



Chongqing Changan Automobile Company Limited
2023 Semi-annual Report Financial Statements

August 2023

The Financial Statements

I. Auditing Report

No audit on the semi-annual financial report.

II. Financial statements

Financial in notes to the statements of the unit is: RMB yuan

1. Consolidated Balance Sheet

In RMB Yuan

Account	2023.6.30	2023.1.1
Current assets:		
Cash	65,985,946,564.21	53,530,183,827.34
Trading financial assets	262,239,446.37	280,315,571.09
Notes receivable	33,963,917,823.31	35,849,660,652.96
Accounts receivable	2,477,017,799.35	3,068,414,415.29
Prepayments	662,389,388.99	749,572,262.00
Other receivables	959,635,940.20	1,261,157,951.14
Including: dividends receivable	180,656,814.04	
Inventories	10,252,940,583.44	5,823,307,512.90
Contract assets	2,227,324,510.17	458,389,187.10
Assets held for sale	327,144.11	-
Other current assets	1,126,348,926.89	1,054,779,668.19
Total current assets	117,918,088,127.04	102,075,781,048.01
Non-current assets:		
Long-term equity investments	13,788,910,316.27	14,406,662,456.28
Investment in other equity instruments	489,950,000.00	489,950,000.00
Investment properties	6,309,359.26	6,422,715.04
Fixed assets	18,869,352,705.47	19,346,764,691.44
Construction in progress	2,225,500,468.09	1,387,898,218.64
Right-of-use asset	186,760,454.06	100,813,386.01
Intangible assets	15,068,479,509.60	4,446,385,255.68
Development expenditure	1,393,772,255.65	723,211,177.47
Goodwill	1,809,337,918.87	9,804,394.00
Long-term deferred expenses	25,237,506.61	26,375,422.17
Deferred tax assets	3,211,105,057.00	3,028,487,187.18
Total non-current assets	57,074,715,550.88	43,972,774,903.91
TOTAL ASSETS	174,992,803,677.92	146,048,555,951.92
Current liabilities:		
Short-term loans	50,000,000.00	29,000,000.00
Trading financial liabilities	37,813,520.40	-
Notes payable	33,712,072,409.02	22,072,793,864.83

Accounts payable	30,465,634,254.25	29,449,664,138.75
Contract liability	7,116,078,624.58	5,655,256,792.66
Payroll payable	4,002,974,882.87	2,807,158,489.85
Taxes payable	1,546,790,269.12	1,749,946,082.32
Other payables	8,462,527,432.79	6,082,766,424.67
Including: interest payable	16,112,069.40	1,478,888.85
Dividends payable	2,341,524,610.92	79,742.80
Non-current liabilities within one year	69,596,855.90	885,723,901.34
Other current liabilities	7,391,295,648.04	6,627,044,667.62
Total current liabilities	92,854,783,896.97	75,359,354,362.04
Non-current liabilities:		
Long-term loans	76,000,000.00	36,000,000.00
Bonds payable	999,558,490.56	999,528,301.88
Lease liability	120,870,028.21	60,205,397.98
Long-term payables	136,176,629.42	553,518,750.12
Long-term payroll payable	32,144,585.90	35,013,000.00
Estimated liabilities	5,663,765,591.18	4,589,299,321.49
Deferred Revenue	350,542,948.42	347,568,549.62
Deferred tax liabilities	1,641,744,451.94	237,036,741.16
Other non-current liabilities	1,186,870,228.93	882,226,966.14
Total non-current liabilities	10,207,672,954.56	7,740,397,028.39
Total liabilities	103,062,456,851.53	83,099,751,390.43
Owners' equity (or Shareholders' equity):		
Share capital	9,919,323,000.00	9,921,799,422.00
Capital reserves	8,055,341,447.46	8,532,806,685.77
Less: treasury shares	442,866,474.72	627,060,416.52
Other comprehensive income	146,575,802.76	98,841,615.42
Special reserves	53,566,585.57	24,090,898.05
Surplus reserves	3,528,137,635.53	3,528,137,635.53
Retained earnings	46,691,054,344.13	41,379,489,865.45
Equity attributable to owners	67,951,132,340.73	62,858,105,705.70
Minority interests	3,979,214,485.66	90,698,855.79
Total Owners' equity (or Shareholders' equity)	71,930,346,826.39	62,948,804,561.49
Liabilities and owners' equity (or shareholders' equity) in total	174,992,803,677.92	146,048,555,951.92

Legal person: Zhu Huarong

Chief financial officer: Zhang Deyong

The head of accounting department: Chen Jianfeng

2. Balance sheet

In RMB Yuan

Account	2023.6.30	2023.1.1
Current assets:		
Cash	49,612,761,169.23	44,742,705,933.76
Trading financial assets	262,239,446.37	251,165,128.80
Notes receivable	30,191,885,135.89	32,497,209,409.96
Accounts receivable	9,034,639,091.77	5,538,504,821.82
Prepayments	384,123,437.64	519,014,279.72

Other receivables	287,117,037.30	859,026,748.64
Including: dividends receivable	180,656,814.04	
Inventories	3,116,400,210.80	2,872,390,838.54
Contract assets	190,244,001.11	221,555,444.48
Other current assets	1,585,516.57	199,954,784.05
Total current assets	93,080,995,046.68	87,701,527,389.77
Non-current assets:		
Long-term equity investments	18,677,206,479.38	17,385,137,116.25
Investment in other equity instruments	489,950,000.00	489,950,000.00
Fixed assets	13,738,675,532.50	14,214,227,798.06
Construction in progress	1,302,130,391.01	895,860,965.16
Right-of-use asset	146,496,392.45	78,806,182.57
Intangible assets	3,107,507,892.58	3,299,143,861.49
Development expenditure	842,475,143.40	616,814,902.46
Long-term deferred expenses	23,330,341.50	24,406,892.18
Deferred tax assets	2,742,289,372.93	2,631,189,529.75
Total non-current assets	41,070,061,545.75	39,635,537,247.92
TOTAL ASSETS	134,151,056,592.43	127,337,064,637.69
Current liabilities:		
Notes payable	22,929,207,918.01	18,728,133,049.99
Accounts payable	21,951,564,942.03	21,488,548,997.96
Contract liability	3,889,013,319.36	3,997,514,972.13
Payroll payable	3,205,228,940.22	2,436,938,973.59
Taxes payable	723,833,589.23	1,376,448,691.45
Other payables	6,307,174,533.43	5,425,776,798.83
Including: interest payable	16,022,222.20	1,478,888.85
Dividends payable	2,341,414,868.12	
Non-current liabilities within one year	52,058,482.61	635,180,849.52
Other current liabilities	5,933,407,026.04	5,932,680,982.04
Total current liabilities	64,991,488,750.93	60,021,223,315.51
Non-current liabilities:		
Long-term loans	76,000,000.00	36,000,000.00
Bonds payable	999,558,490.56	999,528,301.88
Lease liability	94,497,087.94	45,437,270.79
Long-term payables	136,736,360.65	144,571,302.45
Long-term payroll payable	17,938,948.80	20,565,000.00
Estimated liabilities	4,103,060,663.98	3,936,444,965.49
Deferred Revenue	150,000,000.00	150,000,000.00
Deferred tax liabilities	200,127,370.94	195,053,909.31
Other non-current liabilities	999,203,989.60	844,435,549.31
Total non-current liabilities	6,777,122,912.47	6,372,036,299.23
Total liabilities	71,768,611,663.40	66,393,259,614.74
Owners' equity (or Shareholders' equity):		
Share capital	9,919,323,000.00	9,921,799,422.00
Capital reserves	8,227,900,416.30	8,047,195,325.61
Less: treasury shares	442,866,474.72	627,060,416.52

Other comprehensive income	157,416,810.63	157,416,810.63
Special reserves	24,136,173.85	10,285,640.79
Surplus reserves	3,528,137,635.53	3,528,137,635.53
Retained earnings	40,968,397,367.44	39,906,030,604.91
Total Owners' equity (or Shareholders' equity)	62,382,444,929.03	60,943,805,022.95
Liabilities and owners' equity (or shareholders' equity) in total	134,151,056,592.43	127,337,064,637.69

3. Consolidated Income Statement

In RMB Yuan

Account	Current Period	Prior Period
1. Operating revenue	65,492,098,869.01	56,573,568,393.71
Less: Operating cost	54,001,999,268.58	45,360,090,482.20
Tax and surcharges	2,186,174,248.99	1,946,300,231.77
Operating expenses	3,068,434,621.37	2,285,329,821.77
General and administrative expenses	2,271,960,408.55	2,184,034,305.10
Research and development expenses	2,964,604,104.48	1,932,294,144.67
Financial expenses	(453,268,104.89)	(437,998,348.99)
Interest expense	36,814,471.44	17,892,411.14
Interest income	532,594,819.89	438,428,075.90
Add: Other income	657,988,649.18	186,910,289.65
Investment income	5,023,108,819.32	2,354,040,073.27
Including: Investment income from associates and joint venture	(180,436,966.53)	78,821,605.75
Gains from changes in fair value	(23,334,661.15)	26,136,888.77
Credit impairment loss	(15,513,488.10)	(10,774,686.62)
Asset impairment loss	(397,274,160.99)	(241,827,585.46)
Gain on disposal of assets	366,667,730.28	68,244,082.28
2. Operating profit	7,063,837,210.47	5,686,246,819.08
Add: Non-operating income	93,295,575.81	54,366,637.51
Less: Non-operating expenses	13,498,961.02	4,870,215.23
3. Total profit	7,143,633,825.26	5,735,743,241.36
Less: Income tax expense	176,620,825.19	(103,280,125.74)
4. Net profit	6,967,013,000.07	5,839,023,367.10
Classification by going concern		
Net profit from continuing operations	6,967,013,000.07	5,839,023,367.10
Net profit from discontinued operations		
Classification by ownership attribution		
Net profit attributable to owners	7,652,979,346.80	5,857,626,135.78
Minority interests	(685,966,346.73)	(18,602,768.68)
5. Other comprehensive income, net of tax	47,734,187.34	121,654.81
Net after-tax net of other comprehensive income attributable to the parent company owner	47,734,187.34	121,654.81
Other comprehensive income that will be	47,734,187.34	121,654.81

reclassified into profit or loss		
Other comprehensive income that can be transferred to profit or loss under the equity method		146,228.18
Foreign currency financial statement translation difference	47,734,187.34	(24,573.37)
6.Total comprehensive income	7,014,747,187.41	5,839,145,021.91
Total comprehensive income attributable to owners	7,700,713,534.14	5,857,747,790.59
Total comprehensive income attributable to minority interest	(685,966,346.73)	(18,602,768.68)
7.Earnings per share		
Basic earnings per share	0.78	0.60
Diluted earnings per share	0.76	0.59

Legal person: Zhu Huarong

Chief financial officer: Zhang Deyong

The head of accounting department: Chen Jianfeng

4. Income Statement

In RMB Yuan

Account	Current Period	Prior Period
1.Operating revenue	54,376,375,197.21	50,290,300,571.12
Less: Operating cost	45,316,394,387.31	40,914,984,492.63
Tax and surcharges	1,453,554,280.40	1,434,768,916.69
Operating expenses	1,594,619,192.27	1,475,590,737.64
General and administrative expenses	1,686,722,665.70	1,915,207,107.81
Research and development expenses	2,538,873,301.65	1,851,660,640.99
Financial expenses	(368,021,413.76)	(342,363,432.16)
Interest expense	22,584,078.19	13,595,854.23
Interest income	399,510,519.70	365,385,141.66
Add: Other income	657,920,000.00	54,300,000.00
Investment income	585,161,578.54	986,054,122.33
Including: Investment income from associates and joint venture	(141,552,078.57)	(92,372,274.55)
Gains from changes in fair value	32,897,781.54	26,136,888.77
Credit impairment loss	949,935.35	(286,476.97)
Asset impairment loss	(288,325,731.15)	(128,723,015.24)
Gain on disposal of assets	365,125,023.58	42,691,501.37
2.Operating profit	3,507,961,371.50	4,020,625,127.78
Add: Non-operating income	81,107,919.29	25,372,227.33
Less: Non-operating expenses	11,520,621.79	2,696,319.99
3.Total profit	3,577,548,669.00	4,043,301,035.12
Less: Income tax expense	173,767,038.35	(136,087,013.13)
4.Net profit	3,403,781,630.65	4,179,388,048.25
Net profit from continuing operations	3,403,781,630.65	4,179,388,048.25
Net profit from discontinued operations		
5.Other comprehensive income, net of tax		146,228.18
6.Total comprehensive income	3,403,781,630.65	4,179,534,276.43

5. Consolidated cash flow statement

In RMB Yuan

Account	Current Period	Prior Period
1.Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	73,931,703,144.09	61,813,960,686.95
Refunds of taxes	1,199,246,444.10	896,338,589.28
Cash received relating to other operating activities	1,753,218,395.89	1,401,417,655.54
Subtotal of cash inflows	76,884,167,984.08	64,111,716,931.77
Cash paid for goods and services	54,711,756,692.18	46,918,151,331.30
Cash paid to and on behalf of employees	4,415,366,034.62	3,773,793,442.65
Cash paid for all types of taxes	5,442,991,004.83	4,028,962,242.26
Cash paid relating to other operating activities	5,358,597,538.86	3,538,573,495.36
Subtotal of cash outflows	69,928,711,270.49	58,259,480,511.57
Net cash flows from operating activities	6,955,456,713.59	5,852,236,420.20
2.Cashflows from investing activities:		
Cash received from investment recovery		14,839,200.00
Cash received from investment income	1,406,842.07	381,628,412.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	35,915,330.45	280,603,391.85
Cash received relating to other investing activities	6,216,944,276.29	
Subtotal of cash inflows	6,254,266,448.81	677,071,003.85
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	857,592,457.14	783,516,340.12
Cash paid for acquisition of investments	137,000,000.00	1,461,640,640.00
Cash paid relating to other investing activities		815,126,333.76
Subtotal of cash outflows	994,592,457.14	3,060,283,313.88
Net cash flows from investing activities	5,259,673,991.67	(2,383,212,310.03)
3.Cash flows from financing activities:		
Absorb cash received from investment	35,190,000.00	
Cash received from borrowing	90,000,000.00	68,070,000.00
Cash received relating to other financing activities	362,339,945.61	715,239,432.26
Subtotal of cash inflows	487,529,945.61	783,309,432.26
Cash repayments of borrowings	629,000,000.00	300,903,500.00
Cash paid for distribution of dividends or profits and interest expenses	6,163,524.40	1,797,127,172.44
Cash paid relating to other financing activities	418,524,690.02	699,230,692.02
Subtotal of cash outflows	1,053,688,214.42	2,797,261,364.46
Net cash flows from financing activities	(566,158,268.81)	(2,013,951,932.20)
4.Effect of changes in exchange rate on cash	13,258,565.35	59,278,475.19
5.Net increase in cash and cash equivalents	11,662,231,001.80	1,514,350,653.16
Add: Opening balance of cash and cash equivalents	52,491,435,047.74	49,517,916,834.99
6.Closing balance of cash and cash equivalents	64,153,666,049.54	51,032,267,488.15

