of 13.7% as compared with RMB4.5 billion as of 31 December 2024. This increase was primarily due to the increase in the procurement of merchandise in line with our business growth. Our trade and bills payables turnover days increased from 132 days in 2024 to 134 days in 2025, primarily as our suppliers granted us more favourable credit terms in light of our strengthened relationship.

### Other Payables and Accruals

Other payables and accruals mainly represent payroll and welfare payable and other tax payable.

The below table sets forth the breakdown of other payables and accruals as of the dates indicated.

	<b>As of 31 December</b>	
	<b>2025</b>	2024
	<i>(RMB in thousands)</i>	
Other tax payable	<b>234,954</b>	274,980
Payroll and welfare payable	<b>495,477</b>	534,611
Accrual and other payables	<b>930,573</b>	817,117
<b>Total</b>	<b>1,661,004</b>	1,626,708

Our other payables and accruals as of 31 December 2025 amounted to RMB1.7 billion, representing an increase of 2.1% as compared with RMB1.6 billion as of 31 December 2024. This increase was primarily due to the continuous expansion of our store network, resulting in an increase in store deposits and intention fees payable, partially offset by (i) the decrease in other tax payables, primarily due to higher year-end VAT payments made in 2025 compared to 2024; and (ii) the decrease in payroll and welfare payables.

## Management Discussion and Analysis

### Financial Ratios

The following table sets forth certain of the key financial ratios as of the dates or for the years or periods indicated:

	As of/For the year ended 31 December		Unaudited As of/For the six months ended 31 December	
	2025	2024	2025	2024
Gearing ratio <sup>(1)</sup>	<b>62.6%</b>	62.0%	<b>62.6%</b>	62.0%
Total revenue growth rate <sup>(2)</sup>	<b>11.5%</b>	8.5%	<b>12.5%</b>	7.8%
Gross margin <sup>(3)</sup>	<b>24.1%</b>	25.4%	<b>23.1%</b>	24.9%
Adjusted EBITDA margin (non-IFRS measure) <sup>(4)</sup>	<b>5.1%</b>	5.3%	<b>4.2%</b>	4.3%
Adjusted net profit margin (non-IFRS measure) <sup>(5)</sup>	<b>4.3%</b>	4.2%	<b>3.4%</b>	3.5%

*Notes:*

- (1) Gearing ratio equals total liabilities divided by total assets as of the end of the year or period.
- (2) Revenue growth rate equals revenue growth between the current year or period and the previous year or period divided by revenue for the previous year or period.
- (3) Gross margin equals gross profit divided by revenue during the year or period.
- (4) Adjusted EBITDA margin equals adjusted EBITDA (non-IFRS measure) divided by revenue during the year or period.
- (5) Adjusted net profit margin equals adjusted net profit (non-IFRS measure) divided by revenue during the year or period.

## Management Discussion and Analysis

### LIQUIDITY AND CAPITAL RESOURCES

During the year ended 31 December 2025, we funded our cash requirements principally from cash generated from our operations. Our cash position, which includes cash and cash equivalents, treasury investments, and restricted cash, increased by 10.2% from RMB7.5 billion as at 31 December 2024 to RMB8.3 billion as 31 December 2025.

The Board is of the view that the Group's current liquidity position is sufficient to meet its operational requirements and to fund the implementation of its strategic initiatives for the foreseeable future.

The Group's strategic priorities — including continued store network expansion, AI and technology deployment, supply chain optimisation, and NEV service capability development — are expected to be funded principally from cash generated from operations and existing cash reserves. Technology and supply chain investments, including AI development, warehouse automation and logistics network enhancements, are expected to remain within the range of recent capital expenditure levels, subject to the pace and scale of deployment.

The Board will continue to monitor the Group's liquidity position in light of its evolving strategic requirements and market conditions, and may consider appropriate fundraising activities to support its strategic plans. The Board has resolved to undertake capital market activities in the international markets, including but not limited to a potential dual listing on a recognised stock exchange. Further announcement(s) will be made by the Company in respect of its capital market activities as and when appropriate.

### SELECTED CONSOLIDATED CASH FLOW DATA

The following table sets forth our cash flows for the years indicated:

	For the year ended 31 December	
	2025	2024
	<i>(RMB in thousands)</i>	
Net cash flows from operating activities	995,887	1,319,179
Net cash flows from/(used in) investing activities	301,522	(2,427,517)
Net cash flows used in financing activities	(727,655)	(240,968)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>569,754</b>	<b>(1,349,306)</b>
Cash and cash equivalents at the beginning of the year	1,375,448	2,715,285
Effect of foreign exchange rate changes, net	(21,352)	9,469
<b>Cash and cash equivalents at the end of the year</b>	<b>1,923,850</b>	<b>1,375,448</b>

## Management Discussion and Analysis

### Net Cash Flows from Operating Activities

Net cash flows from operating activities for the year ended 31 December 2025 was RMB995.9 million, which was mainly attributable to our profit before tax of RMB422.5 million, as adjusted by (i) non-cash and non-operating items, primarily consisted of share-based payments expenses of RMB280.7 million, depreciation of property, plant and equipment of RMB175.4 million and depreciation of right-of-use assets of RMB123.9 million; and (ii) changes in working capital, primarily resulted from an increase in trade and bills payables of RMB609.6 million, partially offset by an increase in inventories of RMB214.1 million, an increase in trade receivables of RMB141.5 million and a decrease in contract liabilities of RMB137.3 million.

### Net Cash Flows from Investing Activities

Net cash flows from investing activities for the year ended 31 December 2025 was RMB301.5 million, which was mainly attributable to proceeds from treasury investments of RMB7.8 billion, proceeds from disposal of equity investments at fair value through other comprehensive income of RMB501.7 million and interest income of RMB174.1 million, partially offset by purchase of treasury investments of RMB8.0 billion and purchases of property, plant and equipment of RMB242.1 million.

### Net Cash Flows Used in Financing Activities

Net cash flows used in financing activities for the year ended 31 December 2025 was RMB727.7 million, which was mainly attributable to repurchase of ordinary shares of RMB575.3 million and the principal portion of lease payments of RMB132.8 million.

### Contingent Liabilities and Guarantees

As of 31 December 2025, we did not have any material contingent liabilities or guarantees.

## CAPITAL EXPENDITURES

Our capital expenditures primarily consisted of payments for property, plant and equipment, payments for land use rights and payments for other intangible assets.

Our capital expenditures amounted to RMB246.5 million for the year ended 31 December 2025, representing a decrease of 23.4% as compared with RMB321.7 million for the year ended 31 December 2024.

We plan to fund our future capital expenditures by our internal resources including our cash and cash equivalents.

## Management Discussion and Analysis

### CAPITAL COMMITMENTS

Capital commitments were primarily related to the construction of automated warehouses and scheduled to be paid within one to two years.

Our capital commitments as of 31 December 2025 amounted to RMB9.4 million, representing a decrease of 86.1% as compared with RMB67.9 million as of 31 December 2024. This decrease was primarily due to the completion and commissioning of the newly constructed automated warehouse, with the related capital expenditures having been successively settled in accordance with the relevant contract terms.

### CHARGES ON ASSETS

As of 31 December 2025, our Group did not have any charge on its assets.

### FUTURE PLANS FOR MATERIAL INVESTMENTS

As of the date of this annual report, our Group does not have any concrete committed plans for material investments and capital assets for disclosure.

### FOREIGN EXCHANGE RISK AND HEDGING

We operate our businesses mainly in the PRC and nearly all operational transactions are conducted in RMB. Our foreign currency exposures mainly arise from the bank balances denominated in US\$ held by our subsidiaries incorporated in the PRC. We currently do not have a foreign currency hedging policy. However, we manage foreign exchange risks by closely monitoring our foreign exchange exposure and will consider hedging against significant foreign exchange risks should the need arise.

### MATERIAL ACQUISITIONS, SIGNIFICANT INVESTMENTS AND DISPOSALS

During the year ended 31 December 2025, we did not make any material acquisitions, significant investments (including wealth management products) or disposals of subsidiaries, associates and joint ventures.

The Board confirmed that the Group's transactions in financial assets during the Reporting Period, on a standalone basis and aggregate basis, did not constitute notifiable transactions under Chapter 14 of the Listing Rules.

During the year ended 31 December 2025, the Group did not record any profit or loss arising from the sale or disposal of properties that would require separate disclosure pursuant to paragraph 4 of Appendix D2 to the Listing Rules. As at 31 December 2025, the Group did not hold any property interests for development or sale, or for investment purposes, in respect of which any of the percentage ratios (as defined under Chapter 14 of the Listing Rules) exceeded 5%.

## Management Discussion and Analysis

### MATERIAL ASSET IMPAIRMENTS

No material asset impairment was recognised by the Group during the year ended 31 December 2025.

### PRINCIPAL RISKS AND UNCERTAINTIES

The Group faces a number of risks and uncertainties that could materially affect its business, financial condition and results of operations. The Board and senior management regularly assess and monitor these risks. The principal risks include:

- (i) changes in customer demand and spending patterns for automotive services in mainland China, driven by macroeconomic conditions, shifts in consumer preferences, changes in commute patterns, and advances in automotive technology, any of which may reduce or alter demand for the Group's products and services;
- (ii) intense and evolving competition in the highly fragmented automotive aftermarket, including from authorised dealership stores, e-commerce or other internet platforms tapping into automotive service market, auto parts manufacturers with their own after-sales service networks, other chain or standalone independent repair shops, and certain NEV OEMs that are building vertically integrated aftersales service networks, any of whom may compete on price, service scope, geographic coverage or technology;
- (iii) the Group's dependence on its franchisee network for offline service delivery, and the associated risks that franchisees may fail to comply with franchise agreements, service quality standards or applicable laws and regulations, or may be unable to successfully open, operate or maintain stores in a manner consistent with the Group's standards;
- (iv) the risk that the Group's investments in AI, warehouse automation, autonomous delivery and other new technologies may not deliver the expected benefits within anticipated timeframes, may cost more than expected, or may be difficult to scale, and that rapidly evolving AI technologies may produce inaccurate or inconsistent outputs that could lead to operational errors; and
- (v) supply chain shortages, interruptions, fluctuations in input prices and changes in supplier relationships — including upstream structural changes such as consolidation among suppliers, shifts toward direct sales by brand owners and OEMs, and evolving trade, tariff or regulatory policies — that could disrupt sourcing arrangements, increase procurement costs or reduce product availability.

The Group seeks to mitigate these risks through a combination of measures, including diversifying its product portfolio across value-for-money and mid-to-high-end private label offerings, optimising its supply chain and procurement capabilities and maintaining close relationships with over 3,000 international and domestic automotive parts brands, investing in its integrated online-offline service platform and brand, maintaining structured franchisee training, incentive and monitoring programmes, piloting new technologies in controlled environments before broader deployment, strengthening NEV-specific service capabilities and partnerships, and operating a compliance framework with regular internal training and monitoring of regulatory developments. The Board will continue to assess and respond to the Group's risk profile as its business and operating environment evolve.

## Management Discussion and Analysis

### EMPLOYEES AND REMUNERATION

As of 31 December 2025, we had a total of 4,657 employees (as of 31 December 2024: 4,491). For the year ended 31 December 2025, we incurred total remuneration costs of RMB2.0 billion (for the year ended 31 December 2024: RMB1.7 billion). The remuneration packages of our employees include wages and salaries, employee benefit expenses and share-based payment expenses, the amount of which is generally determined by their qualifications, industry experience, position and performance. We contribute to social insurance and housing provident funds as required by the PRC laws and regulations.

During the year ended 31 December 2025, no forfeited contributions had been used by the Group to reduce the existing level of contributions.

To maintain the quality, knowledge and skill levels of the workforce, our Group provides regular and specialised trainings tailored to the needs of employees in different departments, including regular training sessions conducted by senior employees or third-party consultants covering various aspects of our business operations.

## Profiles of Directors and Senior Management

The biographical details of the Directors and senior management of the Company as at the date of this annual report are set out as follows:

### EXECUTIVE DIRECTORS

**Mr. Chen Min (陳敏)**, aged 44, is a co-founder of the Company, chairman of the Board, chief executive officer and executive Director. He took on the role of executive Director in July 2019.

Mr. Chen worked at Shanghai Yingdao Trading Co., Ltd. from June 2010 to September 2011, and at Shanghai Yidao Network Technology Co., Ltd. from September 2009 to May 2010. Prior to that, Mr. Chen served as an IT Operation Manager at Baixing Co., Ltd. from May 2008 to May 2009 and worked at Chemeng (China) Network Co., Ltd. from March 2006 to December 2007. Mr. Chen also served as a software engineer at Hewlett-Packard Company from February 2005 to January 2006 and quality analyst at Shanghai Wicresoft Co., Ltd. from July 2003 to January 2005. Mr. Chen has over 20 years of experience in software development and data management and over 14 years of experience in automotive service market and business data analysis.

Mr. Chen received a bachelor's degree in economics from Shanghai University of Finance and Economics in July 2003 in the PRC.

**Mr. Hu Xiaodong (胡曉東)**, aged 54, is a co-founder of the Company, president and executive Director. He took on the role of executive Director in October 2019.

Prior to co-founding the Group, Mr. Hu served in various engineering leadership roles. Mr. Hu worked at Shanghai Najia Software Technology Development Co., Ltd. from 2009 to 2011, responsible for business and system analysis. Mr. Hu also worked at Shanghai Yidao Network Technology Co., Ltd. from 2008 to 2009. Prior to that, he worked as research and development director at Chemeng (China) Network Co., Ltd. from 2006 to 2007, senior programmer at Shanghai Branch of SAP (Beijing) Software System Co., Ltd. from June 2001 to June 2006, and engineer and E-commerce consultant at Shanghai Branch of Microsoft (China) Co., Ltd. from 2000 to 2001.

Mr. Hu received a bachelor's degree in engineering with a major in telecommunications engineering from North China Electric Power University in July 1993 and completed his postgraduate programme of telecommunications and information systems at Shanghai Jiao Tong University in September 1999 in the PRC.

### NON-EXECUTIVE DIRECTOR

**Mr. Yao Leiwen (姚磊文)**, aged 44, is a non-executive Director. He took on the role of non-executive Director in October 2019. Mr. Yao is primarily responsible for providing professional advice, opinion, and guidance to the Board.

Mr. Yao is currently a Vice General Manager of the Investment Department in Tencent. He has served as a non-executive director of Kingsoft Corporation Limited, a company listed on the Stock Exchange of Hong Kong (stock code: 3888), since August 2022 and as the non-executive director of Sipai Health Technology Co., Ltd., a company listed on the Stock Exchange of Hong Kong (stock code: 314), since October 2019. Prior to joining Tencent in June 2011, he was an investment director at Mindray Bio-Medical Electronics from October 2010 to June 2011 and served as an investment associate of Deutsche Bank from February 2005 to August 2008.

## Profiles of Directors and Senior Management

Mr. Yao received his bachelor's degree in Economic Information Management in July 2002 and his master's degree in finance in June 2005 from University of International Business and Economics in the PRC. He received a master's degree in business administration from the Institut Européen d'Administration des Affaires in France in July 2010.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Ms. Yan Huiping (顏惠萍)**, aged 59, is an independent non-executive Director effective from September 2023. Ms. Yan is primarily responsible for supervising and providing independent judgement to the Board.

Ms. Yan is currently chief financial officer of ZTO Express (Cayman) Inc. ("**ZTO Express**"), a company listed on the Main Board of the Stock Exchange (stock code: 2057) and on the New York Stock Exchange (stock symbol: ZTO), and she served as vice president of finance at ZTO Express from January 2018 to May 2018. Since October 2024, Ms. Yan has also been an independent director of WeRide Inc., a company listed on NASDAQ (stock symbol: WRD). From March to November 2017, Ms. Yan worked as a senior vice-president responsible for financial affairs at Neoglory Holdings Group Co. Ltd. Prior to that, Ms. Yan served as chief financial officer from May 2014 to January 2016 at Zhejiang Cainiao Supply Chain Management Co., Ltd., which is the logistics arm of Alibaba Group Holding Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 9988) and the New York Stock Exchange (stock symbol: BABA). Ms. Yan served as a senior vice president of finance and strategy from September 2009 to April 2010 and chief financial officer from April 2010 to April 2014 at Home Inns & Hotel Management Inc., a company listed on NASDAQ (stock symbol: HMIN, which was delisted in April 2016). Prior to that, Ms. Yan held various key positions in corporate and operational finance management at General Electric Company from August 1998 to August 2009, and she worked in various positions at Deloitte & Touche from February 1992 to July 1998. Ms. Yan accumulated corporate governance knowledge and experience through her aforementioned management positions at General Electric Company, Home Inns & Hotel Management Inc., Zhejiang Cainiao Supply Chain Management Co., Ltd. and ZTO Express.

Ms. Yan studied in English Literature and Linguistics major at Shanghai International Studies University, and received her bachelor's degree in business and administration at Hawaii Pacific University in August 1991. Ms. Yan has been a U. S. certified public accountant since 1994 and became a CGMA designation holder (AICPA) in 2012.

**Ms. Zhou Lingfei (周凌霏)**, aged 41, is an independent non-executive Director effective from June 2025. Ms. Zhou is primarily responsible for supervising and providing independent judgement to the Board.

Ms. Zhou is a founding partner of INCE Capital and currently serves as the legal representative, chairperson of the board of directors and general manager at INCE Capital (Zhuhai) Investment and Management Co., Ltd.

With nearly 20 years of experience in venture capital and finance, Ms. Zhou has established a remarkable track record of identifying and nurturing high-growth enterprises within the Technology, Media, and Telecom (TMT) industry. Ms. Zhou's professional endeavors began at GE Capital, where she served as an analyst from July 2006 to July 2010. During her tenure, she was a member of the GE Capital risk management team in Shanghai and Hong Kong, and trained in GE Global Financial Management Program (FMP). In August 2010, Ms. Zhou joined Qiming Venture Partners, where she rose to become the firm's youngest partner in 2019, a position she held until February 2020. Ms. Zhou accumulated corporate governance knowledge and experience through her aforementioned management positions at Qiming Venture Partners, Inc.

## Profiles of Directors and Senior Management

Ms. Zhou obtained a bachelor's degree in economic sociology from Shanghai University of Finance and Economics in the PRC in July 2006 and an MBA from The University of Chicago Booth School of Business (with honors) in the United States in March 2018.

**Mr. Wang Jingbo (王靜波)**, aged 44, is an independent non-executive Director effective from September 2023. Mr. Wang is primarily responsible for supervising and providing independent judgement to the Board.

Mr. Wang has served as chief financial officer of Agora, Inc., a company listed on NASDAQ (stock symbol: API), since January 2020. Mr. Wang has also served as an independent non-executive director of Edianyun Limited, a company listed on the Main Board of the Stock Exchange (stock code: 2416), since May 2023, and an independent director of ATRenew Inc., a company listed on the New York Stock Exchange (stock symbol: RERE), since June 2021. Mr. Wang previously served as a director and the chief financial officer of Qutoutiao Inc., a company previously listed on the NASDAQ, from February 2018 to January 2020, and as the chief financial officer of Yintech Investment Holdings Limited, a company previously listed on NASDAQ, from October 2014 to February 2018. Prior to that, Mr. Wang worked at Deutsche Bank from 2009 to 2014 with last position held being a vice president in the corporate finance division. Mr. Wang accumulated corporate governance knowledge and experience through his aforementioned management positions and directorship at Yintech Investment Holdings Limited, Qutoutiao Inc. and Agora, Inc.

Mr. Wang graduated from Tsinghua University in the PRC with a bachelor's degree in engineering in July 2003, and obtained his master's degree in computer science from the University of Hong Kong in December 2005. He was awarded a PhD degree in management studies from the University of Oxford in the United Kingdom in March 2010.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules. The amount and basis of determining the emoluments of each Director for the year ended 31 December 2025 are set out in note 10 to the Financial Statements in this annual report.

## SENIOR MANAGEMENT

**Mr. Chen Min (陳敏)**, is a co-founder of the Company, chairman of the Board, chief executive officer and executive Director. See “— Board of Directors – Executive Directors” in this section for his biographical details.

**Mr. Hu Xiaodong (胡曉東)**, is a co-founder of the Company, president and executive Director. See “— Board of Directors – Executive Directors” in this section for his biographical details.

**Ms. Wang Lingjie (王玲潔)**, aged 43, is the chief operating officer of the Company. She became part of the Group in September 2019 and took on the role of chief operating officer of the Company in March 2024.

Prior to joining the Group, Ms. Wang worked as human resources director at Tianjin Sankuai Technology Co., Ltd, a subsidiary of Meituan, a company listed on the Main Board (stock code: 3690), from July 2015 to September 2019. Ms. Wang co-founded Shanghai Xiangfenxiang Information Technology Co., Ltd. and served as a supervisor from November 2014 to June 2015. Prior to that, Ms. Wang served as a human resources leader at Shanda Computer (Shanghai) Co., Ltd. from July 2011 to August 2014. Prior to that, Ms. Wang served as a human resource manager at Ctrip Computer Technology (Shanghai) Co., Ltd. from July 2010 to July 2011.

## Profiles of Directors and Senior Management

Ms. Wang received her bachelor's degree in English from Inner Mongolia University in the PRC in July 2005 and her master's degree of arts in language and culture from Linköping University in Sweden in 2008.

**Mr. Zhang Zhisong (張志嵩)**, aged 42, is the chief financial officer of the Company. He became part of the Group in July 2021 and took on the role of the chief financial officer of the Company in July 2022.

Mr. Zhang was the deputy chief financial officer and senior vice president from July 2021 to July 2022. Prior to joining the Group, Mr. Zhang served as executive director at Goldman Sachs (Asia) L.L.C. from 2018 to 2021. Prior to that, Mr. Zhang served as vice president at Citigroup Global Markets Asia Limited from 2015 to 2018 and associate at Merrill Lynch (Asia Pacific) Ltd. from 2014 to 2015. He also worked at Deutsche Bank AG as an associate from 2008 to 2014. Mr. Zhang has served as the independent non-executive director of Cutia Therapeutics, a company listed on the Stock Exchange of Hong Kong (stock code: 2487) since August 2025.

Mr. Zhang received his master's degree in management from Cass Business School in the United Kingdom in October 2008.

## JOINT COMPANY SECRETARIES

**Mr. Chen Zhe (陳哲)**, joined the Company on 20 December 2021 as head of investor relations centre and is our joint company secretary. Prior to joining the Company, Mr. Chen served as head of investor relations department at Ping An Healthcare and Technology Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1833), from December 2019 to December 2021. Prior to that, Mr. Chen worked as a senior associate at strategic investment department and a senior manager at investor relations department from July 2017 to December 2019 at Tongcheng Network Technology Limited, a consolidated affiliated entity of Tongcheng-Elong Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0780). Prior to that, Mr. Chen worked at Wanda Group from September 2016 to June 2017, and worked at Huabao (Shanghai) Management Co., Ltd. from June 2015 to September 2016.

Mr. Chen obtained his bachelor's degree in Japanese from Southeast University in China in June 2012, and his master's degree of science in management with international finance from University of Glasgow in the United Kingdom in December 2013.

**Ms. Wong Mei Fung Carrie** is the joint company secretary of the Company effective from 9 October 2025. Ms. Wong serves as a Manager of Entity Solutions of Computershare Hong Kong Investor Services Limited ("**Computershare**"). Ms. Wong has over 20 years of work experience in the field of corporate secretarial and regulatory compliance services. Before joining Computershare, Ms. Wong was a Senior Manager of Corporate Services at a professional services firm in providing company secretarial services to clients globally.

Ms. Wong holds a degree of Bachelor of Arts (Accounting and Finance) from Edinburgh Napier University. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

## Corporate Governance Report

The Board is pleased to present the corporate governance report of the Company for the year ended 31 December 2025.

### CORPORATE CULTURE

Tuhu is one of the leading integrated online and offline platforms for automotive service in China. By providing a digitalised and demand-driven service experience underpinned by the customer centric model and streamlined supply chain, the Company directly addresses car owners' diverse product and service needs, creating an automotive service platform consisting of car owners, suppliers, automotive service stores and other participants, with the mission to innovate simple and easy automotive services and the goal to provide its customers high-quality services and attractive pricing for authentic automotive products on its platform.

The corporate ethos of Tuhu is rooted in a commitment to ongoing learning and enhancement, fostering a culture of innovation and adaptability in the face of an ever-evolving landscape. Embracing this mindset, the Group confronts obstacles with optimism, drawing lessons from difficulties to better tackle future challenges.

Upholding the highest standards of governance, transparency, and integrity, the leadership team of the Group sets a strong example. The Group upholds its corporate values, which include, "keeping advancing," "customer first," "no false transaction," "no fraud," "technology creates value," "serving franchisees," and "win-win collaboration."

The Board ensures these values are embedded throughout the Group, shaping its corporate culture and aligning its purpose, culture and values across all areas of the business. The Group's operating practices, workplace policies and stakeholder relationships give the Group the opportunity to bring its culture and values to life, supported by a strong governance framework, disciplined risk management and effective internal controls, which create long-term value for Shareholders through continued, sustainable business development.

### CORPORATE GOVERNANCE PRACTICES

The Group is committed to achieving high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value, accountability and transparency.

The Company has adopted and applied the principles as set out in Part 2 of the Corporate Governance Code in Appendix C1 to the Listing Rules. The Board is of the view that during the year ended 31 December 2025, the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code, except for code provision C.2.1 described in "—Board of Directors – Chairman and Chief Executive Officer" in this corporate governance report.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as the code of conduct regarding the Directors' dealings in the securities of the Company.

Having made specific enquiries of all the Directors, each of the Directors has confirmed that he/she has complied with the provisions of the Model Code during the year ended 31 December 2025.

The Company's relevant senior management and employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's relevant employees was noted by the Company during the year ended 31 December 2025.

## Corporate Governance Report

### BOARD OF DIRECTORS

#### Board Composition

For details of the Board composition, see “Corporate Information” of this annual report. The biographical information of the Directors is set out in “Profiles of Directors and Senior Management” of this annual report. To the best knowledge of the Company, there are no financial, business, family, or other material/relevant relationships among members of the Board.

During the year ended 31 December 2025 and up to the date of this annual report, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board and at least one independent non-executive Director with appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received written annual confirmation from each independent non-executive Director of his or her independence pursuant to the requirements of the Listing Rules. The Company considers all the independent non-executive Directors to be independent in accordance with the independence requirements as set out in Rule 3.13 of the Listing Rules.

#### Responsibilities and Delegation

The Board is responsible for the leadership and control of the Company, directing and supervising the Company’s affairs and acting in the best interests of the Company and its Shareholders.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group’s operational and financial performance, and ensures that sound risk management and internal control systems are in place.

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. All Directors have full and timely access to all the information of the Company, and may upon request, seek independent professional advice in appropriate circumstances at the Company’s expenses for discharging their duties to the Company.

The Directors have disclosed to the Company details of other offices held by them. The Board reserves for its discretion on all major matters relating to policy matters, strategies and budgets, risk management and internal control systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and coordinating the daily operation and management of the Company are delegated to the chief executive officer and senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions being entered into.

## Corporate Governance Report

### Chairman and Chief Executive Officer

Code provision C.2.1 of the Corporate Governance Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

The Company does not have a separate chairman of the Board and chief executive officer and Mr. Chen Min currently performs these two roles. The Board believes that vesting the roles of both chairman of the Board and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company if and when it is appropriate taking into account the circumstances of the Group as a whole.

### Appointment, Re-election and Removal of Directors

The procedures and process of appointment, re-election and removal of the Directors are laid down in the Articles of Association.

In accordance with the Articles of Association, the Company may by ordinary resolution appoint any person to be a Director, either to fill a vacancy or as an additional Director, and by ordinary resolution remove any Director (including a managing or other executive Director) before the expiration of such Director's term of office. At every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which such Director retires and shall be eligible for re-election at such meeting. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

Each Director is engaged for a term of three years. They are subject to retirement, re-election and removal in accordance with the provisions of the Articles of Association as mentioned above.

### Continuous Professional Development of Directors

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant. The newly appointed Directors will be provided with a detailed induction to the Group's businesses by senior management.

Code provision C.1.4 of the Corporate Governance Code prescribes that Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. Internally-facilitated briefings for Directors would be arranged and reading materials on relevant topics would be provided to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

The Directors are required to submit to the Company details of the training they received in each financial year for the Company's maintenance of proper training records of the Directors.

Ms. Zhou Lingfei was appointed as an independent non-executive Director to fill the vacancy on the Board following the resignation of Mr. Feng Wei, with effect from 29 June 2025. She obtained the legal advice referred to in Rule 3.09D of the Listing Rules on 27 June 2025 and confirmed that she understood her obligations as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange.

