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YIXIN GROUP LIMITED

易鑫集团有限公司

*(incorporated in the Cayman Islands with limited liability and
carrying on business in Hong Kong as “Yixin Automotive Technology Group Limited”)*
(Stock Code: 2858)

CONTINUING CONNECTED TRANSACTIONS TECHNICAL SUPPORT AND CONSULTING SERVICES AGREEMENTS WITH BEIJING BITCAR INTERACTIVE

On December 4, 2024, Xinjiang Wanxing (an indirect wholly-owned subsidiary of the Company) entered into the Supplemental Agreement with Beijing Bitcar Interactive (a subsidiary of Tencent, which is a Controlling Shareholder of the Company) in relation to the Previous Services Agreement, which was due to expire on December 31, 2024. The Parties entered into the Supplemental Agreement to provide for the continued provision of the Technical Support and Consulting Services, sets the Annual Caps, and extends the original term under the Previous Services Agreement to December 31, 2025.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Tencent is a Controlling Shareholder of the Company and Beijing Bitcar Interactive is a subsidiary of Tencent. Beijing Bitcar Interactive is therefore a connected person of the Company. Accordingly, the transactions contemplated under the Technical Support and Consulting Services Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios in respect of the Previous Services Agreement were less than 0.1%, the transactions contemplated under the Previous Services Agreement constituted de minimis transactions and were fully exempt from the reporting, annual review, announcement, circular and independent shareholders’ approval requirements pursuant to Rule 14A.76(1) of the Listing Rules.

Given that the highest applicable percentage ratio calculated with reference to the highest Annual Cap contemplated under the Technical Support and Consulting Services Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Technical Support and Consulting Services Agreements are subject to the reporting, annual review and announcement requirements but are exempt from the circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

On November 24, 2023, Xinjiang Wanxing (an indirect wholly-owned subsidiary of the Company) entered into the Previous Services Agreement with Beijing Bitcar Interactive (a subsidiary of Tencent, which is a Controlling Shareholder of the Company), pursuant to which Xinjiang Wanxing shall provide the Technical Support and Consulting Services to Beijing Bitcar Interactive, and Beijing Bitcar Interactive shall in return pay service fees to Xinjiang Wanxing.

The original term of the Previous Services Agreement commenced on November 24, 2023 and was due to expire on December 31, 2024 and the annual caps contemplated thereunder for the period from November 24, 2023 to December 31, 2023, and the year ending December 31, 2024 were both RMB2,668,552. The transactions contemplated under the Previous Services Agreement fell within the de minimis threshold as stipulated under Rule 14A.76(1) of the Listing Rules, and were then fully exempt from the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

In view of the increased demand for the Technical Support and Consulting Services to be provided by Xinjiang Wanxing, it is expected that the transaction amount under the Technical Support and Consulting Services Agreements for the year ending December 31, 2024 will be higher than the existing annual cap of RMB2,668,552.

On December 4, 2024, Xinjiang Wanxing and Beijing Bitcar Interactive entered into the Supplemental Agreement to provide for the continued provision of the Technical Support and Consulting Services, to set the Annual Caps, and to extend the original term under the Previous Services Agreement to December 31, 2025.

PRINCIPAL TERMS OF THE TECHNICAL SUPPORT AND CONSULTING SERVICES AGREEMENTS

Supplemental Agreement

The material terms of the Supplemental Agreement are set out below:

Date

December 4, 2024

Parties

- (1) Xinjiang Wanxing
- (2) Beijing Bitcar Interactive

Term

For the period from December 4, 2024 to December 31, 2025

Scope of services

Xinjiang Wanxing shall provide the Technical Support and Consulting Services to Beijing Bitcar Interactive based on Beijing Bitcar Interactive's needs and subject to compliance with relevant laws and regulations.

Historical transaction amounts

The historical transaction amounts in respect of the Technical Support and Consulting Services for the period from November 24, 2023 to December 31, 2023 and the nine months ended September 30, 2024 under the Previous Services Agreement were approximately RMB1,923,000 and RMB2,625,000, respectively.

Annual Caps

The Annual Caps for the transactions contemplated under the Technical Support and Consulting Services Agreements for the years ending December 31, 2024 and December 31, 2025 are set out below:

	For the year ending December 31, 2024	For the year ending December 31, 2025
Annual Caps	RMB8,500,000	RMB11,000,000

The Annual Caps have been determined with reference to the following factors:

- (i) the historical transaction amounts in respect of the Technical Support and Consulting Services for the period from November 24, 2023 December 31, 2023 and the nine months ended September 30, 2024 under the Previous Services Agreement;
- (ii) the anticipated growth in demand for the Technical Support and Consulting Services required by Beijing Bitcar Interactive for the years ending December 31, 2024 and December 31, 2025, taking into account the growth in business; and
- (iii) the expected increase in utilizing the big data analysis within the automotive industry.