6. Cash flow statement

In RMB Yuan

Account	Current Period	Prior Period
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1.Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	57,757,311,678.85	51,488,841,934.67
Cash received relating to other operating activities	30,303,650.49	46,609,602.87
Cash received relating to other operating activities	1,828,991,752.50	676,108,022.43
Subtotal of cash inflows	59,616,607,081.84	52,211,559,559.97
Cash paid for goods and services	42,458,816,511.21	38,192,576,888.27
Cash paid to and on behalf of employees	2,826,100,179.04	2,615,212,696.17
Cash paid for all types of taxes	3,421,770,360.23	2,892,112,750.99
Cash paid relating to other operating activities	3,661,788,216.38	2,383,343,811.11
Subtotal of cash outflows	52,368,475,266.86	46,083,246,146.54
Net cash flows from operating activities	7,248,131,814.98	6,128,313,413.43
2.Cashflows from investing activities:		
Cash received from investment recovery		14,839,200.00
Cash received from return on investments	1,556,842.07	381,628,412.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	8,857,134.39	255,368,088.61
Subtotal of cash inflows	10,413,976.46	651,835,700.61
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	723,218,813.52	633,161,880.29
Cash paid for acquisition of investments	1,069,135,009.18	1,461,640,640.00
Subtotal of cash outflows	1,792,353,822.70	2,094,802,520.29
Net cash flows from investing activities	(1,781,939,846.24)	(1,442,966,819.68)
3.Cash flows from financing activities:		
Cash received from borrowings	40,000,000.00	40,000,000.00
Subtotal of cash inflows	40,000,000.00	40,000,000.00
Cash paid for debt repayment	600,000,000.00	300,000,000.00
Cash paid for distribution of dividends or profits and interest expenses	3,470,000.00	1,795,680,672.36
Cash paid relating to other financing activities	32,666,733.27	12,551,861.64
Subtotal of cash outflows	636,136,733.27	2,108,232,534.00
Net cash flows from financing activities	(596,136,733.27)	(2,068,232,534.00)
4.Effect of changes in exchange rate on cash		
5.Net increase in cash and cash equivalents	4,870,055,235.47	2,617,114,059.75
Add: Opening balance of cash and cash equivalents	44,732,418,327.28	41,889,838,553.29
6.Closing balance of cash and cash equivalents	49,602,473,562.75	44,506,952,613.04

7. Consolidated statement of changes in shareholders' equity

Current Period

In RMB Yuan

Items	Current period								
	Equity attributable to owners							Minority interest	Total equity
	Share capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings		
I. At end of last year	9,921,799,422.00	8,532,806,685.77	627,060,416.52	98,841,615.42	24,090,898.05	3,528,137,635.53	41,379,489,865.45	90,698,855.79	62,948,804,561.49
II. At beginning of year	9,921,799,422.00	8,532,806,685.77	627,060,416.52	98,841,615.42	24,090,898.05	3,528,137,635.53	41,379,489,865.45	90,698,855.79	62,948,804,561.49
III. Changes during the year	(2,476,422.00)	(477,465,238.31)	(184,193,941.80)	47,734,187.34	29,475,687.52		5,311,564,478.68	3,888,515,629.87	8,981,542,264.90
1. Total comprehensive income				47,734,187.34			7,652,979,346.80	(685,966,346.73)	7,014,747,187.41
2. Capital contributed by owners and capital decreases	(2,476,422.00)	(477,465,238.31)	(157,449,592.97)						(322,492,067.34)
(1) Ordinary shares invested by owners									
(2) The amount of share-based payment included in owner's equity		187,899,000.00							187,899,000.00
(3) Others	(2,476,422.00)	(665,364,238.31)	(157,449,592.97)						(510,391,067.34)
3. Distribution of profit			(26,744,348.83)				(2,341,414,868.12)	(150,000.00)	(2,314,820,519.29)
(1) Distribution to owners			(26,744,348.83)				(2,341,414,868.12)	(150,000.00)	(2,314,820,519.29)
(2) Others									
4. Internal carry forward of owner's equity									
5. Special reserves					29,475,687.52				29,475,687.52
(1) Pick-up in current period					64,708,453.30				64,708,453.30
(2) Used in current period					(35,232,765.78)				(35,232,765.78)

6. Others								4,574,631,976.60	4,574,631,976.60
IV. At end of current period	9,919,323,000.00	8,055,341,447.46	442,866,474.72	146,575,802.76	53,566,585.57	3,528,137,635.53	46,691,054,344.13	3,979,214,485.66	71,930,346,826.39

Prior period

In RMB Yuan

Items	Prior period								
	Equity attributable to owners							Minority interest	Total equity
	Share capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings		
I. At end of last year	7,632,153,402.00	9,776,193,360.38	655,812,327.60	69,442,469.53	27,988,260.61	2,982,292,413.67	35,900,674,525.13	133,307,840.48	55,866,239,944.20
II. At beginning of year	7,632,153,402.00	9,776,193,360.38	655,812,327.60	69,442,469.53	27,988,260.61	2,982,292,413.67	35,900,674,525.13	133,307,840.48	55,866,239,944.20
III. Changes during the year	2,289,646,020.00	(1,433,769,009.30)		121,654.81	21,158,894.87		4,078,769,944.24	(7,729,996.65)	4,948,197,507.97
1. Total comprehensive income				121,654.81			5,857,626,135.78	(18,602,768.68)	5,839,145,021.91
2. Capital contributed by owners and capital decreases		855,877,010.70							855,877,010.70
(1) The amount of share-based payment included in owner's equity		192,310,900.00							192,310,900.00
(2) Others		663,566,110.70							663,566,110.70
3. Distribution of profit							(1,778,856,191.54)		(1,778,856,191.54)
Distribution to owners							(1,778,856,191.54)		(1,778,856,191.54)
4. Internal carry forward of owner's equity	2,289,646,020.00	(2,289,646,020.00)							
Capital reserve converted into capital (or share capital)	2,289,646,020.00	(2,289,646,020.00)							
5. Special reserves					21,158,894.87				21,158,894.87
(1) Pick-up in					46,183,489.83				46,183,489.83

current period									
(2) Used in current period					(25,024,594.96)				(25,024,594.96)
6.Others								10,872,772.03	10,872,772.03
IV. At end of current period	9,921,799,422.00	8,342,424,351.08	655,812,327.60	69,564,124.34	49,147,155.48	2,982,292,413.67	39,979,444,469.37	125,577,843.83	60,814,437,452.17

8. Statement of changes in shareholders' equity

Current Period

In RMB Yuan

Items	Current period							
	Share capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total equity
I. At end of last year	9,921,799,422.00	8,047,195,325.61	627,060,416.52	157,416,810.63	10,285,640.79	3,528,137,635.53	39,906,030,604.91	60,943,805,022.95
II. At beginning of year	9,921,799,422.00	8,047,195,325.61	627,060,416.52	157,416,810.63	10,285,640.79	3,528,137,635.53	39,906,030,604.91	60,943,805,022.95
III. Changes during the year	(2,476,422.00)	180,705,090.69	(184,193,941.80)		13,850,533.06		1,062,366,762.53	1,438,639,906.08
1.Total comprehensive income							3,403,781,630.65	3,403,781,630.65
2. Capital contributed by owners and capital decreases	(2,476,422.00)	180,705,090.69	(157,449,592.97)					335,678,261.66
(1) The amount of share-based payment included in owner's equity		187,899,000.00						187,899,000.00
(2) Others	(2,476,422.00)	(7,193,909.31)	(157,449,592.97)					147,779,261.66
3. Distribution of profit			(26,744,348.83)				(2,341,414,868.12)	(2,314,670,519.29)
(1) Distribution to owners			(26,744,348.83)				(2,341,414,868.12)	(2,314,670,519.29)
(2) Others								
4.Internal carry forward of owner's equity								
Capital reserve converted into capital (or share capital)								
5. Special reserves					13,850,533.06			13,850,533.06
(1) Pick-up in current period					32,871,513.66			32,871,513.66
(2) Used in current period					(19,020,980.60)			(19,020,980.60)
6.Disposal of subsidiaries								

IV. At end of current period	9,919,323,000.00	8,227,900,416.30	442,866,474.72	157,416,810.63	24,136,173.85	3,528,137,635.53	40,968,397,367.44	62,382,444,929.03
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Prior period

In RMB Yuan

Items	Prior period							
	Share capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total equity
I. At end of last year	7,632,153,402.00	9,293,065,334.91	655,812,327.60	166,051,336.11	7,552,984.45	2,982,292,413.67	36,887,741,937.47	56,313,045,081.01
II. At beginning of year	7,632,153,402.00	9,293,065,334.91	655,812,327.60	166,051,336.11	7,552,984.45	2,982,292,413.67	36,887,741,937.47	56,313,045,081.01
III. Changes during the year	2,289,646,020.00	(1,433,769,009.30)		146,228.18	8,998,316.80		2,280,296,154.31	3,145,317,709.99
1. Total comprehensive income				146,228.18			4,179,388,048.25	4,179,534,276.43
2. Capital contributed by owners and capital decreases		855,877,010.70						855,877,010.70
(1) The amount of share-based payment included in owner's equity		192,310,900.00						192,310,900.00
(2) Others		663,566,110.70						663,566,110.70
3. Distribution of profit							(1,778,856,191.54)	(1,778,856,191.54)
Distribution to owners							(1,778,856,191.54)	(1,778,856,191.54)
4. Internal carry forward of owner's equity	2,289,646,020.00	(2,289,646,020.00)						
Capital reserve converted into capital (or share capital)	2,289,646,020.00	(2,289,646,020.00)						
5. Special reserves					8,998,316.80			8,998,316.80
(1) Pick-up in current period					30,492,980.10			30,492,980.10
(2) Used in current period					(21,494,663.30)			(21,494,663.30)

6. Disposal of subsidiaries							(120,235,702.40)	(120,235,702.40)
IV. At end of current period	9,921,799,422.00	7,859,296,325.61	655,812,327.60	166,197,564.29	16,551,301.25	2,982,292,413.67	39,168,038,091.78	59,458,362,791.00

III. CORPORATE INFORMATION

Chongqing Changan Automobile Company Limited (hereafter referred to as “the Company”) is a company limited by shares registered in Chongqing, People’s Republic of China. It was established on 31 October 1996 with an indefinite business period. The ordinary A shares of Renminbi issued by the company and the B shares of domestically listed foreign shares have been listed on the Shenzhen Stock Exchange. The company is headquartered at 260 Jianxin East Road, Jiangbei District, Chongqing, China, and its office address is T2 Building, No. 2, Financial City, No. 61 Dongshengmen Road, Jiangbei District, Chongqing, China.

After the establishment of the company, the share capital and shareholding structure have undergone several changes. As of June 30, 2023, the company’s controlling shareholder China Changan Automobile Group Company Limited (hereinafter referred to as “China Changan”) and its wholly-owned subsidiary United Prosperity Investment Co., Ltd. held a total of ordinary shares of the company 2,063,588,975 shares with an equity ratio of 20.80%. China South Industries Group Co., Ltd. (hereinafter referred to as “China South Group”), the parent company of China Changan, and its wholly-owned subsidiary, South Industries International Holdings (Hong Kong) Company Limited, hold 1,921,622,884 ordinary shares of the company, with a 19.37% shareholding ratio. China Changan and China South Group holds ordinary shares 3,985,211,859 in total with a shareholding ratio of 40.18%.

The Company and its subsidiaries collectively refer to as the Group, and its main business activities are: the manufacturing and sales of automobiles (including cars), automobile engine products, and supporting parts.

The holding company and ultimate holding company of the Company are China Changan and China South Group respectively.

The scope of consolidation in the consolidated financial statement is determined based on control. For the consolidation scope of this year, please refer to Note VIII.

IV. BASIS OF PREPARATION

1. Basis of compilation

The financial statements have been prepared in accordance with Accounting Standards for Business Enterprises-Basic Standard and the specific standards issued and modified subsequently, and the implementation guidance, interpretations and other relevant provisions issued subsequently by the MOF (correctly referred to as “Accounting Standards for Business Enterprises”).

1. Going-concern

The financial statements are presented on a going concern basis.

The financial statements have been prepared under the historical cost convention, except for certain financial instruments. If the assets are impaired, the corresponding provisions should be made accordingly.

V. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

According to the actual production and operation characteristics, the group formulated the specific accounting policies and accounting estimates, mainly reflected in provision of accounts receivables, inventory valuation, depreciation of fixed assets, intangible assets amortization, condition of capitalization of research and development expense and revenue recognition and measurement.

1. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements present fairly and fully, the financial position of the company on 30 June 2023 and the financial results and the cash flows in the half year of 2023 then ended in accordance with Accounting Standards for Business Enterprises.

2. Accounting year

The accounting year of the Group is from 1 January to 31 December of each calendar year.

3. Functional currency

The Group’s functional and reporting currency is the Renminbi (“RMB”). Unless otherwise stated, the unit of the currency is Yuan. Each entity in the Group determines its own functional currency in accordance with the operating circumstances. At the end of the reporting period, the foreign currency financial statements are translated into the reporting currency of the Company of RMB.

4. Business combination

Business combinations are classified into business combinations involving entities under common control and business combinations involving entities not under common control.

Business combination involving entities under common control

If the enterprise participating in the merger is ultimately controlled by the same party or the same parties before and after the merger, and the control is not temporary, it is a business merger under the same control.

Assets and liabilities that are obtained by the acquiring party in a business combination involving entities under common control shall be measured at their carrying amounts at the combination date as recorded by the party being acquired. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or the aggregate face value of shares issued as consideration) shall be adjusted to capital reserve. If the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Business combination involving entities not under common control

If the enterprise participating in the merger is not ultimately controlled by the same party or the same parties before and after the merger, it is a business merger not under the same control.

The acquirer shall measure the acquiree's identifiable assets, liabilities and contingent liabilities acquired in the business combination at their fair values on the acquisition date.