## Corporate Governance Report

The training received by the Directors during the year ended 31 December 2025 is summarised below:

Name of Director	Participated in continuous professional development <sup>(1)</sup>
Mr. Chen Min	√
Mr. Hu Xiaodong	√
Mr. Yao Leiwen	√
Ms. Yan Huiping	√
Ms. Zhou Lingfei (appointed on 29 June 2025)	√
Mr. Wang Jingbo	√
Mr. Feng Wei (resigned on 29 June 2025)	√

*Note:*

(1) Attended training/seminar/conference arranged by the Company and/or other external parties or read relevant materials

Each of the above Directors confirmed that he/she had participated in continuous professional development during the year ended 31 December 2025 in compliance with Code Provision C.1.4 of the Corporate Governance Code, by attending training, seminars and/or reading materials covering, among other topics, updates to the Listing Rules, directors' duties and responsibilities, corporate governance, ESG and risk management.

### Attendance Record of Board Meetings

Code provision C.5.1 of the Corporate Governance Code prescribes that at least four regular Board meetings should be held in each year at approximately quarterly intervals with active participation of majority of directors, either in person or through electronic means of communication.

The Company adopts the practice of holding Board meetings regularly, at least four times a year and at approximately quarterly intervals. Notices of not less than 14 days are given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for regular Board meetings. For other Board meetings and Board committees meetings, reasonable notice is generally given. The agenda and accompanying board papers are despatched to the Directors or Board committees members at least three days before such meetings to ensure that they have sufficient time to review the papers and are adequately prepared for the meetings. When Directors or Board committees members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the chairman prior to the meeting. Minutes of meetings are kept by the company secretary of the Company with copies circulated to all Directors for information and records.

The matters considered by the Board and Board committees and the decisions reached are recorded in sufficient details in the minutes of the Board meetings and Board committees meetings. Such details include, but are not limited to, any concerns raised by the Directors. The draft minutes of each Board meeting and Board committees meeting are sent to the relevant Directors for comments within a reasonable time after the date on which the meeting is held. Minutes of the Board meetings are open for inspection by Directors.

## Corporate Governance Report

During the year ended 31 December 2025, the Board convened five Board meetings and one annual general meeting. The attendance records of each Director at the above meetings are set out in the table below:

Name of Director	Attendance/Number of meetings	
	Board meetings	General meeting
Mr. Chen Min	5/5	1/1
Mr. Hu Xiaodong	5/5	1/1
Mr. Yao Leiwen	5/5	1/1
Ms. Yan Huiping	5/5	1/1
Ms. Zhou Lingfei (appointed on 29 June 2025)	1/5 <sup>(1)</sup>	0/1 <sup>(2)</sup>
Mr. Wang Jingbo	5/5	1/1
Mr. Feng Wei (resigned on 29 June 2025)	3/5 <sup>(1)</sup>	1/1 <sup>(2)</sup>

Notes:

- (1) During their respective tenures as Directors, both Ms. Zhou Lingfei and Mr. Feng Wei maintained perfect attendance at all board meetings (Ms. Zhou Lingfei: 1/1; Mr. Feng Wei: 3/3).
- (2) As the general meeting was held on 6 June 2025 prior to the appointment of Ms. Zhou Lingfei, Ms. Zhou Lingfei did not attend the said meeting. Mr. Feng Wei attended.

Code provision C.2.7 of the Corporate Governance Code prescribes that the chairman at least annually holds meetings with the independent non-executive directors without the presence of other Directors. One meeting was held among Mr. Chen Min, the chairman of the Board, and the independent non-executive Directors without the presence of other Directors during the year ended 31 December 2025.

## BOARD COMMITTEES

The Board has established four Board committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee, for overseeing particular aspects of the Company's affairs. All Board committees are established with specific terms of reference which deal clearly with their authority and duties, and are posted on the Company's website and the Stock Exchange's website.

### Audit Committee

The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The primary duties of the Audit Committee, among others, are to assist and advise the Board to review and supervise the financial reporting process, the risk management and internal controls systems of the Group and maintain an appropriate relationship with Auditor.

The Audit Committee consists of three independent non-executive Directors, namely, Ms. Yan Huiping, Ms. Zhou Lingfei and Mr. Wang Jingbo. The chairperson of the Audit Committee is Ms. Yan Huiping. All members at Audit Committee hold the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

During the year ended 31 December 2025, the Audit Committee has held two meetings, in which the Audit Committee has performed the following major tasks:

- (i) reviewed the audited annual results and annual report of the Group for the year ended 31 December 2024;

## Corporate Governance Report

- (ii) reviewed the 2025 interim results announcement and interim report of the Group;
- (iii) reviewed the adequacy of resources, staff qualifications and experience, training programs and budget of the Group's accounting, financial reporting and internal audit function;
- (iv) reviewed the continuing connected transactions of the Group;
- (v) reviewed the risk management and internal control systems of the Group;
- (vi) reviewed the Auditor's independence and terms of engagement for the year ended 31 December 2025, and made recommendations on the re-appointment of the Auditor;
- (vii) approved the Auditor's remuneration for the year ended 31 December 2025; and
- (viii) reviewed and approved the non-audit services conducted by the Auditor.

The Auditor was invited to attend the Audit Committee meeting to discuss with the Audit Committee on issues arising from the audit and financial reporting matters. The Audit Committee also met with the Auditor without the presence of management. The Audit Committee was satisfied with the independence and engagement of the Auditor. As such, the Audit Committee has recommended the re-appointment of the Auditor.

The attendance of each member at the Audit Committee meeting, during the year ended 31 December 2025, is set out in the table below:

Name of member	Attendance/Number of meetings
Ms. Yan Huiping	2/2
Ms. Zhou Lingfei (appointed on 29 June 2025)	1/2 <sup>(1)</sup>
Mr. Wang Jingbo	2/2
Mr. Feng Wei (resigned on 29 June 2025)	1/2 <sup>(1)</sup>

*Note:*

- (1) The Audit Committee convened two meetings in 2025, one before and one after the appointment of Ms. Zhou Lingfei on 29 June 2025. Each of Ms. Zhou Lingfei and Mr. Feng Wei attended the Audit Committee meeting held during their respective tenures as Directors (Ms. Zhou Lingfei: 1/1; Mr. Feng Wei: 1/1).

### Remuneration Committee

The Company has established the Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code. The primary duties of the Remuneration Committee, among others, are to review and make recommendations to the Board regarding the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management, to establish a formal and transparent procedure for developing policy to review the terms of incentive schemes and Directors' service contracts, and to recommend the remuneration packages for all Directors and senior management. The Remuneration Committee has adopted the second model described in code provision E.1.2(c) of the Corporate Governance Code.

The Remuneration Committee consists of one executive Director and two independent non-executive Directors, namely, Mr. Chen Min, Ms. Yan Huiping and Mr. Wang Jingbo. The chairperson of the Remuneration Committee is Ms. Yan Huiping.

## Corporate Governance Report

During the year ended 31 December 2025, the Remuneration Committee has held one meeting, in which the Remuneration Committee has performed the following major tasks:

- (i) reviewed the remuneration policy and the remuneration packages of the Directors and senior management of the Company; and
- (ii) reviewed and approved the granting of options and restricted share units under the Second Post-IPO Share Scheme (Existing Shares).

Pursuant to code provision E.1.5 of the Corporate Governance Code, the annual remuneration (including share-based compensation) of the members of senior management, including those members of senior management who are also the executive Directors, by band for the year ended 31 December 2025 is set out below:

Remuneration bands	Number of person
RMB0 to RMB10,000,000	2
RMB10,000,001 to RMB20,000,000	1
>RMB20,000,000	1
<b>Total</b>	<b>4</b>

Further details of the remuneration of Directors for the year ended 31 December 2025 are set out in note 10 to the Financial Statements in this annual report.

The attendance of each member at the Remuneration Committee meeting, during the year ended 31 December 2025, is set out in the table below:

Name of member	Attendance/Number of meeting
Ms. Yan Huiping	1/1
Mr. Wang Jingbo	1/1
Mr. Chen Min	1/1

## Nomination Committee

The Company has established the Nomination Committee with written terms of reference in compliance with Rule 8A.27 of the Listing Rules and the Corporate Governance Code. The primary duties of the Nomination Committee, among others, are to review the Board composition, to make recommendations to the Board regarding the rotation and appointment of Directors and Board succession, and to assess the independence of independent non-executive Directors.

The Nomination Committee consists of one executive Director and two independent non-executive Directors, namely, Mr. Hu Xiaodong, Mr. Wang Jingbo and Ms. Zhou Lingfei. The chairperson of the Nomination Committee is Mr. Wang Jingbo.

## Corporate Governance Report

During the year ended 31 December 2025, the Nomination Committee has held one meeting, in which the Nomination Committee has performed the following major tasks:

- (i) reviewed the structure, size and composition of the Board to ensure that it has a balance of expertise, skills and experience appropriate to the requirements of the business of the Group;
- (ii) recommended the re-election of the retiring Directors at the forthcoming annual general meeting;
- (iii) assessed the independence of all the independent non-executive Directors;
- (iv) reviewed the Board diversity policy; and
- (v) reviewed the Directors nomination policy.

The attendance of each member at the Nomination Committee meeting, during the year ended 31 December 2025, is set out in the table below:

Name of member	Attendance/Number of meeting
Mr. Wang Jingbo	1/1
Ms. Zhou Lingfei (appointed on 29 June 2025)	0/1 <sup>(1)</sup>
Mr. Hu Xiaodong	1/1
Mr. Feng Wei (resigned on 29 June 2025)	1/1 <sup>(1)</sup>

*Note:*

- (1) The Nomination Committee convened one meeting in 2025, which was held prior to the appointment of Ms. Zhou Lingfei on 29 June 2025. Accordingly, no Nomination Committee meeting was held during Ms. Zhou Lingfei's tenure as a Director. Mr. Feng Wei attended the meeting held during his tenure as a Director (Mr. Feng Wei: 1/1).

### Director Nomination Policy

The Company has adopted a Director nomination policy which sets out the selection criteria and nomination process and the Board succession planning considerations in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The nomination process set out in the Director nomination policy:

- (i) The company secretary shall call a meeting of the Nomination Committee, and invite nominations of candidates from Board members if any, for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by Board members.
- (ii) For filling a casual vacancy, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing candidates to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.

## Corporate Governance Report

- (iii) In order to provide information of the candidates nominated by the Board to stand for election at a general meeting, and to invite nominations from Shareholders, a circular will be sent to Shareholders. The circular will set out the lodgement period for Shareholders to make the nominations. The names, brief biographies (including qualifications and relevant experience), independence, proposed remuneration and any other information, as required pursuant to the applicable laws, rules and regulations, of the proposed candidates will be included in the circular to Shareholders.
- (iv) A Shareholder can serve a notice to the company secretary within the lodgement period of its intention to propose a resolution to elect a certain person as a Director, without the Board's recommendation or the nomination committee's nomination, other than those candidates set out in the Shareholder circular. The particulars of the candidates so proposed will be sent to all Shareholders for information by a supplementary circular.

Pursuant to the Director nomination policy, for assessing the suitability and the potential contribution to the Board of a proposed candidate, the Nomination Committee will consider, including but not limited to (i) reputation for integrity, (ii) accomplishment and experience in the automotive industry, (iii) commitment in respect of available time and relevant interest, and (iv) diversity in all its aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

The Nomination Committee is responsible for reviewing the Director nomination policy, as appropriate, to ensure its effectiveness. During the Reporting Period, the Nomination Committee assessed each Director's time commitment, contribution to the Board and ability to discharge his/her responsibilities effectively, having regard to professional qualifications, work experience, current directorships and other significant external time commitments. The Nomination Committee was satisfied that each Director has been able to devote sufficient time to the affairs of the Company and has effectively discharged his/her duties.

### Board Diversity Policy

The Company has adopted a board diversity policy which sets out the approach to achieve diversity of the Board. The Company recognises and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level, including gender diversity, as an essential element in maintaining the Company's competitive advantage and enhancing its ability to attract, retain and motivate employees from the widest possible pool of available talent. Pursuant to the Board diversity policy, in reviewing and assessing suitable candidates to serve as a Director, the nomination committee will consider a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional qualifications, skills, knowledge, and industry experience. The Nomination committee will discuss periodically and when necessary, agree on the measurable objectives for achieving diversity, including gender diversity, on the Board and recommend them to the Board for formal adoption.

The Company recognises the particular importance of gender diversity. The Board currently comprises six Directors, including two female Directors. The Company will maintain the current gender ratio of the Board and will keep this ratio under review. The Company has taken and will continue to take steps to promote and enhance gender diversity at all levels of the Company, including but without limitation at the Board and senior management levels. The Board diversity policy provides that the Board shall take opportunities when selecting and making recommendations on suitable candidates for Board appointments with the aim to maintain the proportion of female members. The Company will also ensure that there is gender diversity when recruiting staff at mid to senior level, as well as engage more resources in training more female staff with the aim of providing a pipeline of female senior management and potential successors to the Board going forward. It is the objective to maintain an appropriate balance of gender diversity with reference to the Shareholders' expectation and international and local recommended best practices.

## Corporate Governance Report

The Nomination Committee is responsible for reviewing the diversity of the Board. It will from time to time review the Board diversity policy, develop and review measurable objectives for implementing the policy, and monitor the progress on achieving these measurable objectives in order to ensure that the policy remains effective.

### Diversity at Work Force

The Company strives to enhance gender diversity of staff and management to create a fair, diverse and inclusive workplace. As at 31 December 2025, the gender ratio of (i) the Company's senior management was approximately 75% male to 25% female; and (ii) the Group's workforce (excluding senior management) was approximately 64.1% male to 35.9% female. Given the traditionally male-dominated nature of the automotive aftermarket industry, the Company considers its current workforce gender diversity to be broadly balanced and is committed to maintaining this position while seeking to further enhance it as opportunities arise. To achieve the goal of improving fairness and create more opportunities for female employees, the Group has put in place recruitment and hiring, training and promotion measures such that a diverse range of candidates are considered. The Group also provides physical and mental health, care and benefits, safe workplace environment and communication channels to empower the female employees. During the year ended 31 December 2025, the Board was not aware of any mitigating factors or circumstances which made achieving gender diversity across the Group's workforce (including senior management) more challenging or less relevant.

For details of the Group's diversity practices for employees, see "Environmental, Social and Governance Report".

### Corporate Governance Committee

The Company has established the Corporate Governance Committee with written terms of reference in compliance with Rule 8A.30 of the Listing Rules and the Corporate Governance Code. The Corporate Governance Committee is responsible for performing the functions set out in code provision A.2.1 of the CG Code. The primary duties of the Corporate Governance Committee, among others, are to ensure that the Company is operated and managed for the benefit of all Shareholders and to ensure the Company's compliance with the Listing Rules and safeguards relating to the WVR structure of the Company.

The Corporate Governance Committee is comprised of three independent non-executive Directors namely Ms. Zhou Lingfei, Ms. Yan Huiping and Mr. Wang Jingbo. The chairperson of the Corporate Governance Committee is Ms. Zhou Lingfei.

During the year ended 31 December 2025, the Corporate Governance Committee has held one meeting, in which the Corporate Governance Committee has performed the following major tasks:

- (i) reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, and the Company's compliance with the Corporate Governance Code and the disclosure in the Corporate Governance Report;
- (ii) reviewed the written confirmation provided by the WVR Beneficiary that they have been members of the Company's Board of Directors throughout the year and that no matters under Rule 8A.17 of the Listing Rules have occurred during the relevant financial year, and they have complied with Rules 8A.14, 8A.15, 8A.18 and 8A.24 of the Listing Rules throughout the year;

## Corporate Governance Report

- (iii) reviewed and monitored the management of conflicts of interests between the Company, its subsidiaries and/or the Shareholders on one hand and any WVR Beneficiary on the other;
- (iv) reviewed and monitored all risks related to the WVR structure;
- (v) made a recommendation to the Board as to the appointment or removal of the compliance adviser;
- (vi) reviewed the implementation and effectiveness of the Shareholders' communication policy, particularly with regards to the requirements of Rule 8A.35 of the Listing Rules; and
- (vii) reported on the work of the Corporate Governance Committee covering all areas of its terms of reference.

In particular, the Corporate Governance Committee has confirmed to the Board that it is of the view that the Company has adopted sufficient corporate governance measures to manage the potential conflict of interest between the Group and the WVR Beneficiary in order to ensure that the operations and management of the Company are in the interests of the Shareholders as a whole. These measures include the Corporate Governance Committee ensuring that (i) any connected transactions are disclosed and dealt with in accordance with the requirements of the Listing Rules, (ii) any Directors who have a conflict of interest abstain from voting on the relevant board resolution, and (iii) the compliance adviser is consulted on any matters related to transactions involving the WVR Beneficiary or a potential conflict of interest between the Group and the WVR Beneficiary. The Corporate Governance Committee recommended the Board to continue the implementation of these measures and to periodically review their efficacy towards these objectives.

Having reviewed the remuneration and terms of engagement of the compliance adviser, the Corporate Governance Committee confirmed to the Board that it was not aware of any factors that would require it to consider either the removal of the current compliance adviser or the appointment of a new compliance adviser. As a result, the Corporate Governance Committee recommended that the Board retain the services of the compliance adviser of the Company.

The attendance of each member at the Corporate Governance Committee meeting, during the year ended 31 December 2025, is set out in the table below:

Name of member	Attendance/Number of meeting
Ms. Zhou Lingfei (appointed on 29 June 2025)	0/1 <sup>(1)</sup>
Ms. Yan Huiping	1/1
Mr. Wang Jingbo	1/1
Mr. Feng Wei (resigned on 29 June 2025)	1/1 <sup>(1)</sup>

*Note:*

- (1) The Corporate Governance Committee convened one meeting in 2025, which was held prior to the appointment of Ms. Zhou Lingfei on 29 June 2025. Accordingly, no Corporate Governance Committee meeting was held during Ms. Zhou Lingfei's tenure as a Director. Mr. Feng Wei attended the meeting held during his tenure as a Director (Mr. Feng Wei: 1/1).

## Corporate Governance Report

### DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the Financial Statements.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other financial disclosures required by the Listing Rules and other regulatory requirements.

The senior management of the Company has provided such explanation and information to the Board as necessary to enable the Board to carry out an informed assessment of the financial information and position of the Company in order to put forward such information to the Board for approval.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

### AUDITOR AND AUDITOR'S REMUNERATION

The statement of the Auditor about their reporting responsibilities on the Company's Financial Statements is set out in "Independent Auditor's Report" of this annual report.

The remuneration for the audit and non-audit services provided by the Auditor to the Group for the year ended 31 December 2025 is analyzed below. The remuneration for the audit services includes the service fees in connection with audit and reviews of the Group. The non-audit services conducted by the Auditor mainly include professional services on consultation services.

Type of services provided by the Auditor	Amount (RMB'000)
Audit services	5,050
Non-audit services	260
<b>Total</b>	<b>5,310</b>

### RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and they can only provide reasonable, but not absolute, assurance against material misstatements or losses.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risk of failure to achieve the Company's strategic objectives, as well as establishing and maintaining effective risk management and internal control systems.

## Corporate Governance Report

The Audit Committee assists the Board in leading the management team to oversee the design, implementation and monitoring of the risk management and internal control systems.

The management considers it is important to establish and continue to improve its risk management and internal control systems, and has strengthened internal control, internal audit, compliance and forensic functions of the Company during the year ended 31 December 2025. The Company's risk management and internal control systems have been developed with the following principles, features and processes:

### Organisation Principles

To ensure that the risk management and internal control systems are effective, the Company, under the supervision and guidance of the Board and factoring the actual needs of the Company, has adopted the "Three Lines of Defence" model as an official organisational structure for risk management and internal control.

#### *The First Line of Defence – Management and Operation*

The first line of defence is mainly implemented by the business departments of the Company which are responsible for the day-to-day operations, and they are responsible for designing and implementing control measures to address the risks.

#### *The Second Line of Defence – Risk Management, Internal Control and Other Functions*

The second line of defence is mainly implemented by, among others, the internal control team, finance department, legal department, quality injection department, information security department, and other departments with similar functions. This line of defence is responsible for formulating policies related to management of operations, finance, compliance and litigation, information security and internal controls of the Company, and for planning and establishing an integrated risk control system. For ensuring effective implementation of such systems, this line of defence also assists and supervises the first line of defence in the establishment and improvement of risk management and internal control systems.

#### *The Third Line of Defence – Internal Audit and Forensic*

The third line of defence is mainly implemented by the internal audit and forensic teams, which hold a high degree of independence. The internal audit team provides an evaluation on the effectiveness of the Company's risk management and internal control systems, and monitors management's continuous improvement over these areas. The forensic team is responsible for receiving whistle-blowing reports and investigating alleged fraudulent incidents.

### Risk Management Process

The Company has established a risk management system (including the "Three Lines of Defence" internal monitoring model as detailed above) which sets out the roles and responsibilities of each relevant party as well as the relevant risk management policies and processes.

## Corporate Governance Report

All business and functional departments of the Company are responsible for conducting internal control assessment regularly to identify risks that may potentially impact the business of the Group.

The internal audit department is responsible for performing independent review of the effectiveness and adequacy of the risk management and internal control systems. These reviews are performed annually. The internal audit department examined key business and functional areas, key issues in relation to the accounting practices and all material controls and provided its findings to the Audit Committee.

The Board, from time to time, as supported by the Audit Committee as well as the management, has reviewed the report from the management and findings from the internal audit, and reviewed the risk management and internal control systems, including the financial, operational and compliance controls. The annual review also covered areas on the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting, financial reporting and internal audit functions.

During the year ended 31 December 2025, there were no significant changes in the Group's risk assessment (including its assessment of ESG risks) or in the design or operation of its risk management and internal control systems. No significant control failings or weaknesses were identified in the Reporting Period. The Board considered (i) the Group's processes for financial reporting and for compliance with the Listing Rules during the year ended 31 December 2025 were effective; and (ii) the risk management and internal control systems of the Company during the year ended 31 December 2025 were effective and adequate.

### Ethics and Integrity Conduct

The Group is committed to achieving the highest standards of integrity and ethical behavior in conducting business.

To facilitate this, the Board has set up whistle-blowing policy and anti-bribery and anti-corruption policy. The whistle-blowing policy is to (i) provide a trusted avenue for employees and other stakeholders to report serious wrongdoing or concerns, particularly in relation to fraud, controls or ethics, without fear of reprisals when whistle-blowing in good faith; and (ii) to ensure that robust arrangements are in place to facilitate independent investigation of the reported concern and for the appropriate follow up actions to be taken. The nature, status and the results of the allegations received under the whistle-blowing policy are reported to the Audit Committee or the human resource manager of the Group.

The anti-bribery and anti-corruption policy forms an integral part of the Group's corporate governance framework, setting out the specific behavioral guidelines that the Group's personnel and business partners must follow to combat corruption. It demonstrates the Group's commitment to the practice of ethical business conduct and the compliance of the anti-corruption laws and regulations that apply to its local and foreign operations. The anti-bribery and anti-corruption policy is reviewed and updated periodically to align with the applicable laws and regulations as well as the industry best practice.

## Corporate Governance Report

The Company has established a process whereby designated personnel across key functions are required to promptly report to the company secretary any information that may constitute inside information. The company secretary, in consultation with the Board, will assess whether the relevant information is required to be disclosed and determine the appropriate timing, manner and content of disclosure. Proper internal control procedures and guidelines are in place to guard against mishandling of inside information which may constitute insider dealing or breach of any other statutory obligations. Access to inside information is at all times confined to relevant personnel (i.e., Company's Directors, senior management and relevant employees) and on "as needed" basis until proper disclosure or dissemination of inside information in accordance with applicable laws and regulations. Company's Directors, senior management and relevant employees in possession of potential inside information and/or inside information are required to take reasonable measures to ensure that proper safeguards are in place to preserve strict confidentiality of inside information and to ensure that its recipients recognise their obligations to maintain the information confidential. Such measures include, among others, the restriction of access to designated individuals, the use of code names for sensitive projects and the maintenance of an updated list of persons who have access to inside information. Upon a determination that certain information constitutes inside information, the Company will, as soon as reasonably practicable, disseminate such information to the public by way of an announcement published on the websites of the Stock Exchange and the Company, unless any of the safe harbours under the Securities and Futures Ordinance applies. Where the Company becomes aware of any unusual trading activity or where there is likely to be a false market in its securities, the Company will make clarification announcements as soon as reasonably practicable to ensure that the investing public has equal and timely access to material information.

## MECHANISM REGARDING INDEPENDENT VIEWS TO THE BOARD

The Board has implemented different ways to ensure independent views and input are available to the Board. The implementation and effectiveness of such mechanism was reviewed on an annual basis. Following the annual review conducted during the year ended 31 December 2025, the Board concluded that such mechanism has been implemented properly and remains effective. In particular, all matters required by the Listing Rules to be considered by independent non-executive Directors were so considered during the year, and the independent non-executive Directors had access to independent professional advice as required.

The mechanism is set out below:

### Composition

The Board ensures the appointment of at least three independent non-executive Directors and at least one third of its members being independent non-executive Directors (or such higher threshold as may be required by the Listing Rules from time to time), with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise. Further, independent non-executive Directors will be appointed to the Board committees as required under the Listing Rules and as far as practicable to ensure independent views are available.

## Corporate Governance Report

### Independent Assessment in Nomination Process

The Company has nomination policy for election of Directors. Such policy, devising the criteria and procedures of selection and performance evaluation, provides guidance to the Board on nomination and appointment of Directors (including the independent non-executive Directors) of the Company. The Nomination Committee strictly adheres to the nomination policy with regard to the nomination and appointment of independent non-executive Directors, and is mandated to assess annually the independence of independent non-executive Directors to ensure they can continually exercise independent judgement. The Board believes that the defined selection process is good for corporate governance in serving the Board continuity and appropriate leadership at Board level, enhancing Board effectiveness and diversity, and ensuring independent views and input are available to the Board.

### Compensation

No equity-based remuneration with performance-related elements has been granted to independent non-executive Directors as this may lead to bias in their decision-making and compromise their objectivity and independence.

### Board Decision Making

The Directors (including independent non-executive Directors), upon reasonable request, may seek independent professional advice at the Company's expense, to assist the performance of their duties. If a substantial Shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter would be dealt with by a physical Board meeting rather than a written resolution. A Director who has a material interest in a contract, transaction or arrangement shall not vote or be counted in the quorum on any Board resolution approving the same.

## COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable the Shareholders and investors to make the best investment decisions.

## Corporate Governance Report

The general meetings of the Company provide an opportunity for communication between the Directors, senior management and the Shareholders. The chairman of the Board as well as chairpersons of the Audit Committee, the Nomination Committee, the Remuneration Committee and the Corporate Governance Committee, in their absence, other members of the respective committees, are available to answer questions at general meetings. The chairman of the meeting will provide the detailed procedures for conducting a poll and answer any questions from the Shareholders on voting by poll. The annual general meeting shall be called by not less than 21 days' notice to Shareholders in writing and any extraordinary general meeting shall be called by not less than 14 days' notice to Shareholders in writing. Shareholders may require extraordinary general meeting with a requisition of one or more Shareholders holding at the date of deposit of the requisition not less than 10% of the voting rights, on a one vote per Share basis, of the issued Shares which as at that date carry the right to vote at general meetings of the Company. The procedures for Shareholders to convene and put forward proposals at an extraordinary general meeting are stated as follows:

- (i) the Shareholders' requisition must state the objects and the resolutions to be added to the agenda of the meeting and must be signed by the requisitionists and deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office, and may consist of several documents in like form each signed by one or more requisitionists;
- (ii) if there are no Directors as at the date of the deposit of the Shareholders' requisition or if the Directors do not within 21 days from the date of the deposit of the Shareholders' requisition duly proceed to convene a general meeting to be held within a further 21 days, the requisitionists, or any of them representing more than one-half of the total voting rights of all of the requisitionists, may themselves convene a general meeting, but any meeting so convened shall be held no later than the day which falls three months after the expiration of the said 21 day period; and
- (iii) Shareholders who wish to put forward proposals at a general meeting may submit a written request to the Board. The request should set out the proposed resolution(s) and an accompanying explanatory statement, and should be sent to the Company's principal office in Hong Kong for the attention of the company secretary. The Board will assess and, where appropriate, include such proposals in the agenda of the relevant general meeting, subject to compliance with the Articles of Association and the Listing Rules.