Pricing policy and fee calculation

The services fees payable by Beijing Bitcar Interactive to Xinjiang Wanxing comprise two components, namely (i) the service fee payable for each of the fraud warning messages generated by the Anti-fraud System and (ii) the basic annual service fee.

The service fee for fraud warning messages generated by the Anti-fraud System shall be calculated by multiplying the pre-determined rate of RMB0.45 per warning message with the actual usage volume as recorded in the Anti-fraud System of Xinjiang Wanxing for each quarter. Such service fee shall be settled by Beijing Bitcar Interactive on a quarterly basis within the prescribed time limit after Beijing Bitcar Interactive has verified the particulars of usage volume and Xinjiang Wanxing has issued quarterly invoice to Beijing Bitcar Interactive.

The basic annual service fee shall be a fixed sum of RMB16,200, which shall be settled by Beijing Bitcar Interactive on an annual basis within the prescribed time limit after its receipt of invoice and payment notification from Xinjiang Wanxing.

The Group has reviewed the service fees by comparing them against market rates offered by independent third parties for services of similar nature and scale in order to ensure that the terms obtained by the Group from Beijing Bitcar Interactive shall be on normal commercial terms or better or not less favourable to the Group as compared to those offered by independent third parties.

Previous Services Agreement

Save for the term of agreement and the annual caps as disclosed in the section headed “Background” of this announcement, all the terms in the Previous Services Agreement shall continue to be effective.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TECHNICAL SUPPORT AND CONSULTING SERVICES AGREEMENTS

As part of the Group’s FinTech (SaaS) business, the Group continuously enhances its technological innovation capabilities and leverages artificial intelligence and other technologies to offer multitiered software products to industry partners. In particular, one of the core competitive advantages of the Group is its robust risk control technology, including but not limited to the Anti-fraud System of Xinjiang Wanxing.

The Technical Support and Consulting Services Agreements enables the Group to leverage on its expertise and benefit from the increased revenues generated from the continued provision of the Technical Support and Consulting Services to Beijing Bitcar Interactive for a longer term, as well as to set the Annual Caps which better reflect the current anticipation of increased demand for such services.

The terms of the Technical Support and Consulting Services Agreements were agreed upon after arm’s length negotiations between the Parties and were entered into in the ordinary and usual course of business of the Group. The Directors (including the independent non-executive Directors) consider that the terms of the Technical Support and Consulting Services Agreements and the transactions contemplated thereunder (including, each of the Annual Caps) are fair and reasonable and are conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better, and in the interests of the Company and the Shareholders as a whole.

Mr. Qing Hua Xie, a non-executive Director, concurrently holds a senior management position in Tencent and has thus abstained from voting on the resolutions of the Board in relation to the Technical Support and Consulting Services Agreements and the transactions contemplated thereunder (including the Annual Caps). To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, save as disclosed above, none of the other Directors has a material interest in the Technical Support and Consulting Services Agreements and the transactions contemplated thereunder (including the Annual Caps) which requires any of them to abstain from voting on the Board resolutions in relation thereto.

INTERNAL CONTROL

Reference is made to the Prospectus in relation to the following internal control procedures adopted by the Group for the continuing connected transactions of the Company:

- (i) No member of the Group shall conduct any connected transactions, (i) which are either not on arm's length terms or (ii) which are on arm's length terms but are in excess of 5% of the Group's net assets or if aggregated with all other connected transactions in the same fiscal year will exceed 20% of annual budgeted revenue of the Group for the fiscal year, without the affirmative consent or approval by the majority of the Directors. For further details, see the section headed "HISTORY AND CORPORATE STRUCTURE – PRE-IPO INVESTMENTS" of the Prospectus.
- (ii) The Company has established internal control mechanisms to identify connected transactions. If the Group enters into connected transactions with the Controlling Shareholders or any of their associates, the Company will comply with the applicable Listing Rules. For further details, see the section headed "RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS – CORPORATE GOVERNANCE MEASURES" of the Prospectus.

The legal and compliance department and the financial management department of the Group have reviewed and approved the terms of the Technical Support and Consulting Services Agreements for ensuring compliance with the Listing Rules.

The legal and compliance department and financial management department of the Group will summarize the transaction amounts incurred under the Technical Support and Consulting Services Agreements regularly and report to the senior management of the Group. The senior management and the relevant departments of the Group will be informed of the status of such transactions in a timely manner such that the transaction amounts can be conducted within the Annual Caps. In addition, the independent non-executive Directors will conduct an annual review of the implementation of the continuing connected transactions. The Company will also engage its external auditors to conduct annual review of the continuing connected transactions in accordance with the requirements under the Listing Rules.

The Group will regularly examine the pricing of the transactions contemplated under the Technical Support and Consulting Services Agreements to ensure that such transactions are conducted in accordance with the pricing terms thereof, including reviewing the historical transaction records of the Group for similar services.