Goodwill is initially recognized and measured at cost, being the excess of the aggregate of the fair value of the consideration transferred (or the fair value of the equity securities issued) and any fair value of the Group's previously held equity interest in the acquiree over the Group's interest in the fair value of the acquiree's net identifiable assets. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Where the aggregate of the fair value of the consideration transferred (or the fair value of the equity securities issued) and any fair value of the Group's previously held equity interest in the acquiree is lower than the Group's interest in the fair value of the acquiree's net identifiable assets, the Group reassesses the measurement of the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities and the fair value of the consideration transferred (or the fair value of the equity securities issued), together with the fair value of the Group's previously held equity interest in the acquiree. If after that reassessment, the aggregate of the fair value of the consideration transferred (or the fair value of the equity securities issued) and the Group's previously held equity interest in the acquiree is still lower than the Group's interest in the fair value of the acquiree's net identifiable assets, the Group recognize the remaining difference in profit or loss.

5. Consolidated financial statements

The scope of the consolidated financial statements, which include the financial statements of the Company and all of its subsidiaries, is determined on the basis of control. A subsidiary is an entity that is controlled by the Company (such as an enterprise, a deemed separate entity, or a structured entity controlled by the Company).

In the preparation of the consolidated financial statements, the financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. 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.

When the current loss belong to minorities of the subsidiary exceeds the beginning equity of the subsidiary belong to minorities, the exceeded part will still deduct the equity belong to minorities.

With respect to subsidiaries acquired through business combinations involving entities not under common control, the operating results and cash flows of the acquiree should be included in the consolidated financial statements, from the day that the Group gains control, till the Group ceases the control of it. While preparing the consolidated financial statements, the acquirer should adjust the subsidiary's financial statements, on the basis of the fair values of the identifiable assets, liabilities and contingent liabilities recognized on the acquisition date.

With respect to subsidiaries acquired through business combinations involving entities under common control, the operating results and cash flows of the acquiree should be included in the consolidated financial statements from the beginning of the period in which the combination occurs.

If the changes of relevant facts and circumstances will result in the changes of one or more control elements, then the Group should reassess whether it has taken control of the investee.

6. Joint venture arrangement classification and joint operation

Joint venture arrangements are classified into joint operation and joint venture. Joint operation refers to those joint venture arrangements, relevant assets and liabilities of which are enjoyed and assumed by the joint ventures. Joint ventures refer to those joint venture arrangements, only the right to net assets of which is enjoyed by the joint ventures.

Any joint venture shall recognize the following items related to its share of benefits in the joint operation and conduct accounting treatment in accordance with relevant accounting standards for business enterprises: assets it solely holds and its share of jointly-held assets based on its percentage; liabilities it solely assumes and its share of jointly-assumed liabilities based on its percentage; incomes from sale of output enjoyed by it from the joint operation; incomes from sale of output from the joint operation based on its percentage; and separate costs and costs for the joint operation based on its percentage.

7. Cash and cash equivalents

Cash comprises cash on hand and bank deposits which can be used for payment at any time; Cash equivalents are short-term, highly liquid investments held by the Group, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

8. Foreign currency translation

The Group translates the amount of foreign currency transactions occurred into functional currency.

The foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount at the spot exchange rate on the transaction dates. Foreign currency monetary items are translated using the spot exchange rate quoted by the People's Bank of China at the balance sheet date. The exchange gains or losses arising from occurrence of transactions and exchange of currencies, except for those relating to foreign currency borrowings specifically for construction and acquisition of fixed assets capitalized, are dealt with in the profit and loss accounts. Non-monetary foreign currency items measured at historical cost remain to be translated at the spot exchange rate prevailing on the transaction date, and the amount denominated in the functional currency should not be changed. Non-monetary foreign currency items measured at fair value should be translated at the spot exchange rate prevailing on the date when the fair values are determined. The exchange difference thus resulted should be charged to the current income or other comprehensive income account of the current period.

When preparing consolidated financial statements, the financial statements of the subsidiaries presented in foreign currencies are translated into Renminbi as follows: asset and liability accounts are translated into Renminbi at exchange rates ruling at the balance sheet date; shareholders' equity accounts other than retained profits are translated into Renminbi at the applicable exchange rates ruling at the transaction dates; income and expense in income statement are translated into Renminbi average exchange rate of the period in which the transaction occurred (unless the exchange rate fluctuation makes it inappropriate to adopt this exchange rate for conversion, the spot exchange rate on the date of cash flow shall be adopted for conversion); total difference between translated assets and translated liabilities and shareholders' equity is separately listed as "foreign currency exchange differences" below retained profits. The translation difference arising from the settlement of overseas subsidiaries is charged to the current liquidation profit and loss in proportion to the settlement ratio of the assets concerned.

Foreign currency cash flows and the cash flows of foreign subsidiaries should be translated using the average exchange rate prevailing on the transaction month during which the cash flows occur (unless the exchange rate fluctuation makes it inappropriate to adopt this exchange rate for conversion, the spot exchange rate on the date of cash flow shall be adopted for conversion). The amount of the effect on the cash arising from the change in the exchange rate should be separately presented as an adjustment item in the cash flow statement.

9. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Recognition and derecognition

The Group recognizes a financial asset or a financial liability, when the Group becomes a party to the contractual provision of the instrument.

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

- 1) the rights to receive cash flows from the financial asset have expired;
- 2) the Group has transferred its rights to receive cash flows from the financial 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) has transferred substantially

all the risks and rewards of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the financial asset.

A financial liability is derecognized 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 recognized in profit or loss.

Regular way purchases and sales of financial assets are recognized and derecognized using trade date accounting. Regular way purchases or sales are purchases or sales of financial assets that require delivery within the period generally established by regulation or convention in the marketplace. The trade date is the date that the Group committed to purchase or sell a financial asset.

Classification and measurement of financial assets

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: financial assets measured at amortized cost, financial assets measured at fair value with changes included in other comprehensive income, and financial assets measured at fair value with changes included in current profit and loss. All affected related financial assets are reclassified when and only when the group changes its business model for managing financial assets.

Financial assets are measured at fair value on initial recognition, but accounts receivable or notes receivable arising from the sale of goods or rendering of services that do not contain significant financing components or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component due within one year, are initially measured at the transaction price.

For financial assets at fair value through profit or loss, relevant transaction costs are directly recognized in profit or loss, and transaction costs relating to other financial

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

Debt investments measured at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met: the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortized cost are subsequently measured using the effective interest method. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Debt investments at fair value through other comprehensive income

The Group measures debt investments at fair value through other comprehensive income if both of the following conditions are met: the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income is recognized using the effective interest method. The interest income, impairment losses and foreign exchange revaluation are recognized in profit or loss. The remaining fair value changes are recognized in other comprehensive income. Upon derecognition, the cumulative fair value change recognized in other comprehensive income is recycled to profit or loss.

Equity investments at fair value through other comprehensive income

The Group can elect to classify irrevocably its equity investments which are not held for trading as equity investments designated at fair value through other comprehensive income. Only the relevant dividend income (excluding the dividend income explicitly recovered as part of the investment cost) is recognized in profit or loss. Subsequent changes in the fair value are included in other comprehensive income,

and no provision for impairment is made. When the financial asset is derecognized, the accumulated gains or losses previously included in other comprehensive income are transferred from other comprehensive income to retained earnings.

Financial assets at fair value through profit or loss

The financial assets other than the above financial assets measured at amortized cost and financial assets at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Such financial assets are subsequently measured at fair value with net changes in fair value recognized in profit or loss.

Classification and measurement of financial liabilities

Financial liabilities are classified as: financial liabilities measured at fair value through profit or loss, and other financial liabilities measured at amortized cost. For financial liabilities measured at fair value and whose changes are included in the current profit and loss, the relevant transaction costs are directly included in the current profit and loss, and the relevant transaction costs of other financial liabilities measured at amortized cost are included in their initial recognition amount.

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities held for trading are subsequently measured at fair value with net changes in fair value recognized in profit or loss. Gains or losses on liabilities designated at fair value through profit or loss are recognized in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to profit or loss.

Financial liabilities measured at amortized cost

Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

Impairment of financial assets

On the basis of expected credit loss, the Group carries out impairment treatment on financial assets, measured at amortized cost and contract assets and recognizes loss reserves

For receivables and contract assets that do not contain significant financing components, the Group uses a simplified measurement method to measure the loss provision based on the expected credit loss amount for the entire duration.

For financial assets other than the simplified measurement method mentioned above, the Group assesses on each balance sheet date whether its credit risk has not increased significantly since initial recognition, it is in the first stage. The Group measures the loss provision based on the amount equivalent to the expected credit loss in the next 12 months, and calculates the interest income based on the book balance and the actual interest rate; if the credit risk has increased significantly since initial recognition but has not yet suffered credit impairment, it is in the second at this stage, the Group measures the loss provision based on the amount equivalent to the expected credit loss for the entire duration, and calculates the interest income based on the book balance and the actual interest rate; If credit impairment occurs after initial recognition, it is in the third stage. The amount of expected credit losses is measured over the entire duration of the loss allowance, and interest income is calculated based on amortized cost and effective interest rate. For financial instruments with low credit risk on the balance sheet date, the Group assumes that their credit risk has not increased significantly since initial recognition.

The Group assesses the expected credit losses of financial instruments based on individual items and portfolios. The Group has considered the credit risk characteristics of different customers and evaluated the expected credit losses of accounts receivable and other receivables based on the ageing combination.

Please refer to Note VII,3 for the disclosure of the Group's judgment criteria for significant increase in credit risk and the definition of credit impairment assets that have occurred.

The factors reflected in the group's method of measuring expected credit losses on financial instruments include the unbiased probability weighted average amount determined by evaluating a series of possible results, the time value of money, and reasonable and evidentiary information on past events, current conditions and forecasts of future economic conditions available at the balance sheet date without unnecessary additional costs or efforts.

When the Group no longer reasonably expects to be able to fully or partially recover the contractual cash flows of financial assets, the Group directly writes down the book balance of the financial asset.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts; and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Transfer of financial assets

If the Group transfers substantially all the risks and rewards of ownership of the financial asset, the Group derecognizes the financial

asset; and if the Group retains substantially all the risks and rewards of the financial asset, the Group does not derecognize the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the Group determines whether it has retained control of the financial asset. In this case: (i) if the Group has not retained control, it derecognizes the financial asset and recognize separately as assets or liabilities any rights and obligations created not retained in the transfer; (ii) if the Group has retained control, it continues to recognize the financial asset to the extent of its continuing involvement in the transferred financial asset and recognizes an associated liability.

10. Inventories

Inventory includes raw materials, goods in transit, work in progress, finished goods, consigned processing materials, low-value consumables.

Inventory is initially carried at the actual cost. Inventory costs comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to its present location and condition. Weighted average method is assigned to the determination of actual costs of inventories. One-off writing off method is adopted in amortization of low-value consumables.

The Group applies a perpetual counting method of inventory.

At the balance sheet date, the inventory is stated at the lower of cost and net realizable value. If the cost is higher than the net realizable value, provision for the inventory should be made through profit or loss.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The impairment provision should be made on a basis of each item of inventories according to the difference between cost and net realizable value. For large numbers of inventories at relatively low unit prices, the provision for loss on decline in value of inventories should be made by category.

11. Assets held for sale

The group divides non current assets or asset groups that meet the following conditions into held for sale categories:

- 1) In accordance with the practice of selling such assets or groups of assets in similar transactions, they can be sold immediately under current conditions;
- 2) The sale is likely to occur, that is, the group has made a decision on a sale plan and obtained a definite purchase commitment, and the sale is expected to be completed within one year.

If the book value of non current assets (excluding financial assets, deferred income tax assets and assets formed by employee remuneration) or disposal groups held for sale is higher than the net value of fair value minus selling expenses, the book value shall be written down to the net value of fair value minus selling expenses, and the amount written down shall be recognized as asset impairment losses and included in the current profits and losses. At the same time, provision for impairment of assets held for sale shall be made.

Non current assets held for sale or non current assets in the disposal group are not depreciated or amortized, and interest and other expenses on liabilities in the disposal group held for sale continue to be recognized.

When non current assets or disposal groups no longer meet the criteria for the classification of held for sale categories, the group will no longer continue to classify them as held for sale categories or remove noncurrent assets from the disposal groups held for sale, and will measure them according to the lower of the following:

- 1) The book value before being classified as held for sale is adjusted according to the depreciation, amortization or impairment that should have been recognized under the assumption that it is not classified as held for sale;
- 2) Recoverable amount.

12. Long-term equity investments

Long-term equity investments include investments in subsidiaries, joint ventures and associates.

Long-term equity investments are recognized at initial investment cost upon acquisition. For a long-term equity investment acquired through a business combination under common control, the initial investment cost of the long-term equity investment shall be the absorbing party's share of the carrying amount of the owners' equity of the party being absorbed in the consolidated financial statements of the ultimate controlling party at combination date. The difference between the initial investment cost and the carrying amount of cash paid, non-cash assets transferred and liabilities assumed shall be adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess shall be adjusted to retained earnings. Any other comprehensive income previously recognized shall be accounted for on the same basis as would have been required if the investee had directly disposed of the related assets or liabilities. The portion recognized based on changes in the investee's equity (other than net profit or loss, other comprehensive income and profit appropriation) is charged to profit or loss upon disposal of such long-term equity investment. For those partially disposed equity investments, gains or losses upon disposal are proportionately recognized in profit or loss when they still constitute long-term equity investments after the disposal and are fully charged to profit or loss when they are reclassified to financial instruments after the disposal. For business combination involving entities not under common control, the initial investment cost should be the cost of acquisition (for step acquisitions not under common control, the initial investment cost is the sum of the carrying amount of the equity investment in the acquiree held before the acquisition date and the additional investment cost paid on the acquisition date), which is the sum of the fair value of assets transferred, liabilities incurred or assumed and equity instruments issued. If the equity investments in the acquiree involve other comprehensive income prior to the acquisition date, when disposing of the investments, the relevant other comprehensive income will be accounted for on the same basis as would have been required if the investee had directly disposed of the related assets or liabilities. The portion recognized based on changes in the investee's equity (other than net profit or loss, other comprehensive income and profit appropriation) is charged to profit or loss upon disposal of such long-term equity investment. The initial investment cost of a long-term equity investment acquired otherwise than through a business combination shall be determined as follows: for a long-term equity investment acquired by paying cash, the initial investment cost shall be the actual purchase price has been paid plus those costs, taxes and other necessary expenditures directly attributable to the acquisition of the long-term equity investment; for those acquired by the issue of equity securities, the initial investment cost shall be the fair value of the equity securities issued.

The Company adopted cost method to account for long-term investments in the subsidiaries in the separate financial statements of the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Under cost method, the long-term equity investment is valued at the cost of the initial investment. The cost of long-term equity investment should be adjusted in case of additional investment or disinvestments. When cash dividends or profits are declared by the invested enterprise is recognized as investment income in current period.

The equity method is applied to account for long-term equity investments, when the Group has jointly control, or significant influence on the investee enterprise. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the ventures). Significant influence is the power to participate in the financial and operating policy decisions of an economic activity but is not control or joint control over those policies.