The Company has adopted the Shareholders' communication policy, which sets out the framework the Company has put in place to promote effective communication with Shareholders so as to enable them to engage actively with the Company and exercise their rights as Shareholders in an informed manner. To promote effective communication, the Company has established several channels to communicate with the Shareholders as follows, among others:

- (i) both English and Chinese versions of corporate communications (as defined in the Listing Rules) such as annual reports, interim reports and circulars are available in printed form (if requested) and are available electronic form on the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website at ([www.tuhu.cn](http://www.tuhu.cn)), where information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are available for public access;

## Corporate Governance Report

- (ii) corporate information is made available on the Company's website; and
- (iii) the Hong Kong share registrar of the Company serves the Shareholders in respect of share registration, dividend payment and related matter.

Shareholders may at any time make a request for the Company's information to the extent such information is publicly available and the Company has an investor relationship function (Email: [ir@tuhu.cn](mailto:ir@tuhu.cn)) to attend to enquiries from the Shareholders.

Having considered the multiple channels of communication, the Board is satisfied that the Shareholders' communication policy provided effective channels by which Shareholders can communicate and raise concern with the Company and is effective during the year ended 31 December 2025.

To preserve environment and increase efficiency in communication with the Shareholders, the Company made arrangement pursuant to Rule 2.07A of the Listing Rules and the Articles of Association for the Shareholders to elect to receive corporate communication in printed form or by electronic means through the Company's website. Shareholders have the right to change their choice of receipt of its corporate communications (as defined in the Listing Rules) at any time by giving reasonable notice to the Company. The change request form may be downloaded from the websites of the Company and the Stock Exchange. The Company will send the actionable corporate communication (as defined in the Listing Rules) to the Shareholders individually in electronic form by email or in printed form (if requested or if the Company does not possess the functional email address of the Shareholders).

### SHAREHOLDERS' RIGHTS

To safeguard the Shareholders' interests and rights, separate resolutions are proposed at general meetings on each substantial issue, including the election of individual Directors, for the Shareholders' consideration and voting. All resolutions put forward at the Shareholders' meetings will be voted by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company ([www.tuhu.cn](http://www.tuhu.cn)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) after each Shareholders' meeting.

In accordance with Article 20.7 of the Articles of Association, a resolution put to the vote of the meeting shall be decided on poll, save that the chairperson may, in good faith, allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

For the avoidance of doubt, the Shareholders must deposit and send the original duly signed written requisition, notice or statement (as the case may be) to the Company's principal place of business in Hong Kong and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

## Corporate Governance Report

There is no provision allowing the Shareholders to move new resolutions at general meetings under the Cayman Companies Law. Shareholders who wish to move a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

With respect to the Shareholders' right in proposing persons for election as Directors, see the procedures available on the website of the Company ([www.tuhu.cn](http://www.tuhu.cn)).

## CONSTITUTIONAL DOCUMENTS

During the year ended 31 December 2025, the Company has not made any changes to its Articles of Association.

Reference is made to the Company's announcement dated 20 March 2026 in relation to the proposed amendments to the Articles of Association (the "**Proposed Amendments**"). The Board announced certain amendments to the existing Articles of Association for the purpose of, among others, (i) in line with the relevant requirements in the Listing Rules in respect of the electronic dissemination of corporate communications and will reflect the latest changes in the provisions of the corporate governance code set forth in Appendix C1 to the Listing Rule and (ii) adopt the sixth amended and restated memorandum and articles of association of the Company incorporating and consolidating all the Proposed Amendments (the "**New Memorandum and Articles of Association**") in substitution for, and to the exclusion of, the Existing Memorandum and Articles of Association.

The Proposed Amendments as well as the adoption of the New Memorandum and Articles of Association are subject to approval by shareholders of the Company by way of special resolution(s) at the forthcoming annual general meeting of the Company.

The Articles of Association of the Company is available on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.tuhu.cn](http://www.tuhu.cn)).

## DIVIDEND POLICY AND FINAL DIVIDENDS

The Company is a holding company incorporated under the laws of the Cayman Islands. As a result, the payment and amount of any future dividends will also depend on the availability of dividends received from the subsidiaries. PRC laws require that dividends be paid only out of the profit for the year determined according to PRC accounting principles, which differ in many aspects from the generally accepted accounting principles in other jurisdictions, including IFRS Accounting Standards. PRC laws also require foreign-invested enterprises to set aside at least 10% of its after-tax profits, if any, to fund its statutory reserves until the aggregate amount of such fund reaches 50% of its registered capital, which are not available for distribution as cash dividends. Dividend distribution to the Shareholders is recognised as a liability in the period in which the dividends are approved by the Shareholders or Directors, where appropriate.

## Corporate Governance Report

Any future determination to pay dividends will be made at the discretion of the Directors and may be based on a number of factors, including the future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the Directors may deem relevant. As advised by the Cayman Islands legal counsel, under Cayman Islands law, a Cayman Islands exempted company may pay a dividend out of either profits or share premium account, provided that in no circumstances may a dividend be declared or paid if this would result in the Company being unable to pay its debts as they fall due in the ordinary course of business. Investors should not purchase the shares with the expectation of receiving cash dividends.

The Company has adopted a dividend policy which aims to provide a framework for determining the appropriateness and level of dividend distributions, and to allow Shareholders to participate in the Company's profits while preserving adequate reserves for the Group's long-term growth. Under this policy, the Board may, at its discretion, declare and pay dividends to Shareholders out of distributable reserves, having regard to the Group's results of operations, cash flow, financial condition, statutory and regulatory restrictions, future business plans and other factors that the Directors deem relevant. No dividend was paid during the year ended 31 December 2025 and the Board does not recommend the payment of final dividend for the year ended 31 December 2025. The Board considers that retaining the Group's cash resources is in the best interests of the Company and the Shareholders at this stage, in order to support the Group's strategic priorities, including continued store network expansion, AI and technology deployment, supply chain optimisation and NEV service capability development. The Board confirms that all dividend decisions during the year were made in accordance with the Company's dividend policy. Investor returns will continue to be considered through, among other things, share repurchases. During the Reporting Period, there was no arrangement under which a Shareholder has waived or agreed to waive any dividends, and no arrangement has been entered into in respect of the waiver of any future dividends.

### JOINT COMPANY SECRETARIES

Mr. Chen Zhe, the joint company secretary of the Company, is responsible for advising the Board on corporate governance matters and ensuring that the Board policies and procedures, as well as the applicable laws, rules and regulations are followed.

Ms. Wong Mei Fung Carrie, an external service provider, has been engaged by the Company as the other joint company secretary to assist Mr. Chen Zhe to discharge his duties as the joint company secretary of the Company.

During the Reporting Period, Mr. Chen Zhe, Mr. Lee Chung Shing (resigned on 9 October 2025) and Ms. Wong Mei Fung Carrie (appointed on 9 October 2025) serve as the joint company secretaries of the Company. Mr. Lee Chung Shing and Ms. Wong Mei Fung Carrie are external corporate services providers. As at the date of this annual report, the joint company secretaries of the Company are Mr. Chen Zhe and Ms. Wong Mei Fung Carrie.

During the Reporting Period, each of Mr. Chen Zhe, Mr. Lee Chung Shing and Ms. Wong Mei Fung Carrie undertaken over 15 hours of professional training to update their skills and knowledge. Mr. Chen Zhe is the primary corporate contact person at the Company of Mr. Lee Chung Shing and Ms. Wong Mei Fung Carrie.

## Directors' Report

The Board is pleased to present this Directors' report in the Group's annual report for the year ended 31 December 2025.

### USE OF PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds (the "Net Proceeds") received by our Company from the Global Offering (including partial exercise of the over-allotment option), after deduction of the underwriting commission and other expenses payable by us in connection with the Global Offering, were approximately HK\$1,273.3 million.

During the Reporting Period and up to the date of this annual report, there has been no change in the use of Net Proceeds as previously disclosed in the Prospectus. Please refer to "Future Plans and Use of Proceeds" in the Prospectus for details.

As of 31 December 2025, our Group had utilised all Net Proceeds as set out in the table below:

Description	Percentage to the Net Proceeds	Allocation of Net Proceeds (HK\$ in millions)	Unutilised amount as of 31 December 2024 (HK\$ in millions)	Utilised amount	Unutilised amount as of 31 December 2025 (HK\$ in millions)	Expected timeline for utilising the unutilised Net Proceeds
				between 1 January 2025 to 31 December 2025 (HK\$ in millions)		
Enhancement of our supply chain capability	35.0%	445.6	75.5	75.5	0	31 December 2025
Research and development to advance our data analytics technologies and further enhance our operating efficiency	20.0%	254.7	146.9	146.9	0	31 December 2025
Expanding our store network and franchisee base	15.0%	191.0	6.2	6.2	0	31 December 2025
Fund investment related to automotive services for NEV owners as well as investment in tools and equipment related to these services	20.0%	254.7	165.0	165.0	0	31 December 2025
Working capital and general corporate purposes (including staff salaries and welfare, office and warehouse rentals, professional fees and other general corporate expenses)	10.0%	127.3	61.6	61.6	0	31 December 2025
<b>Total</b>	<b>100.0%</b>	<b>1,273.3</b>	<b>455.2</b>	<b>455.2</b>	<b>0</b>	

Save as disclosed above, during the Reporting Period, there were no proceeds brought forward from the equity issuances or sales of treasury Shares that need to be disclosed pursuant to paragraph 11 of Appendix D2 to the Listing Rules.

## Directors' Report

### BUSINESS AND COMPANY-RELATED INFORMATION

#### Principal Activities

The Company is one of the leading integrated online and offline platforms for automotive service in China. Online, the Company streamlines diverse car service needs into one centralized platform through its flagship “TUHU Automotive Service” APP and online interfaces, delivering the digital and on-demand service experience to customers. Offline, the Company has three different types of stores, including self-operated Tuhu workshops, franchised Tuhu workshops, and third-party partner stores. The Company serves most of the passenger vehicle models sold in China, fulfilling automotive service demands ranging from tires and chassis parts replacement to auto maintenance, repair, detailing, and more.

The activities of the principal subsidiaries are set out in note 1 to the Financial Statements in this annual report.

#### Results of Operations

The results of the Group for the year ended 31 December 2025 are set out in “Consolidated Statement of Profit or Loss” and “Consolidated Statement of Comprehensive Income” of this annual report.

#### Final Dividend

Details of final dividends of the Company for the year ended 31 December 2025 are set out in “Corporate Governance Report – Dividend Policy and Final Dividends” in this annual report.

#### Business Review

Details of business review and performance analysis of the Group for the year ended 31 December 2025 are set out in “Chairman’s Statement,” “Management Discussion and Analysis,” and “Corporate Governance Report” of this annual report, and “Environmental, Social and Governance Report”.

#### Future Development

Details of future development of the Group are set out in “Chairman’s Statement” of this annual report.

#### Environmental Policies and Performance

During the year ended 31 December 2025, the Group had not been subject to any fines or other penalties due to non-compliance with environmental regulations. Details of the environmental policies and performance of the Group are set out in “Environmental, Social and Governance Report”.

## Directors' Report

### Key Relationships with Stakeholders

#### *Relationship with Employees*

The Company embraces employees as the most valuable assets of the Group. The objective of the Group's human resources management is to reward and recognise outstanding employees by providing competitive remuneration packages and implementing a sound performance appraisal system with appropriate incentives, and to promote career development and progression within the Group by providing adequate training and opportunities.

#### *Relationship with Shareholders*

The Company recognises the importance of protecting the interests of the Shareholders and of having effective communication with them. Details of the communication practice with Shareholders are set out in "Corporate Governance Report – Communications with Shareholders and Investors" of this annual report.

#### *Relationship with Customers and Suppliers*

The Group's major customers primarily include individual car owners that represent a highly-fragmented customer base. The Group's top five customers accounted for less than 30% of the Group's total revenues for the year ended 31 December 2025.

The Group's major suppliers primarily include manufacturing brands and wholesalers of various auto parts and equipment. The Group's top five suppliers and largest supplier accounted for 36.4% and 12.4% of the Group's purchases for the year ended 31 December 2025, respectively.

As of the Latest Practicable Date, to the best knowledge of the Company, none of the Directors or their close associates or Shareholders (who to the knowledge of the Directors own more than 5% of the total issued Shares of the Company (excluding treasury Shares)) had any interest in the top five customers or suppliers.

### Share Capital

Details of the issued Shares of the Group for the year ended 31 December 2025 are set out in note 34 to the Financial Statements in this annual report.

### Reserves

Details of movements in the reserves of the Company for the year ended 31 December 2025 are set out in "Consolidated Statement of Changes in Equity" of this annual report.

### Distributable Reserves

As at 31 December 2025, the Group has distributable reserves of RMB17.1 billion in total available for distribution.

## Directors' Report

### Charitable Donations

During the year ended 31 December 2025, the Group made charitable donations of RMB6.8 million.

### Bank Loans and Other Borrowings

As at 31 December 2025, the Group recorded bank loans and other borrowings amounted to RMB1.9 million. Further analysis by maturity of the Group's borrowings are set out in note 31 to the Financial Statements. During the year ended 31 December 2025, the Group did not breach any covenants or other terms of any of its loan agreements, and there were no defaults in respect of principal or interest payments. None of the Group's borrowings is subject to repayment-on-demand or default clauses linked to specific performance obligations of any controlling Shareholder of the Company.

### Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2025 are set out in note 15 to the Financial Statements in this annual report.

### Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of its Directors as at the Latest Practicable Date prior to the issue of this annual report, the Company had maintained sufficiency of public float as required under Rule 8.08(1) of the Listing Rules during the Reporting Period and has maintained sufficiency of the prescribed minimum public float as required under Rule 13.32B(1) of the Listing Rules from 1 January 2026 and up to the date of this annual report.

### Issue of Debentures

The Group did not issue any debentures during the year ended 31 December 2025.

### Pre-Emptive Rights

There is no provision for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands that would oblige the Company to offer new shares on a *pro rata* basis to the existing Shareholders.

### Tax Relief

The Directors are not aware of any tax relief available to the Shareholders by reason of their holding of the Company's securities.

### Compliance with Relevant Laws and Regulations

The Group may from time to time become a party to various legal, arbitral or administrative proceedings arising in the ordinary course of its business. During the year ended 31 December 2025, the Group had not been a party to, and was not aware of any threat of, any legal, arbitral or administrative proceedings, which would be likely to have a material and adverse effect on its business, financial conditions or results of operations.

## Directors' Report

The Group is subject to applicable laws and regulations in the PRC in respect of its business operations. During the year ended 31 December 2025, as far as the Board is aware, the Group has complied with applicable laws and regulations in all material respects.

### Principal Risks and Uncertainties

Details of principal risks and uncertainties are set out in "Management Discussion and Analysis" of this annual report.

### Contracts with the Controlling Shareholders

Save as disclosed in this annual report, no contract of significance was entered into between the Company, or one of its subsidiary companies, and any of its Controlling Shareholders or subsidiaries during the year ended 31 December 2025.

### Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2025.

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

On 25 June 2024, the Company announced the adoption of the Second Post-IPO Share Scheme (Existing Shares), which is funded by the existing Class A Shares only. From 1 January 2025 to the Latest Practicable Date, the trustee entrusted by the Company purchased 47,572,800 Class A Shares on the Stock Exchange pursuant to the terms and conditions of the Second Post-IPO Share Scheme (Existing Shares).

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares) during the year ended 31 December 2025 and up to the Latest Practicable Date. As of 31 December 2025, the Company did not hold any treasury Shares (within the meaning of the Listing Rules).

### Corporate Governance Practice

The Company has adopted and applied the principles as set out in Part 2 of the Corporate Governance Code in Appendix C1 to the Listing Rules. For details of practice, see "Corporate Governance Report – Corporate Governance Practices" of this annual report.

### Model Code for Securities Transactions

The Company has adopted the Model Code. For details of practice, see "Corporate Governance Report – Model Code for Securities Transactions" of this annual report.

### Auditor

Ernst & Young was appointed as the Auditor for the year ended 31 December 2025 and there had been no change in auditor of the Company in the past three years. The accompanying Financial Statements prepared in accordance with IFRS Accounting Standards have been audited by Ernst & Young.

## Directors' Report

Ernst & Young will retire and, being eligible, offer themselves for re-appointment. A resolution for their re-appointment as auditor of the Company will be proposed at the AGM.

### Audit Committee

The Audit Committee (comprising three independent non-executive Directors, namely Ms. Yan Huiping (chairperson), Ms. Zhou Lingfei and Mr. Wang Jingbo), after the discussion with the Auditor, has reviewed our Company's audited consolidated financial statements for the year ended 31 December 2025 and the unaudited financial statements for the six-month periods ended 31 December 2024 and 31 December 2025 (collectively, the "Unaudited Financial Statements"). The Audit Committee has reviewed the accounting principles and practices adopted by our Company and discussed matters in respect of risk management and internal control of our Company. There is no disagreement between the Board and the Audit Committee regarding the accounting treatment adopted by our Company.

Our Group's audited consolidated financial statements for the year ended 31 December 2025 have been prepared in accordance with IFRS Accounting Standards. The accounting policies used in the preparation of the Unaudited Financial Statements are consistent with those adopted in preparing the audited consolidated financial statements for the years ended 31 December 2024 and 31 December 2025. The Unaudited Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the audited consolidated financial statements for the years ended 31 December 2024 and 31 December 2025, which have been prepared in accordance with the IFRS Accounting Standards.

The Financial Statements were approved and authorised for issue by the Board on 20 March 2026.

### Closure of Register of Members and Record Date

For determining the entitlement to attend and vote at the AGM, the record date will be Friday, 5 June 2026 and the register of members of our Company will be closed from Tuesday, 2 June 2026 to Friday, 5 June 2026 (both days inclusive), during which period no transfer of Shares of our Company will be registered. In order to be eligible to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with our Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 1 June 2026.

## DIRECTORS AND SENIOR MANAGEMENT

Details of Board composition are set out in "Corporate Information" in this annual report.

Biographical details of the Directors of the Group are set out in "Profiles of Directors and Senior Management" of this annual report.

## Directors' Report

### Changes to the Information of the Directors under Rule 13.51B(1) of the Listing Rules

With effect from 29 June 2025, Mr. Feng Wei has resigned as an independent non-executive Director, the chairman of the Corporate Governance Committee and a member of the Audit Committee and the Nomination Committee of the Board due to pursuit of his other professional and personal engagements. Mr. Feng resigned to pursue his other professional and personal engagements, and his resignation did not arise from any reasons relating to the affairs of the Company within the meaning of Section 5 of the Companies (Directors' Report) Regulation. Mr. Feng has confirmed that he has no disagreement with the Board and there is no other matter relating to his resignation that needs to be brought to the attention of the Shareholders or the Stock Exchange.

Following the resignation of Mr. Feng, Ms. Zhou Lingfei has been appointed as an independent non-executive Director, chairperson of the Corporate Governance Committee and a member of the Audit Committee and the Nomination Committee with effect from 29 June 2025.

Save as disclosed above, during the year ended 31 December 2025 and up to the Latest Practicable Date, there had been no change to the information of the Directors which is required to be disclosed pursuant to Rule 13.51B(1) or 13.51B(2) of the Listing Rules.

### Directors' Service Contracts and Appointment Letters

Each of executive Directors entered into a service contract with the Company on 5 September 2023. The term of appointment shall be for an initial term of three years from the Listing Date or until the third annual general meeting of the Company after the Listing Date, whichever is sooner (subject to retirement as and when required under the Articles of Association). Either party may terminate the agreement by giving not less than three months' written notice. The executive Directors are not entitled to receive any remuneration in their capacities as executive Directors under their respective service contracts.

The non-executive Director entered into an appointment letter with the Company on 5 September 2023. The term of appointment shall be for an initial term of three years from the Listing Date or until the third annual general meeting of the Company after the Listing Date, whichever is sooner (subject to retirement as and when required under the Articles of Association). Either party may terminate the agreement by giving not less than one month's written notice. The non-executive Director is not entitled to receive any remuneration and benefits in his capacity as non-executive Director under his appointment letter.

The three independent non-executive Directors have entered into their respective service contracts with the Company on 5 September 2023, 6 September 2023 and 29 June 2025, respectively. The term of appointment shall be for an initial term of three years from the Listing Date or until the third annual general meeting of the Company after the Listing Date, whichever is sooner (subject to retirement as and when required under the Articles of Association). Either party may terminate the agreement by giving not less than three months' written notice. The annual Director's fees of the independent non-executive Directors payable by the Company under their respective service agreements is RMB300,000.

None of the Directors (including Directors proposed for re-election at the forthcoming annual general meeting of the Company) have an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

## Directors' Report

### Confirmation of Independence from the Independent Non-Executive Directors

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors to be independent during the year ended 31 December 2025 and remain so as of the date of this annual report.

### Re-election of Directors

In accordance with article 27.4 of the Articles of Association, at each AGM one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director shall be subject to retirement at an AGM at least once every three years. Accordingly, Mr. Chen Min and Ms. Yan Huiping shall retire by rotation at the AGM and, being eligible for re-election at the AGM. In accordance with article 27.3 of the Articles of Association, any Director appointed by the Board to fill a vacancy or as an additional Director shall hold office only until the first annual general meeting of the Company after such Director's appointment and shall then be eligible for re-election at that meeting. Such Director required to stand for re-election under this article shall not be taken into account in determining the number of Directors who are to retire by rotation. Ms. Zhou Lingfei was appointed by the Board as an independent non-executive Director with effect on 29 June 2025. Accordingly, Ms. Zhou shall hold office until the AGM and, being eligible, offers herself for re-election at the AGM. Details of the Directors to be re-elected at the AGM are set out in the circular to the Shareholders to be despatched (if requested) in due course.

## Directors' Report

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director	Nature of Interest	Class of Shares	Number of Shares	% of Interest in Each Class of Shares of the Company <sup>(1)</sup>
Mr. Chen Min	Beneficial owner	Class A Shares	850,000 (L) <sup>(2)</sup>	0.1%
	Interest in controlled corporations	Class A Shares	13,518,284 (L) <sup>(3)</sup>	1.8%
	Interest in controlled corporations	Class A Shares	5,000,000 (S) <sup>(6)</sup>	0.7%
	Interest in controlled corporations	Class B Shares	67,918,860 (L) <sup>(3)</sup>	100.0%
Mr. Hu Xiaodong	Beneficial owner	Class A Shares	300,000 (L) <sup>(4)</sup>	0.0 <sup>(*)</sup> %
	Interest in controlled corporations	Class A Shares	25,223,685 (L) <sup>(5)</sup>	3.3%
	Interest in controlled corporations	Class A Shares	2,996,703 (S) <sup>(7)</sup>	0.4%

Remark: (L) denotes a long position; (S) denotes a short position; (\*) denotes less than 0.05%.

## Directors' Report

### Notes:

- (1) As at 31 December 2025, the Company had 826,582,479 issued Shares in total, comprising of 758,663,619 Class A Shares and 67,918,860 Class B Shares. The above calculation is based on the total number of relevant class of Shares or the total number of Shares in issue as of 31 December 2025.
- (2) Represents 850,000 Class A Shares pursuant to the exercise of options granted to Mr. Chen Min under the 2019 Share Incentive Plan, of which 637,500 options were exercised on January 9, 2025.
- (3) Represents (i) 13,518,284 Class A Shares held by Nholresi Investment Limited; and (ii) 67,918,860 Class B Shares held by Nholresi Investment Limited. Nholresi Investment Limited is wholly owned by llnewgnay Investment Limited. The entire interest in llnewgnay Investment Limited is held in a trust that was established by Mr. Chen Min (as the settlor) with him and his family members as the beneficiaries and with TMF (Cayman) Ltd. as the trustee. As such, each of Mr. Chen Min, llnewgnay Investment Limited and TMF (Cayman) Ltd. is deemed to be interested in the Class A Shares and Class B Shares held by Nholresi Investment Limited under the SFO.
- (4) Represents 300,000 Class A Shares pursuant to the exercise of options granted to Mr. Hu Xiaodong under the 2019 Share Incentive Plan.
- (5) Represents 25,223,685 Class A Shares held by TroisUnis. HU Investment Limited. TroisUnis. HU Investment Limited is wholly owned by ToUs. HU Investment Limited. The entire interest in ToUs. HU Investment Limited is held in a trust that was established by Mr. Hu Xiaodong (as the settlor) with him as the beneficiary and with TMF (Cayman) Ltd. as the trustee. As such, each of Mr. Hu Xiaodong, ToUs. HU Investment Limited and TMF (Cayman) Ltd. is deemed to be interested in the Class A Shares held by TroisUnis. HU Investment Limited under the SFO.
- (6) Nholresi Investment Limited entered into equity collar option transaction with a bank in respect of which (i) Nholresi Investment Limited entered into certain call and put options referencing 5,000,000 Class A Shares; and (ii) TroisUnis. HU Investment Limited has delivered 5,000,000 Class A Shares to the bank under a securities lending agreement.
- (7) TroisUnis.HU Investment Limited entered into equity collar option transaction with a bank in respect of which TroisUnis.HU Investment Limited (i) entered into certain call and put options referencing 2,996,703 Class A Shares; and (ii) has delivered 2,996,703 Class A Shares to the bank under credit support annex with return obligation.

Save as disclosed above, as at 31 December 2025, none of the Directors or chief executive of the Company has or is deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); or which will be required to be recorded in the register to be kept by the Company pursuant to Section 352 of the SFO, or which will be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

## Directors' Report

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2025, the followings are the persons, other than the Directors or chief executives of the Company, who had interests or short positions in the Shares and underlying Shares which would be required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of Part XV of the SFO:

Name of Shareholder	Nature of Interest	Class of Shares	Number of Shares	% of Interest in Each Class of Shares of the Company <sup>(1)</sup>
Tencent <sup>(2)</sup>	Interest in controlled corporation	Class A Shares	158,895,235 (L)	21.0%
Image Frame Investment (HK) Limited	Beneficial owner	Class A Shares	151,792,350 (L)	20.0%
Joy Capital GP, Ltd <sup>(3)</sup>	Interest in controlled corporation	Class A Shares	44,007,640 (L)	5.8%
Ubiquity Holdings Ltd. <sup>(4)</sup>	Beneficial owner	Class A Shares	42,707,045 (L)	5.6%
Max Hope Limited <sup>(5)</sup>	Beneficial owner	Class A Shares	39,167,585 (L)	5.2%
	Interest in controlled corporation	Class A Shares	453,132 (L)	0.1%
Pandanus Associates Inc. <sup>(6)</sup>	Beneficial owner	Class A Shares	38,804,565 (L)	5.1%
The Core Trust Company Limited <sup>(7)</sup>	Trustee	Class A Shares	38,027,147 (L)	5.0%
TMF (Cayman) Ltd.	Trustee	Class A Shares	49,888,416 (L) 7,996,703 (S)	6.6% 1.1%

Remark: (L) denotes a long position; (S) denotes a short position.

#### Notes:

- (1) As at 31 December 2025, the Company had 826,582,479 issued Shares in total, comprising of 758,663,619 Class A Shares and 67,918,860 Class B Shares. The above calculation is based on the total number of relevant class of Shares or the total number of Shares in issue as of 31 December 2025.
- (2) Represents (i) 151,792,350 Class A Shares directly held by Image Frame Investment (HK) Limited, a limited liability company incorporated in Hong Kong, and (ii) 7,102,885 Class A Shares directly held by Cool Dragon Holding Limited, an exempted company with limited liability incorporated under the laws of Cayman Islands. Image Frame Investment (HK) Limited and Cool Dragon Holding Limited are controlled by Tencent Holdings Limited ("**Tencent**"). Tencent is a limited liability company incorporated in the Cayman Islands and is listed on the Main Board of the Stock Exchange (stock code: 0700). Accordingly, Tencent is deemed to be interested in the total number of Class A Shares held by Image Frame Investment (HK) Limited and Cool Dragon Holding Limited under the SFO.