INFORMATION ABOUT THE PARTIES

The Group is principally engaged in (i) the provision of loan facilitation services, guarantee services, after-market services and other services; and (ii) the provision of financing lease services and other self-operated services in the PRC.

Xinjiang Wanxing is a company established under the laws of the PRC, and an indirect wholly-owned subsidiary of the Company. It principally engages in providing information technology and consulting services.

Beijing Bitcar Interactive is a company established under the laws of the PRC, and a subsidiary of Tencent, which is a Controlling Shareholder and hence a connected person of the Company. It principally engages in technology development, technology transfer and technology consultation, design, production, issue and agency of advertising, economic and trade consultation, and market survey.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Tencent is a Controlling Shareholder of the Company and Beijing Bitcar Interactive is a subsidiary of Tencent. Beijing Bitcar Interactive is therefore a connected person of the Company. Accordingly, the transactions contemplated under the Technical Support and Consulting Services Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios in respect of the Previous Services Agreement were less than 0.1%, the transactions contemplated under the Previous Services Agreement constituted de minimis transactions and were fully exempt from the reporting, annual review, announcement, circular and independent shareholders' approval requirements pursuant to Rule 14A.76(1) of the Listing Rules.

Given that the highest applicable percentage ratio calculated with reference to the highest Annual Cap contemplated under the Technical Support and Consulting Services Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Technical Support and Consulting Services Agreements are subject to the reporting, annual review and announcement requirements but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“Annual Cap(s)”	the maximum aggregate annual value(s) in respect of the transactions contemplated under the Technical Support and Consulting Services Agreements for each of the year ending December 31, 2024 and the year ending December 31, 2025 (as the case may be)
“Anti-fraud System”	the anti-fraud risk monitoring system in relation to new vehicle transactions deployed by Xinjiang Wanxing for the provision of Technical Support and Consulting Services to Beijing Bitcar Interactive
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Beijing Bitcar Interactive”	Beijing Bitcar Interactive Information Technology Co., Ltd.* (北京易卡互動信息技術有限公司), a company established under the laws of the PRC with limited liability and a subsidiary of Tencent, a connected person of the Company
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China and, except where the context requires and only for the purpose of this announcement, references in this announcement to China or the PRC do not include Taiwan, Hong Kong or the Macau Special Administrative Region of the PRC
“Company”	Yixin Group Limited 易鑫集團有限公司, an exempted company with limited liability incorporated under the laws of the Cayman Islands, and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2858)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consolidated Affiliated Entity”	the entity controlled by the Company through a series of contractual arrangements, namely Beijing Yixin Information Technology Co., Ltd.* (北京易鑫信息科技有限公司), a company established under the laws of the PRC on January 9, 2015
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Tencent
“Director(s)”	the director(s) of the Company

“FinTech”	financial technology
“Group”	the Company, its subsidiaries and the Consolidated Affiliated Entity
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Main Board”	the stock exchange (excluding the options market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“Parties”	collectively, Xinjiang Wanxing and Beijing Bitcar Interactive
“percentage ratio(s)”	has the meaning ascribed to it in Rule 14.07 of the Listing Rules
“Previous Services Agreement”	the agreement dated November 24, 2023 entered into between Beijing Bitcar Interactive and Xinjiang Wanxing in relation to the provision of the Technical Support and Consulting Services by Xinjiang Wanxing to Beijing Bitcar Interactive
“Prospectus”	the prospectus of the Company dated November 6, 2017
“RMB”	Renminbi, the lawful currency of the PRC
“SaaS”	software as a service
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.0001
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it in the Listing Rules
“Supplemental Agreement”	the supplemental agreement dated December 4, 2024 in relation to the Previous Services Agreement entered into between Beijing Bitcar Interactive and Xinjiang Wanxing, which extends the original term under the Previous Services Agreement and sets the Annual Caps for the provision of the Technical Support and Consulting Services

“Technical Support and Consulting Services”	the technical services provided by Xinjiang Wanxing through its self-developed big data software application platform (including internet searches of target information and data analysis and processing based on big data, machine learning, search engines, cloud computing and micro-services), as well as the other relevant advanced technology software, information technology services, and consulting solutions provided by Xinjiang Wanxing
“Technical Support and Consulting Services Agreements”	the Previous Services Agreement as amended and supplemented by the Supplemental Agreement
“Tencent”	Tencent Holdings Limited, a company incorporated in the Cayman Islands and listed on the Main Board of the Stock Exchange (Stock Code: 700) and a Controlling Shareholder of the Company, the ultimate beneficial owner of Beijing Bitcar Interactive
“US\$”	United States dollars, the lawful currency of the United States of America
“Xinjiang Wanxing”	Xinjiang Wanxing Information Technology Co., Ltd.* (新疆萬興信息科技有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent.

* for identification purposes only

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

Hong Kong, December 4, 2024

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

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