Under equity method, when the initial investment cost of a long-term equity investment exceeds the investing enterprise's interest in the fair values of the investee's identifiable net assets at the acquisition date, the difference is accounted for as an initial cost. As to the initial investment cost is less than the investing enterprise's interest in the fair values of the investee's identifiable net assets at the acquisition date, the difference shall be charged to the income statement for the current period, and the cost of the long-term equity investment shall be adjusted accordingly.

Under equity method, the Group recognizes its share of post-acquisition equity in the investee enterprise for the current period as a gain or loss on investment, and also increases or decreases the carrying amount of the investment. When recognizing its share in the net profit or loss of the investee entities, the Group should, based on the fair values of the identifiable assets of the investee entity when the investment is acquired, in accordance with the Group's accounting policies and periods, after eliminating the portion of the profits or losses, arising from internal transactions with joint ventures and associates, attributable to the investing entity according to the share ratio (but losses arising from internal transactions that belong to losses on the impairment of assets, should be recognized in full), recognize the net profit of the investee entity after making appropriate adjustments. The book value of the investment is reduced to the extent that the Group's share of the profit or cash dividend declared to be distributed by the investee enterprise. However, the share of net loss is only recognized to the extent that the book value of the investment is reduced to zero, except to the extent that the Group has incurred obligations to assume additional losses. The Group shall adjust the carrying amount of the long-term equity investment for other changes in owners' equity of the investee enterprise (other than net profits or losses), and include the corresponding adjustments in equity, which should be realized through profit or loss in subsequent settlement of the respective long-term investment.

On settlement of a long-term equity investment, the difference between the proceeds actually received and the carrying amount shall be recognized in the income statement for the current period. As to other comprehensive income recognized based on measurement of the original equity investment by employing the equity method, accounting treatment shall be made on the same basis as would be required if the invested entity had directly disposed of the assets or liabilities related thereto when measurement by employing the equity method is terminated. As to any change in owners' equity of the invested entity other than net profit or loss, other comprehensive income and profit distribution, the investing party shall be transferred to the income statement for the current period. If the remaining equities still be measured under the equity method, accumulative change previously recorded in other comprehensive income shall be

transferred to current profit or loss, in measurement on the same basis as the invested entity had directly disposed of the assets or liabilities related thereto. The income or loss recorded in the equity directly should be transferred to the current income statement on settlement of the equity investment on the disposal proportion.

13. Investment property

Investment property are properties held to earn rentals or for capital appreciation, or both, including rented land use right, land use right which is held and prepared for transfer after appreciation, and rented building.

The initial measurement of the investment property shall be measured at its actual cost. The follow-up expenses pertinent to an investment property shall be included in the cost of the investment property, if the economic benefits pertinent to this real estate are likely to flow into the enterprise, and, the cost of the investment property can be reliably measured. Otherwise, they should be included in the current profits and losses upon occurrence.

The Group adopts the cost method to make follow-up measurement to the investment property. The buildings are depreciated under straight-line method.

14. Fixed assets

A fixed asset probably shall be recognized only when the economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Subsequent expenditure incurred for a fixed asset that meet the recognition criteria shall be included in the cost of the fixed asset, and the book value of the component of the fixed asset that is replaced shall be derecognized. Otherwise, such expenditure shall be recognized in the income statement in the period during which they are incurred.

Fixed assets are initially measured at actual cost on acquisition. The cost of a purchased fixed asset comprises the purchase price, relevant taxes and any directly attributable expenditure for bringing the asset to working condition for its intended use, such as delivery and handling costs, installation costs and other surcharges.

Fixed assets are depreciated on straight-line basis. The estimated useful lives estimated residual values and annual depreciation rates for each category of fixed assets are as follows:

Category	Deprecation period	Residual rate (%)	Yearly depreciation rate (%)
Buildings	20 to 35 years	3%	2.77%-4.85%
Machinery (Note)	5 to 20 years	3%	4.85%-19.40%
Vehicles	4 to 10 years	3%	9.70%-24.25%
Others	3 to 21 years	3%	4.62%-32.33%

Note: the molds in machinery should be depreciated in units-of-production method.

The Group reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least at the end of each year and makes adjustments if necessary.

15. Construction in progress

The cost of construction in progress is determined according to the actual expenditure for the construction, including all necessary construction expenditure incurred during the construction period, borrowing costs that should be capitalized before the construction reaches the condition for intended use and other relevant expenses.

Construction in progress is transferred to fixed assets when the asset is ready for its intended use.

16. Borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized, otherwise the borrowing costs are expensed in the period during which they are incurred. A qualifying asset is an asset (an item of property, plant and equipment and inventory etc.) that necessarily takes a substantial period of time to get ready for its intended use of sale.

The capitalization of borrowing costs is as part of the cost of a qualifying asset shall commence when:

- 1) expenditure for the asset is being incurred;
- 2) borrowing costs are being incurred; and

3) activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalization of borrowing costs shall be ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale have been done. And subsequent borrowing costs are recognized in the income statement.

During the capitalization period, the amount of interest to be capitalized for each accounting period shall be determined as follows:

1) where funds are borrowed for a specific-purpose, the amount of interest to be capitalized is the actual interest expense incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds;

2) where funds are borrowed for a general-purpose, the amount of interest to be capitalized on such borrowings is determined by applying a weighted average interest rate to the weighted average of the excess amounts of cumulative expenditure on the asset over and above the amounts of specific-purpose borrowings.

During the construction or manufacture of assets that are qualified for capitalization, if abnormal discontinuance, other than procedures necessary for their reaching the expected useful conditions, happens, and the duration of the discontinuance is over three months, the capitalization of the borrowing costs is suspended. Borrowing costs incurred during the discontinuance are recognized as expense and charged to the income statement of the current period, till the construction or manufacture of the assets resumes.

17. Right-of-use assets

At the commencement date of the lease period, the Group recognizes its right to use the leased assets during the lease period as a right-of-use asset, initial measurement is made at cost. Cost of right to use assets including: the initial measured amount of the lease liability; the amount of lease payments paid on or before the start date of the lease period, in addition, the relevant amount of lease incentive should be deducted; Initial direct expenses incurred by the lessee; the estimated cost incurred by the lessee for dismantling and removing the leased assets, restoring the site where the leased assets are located, or restoring the leased assets to the state agreed in the lease terms. If the group remeasures the lease liabilities due to changes in lease payments, the book value of the right to use assets shall be adjusted accordingly. The Group adopts the average age method to depreciate the assets of the right of use. If it can be reasonably determined that the ownership of the leased asset is obtained at the expiration of the lease term, the Group adopts depreciation within the remaining service life of the leased asset. If it is impossible to reasonably determine that the ownership of the leased asset can be obtained at the expiration of the lease term, the Group adopts depreciation within the shorter of the lease term and the remaining service life of the leased asset.

18. Intangible assets

An intangible asset probably shall be recognized only when the economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are initially measured at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition, if the fair value can be reliably measured.

The useful life of the intangible assets shall be assessed according to the estimated beneficial period expected to generate economic benefits. An intangible asset shall be regarded as having an indefinite useful life when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group.

The useful lives of the intangible assets are as follow:

	Useful life
Land use right	43 to 50 years
Software	2 years
Trademark	10 years
Non-patent technology	5 to 11 years
Patent technology	10 years

Land use rights that are purchased or acquired through the payment of land use fees are accounted for as intangible assets. With respect to self-developed properties, the corresponding land use right and buildings should be recorded as intangible and fixed assets separately. As to the purchased properties, if the reasonable allocation of outlays cannot be made between land and buildings, all assets purchased will be recorded as fixed assets. The cost of a finite useful life intangible asset is amortized using the straight-line method during the estimated useful life. For an intangible asset with a finite useful life, the Group reviews the estimated useful life and amortization method at least at the end of each year and adjusts if necessary.

The Group should test an intangible asset with an indefinite useful life for impairment by comparing its recoverable amount with its carrying amount annually, whenever there is an indication that the intangible asset may be impaired. An intangible asset with an indefinite useful life shall not be amortized.

The useful life of an intangible asset that is not being amortized shall be reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If there are indicators that the intangible asset has finite useful life, the accounting treatment would be in accordance with the intangible asset with finite useful life.

19. Research and development expenditures

The Group classified the internal research and development expenditures as follows: research expenditures and development cost.

The expenditures in research stage are charged to the current income on occurrence.

The expenditures in development stage are capitalized that should meet all the conditions of (a) it is technically feasible to finish intangible assets for use or sale; (b) it is intended to finish and use or sell the intangible assets; (c) the usefulness of methods for intangible assets to generate economic benefits shall be proved, including being able to prove that there is a potential market for the products manufactured by applying the intangible assets or there is a potential market for the intangible assets itself or the intangible assets will be used internally; (d) it is able to finish the development of the intangible assets, and able to use or sell the intangible assets, with the support of sufficient technologies, financial resources and other resources; and (e) the development expenditures of the intangible assets can be reliably measured. Expenses incurred that don't meet the above requirements unanimously should be expensed in the income statement of the reporting period.

The Group discriminates between research and development stage with the condition that the project research has been determined, in which the relevant research complete all the fractionalization of products measurements and final product scheme under final approval of management. The expenditures incurred before project-determination stage is charged to the current income, otherwise it is recorded as development cost.

20. Impairment of assets

The impairment of assets other than inventory, contract assets, deferred income tax assets and financial assets is determined according to the following methods: on the balance sheet date, it is judged whether there are signs of possible impairment of assets. If there are signs of impairment, the group will estimate its recoverable amount and conduct an impairment test. Impairment tests shall be conducted at least at the end of each year for goodwill formed by business combination, intangible assets with uncertain service life and intangible assets that have not yet reached the usable state, regardless of whether there are signs of impairment.

The recoverable amount is determined according to the higher of the net amount of the fair value of the asset minus the disposal expenses and the present value of the expected future cash flow of the asset. The group estimates its recoverable amount on the basis of individual assets; If it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the asset group shall be determined on the basis of the asset group to which the asset belongs. The recognition of an asset group shall be based on whether the main cash inflow generated by the asset group is independent of the cash inflow of other assets or asset groups.

The recoverable amount of an asset is the higher of its fair value less costs to sell and the present value of the future cash flow expected to be derived from the asset. The Group estimates the recoverable amount on an individual basis. If it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the asset group to which the asset belongs. Identification of an asset group is based on whether major cash flows generated by the asset group are independent of the cash flows from other assets or asset groups.

When the recoverable amount of an asset or asset group is less than its carrying amount, the carrying amount is reduced to the recoverable amount. The impairment of asset is provided for and the impairment loss is recognized in the income statement for the current period.

For the purpose of impairment testing, the carrying amount of goodwill acquired in a business combination is allocated, on a reasonable basis, to related asset groups; if it is impossible to allocate to the related asset groups, it is allocated to each of the related sets of asset groups. Each of the related asset groups or related sets of asset groups is a group or set of asset group that is able to benefit from the synergies of the business combination and shall not be larger than a reportable segment determined by the Group.

When an impairment test is conducted on an asset group or a set of asset groups that contains goodwill, if there is any indication of impairment, the Group firstly tests the asset group or the set of asset groups excluding the amount of goodwill allocated for impairment, i.e., it determines and compares the recoverable amount with the related carrying amount and then recognize impairment loss if any. Thereafter, the Group tests the asset group or set of asset groups including goodwill for impairment, the carrying amount (including the portion of the carrying amount of goodwill allocated) of the related asset group or set of asset groups is compared to its recoverable amount. If the carrying amount of the asset group or set of asset groups is higher than its recoverable amount, the amount of the impairment loss is firstly eliminated by and amortized to the book value of the goodwill included in the asset group or set of asset groups, and then eliminated by the book value of other assets according to the proportion of the book values of assets other than the goodwill in the asset group or set of asset groups.

Once the above impairment loss is recognized, it cannot be reversed in subsequent periods.

21. Long-term deferred expenses

The long-term deferred expenses represent the payment for the improvement on buildings and other expenses, which have been paid and should be deferred in the following years. Long-term deferred expenses are amortized on the straight-line basis over the expected beneficial period and are presented at actual expenditure net of accumulated amortization.

22. Employee benefits

Employee benefits refer to all kinds of remunerations or compensation made by enterprises to their employees in exchange for services provided by the employees or termination of labor relation. Employee compensation includes short-term compensation and post-employment benefits. The benefits offered by enterprises to the spouse, children, the dependents of the employee, the family member of deceased employee and other beneficiaries are also employee compensation.

Short-term employee salaries

During the accounting period of employee rendering service, the actual employees salaries and are charged to the statement of profit or loss as they become payable in balance sheet.

Post-employment benefits (Defined contribution plans)

The employees of the Group participate in pension insurance, which is managed by local government and the relevant expenditure, is recognized, when incurred, in the costs of relevant assets or the profit and loss for the current period.

Post-employment benefits (Defined benefit plan)

The Group operates a defined benefit pension plan which requires contributions to be made to a separately administered fund. The benefits are unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit actuarial valuation method.

Remeasurements arising from defined benefit pension plans are recognized immediately in the consolidated statement of financial position with a corresponding debit or credit to retained profits through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss at the earlier of: the date of the plan amendment or curtailment; and the date that the Group recognizes restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation under administrative expenses in the consolidated statement of profit or loss by function: •service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; net interest expense or income.

Termination benefits

Termination benefits are recognized at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes restructuring costs involving the payment of termination benefits.

23. Lease liabilities

At the beginning of the lease term, the Group recognizes the present value of the unpaid lease payments as a lease liability, except for short-term leases and low value asset leases. Lease payments include fixed and substantially fixed payments after deducting lease incentives, variable lease payments depending on an index or ratio, amounts expected to be payable based on the guaranteed residual value, and also includes the exercise price of the purchase option or amounts payable to exercise the termination lease option, provided that the group reasonably determines that the option or lease term will be exercised to reflect the group's exercise of the termination lease option.

In calculating the present value of lease payments, the group uses the embedded interest rate of the lease as the discount rate; If the

embedded interest rate of the lease cannot be determined, the incremental loan interest rate of the lessee shall be used as the discount rate. The group calculates the interest expense of lease liabilities during each period of the lease term at a fixed cyclical interest rate and includes it in the current profit and loss, unless otherwise specified in the cost of related assets. The amount of variable lease payments not included in the measurement of lease liabilities shall be included in the current profit and loss when actually incurred, unless otherwise stipulated in the cost of related assets.

After the beginning date of the lease term, the group increases the carrying amount of the lease liabilities when it recognizes interest, and decreases the carrying amount of the lease liabilities when it pays the lease payments. When the substantial fixed payment changes, the estimated amount payable of the guarantee residual value changes, the index or ratio used to determine the lease payment changes, the evaluation results or actual exercise of the purchase option, renewal option or termination option changes, the group remeasures the lease liability according to the present value of the changed lease payment.