## Directors' Report

- (3) Represents (i) 15,335,735 Class A Shares directly held by Joy Capital Opportunity, L. P., a limited partnership incorporated under the laws of the Cayman Islands, (ii) 24,505,905 Class A Shares directly held by JOY FLY INVESTMENT MANAGEMENT LIMITED, a limited liability company incorporated in Hong Kong, and (iii) 4,166,000 Class A Shares directly held by BOLD HIGHLIGHT HK LIMITED, a limited liability company incorporated in Hong Kong. Joy Capital Opportunity, L. P., JOY FLY INVESTMENT MANAGEMENT LIMITED and BOLD HIGHLIGHT HK LIMITED are ultimately controlled by the directors of Joy Capital GP, Ltd, the ultimate general partner of such entities.
- (4) Represents 42,707,045 Class A Shares directly held by Ubiquity Holdings Ltd., an exempted company incorporated under the laws of the Cayman Islands. Ubiquity Holdings Ltd. is 76.84% owned by FountainVest China Capital Partners Fund III, L. P., 22.72% owned by FountainVest China Capital Parallel Fund III, L. P. and 0.44% owned by FountainVest China Capital Parallel-A Fund III, L. P. FountainVest China Capital Partners Fund III, L. P., FountainVest China Capital Parallel Fund III, L. P. and FountainVest China Capital Parallel-A Fund III, L. P. are Cayman Islands limited partnerships. FountainVest China Capital Partners GP3 Ltd., a Cayman Islands company, is the sole general partner of FountainVest China Capital Partners Fund III, L. P., FountainVest China Capital Parallel Fund III, L. P. and FountainVest China Capital Parallel-A Fund III, L. P. FountainVest China Capital Partners GP3 Ltd. is controlled by its directors, Kui Tang and George Jian Chuang, each an Independent Third Party.
- (5) Represents (i) 39,167,585 Class A Shares directly held by Max Hope Limited. Max Hope Limited, which was incorporated in the Cayman Islands and wholly owned by Beijing Hongshan Jingtū Management Consulting Centre (L.P.), or Jingtū, and ultimately controlled by Jintū's general partner, Ningbo Meishan Bonded Port Area Hongshan Huanjia Equity Investment Management Co., Ltd. (寧波梅山保稅港區紅杉樞嘉投資管理有限公司, "Hongshan Huanjia"); and (ii) 453,132 Class A Shares held by Max Platinum Limited, which was incorporated in the Cayman Islands and wholly owned by Max Hope Limited. Mr. Kui Zhou held 70% interests in Hongshan Huanjia. As such, Mr. Kui Zhou is deemed to be interested in the Class A Shares held by Max Hope Limited under the SFO.
- (6) To the best knowledge of the Company, Pandanus Associates Inc. was deemed to be interested in 38,804,565 Class A Shares in aggregate through a series of its controlled entities or corporations under the SFO.
- (7) Represents (i) 30,695,246 Class A Shares directly held by Eminent Investment Limited; (ii) 637,500 Class A Shares directly held by Sprue Limited; and (iii) 6,694,401 Class A Shares directly held by Noble (Nominees) Limited. Each of Eminent Investment Limited and Sprue Limited is wholly owned by TCT (BVI) Limited, which in turn is wholly owned by THE CORE TRUST COMPANY LIMITED. Noble (Nominees) Limited is also wholly owned by THE CORE TRUST COMPANY LIMITED. As such, THE CORE TRUST COMPANY LIMITED is deemed to be interested in the Class A Shares held by Eminent Investment Limited, Sprue Limited and Noble (Nominees) Limited under the SFO.

Save as disclosed above, to the best knowledge of the Directors and the chief executive of the Company, as at 31 December 2025, the Company is not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company which would be required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

## Directors' Report

### Directors' Rights to Acquire Shares or Debentures

Save as disclosed in "Equity Incentive Schemes" of this annual report, at no time during the year ended 31 December 2025 was the Company or any of its subsidiaries, a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of the shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

### Directors' and Controlling Shareholders' Interests in Competing Business

Except for the interests of the Controlling Shareholders in the Group, during the year ended 31 December 2025, neither the Controlling Shareholders nor any of the Directors had any interest in a business, apart from the business of the Group, which competes or is likely to compete, directly or indirectly, with the Group's business, which would require disclosure under Rule 8.10 of the Listing Rules.

### Directors' Material Interests in Transactions, Arrangements or Contracts of Significance

Save as disclosed in "Continuing Connected Transactions" and "Equity Incentive Schemes and Equity-Linked Activities" of this Directors' report, there were no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or its connected entity (within the meaning of Section 486 of the Companies Ordinance) had a material interest, whether directly or indirectly, and subsisting during the year ended 31 December 2025 or as at 31 December 2025.

### Remuneration Policy

The remuneration of the Directors is paid in the form of fees, salaries, allowances and benefits in kinds, share-based payment and pension scheme contributions. The Group's remuneration policy for the Directors and senior management is determined by the Remuneration Committee having regard to (i) the Group's operating results and individual performance; (ii) comparable market remuneration practices among listed companies of comparable size, industry and complexity; (iii) the time commitment, scope of responsibilities and accountability of the relevant Director or member of senior management; and (iv) the Group's overall remuneration strategy. No Director is involved in deciding his or her own remuneration.

The Company has established the Remuneration Committee to review and make recommendations to the Board regarding the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management, having regard to the factors such as the level of remuneration paid by comparable companies, the time commitment and responsibilities of the Directors and senior management, and the employment conditions of the Group.

The Directors and the senior management members are eligible participants of the Equity Incentive Schemes.

## Directors' Report

During the year ended 31 December 2025, none of the Directors waived or agreed to waive any remuneration and there were no emoluments paid by the Group to any of the Directors or the five highest paid individuals as an inducement to join, or upon joining the Group, or as compensation for the loss of office.

Details of the emoluments of the Directors, and five highest paid individuals for the year ended 31 December 2025 are set out in notes 10 and 11 to the Financial Statements in this annual report.

### Retirement and Employee Benefits Scheme

Details of the retirement and employee benefits scheme of the Company are set out in notes 2, 9, 10 and 11 to the Financial Statements in this annual report.

### Directors and Officers Liability Insurance

The Company has arranged appropriate directors' and officers' liability insurance in respect of legal action against the Directors and senior management.

### Directors' Permitted Indemnity Provision

Pursuant to Article 49.1 of the Articles of Association and subject to Cayman Companies Law, every Director and officer of the Company (which for the avoidance of doubt, shall not include auditors of the Company), together with every former Director and former officer of the Company (each an "Indemnified Person") shall be indemnified out of the assets of the Company against any liability, action, proceeding, claim, demand, costs, damages or expenses, including legal expenses, whatsoever which they or any of them may incur as a result of any act or failure to act in carrying out their functions other than such liability (if any) that they may incur by reason of their own actual fraud or wilful default. No Indemnified Person shall be liable to the Company for any loss or damage incurred by the Company as a result (whether direct or indirect) of the carrying out of their functions unless that liability arises through the actual fraud or wilful default of such Indemnified Person. No person shall be found to have committed actual fraud or wilful default under the Articles of Association unless or until a court of competent jurisdiction shall have made a finding to that effect. A permitted indemnity provision (within the meaning of section 469 of the Companies Ordinance) for the benefit of the Directors of the Company was in force during the Reporting Period and remains in force as at the date of this annual report.

## CONTINUING CONNECTED TRANSACTIONS

Upon Listing, transactions between members of the Group and the Company's connected persons have become connected transactions under Chapter 14A of the Listing Rules.

Among the related party transactions disclosed in note 42 to the Financial Statements, the transactions are entered into with Shenzhen Tencent Computer Systems Company Limited (深圳市騰訊計算機系統有限公司) ("Tencent Computer") constituted the partially-exempt continuing connected transaction of the Group of the year ended 31 December 2025. Tencent Computer is a subsidiary of Tencent, which is a substantial Shareholder of the Company, and therefore Tencent Computer is a connected person of the Company under Rule 14A.07(4) of the Listing Rules. The Company confirmed that the other related party transactions as disclosed in the note 42 to the Financial Statements do not fall under the definition of "connected transaction" or "continuing connected transaction" (as the case may be) in Chapter 14A of the Listing Rules.

## Directors' Report

### Tencent Group Framework Agreement

On 7 September 2023, the Company entered into a business cooperation and service framework agreement with Tencent Computer (the "**Tencent Group Framework Agreement**"), pursuant to which Tencent Computer and its affiliates (the "**Tencent Group**") would provide to the Group (i) cloud services; (ii) advertising services; and (iii) payment services.

The terms of the Tencent Group Framework Agreement were entered into on normal commercial terms after arm's length negotiations and the transactions under the Tencent Group Framework Agreement commence on the Listing Date and continue until 31 December 2025 (both dates inclusive).

#### *Cloud services*

Pursuant to Tencent Group Framework Agreement, Tencent Group will provide certain technology services, including but not limited to provision of cloud services and other cloud-related technical services to the Group (the "**Tencent Cloud Services**"), allowing a higher degree of flexibility in managing the IT infrastructure of the Group. The service fees will be determined after arm's length negotiation between the parties based on the fee rates disclosed on the relevant websites of the Tencent Group.

The annual cap of the Tencent Cloud Services for the year ended 31 December 2025 is approximately RMB40.0 million, while the actual transaction amount for the year ended 31 December 2025 was approximately RMB17.5 million.

#### *Advertising services*

Pursuant to Tencent Group Framework Agreement, Tencent Group will provide the Group with advertising solutions utilising its communication channels, social media channels and online advertising platforms ("**Tencent Advertising Services**"), on which the Group will send promotional messages to potential users in relation to the mobile application and website. The service fee will be charged on the basis of (i) the price of each click and the aggregate number of clicks of online users; (ii) the number of impressions generated by the Tencent Advertising Services to online users; and (iii) the number of advertisement served or delivered through the Tencent Advertising Services.

The annual cap of the Tencent Advertising Services for the year ended 31 December 2025 is approximately RMB112.0 million, while the actual transaction amount for the year ended 31 December 2025 was approximately RMB79.9 million.

#### *Payment services*

Pursuant to Tencent Group Framework Agreement, Tencent Group will provide the Group with payment services through its payment channel ("**Tencent Payment Services**") in order to enable the Company's users to conduct online transactions on the Company's platform through Tencent Group payment channels. The service fee will be determined after arm's length negotiation between the parties with reference to the market rates. The charge rates and calculation method shall be agreed between the parties separately.

The annual cap of the Tencent Payment Services for the year ended 31 December 2025 is approximately RMB120.0 million, while the actual transaction amount for the year ended 31 December 2025 was approximately RMB67.8 million.

## Directors' Report

The Tencent Group Framework Agreement expired on 31 December 2025. As the Company intended to continue the transactions contemplated thereunder, the Company (for itself and on behalf of its subsidiaries) and Tencent Computer (for itself and on behalf of the represented Tencent Group) entered into the business cooperation and service framework agreement on 27 November 2025 (the “**2025 Tencent Group Framework Agreement**”) for a term of three years from 1 January 2026 to 31 December 2028 (both days inclusive). Details of the 2025 Tencent Group Framework Agreement are set out in the announcement of the Company dated 27 November 2025.

### Annual Review by the Independent Non-executive Directors and the Auditor

The independent non-executive Directors have confirmed that the above continuing connected transactions were entered into by the Group: (i) in the ordinary and usual course of its business; (ii) on normal commercial terms or better; and (iii) in accordance with the relevant agreements (including the pricing principle and guidelines set out therein) governing them and on terms that were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Auditor has reviewed the continuing connected transactions referred to above and confirmed to the Board that such continuing connected transactions: (i) have received the approval of the Board; (ii) were entered into in accordance with the relevant agreements governing the transactions; and (iii) have not exceeded the caps.

The Company confirms that, in respect of the continuing connected transactions disclosed above, the Group has during the Reporting Period followed the pricing policies and guidelines as set out in the relevant framework agreements when determining the price and terms of such transactions.

Save as disclosed in this annual report, during the year ended 31 December 2025, the Company had no connected transactions or continuing connected transactions which are required to be disclosed under the Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules with respect to the connected transactions and continuing connected transactions entered into by the Group during the year ended 31 December 2025.

## EQUITY INCENTIVE SCHEMES AND EQUITY-LINKED ACTIVITIES

As of the Latest Practicable Date, the Company had adopted three share schemes, namely 2019 Share Incentive Plan, Post-IPO Share Scheme and the Second Post-IPO Share Scheme (Existing Shares).

### 2019 Share Incentive Plan

The 2019 Share Incentive Plan has been adopted by the Company on 31 October 2019. The principal terms of the Pre-IPO Share Option Scheme are set out in “Appendix IV – Statutory and General Information” of the Prospectus.

A summary of the principal terms of the 2019 Share Incentive Plan is set out below:

#### *Purpose*

The purpose of the 2019 Share Incentive Plan is to promote the success and enhance the value of the Company by linking the personal interests of the Directors, employees, and consultants to those of Shareholders and by providing such individuals with an incentive for outstanding performance to generate superior returns to Shareholders.

## Directors' Report

### *Eligible Participants*

Any person, including an employee, a director or a consultant (“**Service Provider**”) employed by the Company or trusts or companies established in connection with any employee benefit plan of the Company for the benefits of the Service Providers.

### *Maximum Number of Class A Shares Available for Issue*

The overall limit on the number of underlying Class A Shares pursuant to the 2019 Share Incentive Plan is 93,737,185 Class A Shares, representing approximately 11.3% of the total issued Shares of the Company (excluding treasury Shares) as of the date of this annual report, being 827,690,689 Shares.

### *Maximum Entitlement of Each Participant*

The 2019 Share Incentive Plan contains no provisions on the maximum entitlement of each participant.

### *Option Period*

Subject to the sole discretion of the administrator, the options period under the 2019 Share Incentive Plan shall not exceed ten years from the date of grant.

### *Vesting Period*

The administrator of the 2019 Share Incentive Plan determines the vesting period, which is specified in the relevant award agreement.

### *Acceptance of Offers of Awards*

The grantees were not required to pay any consideration for the granting of the outstanding options, restricted shares or restricted share units under the 2019 Share Incentive Plan.

### *Basis of Determining the Exercise Price or Issue Price*

The exercise price of all the options granted under the 2019 Share Incentive Plan is US\$0.00002 per Class A Share. The issue price of all restricted shares and restricted share units under the 2019 Share Incentive Plan is nil.

### *Remaining Life*

The 2019 Share Incentive Plan shall continue in effect for a term of ten years from its date of effectiveness. The remaining life of the 2019 Share Incentive Plan is over three years.

Up to the Listing Date, the Company had conditionally granted options or restricted shares to 931 participants under the 2019 Share Incentive Plan, a portion of which granted to Mr. Chen Min corresponding to 12,275,149 Shares has been vested and issued as Class A Shares on the Listing Date. Upon Listing, there is no options, restricted shares or restricted share units available for grant under the 2019 Share Incentive Plan.

## Directors' Report

The following table shows detail of outstanding options granted under the 2019 Share Incentive Plan during the year ended 31 December 2025:

Name and Category of grantee	Date of grant	Option period <sup>(1)</sup>	Vesting period	Exercise price	Performance target	Number of Class A Shares underlying options					Outstanding as of 31 December 2025	Weighted average closing price per Class A Share immediately before the date of exercise
						Outstanding as of 1 January 2025	Granted between 1 January 2025 to 31 December 2025	Exercised between 1 January 2025 to 31 December 2025	Cancelled between 1 January 2025 to 31 December 2025	Lapsed between 1 January 2025 to 31 December 2025		
<i>Director</i>												
Mr. Chen Min	1 May 2021	10 years	4 years	US\$0.00002 per Class A Share	N/A	850,000	-	637,500	-	-	212,500	HK\$17.84
Mr. Hu Xiaodong	1 May 2021	10 years	4 years	US\$0.00002 per Class A Share	N/A	300,000	-	-	-	-	300,000	N/A
<i>Other grantees</i>												
Employees and consultants	1 January 2017 – 1 September 2023	-	1 – 5 years	US\$0.00002 per Class A Share	N/A	28,270,500	-	6,417,603	26,687	427,505	21,398,705	HK\$18.43
<b>Total</b>						<b>29,420,500</b>	<b>-</b>	<b>7,055,103</b>	<b>26,687</b>	<b>427,505</b>	<b>21,911,205</b>	

### Notes:

- (1) The exercise period of the options granted under the 2019 Share Incentive Plan commence from the date on which the relevant options become vested and end on the 10th anniversary of the grant date, subject to the terms of the 2019 Share Incentive Plan.

## Post-IPO Share Scheme

Post-IPO Share Scheme has been adopted by the Company on 7 September 2023. The principal terms of Post-IPO Share Scheme are set in “Appendix IV – Statutory and General Information” in the Prospectus.

A summary of the principal terms of the Post-IPO Share Scheme is set out below:

### Purpose

The purpose of the Post-IPO Share Scheme is to provide selected participants with the opportunity to acquire proprietary interests in the Company so as to align the interests of the selected participants with those of the Company and to encourage selected participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.

## Directors' Report

### *Eligible Participants*

Participants of the Post-IPO Share Scheme include any individual, who is:

- (i) an employee (whether full-time or part-time), director or officer of any member of the Group, including persons who are granted awards under the Post-IPO Share Scheme as an inducement to enter into employment contracts with any member of the Group;
- (ii) an employee (whether full-time or part-time), director or officer of: (a) a holding company; (b) subsidiaries of the holding company other than members of the Group; or (c) any company which is an associate of the Company; or
- (iii) who is a consultant or an adviser who in the opinion of the Directors has contributed or will contribute to the growth and development of the Group, a franchisee of the Group and a partner store operator of the Group (whether it is an individual or a corporate entity), or an advertising service provider, a software service provider, a warehousing and logistics services provider or a labour service provider who in the opinion of the administrator has contributed or will contribute to the growth and development of the Group ("**Service Provider Participants**")

### *Maximum Number of Class A Shares Available for Issue*

The total number of Class A Shares which may be issued upon exercise of all awards to be granted under the Post-IPO Share Scheme is 48,862,286 Class A Shares (the "**Scheme Mandate Limit**"), representing approximately 5.9% of the total issued Shares of the Company (excluding treasury Shares) as of the date of this annual report, being 827,690,689 Shares. Options which have lapsed in accordance with the terms of the rules of the Post-IPO Share Scheme (or any other share option schemes of the Company) shall not be counted for the purpose of calculating the Scheme Mandate Limit.

The total number of Shares which may be issued pursuant to awards to be granted to Service Provider Participants under the Post-IPO Share Scheme is 8,143,714 Class A Shares (the "**Service Provider Sublimit**"), representing approximately 1.0% of the total issued Shares of the Company (excluding treasury Shares) as of the date of this annual report, being 827,690,689 Shares.

The Scheme Mandate Limit and the Service Provider Sublimit may be refreshed (i) from the later of three years after the adoption date of the Post-IPO Share Scheme or three years after the date of the previous Shareholder approval for refreshment of the Scheme Mandate Limit or Service Provider Sublimit (as the case may be) or (ii) by obtaining prior approval of the Shareholders in general meeting and subject to compliance with any additional requirements prescribed under the Listing Rules from time to time. However, the refreshed Scheme Mandate Limit cannot exceed 10% of the Class A Shares in issue as of the date of such approval. Awards previously granted under the Post-IPO Share Scheme and any other share option schemes of the Company (and to which provisions of Chapter 17 of the Listing Rules are applicable) (including those outstanding, cancelled or lapsed in accordance with its terms or exercised), shall not be counted for the purpose of calculating the refreshed Scheme Mandate Limit.

## Directors' Report

### *Maximum Entitlement of Each Participant*

Unless approved by the Shareholders, the total number of Shares issued and to be issued upon exercise of the options granted and to be granted under the Post-IPO Share Scheme and any other share option scheme(s) of the Company to each selected participant (including both exercised and outstanding options) in any twelve-month period shall not exceed (i) 0.1% of the total number of Class A ordinary shares in issue at the date of such grant, in the case of a participant who is a director, chief executive officer, or substantial shareholder of the Company, or (ii) 1% of the total number of Class A ordinary shares in issue at the date of such grant, in the case of any other participant.

### *Option Period*

Subject to the sole discretion of the administrator, the options under the Post-IPO Share Scheme shall not be exercisable (to the extent not already exercised) on the expiry of the tenth anniversary from the date of grant.

### *Vesting Period*

The vesting period in respect of any awards shall be not less than 12 months from the date of grant. The administrator of the Post-IPO Share Scheme determines the vesting period, which is specified in the relevant award letter.

### *Acceptance of Offers of Awards*

Unless otherwise specified in the award letter, a grantee shall have 20 business days from the date of grant to accept the offer of awards. A grantee may accept an award by giving written notice of their acceptance to the administrator, together with remittance in favour of the Company of any consideration payable upon grant of the award.

### *Basis of Determining the Exercise Price or Issue Price*

The exercise price of all the options granted under the Post-IPO Share Scheme shall be determined by the administrator but shall in any event be no less than the higher of: (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant; and (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant.

The issue price for restricted shares or restricted share units granted under the Post-IPO Share Scheme shall be such price determined by the administrator in their absolute discretion and notified to the grantee in the award letter. For the avoidance of doubt, the administrator may determine the issue price to be at nil.

### *Remaining Life*

The Post-IPO Share Scheme shall be valid and effective for the period of ten years commencing on the Listing Date and ending on the 10th anniversary of the Listing Date. The remaining life of the Post-IPO Share Scheme is over seven years.

As of 1 January 2025, being the beginning of the Reporting Period, the total number of restricted shares, restricted share units and options available for grant under the Post-IPO Share Scheme and under the service provider sublimit of Post-IPO Share Scheme were 39,933,447 and 8,143,714, respectively. While as of 31 December 2025, being the end of the Reporting Period, the total number of restricted shares, restricted share units and options available for grant under the Post-IPO Share Scheme and under the service provider sublimit of Post-IPO Share Scheme were 40,363,366 and 8,143,714, respectively.

## Directors' Report

The following table shows detail of movements of the restricted share units granted under the Post-IPO Share Scheme during the year ended 31 December 2025:

Name and Category of grantee	Date of grant	Vesting period	Purchase price	Performance target	Outstanding as of 1 January 2025	Number of Class A Shares underlying restricted share units				Outstanding as of 31 December 2025	Closing price per Class A Share immediately before the date of grant	Fair value of each restricted share units at the date of grant <sup>(1)</sup>	Weighted average closing price per Class A Share immediately before the date of vest
						Granted between 1 January 2025 to 31 December 2025	Vested between 1 January 2025 to 31 December 2025	Cancelled between 1 January 2025 to 31 December 2025	Lapsed between 1 January 2025 to 31 December 2025				
Employees	1 December 2023	48 months	Nil	N/A	2,235,159	-	662,722	-	263,032	1,309,405	N/A	N/A	HK\$17.23
	1 January 2024	47 – 48 months	Nil	N/A	563,986	-	149,492	-	117,305	297,189	N/A	N/A	HK\$17.45
<b>Total</b>					<b>2,799,145</b>	<b>-</b>	<b>812,214</b>	<b>-</b>	<b>380,337</b>	<b>1,606,594</b>			

Note:

- (1) The fair value of each restricted share unit at the date of grant is determined by reference to the closing price of the Company's Class A Shares at the respective date of grant or the trading day immediately preceding the date of grant if it was a non-trading day. The accounting standards and policies adopted for estimating fair value are set out in note 2.4 to the Financial Statements.
- (2) For restricted share units granted outside the Reporting Period, the closing price before the date of grant and the fair value at the date of grant are marked as "N/A".

The following table shows detail of movements of options granted under the Post-IPO Share Scheme during the year ended 31 December 2025:

Name and Category of grantee	Date of grant	Option period	Exercise period <sup>(1)</sup>	Exercise price	Performance target	Outstanding as of 1 January 2025	Number of Class A Shares underlying options				Outstanding as of 31 December 2025	Closing price per Class A Share immediately before the date of grant	Fair value of each options at the date of grant <sup>(2)</sup>	Weighted average closing price per Class A Share immediately before the date of exercise
							Granted between 1 January 2025 to 31 December 2025	Exercised between 1 January 2025 to 31 December 2025	Cancelled between 1 January 2025 to 31 December 2025	Lapsed between 1 January 2025 to 31 December 2025				
Employees	1 December 2023	10 years	48 months	HK\$33.0	N/A	1,018,094	-	-	-	49,582	968,512	N/A	N/A	N/A
<b>Total</b>						<b>1,018,094</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,582</b>	<b>968,512</b>			

Notes:

- (1) The exercise period of the options granted under the Post-IPO Share Scheme shall commence from the date on which the relevant options become vested and end on the 10th anniversary on the grant date, subject to the terms of the Post-IPO Share Scheme.
- (2) The fair value of each option at the date of grant is determined by reference to the closing price of the Company's Class A Shares at the respective date of grant or the trading day immediately preceding the date of grant if it was a non-trading day. The accounting standards and policies adopted for estimating fair value are set out in note 2.4 to the Financial Statements.
- (3) For options granted outside the Reporting Period, the closing price before the date of grant and the fair value at the date of grant are marked as "N/A".

## Directors' Report

As of 31 December 2025, the Shares that may be issued in respect of all the options, restricted shares and restricted share units granted under 2019 Share Incentive Plan and Post-IPO Share Scheme, represented approximately 3.20% the weighted average number of Class A Shares of the Company (excluding any treasury Shares) for the year ended 31 December 2025. The Second Post-IPO Share Scheme (Existing Shares) (set out below) is funded by existing Class A Shares only and accordingly does not result in any dilution to existing Shareholders.

### Second Post-IPO Share Scheme (Existing Shares)

On 25 June 2024, the Company announced the Second Post-IPO Share Scheme (Existing Shares). On 27 November 2025, the Board approved the amendments to the Second Post-IPO Share Scheme (Existing Shares), pursuant to which the total numbers of Shares available for grant was adjusted to 73,310,000 Class A Shares, which shall consist of existing Class A Shares only as referred to under Rule 17.01(1)(b) of the Listing Rules.

A summary of the principal terms of the Post-IPO Share Scheme is set out below:

#### *Purpose*

The purpose of the Second Post-IPO Share Scheme (Existing Shares) is (i) to provide the Company with a flexible means of remunerating, incentivising, retaining, rewarding, compensating and/or providing benefits to eligible participants, (ii) to align the interests of eligible participants with those of the Company and Shareholders by providing such eligible participants with the opportunity to acquire proprietary interests in the Company, and (iii) to encourage eligible participants to contribute to the long-term growth and profits of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.

#### *Eligible Participants*

Eligible participants under the Second Post-IPO Share Scheme (Existing Shares) include (i) employees (whether full-time or part-time), director or officer of any member of the Group; (ii) employee (whether full-time or part-time), director or officer of any related entities (including (a) a company of which the Company is a subsidiary, (b) any subsidiary of a company of which the Company is a subsidiary other than members of the Group, or (c) any company which is an associate of the Company); and (iii) any consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of the Group or any related entities of the Group, who as determined by the scheme administrator in its sole discretion has contributed or will contribute to the growth of the Group.

#### *Maximum Number of Class A Shares Available for Grant*

The total number of Class A Shares which may be granted under the Second Post-IPO Share Scheme (Existing Shares) is 73,310,000 Class A Shares which shall consist of existing Shares only, representing approximately 8.9% of the total issued Shares of the Company (excluding treasury Shares) as of the date of this annual report, being 827,690,689 Shares.

## Directors' Report

The total number of Class A Shares which may be granted to consultant participants under the Second Post-IPO Share Scheme (Existing Shares) is 8,251,228 Class A Shares which shall consist of existing Shares only, representing 1.0% of the total issued Shares of the Company (excluding treasury Shares) as of the date of approval of the revised Second Post-IPO Share Scheme (Existing Shares). The Board may refresh the scheme mandate limit and/or the consultant sublimit at any time, subject to compliance with any additional requirements set out in the Listing Rules.

### *Maximum Entitlement of Each Participant*

Unless otherwise approved by the Board, the total number of options or restricted share units granted to any selected participant under the Second Post-IPO Share Scheme (Existing Shares) during any twelve-month period up to and including the date of grant (excluding any options or restricted share units that have lapsed in accordance with the terms of the Scheme) shall not exceed, in aggregate: (i) 0.1% of the total number of Class A Shares in issue as at the date of grant, in the case of a participant who is a Director, chief executive officer, or substantial Shareholder of the Company; or (ii) 1.0% of the total number of Class A Shares in issue as at the date of grant, in the case of any other participant.

### *Exercise Period*

The exercise period for awards in the form of share options under the Second Post-IPO Share Scheme (Existing Shares) shall in any event be no longer than 10 years from the grant date.

### *Vesting Period*

The scheme administrator or the Board may in respect of each award and subject to all applicable laws, rules and regulations determine such vesting criteria and conditions or periods for vesting of awards in its sole and absolute discretion. The relevant vesting date of any award shall be set out in the award letter.

### *Exercise Price and Basis of Determination*

The purchase price or exercise price of each award shall be determined by the scheme administrator or the Board in its absolute discretion.

### *Remaining Life*

Unless terminated as determined by the Board, the Second Post-IPO Share Scheme (Existing Shares) shall be valid and effective for a term of ten years commencing on the adoption date, after which no further awards will be granted. The remaining life of the Second Post-IPO Share Scheme (Existing Shares) is over eight years.