24. Provisions

An obligation related to a contingency shall be recognized by the Group as a provision when all of the following conditions are satisfied, except for contingent considerations and contingent liabilities assumed in a business combination not involving entities under common control:

- 1) the obligation is a present obligation of the Group;
- 2) it is probable that an outflow of economic benefits from the Group will be required to settle the obligation;
- 3) a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are initially measured according to the current best estimate for the expenditure necessary for the performance of relevant present obligations, with comprehensive consideration given to factors such as the risks, uncertainty and time value of money relating to contingencies. The book value of the contingent liabilities should be reviewed at each balance sheet date. If there is objective evidence showing that the book value cannot reflect the present best estimate, the book value should be adjusted according to the best estimate.

The contingent liabilities of the acquiree acquired in the business combination involving entities not under common control are measured at fair value upon initial recognition. After initial recognition, the balance of the amount recognized according to the estimated liabilities and the amount initially recognized after deducting the accumulated amortization determined by the revenue recognition principle is subsequently measured at the higher of the two.

25. Share-based payments

A share-based payment is classified as either an equity-settled share-based payment or a cash-settled share-based payment. An equity-settled share-based payment is a transaction in which the Group receives services and uses shares or other equity instruments as consideration for settlement.

An equity-settled share-based payment in exchange for services received from employees is measured at the fair value of the equity instruments granted to the employees. If such equity-settled share-based payment could vest immediately, related costs or expenses at an amount equal to the fair value on the grant date are recognized, with a corresponding increase in capital reserves; if such equity-settled share-based payment could not vest until the completion of services for a vesting period, or until the achievement of a specified performance condition, the Group at each balance sheet date during the vesting period recognizes the services received for the current period as related costs and expenses, with a corresponding increase in capital reserves, at an amount equal to the fair value of the equity instruments at the grant date, based on the best estimate of the number of equity instruments expected to vest. The fair value is determined using the closing price of the company's shares on the grant date.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognized. 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 share-based award are modified, as a minimum an expense is recognized as if the terms had not been modified. In addition, an expense is recognized for any modification that increases the total fair value of the share-based payment or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled share-based award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award and is designated as a replacement on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award.

26. Revenue from contracts with customers

The Group has fulfilled its performance obligations in the contracts, that is, the revenue is recognized when the customer obtains control of the relevant goods or services. Obtaining control over related goods or services means being able to lead the use of the goods or the provision of the services and obtain almost all of the economic benefits from it.

Contracts for the sale of goods

A contract for the sale of goods between the Group and the customer usually includes the performance obligation to transfer of goods, transportation services and free maintenance. The Group allocates the transaction price to each individual performance obligation in accordance with the relative proportion of the stand-alone selling price of the goods or services promised by each individual performance obligation on the date of contract commencement. Regarding the performance obligations of the transferred goods, the Group usually recognizes revenue at the point when the performance obligations are fulfilled based on the following indicators, which include: a present right to payment for goods, the transfer of significant risks and rewards of ownership of goods, the transfer of legal title to goods, the transfer of physical possession of goods, the customer's acceptance of goods.

Provide service contract

The performance obligations of the service provision contract between the Group and the customer are due to the fact that the customer obtains and consumes the economic benefits brought by the performance of the Group at the same time the Group performs the contract, and the Group has the right to accumulate the economic benefits during the entire contract period. The Group regards it as a performance obligation performed within a period, and recognizes the revenue according to the performance progress, unless the performance progress cannot be reasonably determined. In accordance with the output method, the Group determines the progress of the performance of the service provided based on the completed or delivered products. When the performance progress cannot be reasonably determined, if the cost incurred by the Group is expected to be compensated, the revenue will be recognized according to the amount of the cost incurred until the performance progress can be reasonably determined.

Variable consideration

Some contracts between the Group and customers have sales rebate arrangements, forming variable consideration. The Group determines the best estimate of the variable consideration based on the expected value or the most likely amount, but the transaction price including the variable consideration does not exceed the amount that the accumulated recognized revenue will most likely not be materially reversed when the relevant uncertainty is eliminated.

Warranty obligations

In accordance with contractual agreements and legal provisions, the Group provides quality assurance for the goods sold. For guarantee quality assurance to ensure that the products sold meet the established standards, the Group conducts accounting treatment in accordance with Note V, 23. For the service quality assurance that provides a separate service in addition to the established standards to ensure that the goods sold meet the established standards, the Group regards it as a single performance obligation, based on the stand-alone selling price of the quality assurance of the goods and services provided. In a relative proportion, part of the transaction price is allocated to service quality assurance, and revenue is recognized when the customer obtains control of the service. When assessing whether the quality assurance provides a separate service in addition to ensuring that the products sold meet the established standards, the Group considers whether the quality assurance is a legal requirement, the quality assurance period, and the nature of the Group's commitment to perform tasks.

Reward points program

The group grants reward points to customers when selling goods or providing services, and customers can exchange reward points for free or discounted goods or services. The incentive points plan provides customers with a significant right, which the group regards as a single performance obligation, apportions part of the transaction price to the incentive points in accordance with the relative proportion of the separate selling price of the goods or services provided and the incentive points, and recognizes revenue when the customer obtains control of the points exchanged goods or services or when the points expire.

Principal/agent

For the Group to lead a third party to provide services to customers on behalf of the Group, the Group has the right to independently determine the price of the goods or services traded, that is, the Group can control the relevant goods before transferring the goods to the customers, so the Group is the main responsible person, and recognize revenue based on the total consideration received or receivable. Otherwise, the Group acts as an agent and recognizes revenue based on the amount of commission or fees expected to be charged. This amount should be based on the net amount of the total consideration received or receivable minus the price payable to other related parties, or based on the established commission amount or proportions, etc.

27. Contract assets and contract liabilities

The Group lists contract assets or contract liabilities in the balance sheet based on the relationship between performance obligations and customer payments. The Group offsets the contract assets and contract liabilities under the same contract as net amount.

Contract assets

Contract assets refer to the right to receive consideration for the transfer of goods or services to customers, and this right depends on factors other than the passage of time.

The determination method and accounting treatment method of the expected credit loss of the contract assets of the Group refer to Note III, 9.

Contract liabilities

Contract liabilities refer to the obligation to transfer goods or services to customers for the consideration received or receivable from customers, such as the payment received by companies before the transfer of promised goods or services.

28. Government grants

A government grant is recognized only when there is reasonable assurance that the entity will comply with any conditions attached to the grant and the grant will be received. Monetary grants are accounted for at received or receivable amount. Non-monetary grants are accounted for at fair value. If there is no reliable fair value available, the grants are accounted for a nominal amount.

A government grant which is specified by the government documents to be used to purchase and construct the long-term assets shall be recognized as the government grant related to assets. A government grant which is not specified by the government documents shall be judged based on the basic conditions to obtain the government grant. The one whose basic condition was to purchase and construct the long-term assets shall be recognized as the government grant related to assets.

The Group uses the net method to account for government grants.

Government grants related to income to be used as compensation for future expenses or losses shall be recognized as deferred income and shall be charged to the current profit or loss or be used to write down the relevant loss, during the recognition of the relevant cost expenses or losses; or used as compensation for relevant expenses or losses already incurred by enterprises shall be directly charged to the profit and loss account in the current period or used to write down the relevant cost.

The government grants related to assets shall be used to write down the book value of the relevant assets or be recognized as deferred income. The government grants related to assets, recognized as deferred income, shall be charged to the profit and loss reasonably and systematically in stages over the useful lives of the relevant assets. The government grants measured at nominal amount shall be directly charged to the current profit and loss. The remaining book value of the government grants related to assets should be charged to the profit and loss account in the current period when the relative assets sold, transferred, disposed or damaged.

29. Deferred income tax

For temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts, and temporary differences between the carrying amounts and the tax bases of items, the tax bases of which can be determined for tax purposes, but which have not been recognized as assets and liabilities, deferred taxes are provided using the liability method.

A deferred tax liability is recognized for all taxable temporary differences, except:

to the extent that the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction which contains both of the following characteristics: the transaction is not a business combination and at the time of the transaction, it affects neither the accounting profit nor taxable profit or loss.

(2) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in jointly-controlled enterprises, where 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.

A deferred tax asset is recognized for deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except:

- (1) where the deferred tax asset 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
- (2) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognized 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 utilized.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, according to the requirements of tax laws. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects at the balance sheet date, to recover the assets or settle the liabilities.

At the balance sheet date, the Group reviews the book value of deferred tax assets. If it is probable that sufficient taxable income cannot be generated to use the tax benefits of deferred tax assets, the book value of deferred tax assets should be reduced. When it is probable that sufficient taxable income can be generated, the amount of such reduction should be reversed. When it is probable that sufficient taxable income can be generated, the amount of such reduction should be reversed.

When the following conditions are met at the same time, the deferred tax assets and deferred tax liabilities are listed at the net amount after offset: the legal right to settle the current income tax assets and current income tax liabilities at the net amount; the deferred tax assets and deferred tax liabilities are related to the income tax levied by the same tax collection and management department on the same taxable subject or different taxpaying subjects. However, in the future, during each period when the significant deferred tax assets and deferred tax liabilities are reversed, the tax payer involved intends to settle the current income tax assets and current income tax liabilities with net amount or obtain assets and pay off debts at the same time.

30. Leases

At inception of a contract, the Group assesses whether the 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.

As lessee

In addition to short-term leases and low value asset leases, the Group recognizes right to use assets and lease liabilities for leases. See notes 5, 17 and 23 for accounting treatment.

Short-term leases and leases of low-value assets

The Group considers a lease that, at the commencement date of the lease, has a lease term of 12 months or less, and does not contain any purchase option as a short-term lease; and a lease with a lower value of a single leased asset is recognized as a low value asset lease.

As lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, except that a lease is classified as an operating lease at the inception date.

The Group recording the operating lease as a lessor

Rental income from operating leases is recognized as current profit and loss on a straight line basis during each period of the lease term, and variable lease payments not included in lease receipts are included in current profit and loss when actually incurred. The initial direct expenses are capitalized and amortized on the same basis as the recognition of rental income during the lease period, and are included in the current profit and loss by stages.

31. Profit distribution

The cash dividend of the Group is recognized as liabilities after the approval of general meeting of stockholders.

32. Safety fund

The safety fund extracted by the Group shall be recognized as the cost of the related products or income statement, while be recognized as special reserve. When using safety fund, it shall be distinguished whether it will form fixed assets or not. The expenditure shall write down the special reserve; the capital expenditure shall be recognized as fixed assets when meet the expected conditions for use, and write down the special reserve while recognizing accumulated depreciation with the same amount.

33. Fair value measurement

The Group measures derivatives and equity investments 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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other supporting information are available to measure fair value, giving priority to the use of relevant observable inputs, and using unobservable inputs only when observable inputs are unavailable or not feasible to obtain.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization at the end of each reporting period.

34. Significant accounting judgments and estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the amounts and disclosures of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the balance sheet date. However, 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.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments which have significant effect on the financial statements:

Business model

The classification of financial assets at initial recognition depends on the business model of the Group's management of financial assets. When judging the business model, the Group considers the methods including enterprise evaluation and reporting of financial asset performance to key management personnel, risks affecting financial asset performance and its arrangement method and the way in which related business managers get paid. When evaluating whether to take contract cash flow as the goal, the Group needs to analyze and judge the reasons, time, frequency and value of the sale of financial assets before the due date.

Contract cash flow characteristics

The classification of financial assets at initial recognitions depends on the contractual cash flow characteristics of the financial assets. It is necessary to determine whether the contractual cash flow is only for the payment of principal and interest based on outstanding principal, including correction of the time value of money during the evaluation, it is necessary to determine whether there is a significant difference compared to the benchmark cash flow. For financial assets that include prepayment characteristics, it is necessary to determine whether the fair value of the prepayment characteristics is very small, etc.

Uncertainty of accounting estimates

The crucial assumptions of significant accounting estimates in future and other crucial sources of estimated uncertainty, which may result in the significant adjustments to the book value of the subsequent accounting period, are as the following:

Impairment of financial instruments and contract assets

The Group uses the expected credit loss model to assess the impairment of financial instruments and contract assets. The application of the expected credit loss model requires significant judgments and estimates. All reasonable and valid information must be considered, including forward-looking information. In making these judgments and estimates, the Group infers the expected changes in the credit risk of the debtor based on historical repayment data combined with economic policies, macroeconomic indicators, industry risks and other factors. Different estimates may affect the provision for impairment losses. The provision for impairment losses may not be equal to the actual amount of future impairment losses.

Impairment of non-current assets other than financial assets (goodwill excluded)

The Group assesses at each reporting date whether there is an indication that non-current assets other than financial assets may be impaired. If there is any sign of possible assets impairment, the assets concerned should be subject to impairment test. When the carrying amount of an asset or the relevant assets group exceeds its recoverable amount which is the higher one of the net amount of the fair value of the asset minus the disposal expenses and the present value of the expected future cash flow of the asset, the asset is considered impaired. The fair value minus the disposal expenses is determined by reference to the recent market transactions price or observed market price less any directly attributable expenditure for disposing. When making an estimate of the present value of the future cash flow of an asset, the Group should estimate the future cash flows of the asset or the relevant assets group, with the appropriate discount rate selected to reflect the present value of the future cash flows.

Fair value of unlisted equity investments

The group uses the market method to determine the fair value of unlisted equity investments. This requires the group to determine comparable listed companies, select market multipliers, estimate liquidity discounts, etc., so it is uncertain.

Development expenditures

When determining the capitalization amount, management should make assumptions such as the expected cash flows of the assets related, the applicable discount rate and expected benefit period.

Deferred tax assets

The Group should recognize the deferred income tax assets arising from all the existing unutilized tax deficits and deductible temporary differences to the extent of the amount of the taxable income which it is most likely to obtain and which can be deducted from the deductible temporary differences. Enormous accounting judgments, as well as the tax planning are compulsory for management to estimate the time and amount of prospective taxable profits and thus determine the appropriate amount of the deferred tax assets concerned.

Warranty

The Group provides warranties on automobile and undertakes to repair or replace items that fail to perform satisfactorily based on certain pre-determined conditions. Factors that influence estimation of related warranty claim include: 1) renewal of laws and regulations; 2) quality promotion of Group products; 3) change of parts and labour cost. In general, the Group records warranty based on selling volume and estimated compensatory unit warranty cost, deduction multi-agreed compensation from suppliers. As at balance sheet day, the Group launches retrospective analysis on warranty carrying amount in consideration of accrual warranty payment during relative warranty period, and recent trends of product renovation and replacement, and further adjustment if necessary. Any increase or decrease in the provision would affect profit or loss in future years.