From the adoption date of the Second Post-IPO Share Scheme (Existing Shares) to 31 December 2025, being the end of Reporting Period, 192,220 options and 37,790,286 restricted share units were granted under the Second Post-IPO Share Scheme (Existing Shares).

## Directors' Report

The following table shows detail of movements of options granted under the Second Post-IPO Share Scheme (Existing Shares) during the year ended 31 December 2025:

Name and Category of grantee	Date of grant	Option period	Exercise period <sup>(1)</sup>	Exercise price	Performance target	Number of Class A Shares underlying options					Outstanding as of 31 December 2025	Closing price per Class A Share immediately before the date of grant	Fair value of each option at the date of grant <sup>(2)</sup>
						Granted between 1 January 2025 to 31 December 2025	Exercised between 1 January 2025 to 31 December 2025 <sup>(3)</sup>	Cancelled between 1 January 2025 to 31 December 2025	Lapsed between 1 January 2025 to 31 December 2025	Outstanding as of 31 December 2025			
Employees	31 May 2024	10 years	-	US\$0.00002 per Class A Share	N/A	60,000	-	60,000	-	-	-	N/A	N/A
	1 April 2025	10 years	-	US\$0.00002 per Class A Share	N/A	-	132,220	-	-	-	132,220	HK\$17.86	HK\$17.68
<b>Total</b>						<b>60,000</b>	<b>132,220</b>	<b>60,000</b>	<b>-</b>	<b>-</b>	<b>132,220</b>		

### Notes:

- The exercise period of the options granted under the Second Post-IPO Share Scheme (Existing Shares) shall commence from the date on which the relevant options become vested and end on the 10th anniversary from the grant date, subject to the terms of the Second Post-IPO Share Scheme (Existing Shares).
- The fair value of each option at the date of grant is determined by reference to the closing price of the Company's Class A Shares at the respective date of grant or the trading day immediately preceding the date of grant if it was a non-trading day. The accounting standards and policies adopted for estimating fair value are set out in note 2.4 to the Financial Statements.
- The weighted average closing price of Class A Shares immediately before the dates on which the options were exercised during the Reporting Period was HK\$19.80 per Class A Share.
- For options granted outside the Reporting Period, the closing price before the date of grant and the fair value at the date of grant are marked as "N/A".

## Directors' Report

The following table shows detail of movements of the restricted share units granted under the Second Post-IPO Share Scheme (Existing Shares) during the year ended 31 December 2025:

Name and Category of grantee	Date of grant	Vesting period	Purchase price	Performance target	Outstanding as of 1 January 2025	Number of Class A Shares underlying restricted share units				Outstanding as of 31 December 2025	Closing price per Class A Share immediately before the date of grant	Fair value of each option at the date of grant <sup>(1)</sup>
						Granted between 1 January 2025 to 31 December 2025	Vested between 1 January 2025 to 31 December 2025	Cancelled between 1 January 2025 to 31 December 2025	Lapsed between 1 January 2025 to 31 December 2025			
<i>Five highest paid individuals</i>												
Five highest paid individuals	1 December 2024	12-48 months	Nil	N/A	1,796,852	-	199,213	-	-	1,597,639	N/A	N/A
	1 December 2025	48 months	Nil	N/A	-	4,969,014	-	-	-	4,969,014	HK\$17.23	HK\$17.06
<i>Other grantees</i>												
Employees	1 July 2024	48 months	Nil	N/A	2,544,852	-	637,043	-	208,597	1,699,212	N/A	N/A
	1 October 2024	48 months	Nil	N/A	1,994,614	-	448,951	-	451,857	1,093,806	N/A	N/A
	1 December 2024	48 months	Nil	N/A	6,074,783	-	1,412,994	-	432,244	4,229,545	N/A	N/A
	1 January 2025	48 months	Nil	N/A	-	1,430,039	111,809	-	171,910	1,146,320	HK\$18.00	HK\$18.00
	1 April 2025	48 months	Nil	N/A	-	5,185,483	-	-	-	5,185,483	HK\$17.86	HK\$17.68
	1 July 2025	48 months	Nil	N/A	-	1,812,186	-	-	89,434	1,722,752	HK\$19.36	HK\$19.36
	1 October 2025	48 months	Nil	N/A	-	2,345,774	-	-	922,206	2,253,568	HK\$19.15	HK\$19.15
	1 December 2025	48 months	Nil	N/A	-	8,904,964	-	-	-	8,904,964	HK\$17.23	HK\$17.06
<b>Total</b>					<b>12,411,101</b>	<b>24,647,460</b>	<b>2,810,010</b>	<b>-</b>	<b>1,446,248</b>	<b>32,802,303</b>		

*Note:*

- (1) The fair value of each restricted share unit at the date of grant is determined by reference to the closing price of the Company's Class A Shares at the respective date of grant or the trading day immediately preceding the date of grant if it was a non-trading day. The accounting standards and policies adopted for estimating fair value are set out in note 2.4 to the Financial Statements.
- (2) For the five highest paid individuals, the weighted average closing price of Class A Shares immediately before the dates on which the restricted share units were vested during the Reporting Period was HK\$17.23 per Class A Share.
- (3) For the employees, the weighted average closing price of Class A Shares immediately before the dates on which the restricted share units were vested during the Reporting Period was HK\$17.64 per Class A Share.
- (4) For restricted share units granted outside the Reporting Period, the closing price before the date of grant and the fair value at the date of grant are marked as "N/A".

## Directors' Report

### Convertible Securities, Options, Warrants or Similar Rights

Save for options, restricted shares or restricted share units granted, vested or exercised as disclosed in “– 2019 Share Incentive Plan”, “– Post-IPO Share Scheme” and “– Second Post-IPO Share Scheme (Existing Shares)” of this Directors' report, there had been no convertible securities, options, warrants or other similar rights issued or granted by the Company or any of its subsidiaries during the year ended 31 December 2025, and there had been no outstanding convertible securities, options, warrants or other similar rights as at 31 December 2025.

### Equity Securities and Equity-Linked Agreement

During the year ended 31 December 2025, the Company did not carry out fundraising activities by way of issue of equity securities or sale of treasury Shares.

Save as otherwise disclosed herein, other than the 2019 Share Incentive Plan, Post-IPO Share Scheme and Second Post-IPO Share Scheme (Existing Shares), no equity-linked agreements that will or may result in the Company issuing shares, or that require the Company to enter into any agreements that will or may result in the Company issuing shares, were entered into by the Company during the year ended 31 December 2025 or subsisted at the end of 2025.

### Investment Policy

The Company's investment policy aims to preserve and grow its assets while exploring strategic opportunities that align with its corporate strategy and principal business operations. The purpose of the investments is to generate long-term value, maintain sufficient liquidity for operational needs, and foster potential synergies with other enterprises to support future growth. The investment strategy is closely aligned with the Company's corporate strategy, focusing on assets that complement its principal businesses and strategic priorities.

## Directors' Report

Investments of the Company may include equity investments, acquisitions of assets, securities and fund investments, entrusted wealth management, and other permitted investment activities. The Company does not engage in speculative investment activities and generally avoids high-risk or highly leveraged financial products.

Investment decisions are subject to its internal control mechanism, including pre-investment evaluation and due diligence procedures, concentration monitoring and periodic review of performance and risks, as well as a tiered approval mechanism based on transaction size. Significant investments are subject to audit or valuation requirements where applicable. The Board shall oversee the investment strategy and risk management. The Company shall also ensure compliance with applicable disclosure obligations under the Listing Rules in respect of the investment activities.

## CONTINUING DISCLOSURE OBLIGATION PURSUANT TO THE LISTING RULES

The Directors confirm that, as at 31 December 2025: (i) save as disclosed under “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” in respect of equity collar option transactions and securities-lending arrangements entered into by Nholresi Investment Limited and TroisUnis. HU Investment Limited, no Shares held by the Controlling Shareholders were pledged in respect of any loan to the Group; and (ii) the Group was not party to any loan agreement that contains a covenant relating to specific performance obligations of any Controlling Shareholder which would trigger disclosure under Rule 13.18 of the Listing Rules.

As of 31 December 2025, the Directors were not aware of any circumstances giving rise to the disclosure obligations under Rules 13.20, 13.21, 13.22, 14.36B and 14A.63 of the Listing Rules.

## SIGNIFICANT EVENTS AFTER THE YEAR ENDED 31 DECEMBER 2025

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2025 and up to the Latest Practicable Date.

By order of the Board

**TUHU Car Inc.**

**Mr. Chen Min**

*Chairman*

20 March 2026

# Independent Auditor's Report



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## To the shareholders of TUHU Car Inc.

(Incorporated in the Cayman Islands with limited liability)

## OPINION

We have audited the consolidated financial statements of TUHU Car Inc. (the "Company") and its subsidiaries (the "Group") set out on pages 98 to 195, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

## BASIS FOR OPINION

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

## KEY AUDIT MATTERS

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

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

## Independent Auditor's Report



### KEY AUDIT MATTERS (CONTINUED)

#### Key audit matter

#### How our audit addressed the key audit matter

##### **Write-down of inventories**

As at 31 December 2025, the net carrying value of inventories amounted to RMB2,373,234,000, which represented 17.6% of the Group's total assets. The Group states inventories at the lower of cost and net realisable value. The Group's management reviewed the conditions of inventories of the Group and determined the write-down of obsolete and slow-moving inventory items. Write-down for obsolete inventories is based on management's estimation using the available facts and circumstances, including but not limited to, the inventories' own physical conditions, their ageing, market demand and selling prices.

We focus this area as the inventories are material to the Group and the determination of the write-down of inventories involves significant estimation from management.

Details are set out in note 2.4, note 3 and note 23 to the financial statements for related disclosures.

Our related key procedures included, amongst others, (i) obtaining an understanding of the accounting policy for write-down of inventories, evaluating the methods and assumptions used to determine the write-down amounts; (ii) understanding and evaluating the design and operating effectiveness of the internal controls over the impairment assessment of inventories; (iii) examining the inventory ageing and the usage of inventories on a sample basis; (iv) recalculating the write-down amounts to check the mathematical accuracy of the calculation; (v) observing physical inventory counts at major locations and checking the condition of inventories on a sample basis; and (vi) comparing the subsequent selling prices less costs of disposal of finished goods sold, on a sample basis, to their carrying amounts.

### OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon. We obtained Section Management Discussion and Analysis prior to the date of our auditor's report, and we expect to obtain the rest Sections of the Annual Report after the date of our auditor's report.

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

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

## Independent Auditor's Report



### RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

## Independent Auditor's Report



### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

## Independent Auditor's Report



### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

The engagement partner on the audit resulting in this independent auditor's report is Wong Kwok Yin (practising certificate number: P05403).

**Ernst & Young**

*Certified Public Accountants*

Hong Kong

20 March 2026

## Consolidated Statement of Profit or Loss

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
Revenue	5	16,461,611	14,758,694
Cost of revenue		(12,494,084)	(11,012,716)
Gross profit		3,967,527	3,745,978
Other income and gains, net	6	118,457	62,007
Operations and support expenses		(681,209)	(576,569)
Research and development expenses		(763,655)	(639,785)
Selling and marketing expenses		(2,024,946)	(1,916,253)
General and administrative expenses		(399,960)	(354,891)
Fair value changes on financial assets at fair value through profit or loss	7	35,998	10,544
Operating profit		252,212	331,031
Finance income	8	175,936	183,420
Finance costs	8	(11,960)	(15,701)
Share of profits and losses of joint ventures and associates		6,298	(11,557)
PROFIT BEFORE TAX	9	422,486	487,193
Income tax expense	12	(3,086)	(5,155)
PROFIT FOR THE YEAR		419,400	482,038
Attributable to:			
Owners of the parent		420,394	483,794
Non-controlling interests		(994)	(1,756)
		419,400	482,038
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	14		
Basic (RMB)		0.5	0.6
Diluted (RMB)		0.5	0.6

## Consolidated Statement of Comprehensive Income

Year ended 31 December 2025

	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
PROFIT FOR THE YEAR	<b>419,400</b>	482,038
OTHER COMPREHENSIVE INCOME		
Other comprehensive income/(loss) that will be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the financial statements of the subsidiaries of the Company	<b>170,319</b>	(114,598)
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	<b>154,475</b>	(11,586)
Exchange differences on translation of the financial statements of the Company	<b>(255,728)</b>	171,458
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	<b>69,066</b>	45,274
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<b>488,466</b>	527,312
Attributable to:		
Owners of the parent	<b>489,460</b>	529,068
Non-controlling interests	<b>(994)</b>	(1,756)
	<b>488,466</b>	527,312

## Consolidated Statement of Financial Position

31 December 2025

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	15	1,069,993	1,046,417
Right-of-use assets	16(a)	384,305	398,257
Goodwill	17	24,044	20,323
Other intangible assets	18	23,739	54,337
Long-term treasury investments	26	2,364,878	1,871,794
Financial investments at fair value through profit or loss	19	199,772	199,917
Investments in joint ventures and associates	20	378,987	376,251
Equity investments designated at fair value through other comprehensive income	21	–	349,934
Restricted cash	27	145,458	91,500
Deferred tax assets	32	9,687	–
Other non-current assets	22	16,826	23,233
Total non-current assets		4,617,689	4,431,963
<b>CURRENT ASSETS</b>			
Inventories	23	2,373,234	2,118,684
Trade receivables	24	362,459	226,116
Prepayments, other receivables and other assets	25	371,200	462,106
Short-term treasury investments	26	2,759,367	3,073,842
Restricted cash	27	1,093,287	1,109,080
Cash and cash equivalents	27	1,923,850	1,375,448
Total current assets		8,883,397	8,365,276

Continued/...

## Consolidated Statement of Financial Position

31 December 2025

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	28	5,067,135	4,457,577
Other payables and accruals	29	1,661,004	1,626,708
Contract liabilities	30	729,125	871,239
Interest-bearing borrowings	31	202	7,507
Tax payable		125,991	117,052
Lease liabilities	16(b)	106,654	118,846
Total current liabilities		7,690,111	7,198,929
<b>NET CURRENT ASSETS</b>			
		1,193,286	1,166,347
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		5,810,975	5,598,310
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing borrowings	31	1,700	–
Contract liabilities	30	51,629	46,798
Lease liabilities	16(b)	176,014	185,589
Deferred tax liabilities	32	–	7,391
Other non-current liabilities	33	528,057	499,154
Total non-current liabilities		757,400	738,932
<b>Net assets</b>			
		5,053,575	4,859,378
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	34	118	118
Reserves	35	5,056,434	4,862,215
		5,056,552	4,862,333
Non-controlling interests		(2,977)	(2,955)
<b>Total equity</b>		<b>5,053,575</b>	<b>4,859,378</b>

Mr. Chen Min  
Director

Mr. Hu Xiaodong  
Director

## Consolidated Statement of Changes in Equity

Year ended 31 December 2025

Attributable to ordinary equity holders of the parent											
Notes	Share capital RMB'000 (Note 34)	Treasury shares* RMB'000 (Note 34)	Share premium* RMB'000 (Note 35)	Capital reserve* RMB'000 (Note 35)	Share-based payment reserve* RMB'000 (Note 35)	Fair value reserve of financial assets		Accumulated losses* RMB'000	Exchange fluctuation reserve* RMB'000 (Note 35)	Non-controlling interests RMB'000	Total equity RMB'000
						Share-based payment reserve* RMB'000 (Note 35)	through other comprehensive income* RMB'000 (Note 35)				
At 1 January 2025	118	(76,754)	16,991,998	117,087	727,235	(71,348)	(1,215,944)	(11,610,059)	4,862,333	(2,955)	4,859,378
Profit for the year	-	-	-	-	-	-	-	420,394	420,394	(994)	419,400
Other comprehensive income for the year:											
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	-	-	-	-	-	154,475	-	-	154,475	-	154,475
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(85,409)	-	(85,409)	-	(85,409)
Total comprehensive income for the year	-	-	-	-	-	154,475	(85,409)	420,394	489,460	(994)	488,466
Transfer of fair value reserve upon disposal of equity investments designated at fair value through other comprehensive income to accumulated losses	-	-	-	-	-	(83,127)	-	83,127	-	-	-
Share-based payments	36	-	-	-	280,719	-	-	-	280,719	-	280,719
Repurchase of shares	34	-	(574,788)	-	-	-	-	-	(574,788)	-	(574,788)
Exercise of share-based payments	34	**	-	144,858	(144,858)	-	-	-	-	-	-
Release of ordinary shares from treasury shares	34	-	51,012	5,721	(56,733)	-	-	-	-	-	-
Purchase of non-controlling interests	-	-	-	(1,172)	-	-	-	-	(1,172)	972	(200)
At 31 December 2025	118	(600,530)	17,142,577	115,915	806,363	-	(1,301,353)	(11,106,538)	5,056,552	(2,977)	5,053,575

\* These reserve accounts comprise the consolidated reserves of RMB5,056,434,000 (2024: RMB4,862,215,000) in the consolidated statement of financial position.

\*\* Less than RMB1,000

## Consolidated Statement of Changes in Equity

Year ended 31 December 2025

Attributable to ordinary equity holders of the parent

Notes	Share capital RMB'000 (Note 34)	Treasury shares RMB'000 (Note 34)	Share premium RMB'000 (Note 35)	Capital reserve RMB'000 (Note 35)	Share-based payment reserve RMB'000 (Note 35)	Fair value reserve of financial assets		Accumulated losses RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
						comprehensive income RMB'000 (Note 35)	Exchange fluctuation reserve RMB'000 (Note 35)				
At 1 January 2024	118	-	16,991,133	122,821	772,319	(59,762)	(1,272,804)	(12,093,853)	4,459,972	(1,653)	4,458,319
Profit for the year	9	-	-	-	-	-	-	483,794	483,794	(1,756)	482,038
Other comprehensive income for the year:											
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax		-	-	-	-	(11,586)	-	-	(11,586)	-	(11,586)
Exchange differences on translation of foreign operations		-	-	-	-	-	56,860	-	56,860	-	56,860
Total comprehensive income for the year		-	-	-	-	(11,586)	56,860	483,794	529,068	(1,756)	527,312
Share-based payments	36	-	-	-	142,100	-	-	-	142,100	-	142,100
Repurchase of shares	34	-	(263,075)	-	-	-	-	-	(263,075)	-	(263,075)
Cancellation of shares	34	(2)	185,590	(185,588)	-	-	-	-	-	-	-
Exercise of share-based payments	34	2	-	186,221	(186,221)	-	-	-	2	-	2
Release of ordinary shares from treasury shares	34	-	731	232	(963)	-	-	-	-	-	-
Purchase of non-controlling interests		-	-	(5,734)	-	-	-	-	(5,734)	454	(5,280)
At 31 December 2024	118	(76,754)	16,991,998	117,087	727,235	(71,348)	(1,215,944)	(11,610,059)	4,862,333	(2,955)	4,859,378

## Consolidated Statement of Cash Flows

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax:		<b>422,486</b>	487,193
Adjustments for:			
Finance income	8	<b>(175,936)</b>	(183,420)
Finance costs	8	<b>11,960</b>	15,701
Share of profits and losses of joint ventures and associates	20	<b>(6,298)</b>	11,557
Dividend income from financial assets at fair value through profit or loss		<b>(87)</b>	–
Dividend income from equity investments at fair value through other comprehensive income		<b>(348)</b>	–
Fair value changes of financial assets at fair value through profit or loss	7	<b>(35,998)</b>	(10,544)
Share-based payment expenses	9	<b>280,719</b>	142,100
Gain on disposal of a subsidiary	37	<b>(13,814)</b>	–
Loss on disposal of property, plant and equipment		<b>1,277</b>	2,098
Loss on disposal of intangible assets		<b>19</b>	–
Foreign exchange differences, net	6	<b>5,355</b>	(1,624)
Depreciation of property, plant and equipment	15	<b>175,358</b>	156,185
Depreciation of right-of-use assets	16(a)	<b>123,894</b>	154,456
Amortisation of other intangible assets	18	<b>4,900</b>	5,047
Impairment losses/(reversal of impairment losses) on trade receivables and other receivables	9	<b>4,142</b>	(3,689)
Reversal of write-down of inventories	9	<b>(40,435)</b>	(28,749)
Impairment of property, plant and equipment	15	<b>132</b>	123
Impairment of right-of-use assets	16	<b>3,113</b>	1,451
Termination of leases	16(a)	<b>(2,051)</b>	(4,529)
		<b>758,388</b>	743,356
Increase in inventories		<b>(214,089)</b>	(290,139)
Increase in trade receivables		<b>(141,480)</b>	(4,795)
Decrease in prepayments, other receivables and other assets		<b>81,304</b>	46,414
Decrease in other non-current assets		<b>2,492</b>	6,038
(Increase)/decrease in restricted cash		<b>(43,165)</b>	105,349
Increase in trade and bills payables		<b>609,558</b>	570,821
Increase/(decrease) in other payables and accruals		<b>55,093</b>	(58,908)
(Decrease)/increase in contract liabilities		<b>(137,283)</b>	116,593
Increase in other non-current liabilities		<b>28,903</b>	92,649
Cash generated from operations		<b>999,721</b>	1,327,378
Income tax paid		<b>(3,834)</b>	(8,199)
Net cash flows from operating activities		<b>995,887</b>	1,319,179

Continued/...

## Consolidated Statement of Cash Flows

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends received from a joint venture		3,562	4
Dividends received from financial assets at fair value through profit or loss		87	–
Dividends received from equity investments at fair value through other comprehensive income		348	–
Purchase of items of property, plant and equipment		(242,140)	(321,329)
Purchase of other intangible assets	18	(4,363)	(330)
Purchase of treasury investments		(8,036,598)	(7,894,616)
Proceeds from treasury investments		7,838,124	5,703,657
Purchase of financial investments at fair value through profit or loss		(4,837)	(25,639)
Proceeds from disposal of financial investments at fair value through profit or loss		38,623	2,880
Proceeds from disposal of items of property, plant and equipment		2,158	1,253
Purchase of shareholdings in associates and joint ventures		(8,077)	(10,350)
Acquisition of subsidiaries		(2,513)	–
Proceeds from disposal of equity investments at fair value through other comprehensive income		501,719	–
Disposal of a subsidiary	37	41,277	–
Repayment of loans to equity investees and others		18	662
Interest received		174,134	116,291
Net cash flows from/(used in) investing activities		301,522	(2,427,517)

Continued/...

## Consolidated Statement of Cash Flows

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Principal portion of lease payments	16(b)	(132,771)	(134,414)
Interest portion of lease payments	16(b)	(11,840)	(15,434)
(Increase)/decrease in deposits of leases		(1,792)	6,792
Interest paid		(125)	(269)
New interest-bearing borrowings		2,000	–
Repayments of interest-bearing borrowings		(7,600)	(1,000)
Purchase of non-controlling interest		(200)	(5,280)
Repurchase of ordinary shares		(575,327)	(248,028)
Proceeds from exercise of share options		–*	–*
Decrease in restricted cash		–	156,665
Net cash flows used in financing activities		(727,655)	(240,968)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		569,754	(1,349,306)
Cash and cash equivalents at beginning of year		1,375,448	2,715,285
Effect of foreign exchange rate changes, net		(21,352)	9,469
CASH AND CASH EQUIVALENTS AT END OF YEAR		1,923,850	1,375,448
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash at banks and on hand	27	1,114,740	1,151,889
Time deposits with original maturities within three months	27	809,110	223,559
CASH AND CASH EQUIVALENTS AS STATED IN THE CONSOLIDATED STATEMENT OF CASH FLOWS		1,923,850	1,375,448

\* Less than RMB1,000

# Notes to Financial Statements

Year ended 31 December 2025

## 1. CORPORATE INFORMATION

TUHU Car Inc. (the “Company”) was incorporated in the Cayman Islands on 8 July 2019. The registered address of the Company is located at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. During the year, the Company and its subsidiaries (collectively referred to as the “Group”) primarily provide automotive products and services to consumers in the People’s Republic of China (hereafter, the “PRC”) through its online interfaces, including “Tuhu Automotive Service” Application, its website and Weixin mini program.

### Information about subsidiaries

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

Name	Place and date of incorporation/registration and place of operations	Issued ordinary/registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Beginner Investment Limited	British Virgin Islands 17 July 2019	US\$50,000	100%	–	Investment holding
TUHU Car (Hong Kong) Limited	Hong Kong 29 July 2019	US\$10,000	–	100%	Investment holding
Helicia (Hong Kong) Limited	Hong Kong 18 January 2022	–	–	100%	Investment holding
Shanghai Xirang Information Technology Co., Ltd.* (上海息壤信息技術有限公司)	PRC/Chinese mainland 2 September 2019	RMB6,020,000,000	–	100%	Investment holding
Shanghai Lantu Information Technology Co., Ltd.* (上海蘭途信息技術有限公司)	PRC/Chinese mainland 26 June 2014	RMB6,000,000,000	–	100%	Automotive products and services
Shanghai Tuhong Information Technology Co., Ltd.* (上海途閔信息技術有限公司)	PRC/Chinese mainland 14 September 2023	RMB50,000,000	–	100%	Automotive products and services
Shanghai Zitu E-Commerce Co., Ltd.* (上海紫途電子商務有限公司)	PRC/Chinese mainland 18 April 2014	RMB2,100,000,000	–	100%	Automotive products and services
Shanghai Kanming Advertising Co., Ltd.* (上海刊明廣告有限公司)	PRC/Chinese mainland 23 February 2017	RMB81,000,000	–	100%	Provision of advertising services
Tuhu Car Service (Shanghai) Automobile Service Co., Ltd.* (途虎養車(上海)汽車服務有限公司)	PRC/Chinese mainland 9 October 2018	RMB20,000,000	–	100%	Management of store network
Guangzhou Zengcheng Zilan E-commerce Co., Ltd.* (廣州增城紫蘭電子商務有限公司)	PRC/Chinese mainland 16 January 2022	US\$20,000,000	–	100%	Warehouse and supply Chain

\* These entities are limited liability companies established in the PRC. The English names of these companies represent the best effort made by the management of the Company to directly translate the Chinese names as they do not register any official English names.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards and interpretations as issued by the International Accounting Standards Board (the “IASB”)) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

Certain items and balances in the comparative financial statements have been re-presented to conform with the current year’s financial statement presentation.

#### *Basis of consolidation*

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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.

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.1 BASIS OF PREPARATION (Continued)

#### *Basis of consolidation (Continued)*

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, non-controlling interest and other component of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to IAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

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. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, joint ventures and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions. The Group has considered the guidance in these illustrative examples and the amendments did not have any impact on the Group's financial statements.

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

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

IFRS 18	<i>Presentation and Disclosure in Financial Statements<sup>2</sup></i>
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures<sup>2</sup></i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments<sup>1</sup></i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity<sup>1</sup></i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or joint Venture<sup>3</sup></i>
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency<sup>2</sup></i>
<i>Annual Improvements to IFRS Accounting Standards – Volume 11</i>	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7<sup>1</sup></i>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026

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

<sup>3</sup> No mandatory effective date yet determined but available for adoption

Further information about those IFRS Accounting Standards 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 IFRS Accounting Standards. IFRS 18 and the consequential amendments to other IFRS Accounting Standards 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.

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING 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 IFRS Accounting Standards. 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 IFRS Accounting Standards. IFRS 19 was amended in 2025 to (i) remove disclosure objectives from IFRS 19; (ii) reduce the disclosure requirements relating to supplier finance arrangements and a specific class of financial liabilities; and (iii) replace disclosure requirements relating to management-defined performance measures with a cross-reference to IFRS 18 for entities that use these measures. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply IFRS 19 and its amendments. Some of the Company's subsidiaries are considering the application of IFRS 19 and its amendments in their specified financial statements.

Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* 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.

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (Continued)

Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the “own-use” requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity’s financial performance and future cash flows. The amendments relating to the own-use exception shall be applied retrospectively. Prior periods are not required to be restated and can only be restated without the use of hindsight. The amendments relating to the hedge accounting shall be applied prospectively to new hedging relationships designated on or after the date of initial application. Earlier application is permitted. The amendments to IFRS 9 and IFRS 7 shall be applied at the same time. 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 IASB. However, the amendments are available for adoption now.

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (Continued)

Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency* require the translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. The amendments also require an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy to restate the comparative amounts of a foreign operation whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29 *Financial Reporting in Hyperinflationary Economies*, to the foreign operation's comparative figures. The amendments introduce certain additional disclosures. Earlier application is permitted. 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. However, the amendments do not address how a lessee distinguishes between a lease modification as defined in IFRS 16 and an extinguishment of a lease liability in accordance with IFRS 9. 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.

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING 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.

#### 2.4 MATERIAL ACCOUNTING POLICIES

##### *Investments in associates and joint ventures*

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

##### *Investments in associates and joint ventures (Continued)*

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other case, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

##### *Business combinations and goodwill*

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

##### *Business combinations and goodwill (Continued)*

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

##### *Fair value measurement*

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

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Fair value measurement (Continued)*

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

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

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

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

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

#### *Impairment of non-financial assets*

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, and non-current assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

##### *Impairment of non-financial assets (Continued)*

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

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

##### *Related parties*

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

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
  - (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

##### *Related parties (Continued)*

- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

##### *Property, plant and equipment and depreciation*

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

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

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

Category	Estimated useful life	Estimated residual value
Buildings	20 years	5%
Machinery	2 to 5 years	5%
Motor vehicles	3 to 5 years	5%
Furniture and fixtures	2 to 5 years	5%
Leasehold improvements	Over the shorter of the lease term and estimated useful lives	0%

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

##### *Property, plant and equipment and depreciation (Continued)*

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

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

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

##### *Intangible assets (other than goodwill)*

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

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis. An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset, which is calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in the statement of profit or loss.

##### *Software*

Software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 3 to 10 years.

##### *Licences*

Licences represent an insurance brokerage licence and a transportation licence. The insurance brokerage licence has an indefinite useful life as the extension cost is low and the assets can be used indefinitely. The insurance brokerage licence is stated at cost less any impairment losses. The transportation licence is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful lives of 3 years.

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

##### *Intangible assets (other than goodwill) (Continued)*

##### *Research and development costs*

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

##### *Leases*

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

##### *Group as a lessee*

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

##### (a) *Right-of-use assets*

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

Leasehold land	40 to 50 years
Plant and machinery	2 to 10 years

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

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

##### *Leases (Continued)*

##### *Group as a lessee (Continued)*

##### (b) Lease liabilities

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

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

##### (c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that are considered to be of low value.

When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis.

Lease payments on short-term leases and low-value assets are recognised as expense on a straight-line basis over the lease term.

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Leases (Continued)*

#### *Group as a lessee (Continued)*

#### (c) Short-term leases and leases of low-value assets (Continued)

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the expected lease payments. Any differences between the payments made for the lease and the lease payments that reduce the carrying amount of lease liabilities are recognised in profit or loss.

#### *Investments and other financial assets*

#### *Initial recognition and measurement*

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

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

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

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

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

##### *Investments and other financial assets (Continued)*

##### *Initial recognition and measurement (Continued)*

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

##### *Subsequent measurement*

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

##### *Financial assets at amortised cost (debt instruments)*

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

##### *Financial assets designated at fair value through other comprehensive income (equity investments)*

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

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

##### *Financial assets at fair value through profit or loss*

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

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established.

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Derecognition of financial assets*

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

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

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

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

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Impairment of financial assets*

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

#### *General approach*

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

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

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

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Impairment of financial assets (Continued)*

##### *General approach (Continued)*

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

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

##### *Simplified approach*

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

#### *Financial liabilities*

##### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

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

The Group's financial liabilities include trade and bills payables, other payables and accruals, interest-bearing borrowings and other non-current liabilities.

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

##### *Financial liabilities (Continued)*

##### *Subsequent measurement*

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

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

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

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

##### *Derecognition of financial liabilities*

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

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

##### *Offsetting of financial instruments*

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

##### *Treasury shares*

Own equity instruments which are reacquired and held by the Company or the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Inventories*

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first in first out basis and net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

#### *Cash and cash equivalents*

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

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

#### *Provisions*

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

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

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

#### *Income tax*

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

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

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Income tax (Continued)*

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

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

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

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

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

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

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

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Income tax (Continued)*

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

#### *Government grants*

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

#### *Revenue recognition*

##### *Revenue from contracts with customers*

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

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

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Revenue recognition (Continued)*

#### *Revenue from contracts with customers (Continued)*

##### (a) Automotive products and services

Automotive products and services comprise mainly the sale of bundled automotive products and services such as tires and chassis parts replacement, auto maintenance products and services to individuals, sale of automotive products such as tires, automotive parts and maintenance products to individuals and automotive dealers and service providers, and sale of automotive services such as car wash and detailing services. The Group provides its automotive products and services through its online interfaces and offline stores. The Group recognises revenue at the point in time when customers take possession of and accept the automotive products and services. For a transaction that contains the sale of bundled automotive products and services or sale of automotive products, the Group recognises revenue on a gross basis as it is the principal in the arrangement that it bears product inventory risk and controls the services prior to the transfer to its customers and it is responsible for the acceptability of the products and services. The Group recognises revenue on a net basis when the Group acts as an agent and is not responsible for the acceptability of the products and services.

The Group also sells automotive products and services vouchers mainly to its large key account customers as well as to individuals. The Group recognises revenues from sales of automotive products and services vouchers when related products and services are provided. Certain sales of vouchers are prepaid with non-refundable upfront payment, which is initially recognised as a contract liability, and generally expire over the next 12 months. The Group estimates related breakage and recognises it as revenue in proportion to the pattern of the customer's redemption of vouchers.

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Revenue recognition (Continued)*

#### *Revenue from contracts with customers (Continued)*

#### (a) Automotive products and services (Continued)

The Group recognises revenues net of discounts and return allowances. The Group issues coupons that can be applied to future orders to customers. For coupons that are not issued concurrently with the completion of a sales transaction, the Group records such incentives as a deduction of revenue when used by customers, except for referral coupons, which are recognised as selling and marketing expenses when customers provide a customer referral. The amount of marketing expenses related to customer referral is insignificant for the year presented. For coupons issued to customers concurrent with the completion of a sales transaction, the Group accounts for such coupons as separate performance obligations. Revenue allocated to these coupons is deferred and recognised as the obligation to the customers is satisfied. During the year, the amounts of deferred and recognised revenue for these coupons was immaterial.

The Group allows for return of products within 7 days, 30 days or 90 days, as applicable. A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the goods to be returned, less any expected costs to recover the goods and any potential decreases in the value of the returned goods. A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. The group updates the measurement of related asset and liability at the end of each reporting period, which were not significant for all periods presented.

#### (b) Advertising, franchise and other platform initiatives

#### *Franchise services*

Revenue from franchise services include an upfront franchise fee, monthly fixed management fees and profit-based royalty fees. The upfront franchise and management fees are recognised over the term of the franchise agreements. Franchised stores pay recurring royalty fees, based on a fixed percentage of the franchised stores' monthly profits throughout the duration of the respective franchise agreements. The recurring royalty fees are recognised at the time the underlying franchised stores' sales occur. Each franchised store is required to make a deposit, which is fully refundable upon the termination of the franchise agreement.

#### *Advertising services*

Advertising services comprise mainly the services where Company displays its customers' advertisements on its online interfaces and at its offline stores. Revenues are recognised ratably over the contractual advertising display period as it most faithfully depicts the simultaneous consumption and delivery of services.

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Revenue recognition (Continued)*

#### *Revenue from contracts with customers (Continued)*

#### (b) Advertising, franchise and other platform initiatives (Continued)

##### *Other platform initiatives*

Other platform initiatives represent insurance brokerage and insurance agency services, software-as-a-service (“SaaS”) solutions, sales of new energy vehicles and specific parts and related services, and sales of used cars and used car transaction services. Revenues from SaaS solutions on a fixed-period basis are recognised over the term of the agreements. Revenues from SaaS solutions on a project basis, revenue from sales of new energy vehicles and specific parts and related services, and revenues from other categories are recognised at the point in time when customers take possession of and accept the products or as related service is rendered.

#### *Contract liabilities*

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

#### *Other income*

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

Dividend income is recognised when the shareholders’ right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

## Notes to Financial Statements

Year ended 31 December 2025

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

##### *Share-based payments*

The Group operates share award schemes. Employees (including directors) and consultants of the Group receive remuneration in the form of share-based payments, whereby rendering services in exchange for equity instruments ("equity-settled transactions"). The cost of equity-settled transactions with employees are measured by reference to the fair values at the dates at which they are granted. The cost of equity-settled transactions with consultants are measured by reference indirectly to the fair values of the equity instruments granted at the dates the counterparty renders services as the fair values of the services received cannot be directly reliably estimated.

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

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

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

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

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Share-based payments (Continued)*

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

#### *Other employee benefits*

#### *Employee benefit expenses*

The employees of the Group's subsidiaries which operate in Chinese mainland are required to participate in a central employee benefit scheme operated by the local municipal government. The subsidiaries are required to contribute certain percentages of their payroll costs to the central employee benefit scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central employee benefit scheme.

#### *Events after the reporting period*

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

#### *Dividends*

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

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

## Notes to Financial Statements

Year ended 31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### *Foreign currencies*

These financial statements are presented in RMB, which is different from the Company's functional currency, the United States dollar ("US\$"). As the majority of revenues and assets of the Group are derived from operations in Chinese mainland, RMB is chosen as the presentation currency of the financial statements. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

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

The functional currencies of the Company and certain overseas subsidiaries are currencies other than RMB. The functional currency of the Company is US\$. As at the end of each of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of each of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve.

For the purpose of the consolidated statement of cash flows, the cash flows of these entities are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of these entities which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

## Notes to Financial Statements

Year ended 31 December 2025

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

#### Judgements

There is no significant effect on the amounts recognised in the Group's financial statements arising from the judgements, apart from those involving estimations, made by management in the process of applying the Group's accounting policies.

#### Estimation uncertainty

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

#### *Write-down of inventories to net realisable value*

The Group's inventories are stated at the lower of cost and net realisable value. Write-down of inventories to net realisable value is made for those identified obsolete and slow-moving inventories and inventories with a carrying amount higher than the net realisable value. The assessment of the estimated net realisable value requires management's estimates which are influenced by assumptions concerning future sales and usage, and estimates in determining the appropriate level of inventory write-down against identified surplus or obsolete items. Where the actual outcome or expectation in future is different from the original estimate, such differences will have an impact on the carrying value of inventories and the write-down/reversal of write-down of inventories in the period in which such estimate has been changed.

### 4. OPERATING SEGMENT INFORMATION

No operating segment information is presented as the Group's revenue and reported results during the year, and the Group's total assets as at the end of the year were derived from one single operating segment.

#### Geographical information

As the Group generated majority of its revenues and the non-current assets in the PRC during the year, no further geographical information is presented.

#### Information about major customers

The Group has a large number of customers, and no single customer accounted for more than 10% of the Group's total revenue during the year.

## Notes to Financial Statements

Year ended 31 December 2025

### 5. REVENUE

Revenue from contracts with customers represents income from automotive products and services, advertising services, franchise services and other platform initiatives during the year.

#### (i) Disaggregated revenue information

	2025 RMB'000	2024 RMB'000
<i>Revenue from contracts with customers:</i>		
Automotive products and services	<b>15,385,815</b>	13,801,674
<i>Advertising, franchise and other platform initiatives</i>		
Franchise services	<b>874,507</b>	785,869
Advertising services	<b>147,026</b>	88,053
Other platform initiatives	<b>54,263</b>	83,098
<b>Total</b>	<b>16,461,611</b>	14,758,694

	2025 RMB'000	2024 RMB'000
<i>Timing of revenue recognition</i>		
<i>Services transferred over time:</i>		
Advertising, franchise and other platform initiatives		
Franchise services	<b>874,507</b>	785,869
Advertising services	<b>147,026</b>	88,053
Other platform initiatives	<b>5,063</b>	7,110
<i>At a point in time:</i>		
Automotive products and services	<b>15,385,815</b>	13,801,674
Advertising, franchise and other platform initiatives		
Other platform initiatives	<b>49,200</b>	75,988
<b>Total revenue from contracts with customers</b>	<b>16,461,611</b>	14,758,694

## Notes to Financial Statements

Year ended 31 December 2025

### 5. REVENUE (CONTINUED)

#### (i) Disaggregated revenue information (Continued)

Revenue recognised that was included in contract liabilities at the beginning of the reporting year:

	2025 RMB'000	2024 RMB'000
Automotive products and services	653,952	442,724
Franchise services	173,395	114,636
Total	827,347	557,360

#### (ii) Performance obligations

Information about the Group's performance obligations is summarised below:

##### *Automotive products and services*

The performance obligation is satisfied when customers take possession of and accept the automotive products and services. For majority of the sales transactions, customers make advance payment before the products and services are delivered to them, and for certain sales transactions, payment is due within 30 days.

##### *Franchise services*

The performance obligation is satisfied over time as services are rendered. Generally, franchise services contracts are for periods of more than one year. Advances are required for upfront licence fees. Monthly fixed management fees and profit-based royalty fees are billed on a monthly basis.

##### *Advertising services*

The performance obligation is satisfied over time as services are rendered. Generally, advertising services contracts are for periods of less than one year, and are billed based on the time incurred.

##### *Other platform initiatives*

The performance obligation of SaaS solutions on fixed-period basis is satisfied over time as services are rendered. Generally, SaaS solutions contracts are for period of less than one year. The performance obligation of SaaS solutions on project basis and the performance obligation of other categories are satisfied when customers take possession of and accept the products or as related service is rendered.

As at 31 December 2025, the aggregate amount of transaction prices allocated to performance obligations (unsatisfied or partially unsatisfied) for long-term contracts was related to deferred upfront franchise fees from franchised stores, did not include any variable consideration, and amounted to RMB238,930,000 (31 December 2024: RMB220,912,000), which are expected to be recognised as revenues over one to six years.

## Notes to Financial Statements

Year ended 31 December 2025

### 6. OTHER INCOME AND GAINS, NET

An analysis of other income and gains, net is as follows:

	2025 RMB'000	2024 RMB'000
Government grants*	112,161	50,902
Foreign exchange differences, net	(5,355)	1,624
Others	11,651	9,481
<b>Total</b>	<b>118,457</b>	<b>62,007</b>

\* Government grants are related to income and mainly represent various supports awarded by the local governments to support the Group's operation. There are no contingencies relating to these grants.

### 7. FAIR VALUE CHANGES ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RMB'000	2024 RMB'000
Fair value changes of wealth management products	34,807	10,339
Fair value changes of financial investments	1,191	205
<b>Total</b>	<b>35,998</b>	<b>10,544</b>

### 8. FINANCE INCOME/(COSTS)

An analysis of finance income/(costs) is as follows:

	2025 RMB'000	2024 RMB'000
<b>Finance income</b>		
Interest income	175,936	183,420
<b>Finance costs</b>		
Interest on bank loans	(120)	(267)
Interest on lease liabilities	(11,840)	(15,434)
<b>Total</b>	<b>(11,960)</b>	<b>(15,701)</b>

## Notes to Financial Statements

Year ended 31 December 2025

### 9. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	2025 RMB'000	2024 RMB'000
Cost of revenue*		<b>12,223,230</b>	10,715,350
Depreciation of property, plant and equipment	15	<b>175,358</b>	156,185
Depreciation of right-of-use assets	16(a)	<b>123,894</b>	154,456
Amortisation of other intangible assets	18	<b>4,900</b>	5,047
Lease payments not included in the measurement of lease liabilities		<b>31,088</b>	38,351
Employee benefits (including directors' and chief executive's remuneration):			
Wages and salaries		<b>1,620,454</b>	1,481,615
Employee benefit expenses		<b>114,876</b>	104,632
Share-based payment expenses		<b>280,719</b>	142,100
Foreign exchange differences, net	6	<b>5,355</b>	(1,624)
Impairment losses/(reversal of impairment losses) on trade receivables and other receivables		<b>4,142</b>	(3,689)
Reversal of write-down of inventories		<b>(40,435)</b>	(28,749)
Impairment of property, plant and equipment	15	<b>132</b>	123
Impairment of right-of-use assets	16(a)	<b>3,113</b>	1,451
Auditor's remuneration		<b>5,050</b>	5,125
Advertising and promotion related expenses		<b>1,084,778</b>	1,037,367
Shipping expenses		<b>413,997</b>	401,661
Gain on disposal of a subsidiary	37	<b>13,814</b>	–
Fair value changes on financial assets at fair value through profit or loss	7	<b>35,998</b>	10,544
Government grants	6	<b>112,161</b>	50,902

\* The amount of cost of revenue as stated herein excludes those included in the depreciation of property, plant and equipment, depreciation of right-of-use assets, amortisation of other intangible assets, reversal of write-down of inventories, employee benefit expenses, short-term lease expenses and shipping expenses.

## Notes to Financial Statements

Year ended 31 December 2025

### 10. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

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

	2025 RMB'000	2024 RMB'000
Fees to independent non-executive directors	901	900
Other emoluments to executive directors, a non-executive director and the chief executive:		
Salaries, allowances and benefits in kind	3,418	3,556
Share-based payment expenses	465	2,046
Employee benefit expenses	292	240
Subtotal	4,175	5,842
Total	5,076	6,742

In previous years, certain directors were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 36 to the financial statements. The fair value of such options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' and chief executive's remuneration disclosures.

#### (a) Independent non-executive directors

The fees payable to independent non-executive directors during the year were as follows:

	2025 RMB'000	2024 RMB'000
Mrs. Yan Huiping	300	300
Mr. Feng Wei	148	300
Mr. Wang Jingbo	300	300
Mrs. Zhou Lingfei	153	-
Total	901	900

There were no other emoluments payable to the independent non-executive directors during the year (2024: Nil).

## Notes to Financial Statements

Year ended 31 December 2025

### 10. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

#### (b) Executive directors, a non-executive director and the chief executive

	Fees <i>RMB'000</i>	Salaries, allowances and benefits in kind <i>RMB'000</i>	Share-based payment expenses <i>RMB'000</i>	Employee benefit expenses <i>RMB'000</i>	Total <i>RMB'000</i>
2025					
Executive directors:					
Mr. Chen Min*	-	2,339	344	146	2,829
Mr. Hu Xiaodong	-	1,079	121	146	1,346
Subtotal	-	3,418	465	292	4,175
Non-executive director:					
Mr. Yao Leiwen	-	-	-	-	-
Total	-	3,418	465	292	4,175
2024					
Executive directors:					
Mr. Chen Min*	-	2,529	1,512	120	4,161
Mr. Hu Xiaodong	-	1,027	534	120	1,681
Subtotal	-	3,556	2,046	240	5,842
Non-executive director:					
Mr. Yao Leiwen	-	-	-	-	-
Total	-	3,556	2,046	240	5,842

\* Mr. Chen Min was the chief executive of the Group during the years ended 31 December 2025 and 2024.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

## Notes to Financial Statements

Year ended 31 December 2025

### 11. FIVE HIGHEST PAID EMPLOYEES

No director was included in the five highest paid employees during the year (2024: Nil). Details of whose remuneration are set out in note 10. Details of the remuneration for the year of the five (2024: five) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Salaries, allowances and benefits in kind	15,952	13,432
Share-based payment expenses	74,338	43,513
Employee benefit expenses	671	649
	<b>90,961</b>	57,594

The number of non-director highest paid employees whose remuneration fell within the following bands is as follows:

	2025	2024
HK\$6,500,001 to HK\$7,000,000	-	1
HK\$8,000,001 to HK\$8,500,000	-	2
HK\$11,000,001 to HK\$11,500,000	1	-
HK\$13,000,001 to HK\$13,500,000	1	-
HK\$13,500,001 to HK\$14,000,000	1	-
HK\$14,500,001 to HK\$15,000,000	-	1
HK\$16,000,001 to HK\$16,500,000	1	-
HK\$25,000,001 to HK\$25,500,000	-	1
HK\$44,500,001 to HK\$45,000,000	1	-
	<b>5</b>	5

## Notes to Financial Statements

Year ended 31 December 2025

### 12. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operated. Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Company and the Group’s subsidiary incorporated in the Cayman Islands and the BVI are not subject to any income tax.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

Certain PRC subsidiaries were accredited as high and new-tech enterprises by the relevant authorities, therefore, the preferential income tax rate of 15% was applied. Except for this, the Company PRC corporate income tax has been provided at the rate of 25% on the taxable profits of the Group’s PRC subsidiaries.

	2025 RMB'000	2024 RMB'000
Current income tax	12,773	5,155
Deferred income tax (note 32)	(9,687)	–
<b>Total tax charge for the year</b>	<b>3,086</b>	5,155

A reconciliation of the tax expense applicable to profit before tax at the statutory tax rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled and/or operate to the tax charge at the effective tax rates is as follows:

	2025 RMB'000	2024 RMB'000
Profit before tax	422,486	487,193
Tax at the statutory tax rate of 25%	105,622	121,798
Effect of differing tax rates in different jurisdictions	(35,810)	(4,911)
Profits and losses attributable to joint ventures and associates	(1,574)	2,889
Research and development super-deduction	(74,567)	(97,857)
Income not subject to tax	(23,339)	(30,614)
Expenses not deductible for tax	72,265	44,234
Tax losses and deductible temporary differences not recognised and utilization of losses in prior years	(39,511)	(30,384)
<b>Tax charge for the year at the Group’s effective rate</b>	<b>3,086</b>	5,155

## Notes to Financial Statements

Year ended 31 December 2025

### 12. INCOME TAX (CONTINUED)

#### Pillar Two income taxes

The Group is within the scope of the Pillar Two model rules. The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes. From 1 January 2025, the Group is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in Hong Kong. The Group will account for the additional Pillar Two income taxes as current tax when incurred. Pillar Two legislation has been enacted or substantively enacted but not yet in effect as at 31 December 2025 in certain jurisdictions in which the Group operates.

The Group has assessed its potential exposure based on the information available regarding the financial performance of the Group in the current year. As such, it may not be entirely representative of future circumstances. Based on the assessment, the Group should benefit from the transitional safe harbour for all of the jurisdictions in which the Group operates. Therefore, the Group does not expect potential exposure to Pillar Two “top-up” taxes. The Group continues to follow Pillar Two legislative developments, as more countries prepare to enact the Pillar Two model rules, to evaluate the potential future impact on its financial statements.

## Notes to Financial Statements

Year ended 31 December 2025

### 13. DIVIDEND

No dividend has been paid or declared by the Company and its subsidiaries during the year ended 31 December 2025.

### 14. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount 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 798,380,009 (2024: 808,867,930) outstanding during the year, as adjusted to reflect the rights issue during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, share options and restricted share units, where applicable (see below). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

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

	2025 RMB'000	2024 RMB'000
<b>Earnings</b>		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	<b>420,394</b>	483,794
	Number of shares	
	2025 '000	2024 '000
<b>Shares</b>		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	<b>798,380</b>	808,868
Effect of dilution – weighted average number of ordinary shares:		
Share options and restricted share units	<b>27,108</b>	27,827
<b>Total</b>	<b>825,488</b>	836,695

The weighted average number of shares was after taking into account the effect of treasury shares held.

## Notes to Financial Statements

Year ended 31 December 2025

### 15. PROPERTY, PLANT AND EQUIPMENT

	Buildings <i>RMB'000</i>	Leasehold improvements <i>RMB'000</i>	Machinery <i>RMB'000</i>	Furniture and fixtures <i>RMB'000</i>	Motor vehicles <i>RMB'000</i>	Construction in progress <i>RMB'000</i>	Total <i>RMB'000</i>
<b>31 December 2025</b>							
At 1 January 2025:							
Cost	669,556	854,743	46,746	114,607	7,708	107,419	1,800,779
Accumulated depreciation and impairment	(34,305)	(624,468)	(28,849)	(63,300)	(3,440)	-	(754,362)
<b>Net carrying amount</b>	<b>635,251</b>	<b>230,275</b>	<b>17,897</b>	<b>51,307</b>	<b>4,268</b>	<b>107,419</b>	<b>1,046,417</b>
<b>At 1 January 2025, net of accumulated depreciation and impairment</b>							
Additions	-	72,955	3,831	76,450	2,797	46,487	202,520
Disposals	-	(206)	(1,264)	(87)	(815)	(1,063)	(3,435)
Disposal of a subsidiary (note 37)	-	-	-	(19)	-	-	(19)
Transfers	11,576	10,063	105,186	-	-	(126,825)	-
Depreciation provided during the year	(32,174)	(111,079)	(6,410)	(24,301)	(1,394)	-	(175,358)
Impairment provided during the year	-	(97)	(35)	-	-	-	(132)
<b>At 31 December 2025, net of accumulated depreciation and impairment</b>	<b>614,653</b>	<b>201,911</b>	<b>119,205</b>	<b>103,350</b>	<b>4,856</b>	<b>26,018</b>	<b>1,069,993</b>
<b>At 31 December 2025:</b>							
Cost	681,132	910,660	149,770	190,613	9,258	26,018	1,967,451
Accumulated depreciation and impairment	(66,479)	(708,749)	(30,565)	(87,263)	(4,402)	-	(897,458)
<b>Net carrying amount</b>	<b>614,653</b>	<b>201,911</b>	<b>119,205</b>	<b>103,350</b>	<b>4,856</b>	<b>26,018</b>	<b>1,069,993</b>

## Notes to Financial Statements

Year ended 31 December 2025

### 15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Buildings RMB'000	Leasehold improvements RMB'000	Machinery RMB'000	Furniture and fixtures RMB'000	Motor vehicles RMB'000	Construction in progress RMB'000	Total RMB'000
<b>31 December 2024</b>							
At 1 January 2024:							
Cost	330,915	750,128	41,536	93,469	7,434	281,309	1,504,791
Accumulated depreciation and impairment	(15,906)	(505,180)	(30,485)	(51,451)	(2,581)	-	(605,603)
<b>Net carrying amount</b>	<b>315,009</b>	<b>244,948</b>	<b>11,051</b>	<b>42,018</b>	<b>4,853</b>	<b>281,309</b>	<b>899,188</b>
<b>At 1 January 2024, net of accumulated depreciation and impairment</b>							
depreciation and impairment	315,009	244,948	11,051	42,018	4,853	281,309	899,188
Additions	-	86,654	10,921	22,746	2,003	185,815	308,139
Disposals	-	-	(50)	(320)	(1,223)	(1,759)	(3,352)
Transfers	338,641	18,055	-	-	-	(357,946)	(1,250)
Depreciation provided during the year	(18,399)	(119,273)	(4,011)	(13,137)	(1,365)	-	(156,185)
Impairment provided during the year	-	(109)	(14)	-	-	-	(123)
<b>At 31 December 2024, net of accumulated depreciation and impairment</b>	<b>635,251</b>	<b>230,275</b>	<b>17,897</b>	<b>51,307</b>	<b>4,268</b>	<b>107,419</b>	<b>1,046,417</b>
<b>At 31 December 2024:</b>							
Cost	669,556	854,743	46,746	114,607	7,708	107,419	1,800,779
Accumulated depreciation and impairment	(34,305)	(624,468)	(28,849)	(63,300)	(3,440)	-	(754,362)
<b>Net carrying amount</b>	<b>635,251</b>	<b>230,275</b>	<b>17,897</b>	<b>51,307</b>	<b>4,268</b>	<b>107,419</b>	<b>1,046,417</b>

As at 31 December 2025, there was no application for the property ownership certificates in progress (31 December 2024: RMB335,968,000).

## Notes to Financial Statements

Year ended 31 December 2025

### 16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group's leases consist of the leases of its self-operated stores, warehouses, distribution centres, office space and land. The movements in right-of-use assets and lease liabilities during the year are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
(a) Right-of-use assets		
Carrying amount at the beginning of the year	398,257	466,946
Additions	129,659	148,311
Depreciation charge	(123,894)	(154,456)
Termination	(16,604)	(61,093)
Impairment	(3,113)	(1,451)
Carrying amount at the end of the year	384,305	398,257
(b) Lease liabilities		
Carrying amount at the beginning of the year	304,435	356,160
New leases	129,659	148,311
Accretion of interest recognised during the year	11,840	15,434
Payments	(144,611)	(149,848)
Termination	(18,655)	(65,622)
Carrying amount at the end of the year	282,668	304,435
Analysed into:		
Current portion	106,654	118,846
Non-current portion	176,014	185,589
Maturity analysis:		
Within 1 year	106,654	118,846
1 to 2 years	67,884	88,645
2 to 3 years	46,537	45,211
3 to 4 years	34,951	26,504
4 to 5 years	16,751	14,436
More than 5 years	9,891	10,793
	282,668	304,435

## Notes to Financial Statements

Year ended 31 December 2025

### 16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

The amounts recognised in profit or loss in relation to leases are as follows:

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities	11,840	15,434
Depreciation charge of right-of-use assets	123,894	154,456
Expense relating to short term leases	31,088	38,351
Termination of leases	(2,051)	(4,529)
Impairment of right-of-use assets	3,113	1,451
Total amount recognised in profit or loss	167,884	205,163

The Group's right-of-use assets held under the leases of its self-operated stores, warehouses, distribution centres, office space have terms ranging between 2 and 10 years. The Group's right-of-use assets held under the lease of its land have terms between 40 and 50 years. All the payments and all the lease liabilities are payable according to the lease term.