Lessee Incremental Borrowing Rate

For leases for which the interest rate implicit in the lease cannot be determined, the Group uses the lessee's incremental borrowing rate as the discount rate to calculate the present value of lease payments. When determining the incremental borrowing rate, the Group takes the observable interest rate as the reference basis for determining the incremental borrowing rate according to the economic environment in which it is located. The reference interest rate is adjusted according to the specific conditions of the leasing business to obtain the applicable incremental borrowing rate.

35. Significant accounting judgments and estimates

(1) Significant accounting policy changes

Applicable Not applicable

(2) Changes in significant accounting estimates

Applicable Not applicable

VI. TAXES

1. Main taxes and tax rates

Value added tax (“VAT”)	The income from the sale of goods and the income from the provision of services are calculated at the tax rates of 13% and 6%, respectively, and the VAT is calculated on the basis of the difference after deducting the input tax that is allowed to be deducted in the current period.
Consumption tax	Consumption tax is calculated at 1%, 3% or 5% of taxable income.
City maintenance and construction tax	5% or 7% of the turnover tax paid is calculated and paid.
Educational surcharge	3% of the actual turnover tax paid is calculated and paid.
Local educational surcharge	2% of the actual turnover tax paid is calculated and paid.
Corporate income tax	Corporate income tax is paid at 15%, or 25% of taxable income.

2. Tax benefits

According to the relevant provisions of the national high-tech identification and relevant tax preferential policies, the following companies of the Group are identified as high-tech enterprises and are subjected to the preferential corporate income tax rate of 15% within the prescribed period: the company (2021-2023), and the Company’s subsidiaries including Hebei Changan Automobile Company Limited (2020-2022), Deepal Automobile Technology Company Limited (2021-2023).

According to the Announcement on Continuing the Income Tax Policy for Enterprises in the Large-scale Development of the Western Region jointly issued by the Ministry of Finance, the State Administration of Taxation and the National Development and Reform Commission, from January 1, 2021 to December 31, 2030, enterprise income tax will be levied at a reduced rate of 15% for encouraged industrial enterprises located in the western region. Chongqing Changan Automobile International Sales Service Co., Ltd., Chongqing Changan Special Purpose Vehicle Co., Ltd., Chongqing Changan Automobile Customer Service Co., Ltd., Chongqing Lingyao Automobile Co., Ltd. and Chongqing Chehemei Technology Co., Ltd., subsidiaries of the Company, meet the above requirements and are subject to corporate income tax calculated at a 15% corporate income tax rate.

According to the announcement on enterprise income tax policy for promoting the high-quality development of integrated circuit industry and software industry jointly issued by the Ministry of finance, the State Administration of Taxation, the development and Reform Commission and the Ministry of industry and information technology, integrated circuit design, equipment, materials, packaging, testing enterprises and software enterprises encouraged by the State shall be exempted from enterprise income tax from the first year to the second year from the profit making year. From the third year to the fifth year, the enterprise income tax shall be reduced by half at the statutory tax rate of 25%. Chongqing Changan Automotive Software Technology Co., Ltd., a subsidiary of the company, meets the above conditions and is subject to enterprise income tax at the statutory tax rate of half this year.

VII. Notes to the consolidated financial statements

1. Cash

In RMB Yuan

Item	Ending balance	Beginning balance
Cash	1,886.16	32,155.77
Cash at bank	64,133,735,374.29	52,455,913,791.28
Other cash	1,852,209,303.76	1,074,237,880.29
Total	65,985,946,564.21	53,530,183,827.34

As at 30 June 2023, the book value of restricted cash and cash equivalents is RMB 1,832,280,514.67, which was mainly restricted for the issuance of acceptance bill (December 31, 2022: RMB 1,038,748,779.60).

As at 30 June 2023, the cash at bank oversea is equivalent to RMB 1,186,263,774.58 (December 31, 2022: RMB 231,286,316.97).

As of June 30, 2023, the monetary capital deposited by the group in the financial company of the related party was RMB 34,557,412,889.08 (December 31, 2022: RMB 34,812,952,043.78). See note XII and 5 for details.

The interest income of bank demand deposits is obtained according to the interest rate of bank demand deposits. 7-day bank call deposits and time deposits can be withdrawn at any time according to the group's cash demand, and interest income is obtained according to the corresponding bank deposit interest rate.

2. Transactional financial assets

In RMB Yuan

Item	Ending balance	Beginning balance
Equity instrument investment	262,239,446.37	251,165,128.80
Others		29,150,442.29
Total	262,239,446.37	280,315,571.09

As of June 30, 2023, the trading financial assets measured at fair value are 27.09 million ordinary shares of Southwest Securities Co., Ltd. held by the group (December 31, 2022: 33.63 million shares), and 26.05 million restricted shares held by the group in China Automobile Research automobile testing ground Co., Ltd. (December 31, 2022: Nil).

3. Notes receivable

(1) Classification of notes receivable

In RMB Yuan

Item	Ending balance	Beginning balance
Commercial acceptance bill	22,559,968,628.70	25,838,721,743.62
Bank acceptance bill	11,403,949,194.61	10,010,938,909.34
Total	33,963,917,823.31	35,849,660,652.96

(2) Notes receivable pledged

In RMB Yuan

Item	Pledged amount
Commercial acceptance bill	6,179,911,994.47
Bank acceptance bill	199,543,152.00
Total	6,379,455,146.47

As of June 30, 2023, the bills receivable of the above amount had been pledged for issuing bills payable.

(3) Endorsed or discounted but unexpired notes receivable as at the end of reporting period

In RMB Yuan

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Commercial acceptance bill	5,501,433,908.49	-
Bank acceptance bill	228,955.19	-
Total	5,501,662,863.68	-

(4) At the end of the period, the company transferred the bills to accounts receivable due to the drawer's non performance

As at 30 June 2023, there was no note receivables converted to accounts receivable due to the inability of the drawer to perform the contract. (As at 31 December 2022: Nil)

4. Accounts receivable

(1) Aging analysis of the accounts receivable

In RMB Yuan

Aging	Ending balance	Beginning balance
Within 1 year	2,416,543,623.42	2,905,353,787.00
1 to 2 years	71,350,324.51	176,712,124.08
2 to 3 years	6,060,396.21	25,732,015.24
Over 3 years	208,767,029.46	201,045,330.53
Total	2,702,721,373.60	3,308,843,256.85
Less: Provision	(225,703,574.25)	(240,428,841.56)
Total	2,477,017,799.35	3,068,414,415.29

(2)The movements in provision for impairment of accounts receivable are as follows:

In RMB Yuan

Category	Beginning balance	Change amount in the current period				Ending balance
		Provision	Merger increase	Withdrawal or reversal	Write-off	
2023.6.30	240,428,841.56	21,786,720.49	8,683,488.91	6,323,653.99	38,871,822.72	225,703,574.25
2022.12.31	215,274,377.62	35,457,297.58		4,945,346.85	5,357,486.79	240,428,841.56

(3)Analysis of accounts receivable by category

In RMB Yuan

Category	Ending balance				
	Balance		Provision		Book value
	Amount	%	Amount	%	
Individually analyzed for provision	1,717,016,214.88	63.53	128,730,126.47	7.50	1,717,016,214.88
Accounts receivable analyzed as groups for provision	985,705,158.72	36.47	96,973,447.78	9.84	985,705,158.72
Total	2,702,721,373.60	100.00	225,703,574.25	8.35	2,702,721,373.60

Category	Beginning balance				
	Balance		Provision		Book value
	Amount	%	Amount	%	
Individually analyzed for provision	2,059,626,543.23	62.25	152,800,930.19	7.42	2,059,626,543.23
Accounts receivable analyzed as groups for provision	1,249,216,713.62	37.75	87,627,911.37	7.01	1,249,216,713.62
Total	3,308,843,256.85	100.00	240,428,841.56	7.27	3,308,843,256.85

(4)The Group's accounts receivable was analyzed for provision by expected credit loss model

In RMB Yuan

Aging	Ending balance		
	Estimated face value for default	Expected credit loss rate (%)	Expected credit loss for the entire duration
Within 1 year	754,808,931.73	0.19	1,407,868.22
1 to 2 years	58,832,021.35	6.24	3,669,447.39
2 to 3 years	5,803,750.00	16.02	929,861.76
Over 3 years	166,260,455.64	54.71	90,966,270.41
Total	985,705,158.72	9.84	96,973,447.78

Aging	Beginning balance		
	Estimated face value for default	Expected credit loss rate (%)	Expected credit loss for the entire duration
Within 1 year	1,031,532,359.36	0.41	4,211,660.35
1 to 2 years	30,724,065.06	7.24	2,225,905.84
2 to 3 years	25,707,148.00	16.02	4,118,732.53
Over 3 years	161,253,141.20	47.80	77,071,612.65
Total	1,249,216,713.62	7.01	87,627,911.37

(5) Accounts receivable with top five ending balances collected by debtors

As at June 30, 2023, accounts receivable from Top 5 clients amounted to RMB 910,077,900.68, accounted for 33.67% of the total accounts receivable (December 31, 2022: RMB 1,880,530,647.71, accounted for 56.83% of the total amount).

(6) Accounts receivable derecognized due to transfer of financial assets

As of June 30, 2023, the Group has no accounts receivable that are derecognized as the transfer of financial assets (December 31, 2022: Nil).

5. Prepayments

(1) Prepayments listed by aging

In RMB Yuan

Aging	Ending balance		Beginning balance	
	Amount	%	Amount	%
Within 1 year	622,741,040.66	94.01	523,061,724.51	69.78
1 to 2 years	30,083,298.85	4.54	217,460,711.49	29.01
2 to 3 years	8,860,304.45	1.34	8,858,465.69	1.18
Over 3 years	704,745.03	0.11	191,360.31	0.03
Total	662,389,388.99	100.00	749,572,262.00	100.00

(2) Prepayments of the top five ending balances collected by prepayment object

As at 30 June 2022, the total amount of the top five prepayments was RMB 1,474,271,190.88, accounting for 38.15% of the total amount of prepayments (2021: RMB 1,151,298,912.20, accounting for 35.52%).

6. Other receivables

In RMB Yuan

Item	Ending balance	Beginning balance
Dividend receivable	180,656,814.04	
Other receivables	778,979,126.16	1,261,157,951.14
Total	959,635,940.20	1,261,157,951.14

(1) Dividend receivable

In RMB Yuan

Project (or investee)	Ending balance	Beginning balance
Weaponry Group Finance Co., Ltd	180,656,814.04	
Total	180,656,814.04	

(2) Other receivables

1) Aging analysis of other receivables

In RMB Yuan

Aging	Ending balance	Beginning balance
Within 1 year	404,062,220.98	1,192,972,701.51
1 to 2 years	324,136,540.21	57,855,077.50
2 to 3 years	48,742,138.29	1,364,188.70
Over 3 years	11,184,947.78	18,062,282.93
Total	788,125,847.26	1,270,254,250.64
Less: Provision	(9,146,721.10)	(9,096,299.50)
Total	778,979,126.16	1,261,157,951.14

2) Other receivables are classified by nature

In RMB Yuan

Nature	Ending balance	Beginning balance
Bond	382,933,957.10	16,618,938.83
Subsidies for new energy vehicles	191,328,464.00	667,729,527.63
Petty cash	52,817,507.27	63,703,195.18
Investment funds	35,000,000.00	399,486,432.52
Other	116,899,197.79	113,619,856.98
Total	778,979,126.16	1,261,157,951.14

3) The changes in the provision for bad debts for other receivables based on the 12-month expected credit losses and the expected credit losses for the entire duration

In RMB Yuan

Category	Beginning balance	Change amount in the current period			Ending balance
		Provision	Withdrawal or reversal	Write-off	
2023.6.30	9,096,299.50	74,667.40	24,245.80		9,146,721.10
2022.12.31	7,466,239.96	1,886,641.46	156,581.92	100,000.00	9,096,299.50

4) Other receivables with top five ending balances collected by debtors

In RMB Yuan

Name	Nature	Ending balance	Aging	Proportion in ending balance of other receivables (%)	Ending balance of bad debt provision
First	Bond	300,000,000.00	1 to 2 years	38.06	
Second	Subsidies for new energy vehicles	191,328,464.00	Within 1 year	24.28	
Third	Disposal of assets	48,350,040.00	2 to 3 years	6.13	
Fourth	Bond	44,615,500.00	Within 1 year	5.66	
Fifth	Equity investment funds	35,000,000.00	Within 1 year	4.44	
Total		619,294,004.00	-	78.57	

5) Other receivables derecognized due to transfer of financial assets

As of June 30, 2023, the Group has no other receivables derecognized as financial asset transfers. (December 31, 2022: Nil).

7. Inventory

(1) Classification of inventory

In RMB Yuan

Item	Ending balance			Beginning balance		
	Balance	Provision for impairment of inventories or provision for impairment of contract performance costs	Net value	Balance	Provision for impairment of inventories or provision for impairment of contract performance costs	Net value
Raw materials	926,643,222.25	387,861,235.15	538,781,987.10	1,230,104,093.50	439,269,923.99	790,834,169.51
Work in transit	178,075,579.62		178,075,579.62	130,255,961.90		130,255,961.90
Work in progress	1,126,031,029.08	68,920,010.07	1,057,111,019.01	1,719,902,124.07	53,609,953.08	1,666,292,170.99
Commodity stock	8,543,057,327.85	97,202,201.72	8,445,855,126.13	3,264,190,903.27	87,522,918.36	3,176,667,984.91
Consigned processing material				26,582,772.70		26,582,772.70
Spare parts	33,116,871.58		33,116,871.58	32,674,452.89		32,674,452.89
Total	10,806,924,030.38	553,983,446.94	10,252,940,583.44	6,403,710,308.33	580,402,795.43	5,823,307,512.90

(2) Provision for inventory

In RMB Yuan

Item	Beginning balance	Increase		Decrease		Ending balance
		Provision	Other	Reversal	Write-off	
Raw materials	439,269,923.99	68,334,317.49	19,789,507.89	240,682.47	139,291,831.75	387,861,235.15
Work in progress	53,609,953.08	28,045,494.93		330,076.99	12,405,360.95	68,920,010.07
Commodity stock	87,522,918.36	17,771,158.05	160,909,600.79	3,234,731.90	165,766,743.58	97,202,201.72
Total	580,402,795.43	114,150,970.47	180,699,108.68	3,805,491.36	317,463,936.28	553,983,446.94

8. Contract assets

In RMB Yuan

Item	Ending balance			Beginning balance		
	Balance	Provision for impairment	Net value	Balance	Provision for impairment	Net value
Contract assets	2,712,885,743.74	485,561,233.57	2,227,324,510.17	747,871,586.89	289,482,399.79	458,389,187.10
Total	2,712,885,743.74	485,561,233.57	2,227,324,510.17	747,871,586.89	289,482,399.79	458,389,187.10

Current contract assets provision for impairment:

In RMB Yuan

	Beginning balance	Provision	Turn back	Resale	Ending balance
2023.6.30	289,482,399.79	65,572,656.78	135,456,176.99	4,950,000.00	485,561,233.56
2022.12.31	169,661,981.98	129,619,022.81		9,798,605.00	289,482,399.79

9. Assets held for sale

In RMB Yuan

Item	Balance	Provision for impairment	Net value	Fair Value	Estimated disposal costs	Expected disposal time
Assets held for sale	327,144.11		327,144.11			Within 1 year
Total	327,144.11		327,144.11			

10. Other current assets

In RMB Yuan

Item	Ending balance	Beginning balance
Accrual input tax	874,407,379.73	803,647,039.82
Prepaid taxes	237,176,376.68	250,386,657.89
Others	14,765,170.48	745,970.48
Total	1,126,348,926.89	1,054,779,668.19

11. Long-term equity investments

In RMB Yuan

Investee	Beginning balance	Increase / decrease			Ending balance	Provision ending balance
		Addition	Investment income under equity method	Other decreases		
I. Joint Venture						
Changan Ford Automobile Co., Ltd.	712,459,351.85		399,619,898.50		1,112,079,250.35	
Changan Mazda Automobile Co., Ltd.	1,433,304,456.32		(100,026,283.01)		1,333,278,173.31	
Changan Mazda Engine Co., Ltd.	824,042,049.05		4,107,980.55		828,150,029.60	
Nanchang Jiangling Holding Co., Ltd.	1,810,629,644.86		146,167,915.87		1,956,797,560.73	
Subtotal	4,780,435,502.08		449,869,511.91		5,230,305,013.99	
II. Associates						
Chongqing Changan Kuayue Automobile Co., Ltd.	209,768,936.34		5,402,511.72		215,171,448.06	
Changan Automobile Financing Co.,Ltd	2,778,898,410.33		172,182,412.71		2,951,080,823.04	
Nanjing Chelai Travel Technology Co., Ltd.	624,773.31		(92,277.85)		532,495.46	
Hunan Guoxin Semiconductor Technology Co., Ltd.	25,452,425.26		71,917.19		25,524,342.45	
Jiangling Holding Co., Ltd.(note 1)						
Chongqing Changan Kuayue Automobile Sales Co., Ltd. (note 1)						
Nanjing Leading Equity Investment Management Co., Ltd. (Limited Partnership)	2,570,421,464.70		(51,784.35)		2,570,369,680.35	
Nanjing Leading Equity Investment Partnership	1,112,210.69		(5,089.84)		1,107,120.85	
Zhongqi Chuangzhi Technology Co., Ltd.	168,492,790.78		(6,754,636.46)		161,738,154.32	
Chongqing Changxin Zhiqi Private Equity Investment Fund Partnership (Limited Partnership)	170,440,054.08		242,103.89		170,682,157.97	
Anhe Chongqing Dingfeng Automobile Contract Private Equity Investment Fund	61,568,706.08		4.26		61,568,710.34	
Avatr Technology (Chongqing) Co., Ltd	2,644,535,940.48		(745,447,867.08)		1,899,088,073.40	
Chongqing Changan Innovation Private Equity	1,000,844.59		446.93		1,001,291.52	

Investment Fund Partnership Enterprise (Limited Partnership)					
Anhe (Chongqing) Equity Investment Fund Management Co., Ltd.	5,150,787.41		(553,650.85)		4,597,136.56
Hangzhou Chelizi Intelligent Technology Co., Ltd.	3,020,026.80				3,020,026.80
Master Changan Automobile Co., Ltd.	45,248,645.36		6,823,643.69		52,072,289.05
Chongqing Changxian Intelligent Technology Co., Ltd		102,000,000.00	66,933.68		102,066,933.68
Deepal Automobile Technology Co., Ltd.(note 2)	940,490,937.99		(67,105,457.17)	(873,385,480.82)	
Time FAW Power Battery Co., Ltd.(note 3)		252,012,401.16	2,691,403.28		254,703,804.44
Chongqing Wutong Chelian Technology Co., Ltd. (note 3)		75,267,178.90	6,686,538.61		81,953,717.51
Western Car Network (Chongqing) Co., Ltd. (note 3)		2,478,830.94	(151,734.46)		2,327,096.48
Beijing Fang'an crescent taxi Co., Ltd. (note 4)					
Subtotal	9,626,226,954.20	431,758,411.00	(625,994,582.10)	(873,385,480.82)	8,558,605,302.28
Total	14,406,662,456.28	431,758,411.00	(176,125,070.19)	(873,385,480.82)	13,788,910,316.27

Note 1: As of June 30, 2023, the Group had no obligation to bear additional losses to Chongqing Changan Kuayue Vehicle Marketing Co., Ltd. and Jiangling Holdings Co., Ltd. Therefore, when they incurred excess losses, only long-term equity investments were written down to zero, and no excess losses related to investments in the aforementioned companies were recognized.

Note 2: In February 2023, due to the acquisition of equity in Deepal Automobile Technology Co., Ltd. by the group, it changed from an associate to a subsidiary.

Note 3: This year, the Group increased the investment of 329,758,411.00 yuan in the affiliated enterprises Time FAW Power Battery Co., Ltd., wutong Chelian Technology Co., Ltd., and Western Chewang (Chongqing) Co., Ltd., which is the result of the Group's acquisition of Deepal Automobile Technology Co., Ltd., and its long-term equity investment in the affiliated enterprises is included in the consolidation scope.

Note 4: In January 2023, the Group completed the equity disposal of Beijing Fangan Crescent Taxi Co., Ltd.

12. Investment in other equity instruments

In RMB Yuan

Item	Accumulative changes in fair value included in other comprehensive income	Fair value	Dividends Income	Reason for being designated as fair value through other comprehensive income
China South Industry Group Finance Co., Ltd.	181,979,200.00	339,000,000.00	180,656,814.04	Unlisted equity instruments
Guoqi (Beijing) Intelligent Network Association Automotive Research Institute Co., Ltd.	2,700,000.00	52,700,000.00		Unlisted equity instruments
Guoqi Automobile Power Cell Research Co., Ltd.		40,000,000.00		Unlisted equity instruments
China South Industry Group Financial Leasing Co., Ltd.	3,698,000.00	34,250,000.00		Unlisted equity instruments
Zhong Fa Lian Investment Co., Ltd.		21,000,000.00		Unlisted equity instruments
CAERI(Beijing) automobile Lightweight Technology Research Institution Co., Ltd.		3,000,000.00		Unlisted equity instruments
Total	188,377,200.00	489,950,000.00	180,656,814.04	

13. Investment property

Cost Model

In RMB Yuan

Item	Buildings	Total
I. Original cost		
1. Opening balance	10,050,100.00	10,050,100.00
2. Increase in current period		
3. Decrease in current period		
4. Ending balance	10,050,100.00	10,050,100.00
II. Accumulated depreciation and amortization		
1. Opening balance	3,627,384.96	3,627,384.96
2. Increase in current period	113,355.78	113,355.78
3. Decrease in current period		
4. Ending balance	3,740,740.74	3,740,740.74
III. Impairment provision		
1. Opening balance		
2. Increase in current period		
3. Decrease in current period		
4. Ending balance		
IV. Net Value		
1. Ending	6,309,359.26	6,309,359.26
2. Beginning	6,422,715.04	6,422,715.04

The investment property is rented to third parties in the form of operating lease.

As at 30 June 2023, there was no investment property without property certificate (As at 31 December 2021: Nil).

14. Fixed assets

(1) Details of fixed assets

In RMB Yuan

Item	Buildings	Machinery	Vehicles	Other Equipment	Total
I. Original cost					
Beginning	9,828,625,137.70	26,295,137,118.43	1,983,195,890.87	9,475,715,171.05	47,582,673,318.05
Purchase		4,473,693.57	215,663.71	7,809,446.06	12,498,803.34
Transfer from Construction progress in	61,804,269.27	340,347,569.12	13,604,766.67	440,568,271.53	856,324,876.59
Increase in business merger		470,810,107.30	97,376.64	96,160,690.62	567,068,174.56
Other additions	6,587,437.89	5,495,575.99	60,580.42	445,449.63	12,589,043.93
Disposal	299,969,783.23	170,283,554.82	39,508,903.91	102,557,039.61	612,319,281.57
Government grants		25,065,921.11	36,347,887.20		61,413,808.31
Other decrease	361,031.96	9,923,097.01	205,904.59		10,490,033.56
Ending	9,596,686,029.67	26,910,991,491.47	1,921,111,582.61	9,918,141,989.28	48,346,931,093.03
II. Accumulated depreciation					
Beginning	3,123,481,499.40	16,387,379,193.35	712,742,045.45	5,343,343,137.24	25,566,945,875.44
Accrual	171,728,462.63	801,278,672.10	141,340,209.22	378,124,663.67	1,492,472,007.62
Increase in business merger		88,078,845.80	11,806.91	30,208,499.83	118,299,152.54
Other additions	2,817,640.69	4,561,751.68	8,603.52	775,586.11	8,163,582.00
Disposal	215,472,125.28	133,916,182.37	28,858,045.79	97,997,712.86	476,244,066.30
Other decrease	358,999.11	8,831,258.30	102,262.81		9,292,520.22
Ending	3,082,196,478.33	17,138,551,022.26	825,142,356.50	5,654,454,173.99	26,700,344,031.08
III. Impairment Provision					
Beginning	97,718,327.95	2,189,788,051.83	57,769,334.61	323,687,036.78	2,668,962,751.17
Accrual	4,087,988.86	121,158,826.10	42,369,038.67	17,229,525.66	184,845,379.29
Increase in business merger		62,029.55		252,215.89	314,245.44
Disposal	34,731,080.99	34,393,754.16	4,415,040.34	3,348,143.93	76,888,019.42
Ending	67,075,235.82	2,276,615,153.32	95,723,332.94	337,820,634.40	2,777,234,356.48
IV. Net Value					
Ending	6,447,414,315.52	7,495,825,315.89	1,000,245,893.17	3,925,867,180.89	18,869,352,705.47
Beginning	6,607,425,310.35	7,717,969,873.25	1,212,684,510.81	3,808,684,997.03	19,346,764,691.44

(2) Fixed assets that are temporarily unused

On June 30, 2023, the fixed assets with a book value of RMB 108,924,744.94 (December 31, 2022: RMB 191,192,253.37) were temporarily idle due to product upgrading and other reasons.

(3) The fixed assets which are rented out under operating leases

In RMB Yuan

Item	Ending
Buildings	184,106,042.14
Vehicles	915,602,548.69
Total	1,099,708,590.83

(4) Fixed assets with incomplete property rights certificates

In RMB Yuan

Item	Book value	Reasons for not completing the property rights certificate
Engine and vehicle project	917,466,884.66	Processing
Global R&D Center Project	9,246,434.77	Processing
Total	926,713,319.43	

15. Construction in progress**(1) Details of construction in progress**

In RMB Yuan

Item	Ending balance			Beginning balance		
	Balance	Provision	Carrying amount	Balance	Provision	Carrying amount
Mini-bus production equipment	80,451,176.96		80,451,176.96	75,025,377.82		75,025,377.82
Car production equipment	298,244,431.71	1,310,363.23	296,934,068.48	242,918,939.86	22,624,011.22	220,294,928.64
Engine plant	608,138,520.52		608,138,520.52	504,558,659.05		504,558,659.05
Vehicle research institution	24,918,534.16		24,918,534.16	17,740,102.50		17,740,102.50
Car production Project of Hefei Changan	52,500,806.38		52,500,806.38	55,863,516.26		55,863,516.26
Yubei Factory Replacement and Upgrading Construction Project	426,535,063.94		426,535,063.94	41,224,362.58		41,224,362.58
Nanjing Changan Project	493,667,793.08		493,667,793.08	385,922,235.89		385,922,235.89
Others	265,463,471.46	23,108,966.89	242,354,504.57	110,378,003.02	23,108,967.12	87,269,035.90
Total	2,249,919,798.21	24,419,330.12	2,225,500,468.09	1,433,631,196.98	45,732,978.34	1,387,898,218.64

(2) Movements of significant construction in progress

In RMB Yuan

Item	Budget (In 1,000 RMB)	Beginning balance	Addition	Transferred to fixed assets	Other deduction	Ending balance	The project investments' proportion of budget (%)	Progress of construction (%)	Source of funds
Mini-bus production equipment	137,470.00	75,025,377.82	116,170,932.89	110,715,639.06	29,494.69	80,451,176.96	70.00	70.00	Self-funded
Car production equipment	360,738.00	220,294,928.64	88,627,425.25	11,987,406.41	879.00	296,934,068.48	37.00	37.00	Self-raised and additional issuance
Engine plant	485,216.00	504,558,659.05	175,347,789.87	71,758,364.90	9,563.50	608,138,520.52	67.00	67.00	Self-raised and additional issuance
Vehicle research institution	209,906.00	17,740,102.50	36,321,076.06	29,142,644.40		24,918,534.16	77.00	77.00	Self-funded
Car production project of Hefei Changan	394,980.00	55,863,516.26	29,114,023.06	15,540,120.15	16,936,612.79	52,500,806.38	89.00	89.00	Self-raised and additional issuance
Yubei Factory Replacement and Upgrading Construction Project	450,000.00	41,224,362.58	386,152,904.19		842,202.83	426,535,063.94	10.00	10.00	Self-funded
Nanjing Changan Project	231,028.77	385,922,235.89	117,819,350.58	9,443,204.39	630,589.00	493,667,793.08	22.00	22.00	Self-funded
Others		87,269,035.90	762,822,965.95	607,737,497.28		242,354,504.57			
Total		1,387,898,218.64	1,712,376,467.85	856,324,876.59	18,449,341.81	2,225,500,468.09			

(3) The movement of impairment for construction in progress is as follows:

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
June 30, 2023	45,732,978.34		21,313,648.22	24,419,330.12
December 31, 2022	71,691,670.00	1,533,334.00	27,492,025.66	45,732,978.34

16. Right-of-use assets

In RMB Yuan

Item	Buildings	Total
I. Original cost		
1. Beginning	152,893,426.61	152,893,426.61
2. Purchase	91,206,361.68	91,206,361.68
3. Disposal	34,586,561.85	34,586,561.85
4. Other deduction	216,647.90	216,647.90
5. Ending	278,469,702.24	278,469,702.24
II. Accumulated depreciation		
1. Beginning	52,080,040.60	52,080,040.60
2. Purchase	32,246,838.71	32,246,838.71
3. Disposal	7,382,368.87	7,382,368.87
4. Other deduction		
5. Ending	91,709,248.18	91,709,248.18
III. Impairment provision		
1. Beginning		
2. Purchase		
3. Disposal		
4. Other deduction		
5. Ending		
III. Carrying amount	186,760,454.06	186,760,454.06
1. Ending	100,813,386.01	100,813,386.01
2. Beginning	152,893,426.61	152,893,426.61