### 17. GOODWILL

	RMB'000
At 1 January 2024 and 31 December 2024	20,323
Acquisition of a subsidiary	3,721
At 31 December 2025	24,044

#### Impairment testing of goodwill

The carrying amount of goodwill allocated to the cash-generating unit ("CGU") for goodwill impairment testing is as follows:

	2025 RMB'000	2024 RMB'000
Xi'an Jushuohua Automobile Technology Co. Ltd. (Xi'an Jushuohua)	14,789	14,789
Guangzhou Changtu Automobile Technology Co., Ltd. (Guangzhou Changtu)	4,503	4,503
Natu The Eagle Inc (Natu)	3,721	-
Xiangming (Shanghai) Automotive Technology Service Co., Ltd. (Shanghai Xiangming)	1,031	1,031
	24,044	20,323

## Notes to Financial Statements

Year ended 31 December 2025

### 17. GOODWILL (CONTINUED)

#### Impairment testing of goodwill (Continued)

The recoverable amounts of the CGU have been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a 5-year period. Key assumptions used in the calculation are as follows:

As at 31 December 2025

	Xi'an Jushuohua	Guangzhou Changtu
Annual revenue growth rate for the 5-year period	5.0%-9.0%	8.0%-15.0%
Gross profit rate	57.9%-63.9%	66.9%
Terminal growth rate	2.0%	2.0%
Pre-tax discount rate	18.44%	18.44%

As at 31 December 2024

	Xi'an Jushuohua	Guangzhou Changtu
Annual revenue growth rate for the 5-year period	2.2%-15.0%	– 14.4%-15.0%
Gross profit rate	59.9%-61.5%	66.9%
Terminal growth rate	2.0%	2.0%
Pre-tax discount rate	19.66%	19.66%

The expected revenue growth rate and gross profit rates are determined by the management based on past performance and its expectation for market development. The discount rates used are before tax and reflect specific risks relating to the relevant units.

## Notes to Financial Statements

Year ended 31 December 2025

### 18. OTHER INTANGIBLE ASSETS

	Note	Licences RMB'000	Software RMB'000	Total RMB'000
<b>31 December 2025</b>				
<b>Cost at 1 January 2025, net of accumulated amortisation and impairment</b>				
		<b>29,733</b>	<b>24,604</b>	<b>54,337</b>
Additions		<b>1,500</b>	<b>2,863</b>	<b>4,363</b>
Disposals		<b>-</b>	<b>(19)</b>	<b>(19)</b>
Disposal of a subsidiary	37	<b>(29,600)</b>	<b>(442)</b>	<b>(30,042)</b>
Amortisation provided during the year		<b>(221)</b>	<b>(4,679)</b>	<b>(4,900)</b>
<b>At 31 December 2025</b>		<b>1,412</b>	<b>22,327</b>	<b>23,739</b>
<b>At 31 December 2025:</b>				
Cost		<b>3,900</b>	<b>42,194</b>	<b>46,094</b>
Accumulated amortisation and impairment		<b>(2,488)</b>	<b>(19,867)</b>	<b>(22,355)</b>
<b>Net carrying amount</b>		<b>1,412</b>	<b>22,327</b>	<b>23,739</b>
		Licences RMB'000	Software RMB'000	Total RMB'000
<b>31 December 2024</b>				
<b>Cost at 1 January 2024, net of accumulated amortisation and impairment</b>				
		30,533	27,271	57,804
Additions		-	330	330
Transfer		-	1,250	1,250
Amortisation provided during the year		(800)	(4,247)	(5,047)
<b>At 31 December 2024</b>		29,733	24,604	54,337
<b>At 31 December 2024:</b>				
Cost		43,768	39,881	83,649
Accumulated amortisation and impairment		(14,035)	(15,277)	(29,312)
<b>Net carrying amount</b>		29,733	24,604	54,337

## Notes to Financial Statements

Year ended 31 December 2025

### 18. OTHER INTANGIBLE ASSETS (CONTINUED)

The licences included an insurance brokerage licence, which was disposed of upon the disposal of a subsidiary in 2025. The insurance brokerage licence had an indefinite useful life and amounted to RMB29,600,000 as at 31 December 2024.

### 19. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RMB'000	2024 RMB'000
At beginning of year	199,917	191,043
Additions	6,323	25,205
Fair value changes through profit or loss	1,191	205
Disposals	(7,659)	(16,536)
At end of year	199,772	199,917

The Group had investments in certain convertible redeemable preferred shares or ordinary shares with preferential rights issued by private investee companies. The above investments were classified as financial assets at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income or the investments are not qualified to be designated as financial assets at fair value through other comprehensive income.

### 20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

	As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000
Share of net assets from joint ventures	223,416	225,587
Share of net assets from associates	155,571	150,664
Total	378,987	376,251

## Notes to Financial Statements

Year ended 31 December 2025

### 20. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

The following table illustrates the aggregate financial information of the Group's joint ventures and associates that are not individually material:

	2025 RMB'000	2024 RMB'000
Share of the joint ventures' profit/(loss) for the year	1,391	(8,189)
Share of the associates' profit/(loss) for the year	4,907	(3,368)
Share of the joint ventures' total comprehensive income/(loss)	1,391	(8,189)
Share of the associates' total comprehensive income/(loss)	4,907	(3,368)
Aggregate carrying amount of the Group's investments in the joint ventures	223,416	225,587
Aggregate carrying amount of the Group's investments in the associates	155,571	150,664

The directors are of the opinion that the losses/profits from the joint ventures and associates were temporary and there were no significant negative indicators of the impairment in the investments in those joint ventures and associates during the years ended 31 December 2024 and 2025.

### 21. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025 RMB'000	2024 RMB'000
<b>Equity investments designated at fair value through other comprehensive income</b>		
Listed equity investments, at fair value	-	349,934

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

From May to September 2025, the Group sold its equity interest in Gotion High-tech Co., Ltd. and Zhejiang Leapmotor Technology Co., Ltd. as these investments no longer coincided with the Group's investment strategy. The fair value on the dates of sale was RMB501,719,000 and the accumulated gain recognised in other comprehensive income of RMB83,127,000 was transferred to accumulated losses. During the year ended 31 December 2025, the Group received dividends in the amounts of RMB348,000 (2024: Nil) from Gotion High-tech Co., Ltd.

## Notes to Financial Statements

Year ended 31 December 2025

### 22. OTHER NON-CURRENT ASSETS

	2025 RMB'000	2024 RMB'000
Deposits	16,219	19,284
Prepayments	229	1,106
Others	378	2,843
<b>Total</b>	<b>16,826</b>	23,233

Prepayments included in other non-current assets represent prepayments for property, plant and equipment.

### 23. INVENTORIES

	2025 RMB'000	2024 RMB'000
Commodities	2,373,234	2,118,684

### 24. TRADE RECEIVABLES

	2025 RMB'000	2024 RMB'000
Trade receivables	377,120	236,921
Impairment	(14,661)	(10,805)
<b>Net carrying amount</b>	<b>362,459</b>	226,116

The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

## Notes to Financial Statements

Year ended 31 December 2025

### 24. TRADE RECEIVABLES (CONTINUED)

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

	2025 RMB'000	2024 RMB'000
Within 1 month	140,919	135,982
1 to 3 months	131,600	48,301
3 to 6 months	58,329	28,716
6 to 12 months	31,611	13,117
Total	362,459	226,116

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

	2025 RMB'000	2024 RMB'000
At beginning of year	10,805	15,238
Impairment losses, net	4,129	(3,142)
Amount written off	(273)	(1,291)
At end of year	14,661	10,805

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days invoiced for groupings of various customer segments with similar loss patterns (by customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group writes off trade receivables when there is information indicating that the counterparty is in severe financial difficulties and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs sooner, also taking into account legal advice where appropriate.

## Notes to Financial Statements

Year ended 31 December 2025

## 24. TRADE RECEIVABLES (CONTINUED)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2025

	Within 3 months	3 to 6 months	6 to 12 months	Over 1 year	Total
Expected credit loss rate	0.40%	0.75%	4.06%	100.00%	3.89%
Gross carrying amount (RMB'000)	273,614	58,768	32,948	11,790	377,120
Expected credit losses (RMB'000)	1,095	439	1,337	11,790	14,661

As at 31 December 2024

	Within 3 months	3 to 6 months	6 to 12 months	Over 1 year	Total
Expected credit loss rate	0.67%	2.89%	8.06%	100.00%	4.56%
Gross carrying amount (RMB'000)	185,534	29,571	14,267	7,549	236,921
Expected credit losses (RMB'000)	1,251	855	1,150	7,549	10,805

## 25. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	Notes	2025 RMB'000	2024 RMB'000
Prepayments	(a)	128,159	208,201
Deposits and other receivables	(b)	89,126	102,648
Value-added tax ("VAT") recoverable	(c)	153,341	148,630
Loans receivable	(d)	1,069	1,576
Receivable from employees	(e)	590	2,123
		372,285	463,178
Impairment allowance		(1,085)	(1,072)
Total		371,200	462,106

## Notes to Financial Statements

Year ended 31 December 2025

### 25. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (CONTINUED)

Notes:

- (a) Prepayments represent advances to certain major suppliers for the purchase of goods or services.
- (b) Deposits and other receivables mainly represent lease deposits and deposits with suppliers. Deposits and other receivables are non-interest-bearing and trade in nature.
- (c) VAT recoverable is mainly due to the input tax to be deducted arising from procurements, installation service fees, warehousing and logistics fees and lease payments.
- (d) Loans receivable represents loans provided to equity investees which the Group does not exert significant influence. The loans receivable bears interest rate ranging from nil to 9% per annum.
- (e) Receivables from employees mainly represent the temporary fund provided to the managers of self-operated stores for miscellaneous purchases of tools, materials and office supplies and the temporary fund provided to marketing personnel for miscellaneous offline promotion activities.

Except for certain loss allowance provided for loans receivable and other receivables, the financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts.

### 26. TREASURY INVESTMENTS

	2025 RMB'000	2024 RMB'000
<b>Long-term treasury investments at</b>		
– Amortised cost	<b>2,364,878</b>	1,871,794
<b>Short-term treasury investments at</b>		
– Amortised cost	<b>505,019</b>	1,123,449
– Fair value through profit or loss	<b>2,254,348</b>	1,950,393
	<b>2,759,367</b>	3,073,842

Treasury investments measured at amortised cost were primarily fixed rate debt instruments and time deposits with initial terms of more than three months. Treasury investments measured at fair value through profit or loss were mainly structured deposits and wealth management products issued by commercial banks.

## Notes to Financial Statements

Year ended 31 December 2025

### 27. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

#### Cash and cash equivalents

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cash at banks and on hand	1,114,740	1,151,889
Time deposits with original maturities within three months	809,110	223,559
	<b>1,923,850</b>	1,375,448
Cash and cash equivalents are denominated in the following currencies		
RMB	1,069,251	1,054,407
US\$	802,349	282,172
HK\$	48,448	38,286
Others	3,802	583
	<b>1,923,850</b>	1,375,448

#### Restricted cash

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Restricted for bills payable	802,459	850,178
Restricted for letters of guarantee	421,333	332,451
Restricted for others	14,953	17,951
	<b>1,238,745</b>	1,200,580
Restricted cash are denominated in the following currencies		
RMB	1,229,508	1,196,986
US\$	7,436	3,594
Others	1,801	-
	<b>1,238,745</b>	1,200,580

## Notes to Financial Statements

Year ended 31 December 2025

### 27. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH (CONTINUED)

The RMB is not freely convertible into other currencies, however, under Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximate to their fair values. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

The restricted cash for bills payable is operating in nature when it is designated to settle the bills payable upon maturity, otherwise it is financing in nature.

### 28. TRADE AND BILLS PAYABLES

	2025 RMB'000	2024 RMB'000
Trade payables	1,072,080	935,918
Bills payable	3,995,055	3,521,659
Total	5,067,135	4,457,577

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 RMB'000	2024 RMB'000
Within 3 months	3,770,321	3,329,622
3 to 6 months	1,289,214	1,119,779
6 to 12 months	6,959	4,798
Over 1 year	641	3,378
Total	5,067,135	4,457,577

Trade and bills payables are non-interest-bearing. Trade payables are normally settled on 30 to 90 days terms. Bills payable generally have a payment term of 1 to 6 months.

## Notes to Financial Statements

Year ended 31 December 2025

### 29. OTHER PAYABLES AND ACCRUALS

	2025 RMB'000	2024 RMB'000
Other tax payables	234,954	274,980
Payroll and welfare payables	495,477	534,611
Accrual and other payables	930,573	817,117
<b>Total</b>	<b>1,661,004</b>	1,626,708

Other payables and accruals are trade in nature, non-interest-bearing and repayable on demand.

### 30. CONTRACT LIABILITIES

	2025 RMB'000	2024 RMB'000
<b>Current:</b>		
Automotive products and services	541,824	697,125
Franchise services	187,301	174,114
	<b>729,125</b>	871,239
<b>Non-current:</b>		
Franchise services	51,629	46,798

Contract liabilities of the Group mainly arise from the advance payments received from customers for automotive products and services, and deferred upfront franchise fees from franchised stores.

## Notes to Financial Statements

Year ended 31 December 2025

### 31. INTEREST-BEARING BORROWINGS

	2024		
	Effective interest rate (%)	Maturity	RMB'000
<b>Current</b>			
Bank loans – unsecured	3.20-3.30	2025	7,507
	2025		
	Effective interest rate (%)	Maturity	RMB'000
<b>Current</b>			
Bank loans – unsecured	2.60-2.70	2026	202
<b>Non-current</b>			
Bank loans – unsecured	2.60-2.70	2027	200
Bank loans – unsecured	2.60-2.70	2028	1,500
			1,700
			1,902

## Notes to Financial Statements

Year ended 31 December 2025

### 31. INTEREST-BEARING BORROWINGS (CONTINUED)

The carrying amounts of borrowings are denominated in the following currencies:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
RMB	1,902	7,507

An analysis of the carrying amounts of borrowings by type of interest rate is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Variable interest rate	1,902	7,507

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Analysed into:		
Bank loans repayable:		
Within one year	202	7,507
In the second year	200	-
In the third to fifth years, inclusive	1,500	-
Total	1,902	7,507

## Notes to Financial Statements

Year ended 31 December 2025

### 32. DEFERRED TAX

The movement in deferred tax liabilities and assets during the reporting period are as follows:

#### Deferred tax liabilities

	Revaluation of assets on acquisition <i>RMB</i>	Right-of-use assets <i>RMB</i>	Total <i>RMB</i>
Gross deferred tax liabilities at 1 January 2024	7,391	86,405	93,796
Deferred tax credited to the statement of profit or loss during the year (note 12)	–	(16,519)	(16,519)
Gross deferred tax liabilities at 31 December 2024	7,391	69,886	77,277
Deferred tax credited to the statement of profit or loss during the year (note 12)	–	(2,835)	(2,835)
Disposal of a subsidiary (note 37)	(7,391)	–	(7,391)
Gross deferred tax liabilities at 31 December 2025	–	67,051	67,051

#### Deferred tax assets

	Accrued expenses <i>RMB</i>	Lease liabilities <i>RMB</i>	Total <i>RMB</i>
Gross deferred tax assets at 1 January 2024	–	86,405	86,405
Deferred tax credited to the statement of profit or loss during the year (note 12)	–	(16,519)	(16,519)
Gross deferred tax assets at 31 December 2024	–	69,886	69,886
Deferred tax credited/(charged) to the statement of profit or loss during the year (note 12)	9,687	(2,835)	6,852
Gross deferred tax assets at 31 December 2025	9,687	67,051	76,738

## Notes to Financial Statements

Year ended 31 December 2025

### 32. DEFERRED TAX (CONTINUED)

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

	2025 RMB'000	2024 RMB'000
Net deferred tax assets recognised in the consolidated statement of financial position	9,687	-
Net deferred tax liabilities recognised in the consolidated statement of financial position	-	7,391

Deferred tax assets have not been recognised in respect of the following items, as of 31 December 2025, concerning deferred tax assets for tax losses of RMB411,731,000 and deductible temporary differences of RMB134,419,000. As of 31 December 2025, the Group had tax losses of RMB2,666,801,000, mainly arising from subsidiaries in Chinese mainland. The tax losses of subsidiaries in Chinese mainland will expire in one to five years or up to ten years for certain qualified high-tech subsidiaries for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as it is not considered probable that enough taxable profits will be available against which the tax losses can be utilised.

The Group is liable for withholding taxes on dividends distributed by those subsidiaries established in Chinese mainland in respect of earnings generated from January 1, 2008. The applicable rate is 5% for the Group. As of 31 December 2025, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries incorporated in Chinese mainland. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future.

### 33. OTHER NON-CURRENT LIABILITIES

	2025 RMB'000	2024 RMB'000
Deposits from franchises and partner stores	516,761	480,619
Others	11,296	18,535
	<b>528,057</b>	499,154

## Notes to Financial Statements

Year ended 31 December 2025

### 34. SHARE CAPITAL AND TREASURY SHARES

#### Shares

	2025 RMB'000	2024 RMB'000
Issued and fully paid:		
Class A ordinary shares	108	108
Class B ordinary shares	10	10
	<b>118</b>	<b>118</b>

The movements in share capital are as follows:

	Notes	Number of shares in issue		Total	Share capital RMB'000
		Class A ordinary shares	Class B ordinary shares		
At 1 January 2024		749,942,859	68,949,580	818,892,439	118
Exercise of share-based payments		12,109,623	–	12,109,623	2
Cancellation of shares repurchased	(a)	(12,286,900)	–	(12,286,900)	(2)
Conversion of Class B ordinary shares to Class A ordinary shares due to the share cancellation	(b)	1,030,720	(1,030,720)	–	–
At 31 December 2024 and 1 January 2025		<b>750,796,302</b>	<b>67,918,860</b>	<b>818,715,162</b>	<b>118</b>
Exercise of share-based payments		<b>7,867,317</b>	–	<b>7,867,317</b>	–*
At 31 December 2025		<b>758,663,619</b>	<b>67,918,860</b>	<b>826,582,479</b>	<b>118</b>

\* Less than RMB1,000

Notes:

- (a) During the period from 18 March 2024 to 22 April 2024, the Company repurchased 12,286,900 Class A ordinary shares on the Stock Exchange at an aggregate consideration of approximately HK\$204 million under the Share Repurchase Mandate. All these shares repurchased were subsequently cancelled on 3 June 2024.
- (b) In June 2024, 1,030,720 Class B ordinary shares were converted to Class A ordinary shares in a one-to-one ratio.

## Notes to Financial Statements

Year ended 31 December 2025

### 34. SHARE CAPITAL AND TREASURY SHARES (CONTINUED)

#### Treasury Shares

	Number of shares '000	Amounts RMB'000
At 1 January 2024	–	–
Shares repurchased	17,002	263,075
Shares cancelled	(12,287)	(185,590)
Release of ordinary shares from treasury shares	(46)	(731)
At 31 December 2024 and 1 January 2025	<b>4,669</b>	<b>76,754</b>
Shares repurchased	<b>31,044</b>	<b>574,788</b>
Release of ordinary shares from treasury shares	<b>(2,870)</b>	<b>(51,012)</b>
At 31 December 2025	<b>32,843</b>	<b>600,530</b>

### 35. RESERVES

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

#### (a) Share premium

The share premium represents the difference between the par value of the shares issued and the consideration received.

#### (b) Capital reserve

The capital reserve represents (i) the capital contributions from the then equity holders of the Group's subsidiaries, after elimination of investments in subsidiaries and (ii) the waiver of an amount due to a related party. Details of the movements in capital reserve are set out in the consolidated statement of changes in equity.

#### (c) Share-based payment reserve

The share-based payment reserve comprises the fair value of share options granted, as further explained in the accounting policies for share-based payments in note 2 to the financial statements.

## Notes to Financial Statements

Year ended 31 December 2025

### 35. RESERVES (CONTINUED)

#### (d) Fair value reserve of financial assets at fair value through other comprehensive income

The Group irrevocably elected to recognise changes in the fair value of certain equity investments in other comprehensive income.

#### (e) Exchange fluctuation reserve

The exchange fluctuation reserve is used to record exchange differences arising from the translation of the financial statements of entities of which the functional currency is not RMB.

### 36. SHARE-BASED PAYMENTS

#### 2019 Share Incentive Plan

On 31 October 2019, the Company's shareholders and the board of directors approved the 2019 Share Incentive Plan (the "2019 Plan") with a maximum aggregate number of 5,596,271 ordinary shares that are authorised to be issued under the 2019 Plan. The Company's shareholders and board of directors subsequently approved to increase the share award pool under the 2019 Plan to 18,747,437 ordinary shares, which was further adjusted to 93,737,185 ordinary shares after share subdivision by 1:5 occurred on 8 March 2022. Eligible participants of the 2019 Plan include the directors, consultants and employees of the Group. The 2019 Plan has a contractual term of ten years. The 2019 Plan replaced options granted under a previous plan on 31 October 2019 (the "Modification Date") on a one for one basis.

Upon the adoption of the 2019 Plan, the exercise price was modified from RMB1 to US\$0.0001 per share, and the terms and conditions were modified such that the grantee can only exercise vested options upon the earlier of (i) the completion of the Company's IPO and lapse of the applicable lock-up period; and (ii) the consummation of a trade sale of the Company (liquidation, consolidation, merger or other business combination of the Company). The cost of the original award was recognised as if it had not been modified. The incremental fair value would be recognised over the period from the date of modification to the date of vesting for the modified instruments.

In addition, all the new grants under the 2019 Plan are also subject to the aforementioned performance condition.

The majority of the outstanding share options granted to directors and employees will become vested in four equal tranches of 25% over a period of four years. Certain share options granted to employees of the Group will become vested in five tranches over a period of five years. The share options granted to the consultants of the Group will become vested in two equal tranches of 50% over a period of two years. There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these share options. The Group accounts for the 2019 Plan as an equity-settled plan.

## Notes to Financial Statements

Year ended 31 December 2025

### 36. SHARE-BASED PAYMENTS (CONTINUED)

#### 2019 Share Incentive Plan (Continued)

The following share options were outstanding under the 2019 Plan during the years ended 31 December 2024 and 2025:

#### *Share options granted to directors and employees*

	Weighted average exercise price US\$ per share	Number of share options '000
At 1 January 2024	0.00002	40,747
Exercised during the year	0.00002	(11,015)
Forfeited during the year	0.00002	(2,154)
At 31 December 2024	0.00002	27,578
Exercisable as of 31 December 2024	0.00002	21,122
At 1 January 2025	<b>0.00002</b>	<b>27,578</b>
Exercised during the year	<b>0.00002</b>	<b>(6,836)</b>
Forfeited during the year	<b>0.00002</b>	<b>(428)</b>
At 31 December 2025	<b>0.00002</b>	<b>20,314</b>
Exercisable as of 31 December 2025	<b>0.00002</b>	<b>18,711</b>

## Notes to Financial Statements

Year ended 31 December 2025

### 36. SHARE-BASED PAYMENTS (CONTINUED)

#### 2019 Share Incentive Plan (Continued)

##### *Share options granted to consultants*

	Weighted average exercise price US\$ per share	Number of share options '000
At 1 January 2024	0.00002	2,028
Exercised during the year	0.00002	(181)
Forfeited during the year	0.00002	(4)
At 31 December 2024	0.00002	1,843
Exercisable as of 31 December 2024	0.00002	1,843
At 1 January 2025	0.00002	1,843
Exercised during the year	<b>0.00002</b>	<b>(220)</b>
Forfeited during the year	<b>0.00002</b>	<b>(26)</b>
At 31 December 2025	<b>0.00002</b>	<b>1,597</b>
Exercisable as of 31 December 2025	<b>0.00002</b>	<b>1,597</b>

The weighted average share price at the date of exercise for share options exercised in 2025 was RMB16.91 per share (2024: RMB18.17 per share).

The weighted average remaining contractual life of the share options outstanding as at 31 December 2025 was 5.4 years (2024: 6.3 years).

The exercise prices for share options outstanding as at 31 December 2024 and 2025 were US\$0.00002 per share option.

## Notes to Financial Statements

Year ended 31 December 2025

### 36. SHARE-BASED PAYMENTS (CONTINUED)

#### 2019 Share Incentive Plan (Continued)

##### *Restricted shares granted to the chief executive*

On 26 September 2023, 12,275,149 of the Class A ordinary shares were issued to Mr. Chen Min as restricted shares pursuant to the 2019 Plan and will be released from the transfer restrictions if the consolidated gross profit of the Company for any period of twelve months reaches RMB13,000,000,000 (the "Financial Condition"). Before the Financial Condition is met, Mr. Chen Min shall not transfer, sell, pledge or in any way dispose of the interest in such Class A ordinary shares. After such Class A ordinary shares are issued but before the Financial Condition is met, the Company shall not repurchase such Class A ordinary shares from Mr. Chen Min, unless (i) Mr. Chen Min no longer holds the position of chief executive officer or Director, (ii) Mr. Chen Min no longer is employed by the Company, (iii) Mr. Chen Min commits gross misconduct as specified under the employees manual of the Company, or (iv) upon the occurrence that Mr. Chen Min's voting rights as a controlling shareholder are terminated as set out under Rule 8A.17 of the Listing Rules. The Company shall repurchase such Class A ordinary shares at their nominal value of US\$0.00002 per share upon the occurrence of the foregoing events.

As of 31 December 2025, the Group has not recognise any compensation expenses for shares granted to Mr. Chen Min, because the Group considers it is not probable that the performance-based vesting conditions will be satisfied as of 31 December 2025 (31 December 2024: Nil). Therefore, there were unrecognised compensation expenses of RMB315,407,000 related to the restricted shares granted under the 2019 Plan as of 31 December 2025.

At the date of approval of these financial statements, the Company had 21,853,996 share options outstanding under the 2019 Plan, which represented approximately 2.8% of the Company's shares in issue (excluding treasury shares) as at that date.

#### Post-IPO Share Scheme

On 7 September 2023, the Company's shareholders and the board of directors approved the Post-IPO Share Scheme (the "Post-IPO Plan") with a maximum aggregate number of 48,862,286 ordinary shares that are authorised to be issued under the Post-IPO Plan. Eligible participants of the Post-IPO Plan include the directors and employees of the Group and associates of the Group. The Post-IPO Plan has a contractual term of ten years. Subject to the terms and conditions as set out in the Post-IPO Share Scheme, the options and RSUs will be vested in the portions of 25%, 25%, 25% and 25% on the first, second, third and fourth anniversaries of the grant date. There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these share options. The Group accounts for the Post-IPO Share Scheme as an equity-settled plan.

## Notes to Financial Statements

Year ended 31 December 2025

### 36. SHARE-BASED PAYMENTS (CONTINUED)

#### Post-IPO Share Scheme (Continued)

The following share options were outstanding under the Post-IPO Share Scheme during the years ended 31 December 2024 and 2025:

#### *Share options granted to directors and employees*

	Weighted average exercise price HK\$ per share	Number of share options '000
At 1 January 2024	33	5,659
Forfeited during the year	33	(4,641)
At 31 December 2024	33	1,018
Exercisable as of 31 December 2024	33	255
At 1 January 2025	<b>33</b>	<b>1,018</b>
Forfeited during the year	<b>33</b>	<b>(50)</b>
At 31 December 2025	<b>33</b>	<b>968</b>
Exercisable as of 31 December 2025	<b>33</b>	<b>493</b>

The weighted average remaining contractual life of the share options outstanding as at 31 December 2025 was 7.9 years (2024: 8.9 years).

The exercise prices for options outstanding as at 31 December 2024 and 2025 were HK\$33 per share option.

## Notes to Financial Statements

Year ended 31 December 2025

### 36. SHARE-BASED PAYMENTS (CONTINUED)

#### Post-IPO Share Scheme (Continued)

*RSUs granted to directors and employees*

	Weighted average exercise price HK\$ per share	Number of RSUs '000
At 1 January 2024	–	3,297
Granted during the year	–	914
Vested during the year	–	(913)
Forfeited during the year	–	(499)
At 31 December 2024	–	2,799
At 1 January 2025	–	<b>2,799</b>
Vested during the year	–	<b>(812)</b>
Forfeited during the year	–	<b>(380)</b>
At 31 December 2025	–	<b>1,607</b>

The weighted average share price at the date of vest for the RSUs vested in 2025 was RMB15.56 per share (2024: RMB19.80 per share).

The weighted average remaining contractual life of the RSUs outstanding as at 31 December 2025 was 7.9 years (2024: 8.9 years).

On 1 December 2023 and 1 January 2024, 3,296,947 and 914,599 RSUs representing 3,296,947 and 914,599 Class A ordinary shares under the Post-IPO Plan were granted to the employees of the Company.

The fair value of RSUs under the Post-IPO Scheme at the grant date was determined by reference to the fair value of the ordinary shares of the Company issued to its shareholders, using the market approach. The weighted average fair value of the RSUs at the grant date was RMB25.46 per RSU during the year ended 31 December 2024.

## Notes to Financial Statements

Year ended 31 December 2025

### 36. SHARE-BASED PAYMENTS (CONTINUED)

At the date of approval of these financial statements, the Company had 2,504,288 share options and RSUs outstanding under the Post-IPO Plan, which represented approximately 0.3% of the Company's shares in issue (excluding treasury shares) as at that date.

#### Second Post-IPO Share Scheme

On 30 May 2024, the Company's shareholders and the board of directors approved the Second Post-IPO Share Scheme (the "Second Post-IPO Plan") under which a maximum aggregate number of 33,000,000 ordinary shares that are authorised to be issued. Eligible participants of the Second Post-IPO Plan include the directors and employees of the Group. The Second Post-IPO Plan has a contractual term of ten years. Subject to the terms and conditions as set out in the Second Post-IPO share scheme, the majority of options and RSUs will be vested in the portions of 25%, 25%, 25% and 25% on the first, second, third and fourth anniversaries of the grant date. Certain RSUs will be 100% vested on the first anniversary of the grant date. There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these share options. The Group accounts for the Second Post-IPO Share Scheme as an equity-settled plan.

The following share options were outstanding under the Second Post-IPO Share Scheme during the years ended 31 December 2024 and 2025:

#### *Share options granted to directors and employees*

	Weighted average exercise price US\$ per share	Number of share options '000
At 1 January 2024	–	–
Granted during the year	0.00002	60
At 31 December 2024	0.00002	60
Exercisable as of 31 December 2024	0.00002	60
At 1 January 2025	<b>0.00002</b>	<b>60</b>
Granted during the year	<b>0.00002</b>	<b>132</b>
Exercised during the year	<b>0.00002</b>	<b>(60)</b>
At 31 December 2025	<b>0.00002</b>	<b>132</b>
Exercisable as of 31 December 2025	<b>0.00002</b>	<b>–</b>

The weighted average fair value of the share options at the grant date was RMB19.79 per share option during the year ended 31 December 2025 (31 December 2024: RMB23.28 per share option).

The exercise prices for options outstanding at the end of the year were US\$0.00002 per share option (2024: US\$0.00002).

The weighted average share price at the date of exercise for share options exercised during the year was RMB18.30 per share (2024: Nil).

The weighted average remaining contractual life of the share options outstanding as at 31 December 2025 was 9.3 years (2024: 9.4 years).

## Notes to Financial Statements

Year ended 31 December 2025

### 36. SHARE-BASED PAYMENTS (CONTINUED)

#### Second Post-IPO Share Scheme (Continued)

*RSUs granted to directors and employees*

	Weighted average exercise price HK\$ per share	Number of RSUs '000
At 1 January 2024	–	–
Granted during the year	–	13,143
Vested during the year	–	(45)
Forfeited during the year	–	(687)
At 31 December 2024	–	12,411
At 1 January 2025	–	<b>12,411</b>
Granted during the year	–	<b>24,648</b>
Vested during the year	–	<b>(2,810)</b>
Forfeited during the year	–	<b>(1,446)</b>
At 31 December 2025	–	<b>32,803</b>

The weighted average share price at the date of vest for the RSUs vested in 2025 was RMB15.96 per share (2024: RMB19.34 per share).

The weighted average remaining contractual life of the RSUs outstanding as at 31 December 2025 was 9.3 years (2024: 9.7 years).

The fair value of RSUs at the grant date was determined by reference to the fair value of the ordinary shares of the Company issued to its shareholders, using the market approach. The weighted average fair value of the RSUs at the grant date was RMB17.62 during the year ended 31 December 2025 (31 December 2024: RMB20.33).

At the date of approval of these financial statements, the Company had 32,463,994 share options and RSUs outstanding under the Second Post-IPO Plan, which represented approximately 4.1% of the Company's shares in issue (excluding treasury shares) as at that date.

The Group recognised share-based payment expenses of RMB280,719,000 (2024: RMB142,100,000) in relation to the share options and RSUs granted to directors and employees during the year, and there were no share-based payment expenses during the year in relation to the share options granted to consultants (2024: Nil).

## Notes to Financial Statements

Year ended 31 December 2025

### 37. DISPOSAL OF A SUBSIDIARY

	Notes	2025 RMB'000
Net assets disposed of:		
Property, plant and equipment	15	19
Other intangible assets	18	30,042
Cash and cash equivalents		20,425
Restricted cash		5,000
Trade receivables		1,008
Prepayments and other receivables		1,831
Other payables and accruals		(3,046)
Deferred tax liabilities	32	(7,391)
Subtotal		47,888
Gain on disposal of a subsidiary		13,814
Total consideration		61,702
Satisfied by:		
Cash		61,702
An analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:		
Cash consideration		61,702
Cash and cash equivalents disposed of		(20,425)
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary		41,277

## Notes to Financial Statements

Year ended 31 December 2025

### 38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB129,659,000 (2024: RMB148,311,000), in respect of lease arrangements for plant and equipment.

#### (b) Changes in liabilities arising from financing activities

2025

	Interest-bearing borrowings <i>RMB'000</i>	Lease liabilities <i>RMB'000</i>
At 1 January 2025	(7,507)	(304,435)
Changes from financing cash flows	5,725	144,611
New leases	-	(129,659)
Interest expense (note 8)	(120)	(11,840)
Termination of lease contracts	-	18,655
At 31 December 2025	(1,902)	(282,668)

2024

	Interest-bearing borrowings <i>RMB'000</i>	Lease liabilities <i>RMB'000</i>
At 1 January 2024	(8,509)	(356,160)
Changes from financing cash flows	1,269	149,848
New leases	-	(148,311)
Interest expense (note 8)	(267)	(15,434)
Termination of lease contracts	-	65,622
At 31 December 2024	(7,507)	(304,435)

## Notes to Financial Statements

Year ended 31 December 2025

### 38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

#### (c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	2025 RMB'000	2024 RMB'000
Within operating activities	31,088	38,351
Within financing activities	144,611	149,848
Total	175,699	188,199

### 39. CONTINGENT LIABILITIES

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

### 40. PLEDGE OF ASSETS

As at 31 December 2025 and 2024, the Group did not have any pledged of assets.

### 41. COMMITMENTS

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

	2025 RMB'000	2024 RMB'000
Property, plant and equipment	9,422	67,863

The Group's capital commitments are primarily related to the construction of new automated warehouses and are all scheduled to be paid within one to two years.

## Notes to Financial Statements

Year ended 31 December 2025

### 42. RELATED PARTY TRANSACTIONS

#### (1) Significant related party transactions

The Group had the following material transactions carried out with related parties during the year:

	Notes	2025 RMB'000	2024 RMB'000
<b>Sales of products and services to related parties</b>			
Associates of the Group	(i)	111,206	129,508
Joint ventures of the Group	(i)	132	3,388
<b>Purchases of products and services from related parties</b>			
Associates of the Group	(ii)	32,271	36,185
Joint ventures of the Group	(ii)	1,654	1,903
One of the Company's shareholders	(iii)	165,166	132,993

Notes:

- (i) The sales to related parties were made according to the terms and prices agreed in the contracts.
- (ii) The purchases from related parties were made according to the terms and prices agreed in the contracts. The purchases from the associates as well as joint ventures of the Group mainly comprise purchases of auto products and installation services.
- (iii) One of the Company's shareholders represents Tencent Holdings Limited and its affiliates. The purchases from Tencent Holdings Limited and its affiliates were made according to normal commercial terms mainly comprise:
  - (a) advertising services amounting to RMB79,928,000 (2024: RMB53,009,000);
  - (b) payment processing fees amounting to RMB67,754,000(2024: RMB58,213,000); and
  - (c) cloud services amounting to RMB17,484,000 (2024: RMB21,771,000).

## Notes to Financial Statements

Year ended 31 December 2025

### 42. RELATED PARTY TRANSACTIONS (CONTINUED)

#### (2) Outstanding balances with related parties

##### Amounts due from related parties:

	2025 RMB'000	2024 RMB'000
Trade related:		
Associates of the Group	2,227	4,823
One of the Company's shareholders	300	338
Joint ventures of the Group	279	453
	<b>2,806</b>	5,614

##### Amounts due to related parties:

	2025 RMB'000	2024 RMB'000
Trade related:		
Associates of the Group	10,188	12,475
One of the Company's shareholders	836	–
Joint ventures of the Group	639	1,133
	<b>11,663</b>	13,608

#### (3) Compensation of key management personnel of the Group

	2025 RMB'000	2024 RMB'000
Salaries and allowances	11,499	10,813
Share-based payment expenses	48,194	30,160
Employee benefit expenses	525	538
	<b>60,218</b>	41,511

Further details of directors' and the chief executive's emoluments are included in note 10 to the financial statements.

The related party transactions in respect of items (1)(iii) above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

## Notes to Financial Statements

Year ended 31 December 2025

### 43. FINANCIAL INSTRUMENTS BY CATEGORY

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

2025

#### Financial assets

	Financial assets at fair value through profit or loss		
	Mandatorily designated as such <i>RMB'000</i>	Financial assets at amortised cost <i>RMB'000</i>	Total <i>RMB'000</i>
Financial investments at fair value through profit or loss	199,772	-	199,772
Financial assets included in other non-current assets	-	16,597	16,597
Trade receivables	-	362,459	362,459
Financial assets included in other receivables and other assets	-	89,700	89,700
Treasury investments	2,254,348	2,869,897	5,124,245
Cash and cash equivalents and restricted cash	-	3,162,595	3,162,595
<b>Total</b>	<b>2,454,120</b>	<b>6,501,248</b>	<b>8,955,368</b>

#### Financial liabilities

	Financial liabilities at amortised cost <i>RMB'000</i>
Trade and bills payables	5,067,135
Financial liabilities included in other payables and accruals	921,649
Interest-bearing borrowings	1,902
Other non-current liabilities	516,761
<b>Total</b>	<b>6,507,447</b>

## Notes to Financial Statements

Year ended 31 December 2025

### 43. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

2024

#### Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	Mandatorily designated as such <i>RMB'000</i>	Equity investments <i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Financial investments at fair value through profit or loss	199,917	–	–	199,917
Equity investments at fair value through other comprehensive income	–	349,934	–	349,934
Financial assets included in other non-current assets	–	–	22,127	22,127
Trade receivables	–	–	226,116	226,116
Financial assets included in other receivables and other assets	–	–	105,275	105,275
Treasury investments	1,950,393	–	2,995,243	4,945,636
Cash and cash equivalents and restricted cash	–	–	2,576,028	2,576,028
<b>Total</b>	<b>2,150,310</b>	<b>349,934</b>	<b>5,924,789</b>	<b>8,425,033</b>

#### Financial liabilities

	Financial liabilities at amortised cost <i>RMB'000</i>
Trade and bills payables	4,457,577
Financial liabilities included in other payables and accruals	808,193
Interest-bearing borrowings	7,507
Other non-current liabilities	480,619
<b>Total</b>	<b>5,753,896</b>

## Notes to Financial Statements

Year ended 31 December 2025

### 44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to their fair values, are as follows:

	Carrying amounts		Fair values	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
<b>Financial assets</b>				
Financial investments at fair value through profit or loss	199,772	199,917	199,772	199,917
Equity investments designated at fair value through other comprehensive income	-	349,934	-	349,934
Short-term treasury investments				
– Fair value through profit or loss	2,254,348	1,950,393	2,254,348	1,950,393

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade and bills payables, financial assets included in prepayments, other receivables and other assets, and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

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

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of other non-current liabilities has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for the long-term interest-bearing borrowings as at the end of the reporting period was assessed to be insignificant.

The Group, with the assistance of an external appraiser, measures financial instruments such as financial investments at the end of the reporting period.

## Notes to Financial Statements

Year ended 31 December 2025

### 44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

#### Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

As at 31 December 2025:

	Fair value measurement categorized into			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Financial investments at fair value through profit or loss	-	-	199,772	199,772
Short-term treasury investments – fair value through profit or loss	-	2,254,348	-	2,254,348

As at 31 December 2024:

	Fair value measurement categorized into			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Financial investments at fair value through profit or loss	-	-	199,917	199,917
Equity investments designated at fair value through other comprehensive income	349,934	-	-	349,934
Short-term treasury investments – fair value through profit or loss	-	1,950,393	-	1,950,393

## Notes to Financial Statements

Year ended 31 December 2025

### 44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Short-term treasury investments categorized as fair value through profit or loss are valued based on inputs that are directly or indirectly derived or corroborated by observable market data. Financial investments at fair value through profit or loss was determined using the market approach. The following table is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2025 and 2024:

Description	Unobservable inputs	Range of inputs		Relationship of unobservable inputs to fair values
		31 December 2025	31 December 2024	
Financial investments at fair value through profit or loss	Expected Volatility	22.76%-39.21%	36.90%-43.84%	The higher the expected volatility, the lower the fair value
	Discount for lack of marketability ("DLOM")	10.53%-12.11%	10.04%-17.30%	The higher the DLOM, the lower the fair value
	Risk free rate	1.35%-1.63%	1.12%-1.30%	The higher the risk-free rate, the higher the fair value

If the fair values of the financial investments at fair value through profit or loss held by the Group had been 10% higher/lower, the profit before income tax for the year ended 31 December 2025 would have been approximately RMB19,977,000 higher/lower (2024: RMB19,992,000 higher/lower).

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

### 45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing borrowings, treasury investments, cash and cash equivalents and restricted cash. The main purpose of these financial instruments is to support the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade and bills payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. As the Group's exposure to these risks is kept to a minimum, the Group has not used any derivatives and other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

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Year ended 31 December 2025

### 45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Foreign currency risk

The Group operates the majority of its businesses in Chinese mainland and nearly all operational transactions are conducted in RMB. The foreign currency exposures of the Group mainly arise from the bank balances denominated in US\$ held by the subsidiaries of the Company incorporated in Chinese mainland and RMB held by the subsidiaries of the Company incorporated out of Chinese mainland.

The following table demonstrates the sensitivity at the end of each reporting period to a reasonably possible change in the RMB and US\$ exchange rate, with all other variables held constant, of the Group's profit before tax and the Group's equity.

	Increase/ (decrease) in rate of foreign currency %	Increase/ (decrease) in profit before tax RMB'000	Increase/ (decrease) in equity RMB'000
2025			
If RMB weakens against US\$	<b>5</b>	<b>4,177</b>	<b>4,177</b>
If RMB strengthens against US\$	<b>(5)</b>	<b>(4,177)</b>	<b>(4,177)</b>
2024			
If RMB weakens against US\$	5	4,209	4,209
If RMB strengthens against US\$	(5)	(4,209)	(4,209)

#### Credit risk

The Group trades only with recognised and creditworthy third parties and related parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

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Year ended 31 December 2025

### 45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Maximum exposure year-end staging

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

31 December 2025

	12 months ECLs		Lifetime ECLs		
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables*	-	-	-	377,120	377,120
Financial assets included in other receivables and other assets – normal**	89,700	-	-	-	89,700
Financial assets included in other receivables and other assets – doubtful**	-	-	1,085	-	1,085
Financial assets included in other non-current assets – normal**	16,597	-	-	-	16,597
Debt instruments included in treasury investments	2,364,878	-	-	-	2,364,878
Time deposits with initial terms of more than three months included in treasury investments	505,019	-	-	-	505,019
Cash and cash equivalents and restricted cash	3,162,595	-	-	-	3,162,595
<b>Total</b>	<b>6,138,789</b>	<b>-</b>	<b>1,085</b>	<b>377,120</b>	<b>6,516,994</b>

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Year ended 31 December 2025

### 45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Maximum exposure year-end staging (Continued)

31 December 2024

	12 months ECLs		Lifetime ECLs		Total RMB'000
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Simplified approach RMB'000	
Trade receivables*	–	–	–	236,921	236,921
Financial assets included in other receivables and other assets – normal**	105,275	–	–	–	105,275
Financial assets included in other receivables and other assets – doubtful**	–	–	1,072	–	1,072
Financial assets included in other non-current assets – normal**	22,127	–	–	–	22,127
Debt instruments included in treasury investments	1,881,041	–	–	–	1,881,041
Time deposits with initial terms of more than three months included in treasury investments	1,114,202	–	–	–	1,114,202
Cash and cash equivalents and restricted cash	2,576,028	–	–	–	2,576,028
<b>Total</b>	<b>5,698,673</b>	<b>–</b>	<b>1,072</b>	<b>236,921</b>	<b>5,936,666</b>

\* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 24 to the financial statements.

\*\* The credit quality of the financial assets included in other receivables and other assets and financial assets included in other non-current assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

#### Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets and liabilities, and projected cash flows from operations.

The liquidity of the Group is primarily dependent on its ability to maintain adequate cash inflows from operations to meet its obligations as they fall due, and its ability to obtain external financing to meet its committed future capital expenditure.

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

## Notes to Financial Statements

Year ended 31 December 2025

### 45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Liquidity risk (Continued)

31 December 2025

	Within 1 year RMB'000	1 to 2 years RMB'000	2 to 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
Trade and bills payables	5,066,494	641	-	-	5,067,135
Financial liabilities included in other payables and accruals	921,649	-	-	-	921,649
Lease liabilities	119,125	73,215	103,485	10,390	306,215
Interest-bearing borrowings	248	241	1,501	-	1,990
Other non-current liabilities	-	157,172	359,589	-	516,761
<b>Total</b>	<b>6,107,516</b>	<b>231,269</b>	<b>464,575</b>	<b>10,390</b>	<b>6,813,750</b>

31 December 2024

	Within 1 year RMB'000	1 to 2 years RMB'000	2 to 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
Trade and bills payables	4,454,199	3,378	-	-	4,457,577
Financial liabilities included in other payables and accruals	808,193	-	-	-	808,193
Lease liabilities	123,768	91,485	89,295	11,649	316,197
Interest-bearing borrowings	7,742	-	-	-	7,742
Other non-current liabilities	-	106,791	373,828	-	480,619
<b>Total</b>	<b>5,393,902</b>	<b>201,654</b>	<b>463,123</b>	<b>11,649</b>	<b>6,070,328</b>

## Notes to Financial Statements

Year ended 31 December 2025

### 45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may issue new shares or return capital to shareholders. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years.

The Group monitors capital using gearing ratio, which is total liabilities divided by total assets. The gearing ratio as at the end of the reporting period are as follows:

	2025 RMB'000	2024 RMB'000
Total assets	13,501,086	12,797,239
Total liabilities	8,447,511	7,937,861
Gearing ratio	63%	62%

### 46. EVENTS AFTER THE REPORTING PERIOD

The Group has evaluated subsequent events after the year ended 31 December 2025 and considered no significant subsequent events.

## Notes to Financial Statements

Year ended 31 December 2025

### 47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2025 RMB'000	2024 RMB'000
<b>NON-CURRENT ASSETS</b>		
Investments in subsidiaries	3,610,470	3,401,453
Financial investments at fair value through profit or loss	27,095	21,404
Equity investments designated at fair value through other comprehensive income	-	349,934
Total non-current assets	3,637,565	3,772,791
<b>CURRENT ASSETS</b>		
Due from subsidiaries	11,784,059	11,346,881
Prepayments, other receivables and other assets	289	130
Short-term treasury investment	-	189,154
Cash and cash equivalents	2,159	6,585
Total current assets	11,786,507	11,542,750
<b>CURRENT LIABILITIES</b>		
Other payables and accruals	1,097	3,637
Due to subsidiaries	822,862	224,444
Total current liabilities	823,959	228,081
<b>NET CURRENT ASSETS</b>	10,962,548	11,314,669
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	14,600,113	15,087,460
<b>NET ASSETS</b>	14,600,113	15,087,460
<b>EQUITY</b>		
Share capital	118	118
Reserves (note)	14,599,995	15,087,342
Total equity	14,600,113	15,087,460

## Notes to Financial Statements

Year ended 31 December 2025

### 47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Note:

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

	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Share payment reserve RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income RMB'000	Exchange fluctuation reserve RMB'000	Accumulated losses RMB'000	Total equity RMB'000
At 1 January 2024	118	-	16,991,133	772,319	(59,762)	(659,221)	(1,961,885)	15,082,702
Profit for the year	-	-	-	-	-	-	(34,141)	(34,141)
Other comprehensive income for the year:								
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	-	-	-	-	(11,586)	-	-	(11,586)
Exchange differences on translation of foreign operations	-	-	-	-	-	171,458	-	171,458
Total comprehensive income for the year	-	-	-	-	(11,586)	171,458	(34,141)	125,731
Repurchase of shares	-	(263,075)	-	-	-	-	-	(263,075)
Cancellation of shares	(2)	185,590	(185,588)	-	-	-	-	-
Share-based payments	-	-	-	142,100	-	-	-	142,100
Exercise of share-based payments	2	-	186,221	(186,221)	-	-	-	2
Release of ordinary shares from treasury shares	-	731	232	(963)	-	-	-	-
At 31 December 2024	118	(76,754)	16,991,998	727,235	(71,348)	(487,763)	(1,996,026)	15,087,460

## Notes to Financial Statements

Year ended 31 December 2025

47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY  
(CONTINUED)

Note: (Continued)

	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Share payment reserve RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income RMB'000	Exchange fluctuation reserve RMB'000	Accumulated losses RMB'000	Total equity RMB'000
At 1 January 2025	118	(76,754)	16,991,998	727,235	(71,348)	(487,763)	(1,996,026)	15,087,460
Loss for the year	-	-	-	-	-	-	(92,025)	(92,025)
Other comprehensive income for the year:								
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	-	-	-	-	154,475	-	-	154,475
Exchange differences on translation of foreign operations	-	-	-	-	-	(255,728)	-	(255,728)
Total comprehensive income for the year	-	-	-	-	154,475	(255,728)	(92,025)	(193,278)
Transfer of fair value reserve upon disposal of equity investments designated at fair value through other comprehensive income to accumulated losses	-	-	-	-	(83,127)	-	83,127	-
Repurchase of shares	-	(574,788)	-	-	-	-	-	(574,788)
Share-based payments	-	-	-	280,719	-	-	-	280,719
Exercise of share-based payments	-*	-	144,858	(144,858)	-	-	-	-
Release of ordinary shares from treasury shares	-	51,012	5,721	(56,733)	-	-	-	-
At 31 December 2025	118	(600,530)	17,142,577	806,363	-	(743,491)	(2,004,924)	14,600,113

\* Less than RMB1,000

## 48. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 20 March 2026.

## Five-Year Financial Review

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December

	2025	2024	2023	2022	2021
		<i>(RMB in thousands)</i>			
Revenue	<b>16,461,611</b>	14,758,694	13,601,085	11,546,851	11,724,263
Gross profit	<b>3,967,527</b>	3,745,978	3,359,353	2,270,182	1,870,302
Profit/(loss) before tax	<b>422,486</b>	487,193	6,725,346	(2,107,649)	(5,809,979)
Profit/(loss) for the year	<b>419,400</b>	482,038	6,700,697	(2,138,315)	(5,844,801)
Profit/(loss) attributable to owners of the parent	<b>420,394</b>	483,794	6,702,935	(2,136,173)	(5,840,577)

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of 31 December

	2025	2024	2023	2022	2021
		<i>(RMB in thousands)</i>			
<b>ASSETS</b>					
Non-current assets	<b>4,617,689</b>	4,431,963	3,493,404	2,108,270	2,085,863
Current assets	<b>8,883,397</b>	8,365,276	8,271,281	6,905,846	7,746,291
Total Assets	<b>13,501,086</b>	12,797,239	11,764,685	9,014,116	9,832,154
<b>LIABILITIES</b>					
Non-current liabilities	<b>757,400</b>	738,932	704,013	22,398,481	19,453,535
Current liabilities	<b>7,690,111</b>	7,198,929	6,602,353	5,572,199	5,742,993
Total Liabilities	<b>8,447,511</b>	7,937,861	7,306,366	27,970,680	25,196,528
<b>EQUITY</b>					
Total Equity	<b>5,053,575</b>	4,859,378	4,458,319	(18,956,564)	(15,364,374)

## Definitions

“AGM”	the annual general meeting of the Company proposed to be held on Friday, 5 June 2026
“AI”	artificial intelligence
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Auditor”	Ernst & Young, an independent auditor of the Company
“Board”	the board of Directors of the Company
“Cayman Companies Law”	the Companies Act, Cap. 22 (As Revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“China” or “PRC”	the People’s Republic of China, but for the purpose of this annual report and for geographical reference only and except where the context requires, references in this annual report to “China” and the “PRC” do not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan Province of the PRC
“Class A Share(s)”	Class A ordinary share(s) in the share capital of the Company with a par value of US\$0.00002 each, conferring a holder of a Class A Share one vote per share on any resolution tabled at the Company’s general meetings
“Class B Share(s)”	Class B ordinary share(s) in the share capital of the Company with a par value of US\$0.00002 each, conferring weighted voting rights in that Company such that a holder of a Class B Share is entitled to ten votes per share on any resolution tabled at the Company’s general meetings, save for resolutions with respect to any Reserved Matters, in which case they shall be entitled to one vote per share
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Company”, “the Company” or “our Company”	TUHU Car Inc., an exempted company with limited liability incorporated in the Cayman Islands on 8 July 2019
“Controlling Shareholders”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Chen Min and the companies through which Mr. Chen Min has an interest in the Company, namely Ilnewgnay Investment Limited and Nholresi Investment Limited

## Definitions

“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Director(s)”	director(s) of the Company
“Equity Incentive Schemes”	collectively, the 2019 Share Incentive Plan, the Post-IPO Share Scheme and the Second Post-IPO Share Scheme (Existing Shares)
“Financial Statements”	the consolidated financial statements of the Group for the year ended 31 December 2025 as audited by Ernst & Young
“Global Offering”	the global offering of the Class A Shares
“Group”, “the Group” or “the Group”	the Company and its subsidiaries from time to time
“HK\$”, “HKD” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“ICEV”	internal combustion engine vehicles
“Latest Practicable Date”	14 April 2026, being the latest practicable date prior to the publication of this annual report
“Listing Date”	26 September 2023
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Listing”	the listing of the Class A Shares on the Main Board of the Stock Exchange
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“NEV”	new energy vehicle

## Definitions

“Nomination Committee”	the nomination committee of the Board
“Post-IPO Share Scheme”	the post-IPO share scheme conditionally approved and adopted by the Company on 7 September 2023
“Prospectus”	the prospectus issued by the Company dated 14 September 2023
“Qipeilong”	an auto part trading platform the Company built to serve the customers’ diversified, long-tail automotive product demand, especially demand arise from the walk-in customers
“Remuneration Committee”	the remuneration committee of the Board
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“Reserved Matters”	those matters with respect to which each Share is entitled to one vote at general meetings of the Company pursuant to the Articles of Association, being: (i) any amendment to the memorandum of articles of the Company or Articles of Association, including the variation of the rights attached to any class of Shares; (ii) the appointment, election or removal of any independent non-executive Director; (iii) the appointment or removal of the Auditor; and (iv) the voluntary liquidation or winding-up of the Company
“RSU”	the restricted share unit(s)
“SaaS”	software-as-a-service
“Second Post-IPO Share Scheme (Existing Share)”	the second post-IPO share scheme (existing shares) announced by the Company on 25 June 2024
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	the Class A Shares and Class B Shares in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“SKU”	stock keeping unit
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

## Definitions

“subsidiary” or “subsidiaries” has the meaning ascribed thereto under the Listing Rules

“US\$”, “USD” or “US dollars” United States dollars, the lawful currency of the United States

“VAT” value-added tax

“WVR Beneficiary” has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Chen Min, being the ultimate holder of the Class B Shares, entitling him to weighted voting rights

“WVR structure” has the meaning ascribed to it under the Listing Rules

“2019 Share Incentive Plan” the share incentive plan approved and adopted by the Company on 31 October 2019

“%” percentage

**途虎养车**  
TUHU Car Inc.