17. Intangible assets

(1) Details of intangible assets

In RMB Yuan

Item	Land use rights	Patent	Non-patent technology	Software use rights	Trademark use rights	Total
I. Original cost						
Beginning	2,237,966,691.60	85,556,571.30	7,695,744,860.28	845,391,055.17	211,864,157.55	11,076,523,335.90
Purchase			841,400.00	16,280,912.97		17,122,312.97
Internal research and development			891,781,541.36			891,781,541.36

Increase in business merger			8,751,791,175.80	3,812,679.22	2,412,758,750.00	11,168,362,605.02
Other additions				244,259.88		244,259.88
Government subsidies				696,933.96		696,933.96
Ending	2,237,966,691.60	85,556,571.30	17,340,158,977.44	865,031,973.28	2,624,622,907.55	23,153,337,121.17
II. Accumulated amortization						
Beginning	468,031,897.59	7,129,714.27	4,904,544,443.73	726,462,315.72	211,791,516.98	6,317,959,888.29
Accrual	23,244,982.66	4,515,887.14	492,517,355.98	17,725,650.40	100,531,614.60	638,535,490.78
Increase in business merger			658,468,887.40	1,531,371.38		660,000,258.78
Ending	491,276,880.25	11,645,601.41	6,055,530,687.11	745,719,337.50	312,323,131.58	7,616,495,637.85
III. Impairment provision						
Beginning			288,560,268.76	23,617,923.17		312,178,191.93
Accrual			41,460,645.81			41,460,645.81
Increase in business merger			114,723,135.98			114,723,135.98
Ending			444,744,050.55	23,617,923.17		468,361,973.72
IV. Carrying amount						
Ending	1,746,689,811.35	73,910,969.89	10,839,884,239.78	95,694,712.61	2,312,299,775.97	15,068,479,509.60
Beginning	1,769,934,794.01	78,426,857.03	2,502,640,147.79	95,310,816.28	72,640.57	4,446,385,255.68

As of June 30, 2023, intangible assets formed through internal research and development accounted for 71.94% of the year-end book value of intangible assets (December 31, 2022: 56.28%).

As of June 30, 2023, there is no land use rights that have not completed the land use right certificate (December 31, 2022: Nil).

18. Development expenditure

In RMB Yuan

Item	Beginning balance	Deduction			Ending balance
		Recognized as intangible assets	Charged to income Statement of the current year	Other deduction	
Automobile Development	723,211,177.47	1,063,209,112.26	568,748,628.02	891,781,541.36	69,615,120.74
Total	723,211,177.47	1,063,209,112.26	568,748,628.02	891,781,541.36	69,615,120.74

19. Development expenditure

(1) Original book value of goodwill

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Hebei Changan Automobile Co., Ltd	9,804,394.00			9,804,394.00
Nanjing Changan Automobile Co., Ltd				
Deepal Automobile Technology Co., Ltd		1,799,533,524.87		1,799,533,524.87

Total	9,804,394.00	1,799,533,524.87		1,809,337,918.87
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(2) Provision for goodwill

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Nanjing Changan Automobile Co., Ltd.	73,465,335.00			73,465,335.00
Total	73,465,335.00			73,465,335.00

20. Long-term deferred expenses

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Long-term deferred expenses	26,375,422.17	330,568.52	1,468,484.08	25,237,506.61
Total	26,375,422.17	330,568.52	1,468,484.08	25,237,506.61

21. Deferred tax assets and liabilities

(1) Deferred income tax assets that are not offset:

In RMB Yuan

Item	Ending balance		Beginning balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Assets provision	3,335,103,631.55	500,307,251.00	3,278,951,051.51	491,238,489.39
Accrued expenses and contingent liabilities	8,746,751,245.95	1,322,800,648.65	8,585,308,052.56	1,298,584,169.65
Unpaid tech development expense and advertisement expense	148,198,861.26	22,229,829.19	372,397,166.51	55,859,574.98
Deferred income	2,681,013,729.64	452,674,206.27	2,699,509,959.27	457,007,113.15
Unpaid salary and bonus and others	6,041,961,732.14	913,093,121.89	4,831,140,039.89	725,797,840.01
Total	20,953,029,200.54	3,211,105,057.00	19,767,306,269.74	3,028,487,187.18

(2) Deferred income tax liabilities that are not offset:

In RMB Yuan

Item	Ending balance		Beginning balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Changes in fair value of trading financial assets	392,544,668.53	58,881,700.28	358,180,218.36	53,727,032.75
Fair value adjustment of business combination not under common control	9,556,125,001.53	1,433,418,750.23	204,733,319.00	30,709,997.85

Long-term equity investment	941,637,804.40	141,245,670.66	971,329,619.28	145,699,442.89
Other	43,149,109.32	8,198,330.77	46,001,784.40	6,900,267.67
Total	10,933,456,583.78	1,641,744,451.94	1,580,244,941.04	237,036,741.16

(3) Details of unrecognized deferred tax assets

In RMB Yuan

Item	Ending balance	Beginning balance
The deductible temporary difference	1,365,435,669.75	1,785,535,297.97
The deductible tax loss	10,857,072,476.10	3,908,340,793.95
Total	12,222,508,145.85	5,693,876,091.92

Note: Due to the uncertainty of whether there will be enough taxable profit in future to utilize the above deductible loss, no deferred tax assets have been recognized accordingly.

(4) Maturity period for unrecognized deductible tax losses:

In RMB Yuan

Year	Ending balance	Beginning balance	Notes
2023	719,486,343.29	719,486,343.29	
2024	644,243,430.69	644,243,430.69	
2025	669,056,651.63	669,056,651.63	
2026	172,527,777.26	172,527,777.26	
2027 and beyond	8,651,758,273.23	1,703,026,591.08	
Total	10,857,072,476.10	3,908,340,793.95	

22. Short-term loans

In RMB Yuan

Item	Ending balance	Beginning balance
Mortgage loans		29,000,000.00
Guaranteed loan	50,000,000.00	
Total	50,000,000.00	29,000,000.00

As at 30 June 2023, there was no overdue short-term loan (as at 31 December 2022: Nil).

23. Trading financial liabilities

In RMB Yuan

Item	Ending balance	Beginning balance
Trading financial liabilities	37,813,520.40	
Total	37,813,520.40	

24. Notes payable

In RMB Yuan

Item	Ending balance	Beginning balance
Commercial acceptance bill	2,778,006,144.76	5,001,155,687.84
Bank acceptance bill	30,934,066,264.26	17,071,638,176.99
Total	33,712,072,409.02	22,072,793,864.83

As at 30 June 2023, there were no significant accounts payable aged over one year (as at 31 December 2022: Nil).

25. Accounts payable

In RMB Yuan

Item	Ending balance	Beginning balance
Accounts payable	30,465,634,254.25	29,449,664,138.75
Total	30,465,634,254.25	29,449,664,138.75

As at 30 June 2023, there were no significant accounts payable aged over one year (as at 31 December 2022: Nil).

26. Contract liabilities

In RMB Yuan

Item	Ending balance	Beginning balance
Advance payment	6,085,144,617.15	4,808,762,223.46
Advance service payment	1,030,934,007.43	846,494,569.20
Total	7,116,078,624.58	5,655,256,792.66

27. Payroll payable

(1) Payroll payable

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Short term salary benefits	2,716,484,740.12	5,070,477,217.90	3,908,885,458.12	3,878,076,499.90
Defined contribution plans	88,857,749.73	427,650,480.66	393,425,847.42	123,082,382.97
Early retirement benefits	1,816,000.00			1,816,000.00
Total	2,807,158,489.85	5,498,127,698.56	4,302,311,305.54	4,002,974,882.87

(2) Short term salary benefits:

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
1. Salary, bonus, allowance and subsidy	2,221,656,081.04	4,158,712,198.93	2,906,028,582.43	3,474,339,697.54
2. Employee benefit	50,756,371.68	187,911,611.89	231,383,764.66	7,284,218.91
3. Social insurance	33,848,460.18	317,201,669.69	290,720,761.46	60,329,368.41

Medical insurance	21,350,192.95	268,524,262.03	246,361,315.68	43,513,139.30
Industrial injury insurance	11,102,522.24	29,456,054.74	23,747,390.13	16,811,186.85
Maternity insurance	1,395,744.99	442,746.86	1,833,449.59	5,042.26
Supplementary medical insurance		18,778,606.06	18,778,606.06	
4. Housing accumulation fund	83,944,161.72	259,477,229.93	309,278,181.88	34,143,209.77
5. Labor fund and employee education fund	326,279,665.50	147,174,507.46	171,474,167.69	301,980,005.27
Total	2,716,484,740.12	5,070,477,217.90	3,908,885,458.12	3,878,076,499.90

(3) Defined contribution plans:

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
1. Basic retirement security	79,031,084.59	405,052,440.21	374,117,320.86	109,966,203.94
2. Unemployment insurance	9,826,665.14	22,598,040.45	19,308,526.56	13,116,179.03
Total	88,857,749.73	427,650,480.66	393,425,847.42	123,082,382.97

The salary, bonus, allowance and subsidy, employee benefits and other social insurances mentioned above are paid in time according to related laws and regulations and sets of the Group.

28. Taxes payable

In RMB Yuan

Item	Ending balance	Beginning balance
Value-added tax	726,595,058.42	655,162,944.40
Consumption tax	427,033,929.08	378,822,293.63
Corporate income tax	261,659,659.74	550,250,134.24
City maintenance and construction tax	90,984,717.30	106,797,577.85
Others	40,516,904.58	58,913,132.20
Total	1,546,790,269.12	1,749,946,082.32

29. Other payables

In RMB Yuan

Item	Ending balance	Beginning balance
Interest payable	16,112,069.40	1,478,888.85
Dividend Payable	2,341,524,610.92	79,742.80
Other payables	6,104,890,752.47	6,081,207,793.02
Total	8,462,527,432.79	6,082,766,424.67

(1) Interest payable

In RMB Yuan

Item	Ending balance	Beginning balance
Interest on long-term loans with installment payments and due repayment of principal	22,222.21	562,222.18
Interest payable on short-term loans	89,847.20	
Interest payable on corporate bonds	15,999,999.99	916,666.67
Total	16,112,069.40	1,478,888.85

(2) Dividend Payable

In RMB Yuan

Item	Ending balance	Beginning balance
Common stock dividends	2,341,414,868.12	
Minority shareholder dividends	109,742.80	79,742.80
Total	2,341,524,610.92	79,742.80

(3) Other payables

In RMB Yuan

Item	Ending balance	Beginning balance
Payment for the purchase and construction of fixed assets, intangible assets, and engineering deposit	1,660,151,791.66	1,190,478,260.12
Customer and supplier deposit	1,394,012,215.84	839,653,876.07
Advertising expenses	689,677,376.28	505,569,065.16
Storage and shipping fees	595,944,380.19	382,409,902.25
Treasury stock repurchase obligation	442,866,474.72	627,060,416.52
Repair and processing costs	272,324,171.31	278,765,596.52
National Supplementary Advance Appropriation	175,967,030.00	697,956,559.00
Advance payment for land and plant disposal		635,268,035.18
Other	873,947,312.47	924,046,082.20
Total	6,104,890,752.47	6,081,207,793.02

30. Non-current liability within 1 year

In RMB Yuan

Item	Ending balance	Beginning balance
Long-term loan within 1 year	4,000,000.00	604,000,000.00
Long-term payables within 1 year		244,429,325.65
Lease liabilities within 1 year	65,596,855.90	37,294,575.69
Total	69,596,855.90	885,723,901.34

31. Other current liabilities

In RMB Yuan

Item	Ending balance	Beginning balance
Accrued commercial discount payable	4,467,809,005.78	3,837,216,057.38
Accrued market development expense	976,607,722.67	1,004,950,610.70
Accrued transportation fee	803,463,091.70	728,264,657.72
Accrued technology royalty	650,010,691.12	534,463,454.23
Accrued integrated services fee	83,460,160.55	87,715,544.50
Accrued negative points for fuel consumption	73,106,266.32	59,308,609.28
Accrued labor service fee	51,173,874.83	107,051,967.02
Accrued utilities	35,050,613.99	60,370,787.91
Others	250,614,221.08	207,702,978.88
Total	7,391,295,648.04	6,627,044,667.62

32. Long-term Loan

In RMB Yuan

Item	Ending balance	Beginning balance
Credit loan	80,000,000.00	640,000,000.00
Deduction: Loan within 1 year	4,000,000.00	604,000,000.00
Net Long-term Loan	76,000,000.00	36,000,000.00

As at June 30, 2023, the interest rates of the above loans were 1.00% (as at 31 December 2022: 1.00%-3.00%).

As at June 30, 2023, there is no overdue long-term loans (as at 31 December 2022: Nil).

33. Bonds payable

In RMB Yuan

Item	Ending balance	Beginning balance
Corporate bonds	999,558,490.56	999,528,301.88
Total	999,558,490.56	999,528,301.88

Our company publicly issued technology innovation company bonds (Phase 1) to professional investors in December 2022, with a face value of RMB 1000000000.00 and a fixed coupon rate of 3%. The simple interest is paid annually from December 20, 2023 to 2027, and the final redemption date is December 20, 2027.

34. Lease liabilities

In RMB Yuan

Item	Ending balance	Beginning balance
Lease liabilities	186,466,884.11	97,499,973.67
Less: Lease liabilities within 1 year	65,596,855.90	37,294,575.69
Net lease liabilities	120,870,028.21	60,205,397.98

35. Long-term payables

In RMB Yuan

Item	Ending balance	Beginning balance
Long-term payables		408,939,511.34
Special payables	136,176,629.42	144,579,238.78
Total	136,176,629.42	553,518,750.12

(1) Long-term payables:

In RMB Yuan

Item	Ending balance	Beginning balance
Purchase of fixed assets		653,368,836.99
Less: Long-term payables within 1 year		244,429,325.65
Total		408,939,511.34

(2) Special payables:

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Intelligent manufacturing project	54,122,972.00	42,324,009.53	44,438,445.62	52,008,535.91
Lightweight design of automobile structure	14,410,557.94	390,000.00	1,962,400.84	12,838,157.10
Others	76,045,708.84	23,993,009.70	28,708,782.13	71,329,936.41
Total	144,579,238.78	66,707,019.23	75,109,628.59	136,176,629.42

36. Long-term payroll payable

In RMB Yuan

Item	Ending balance	Beginning balance
Net obligation of defined benefit plan	26,358,585.90	29,227,000.00
Early retirement	5,786,000.00	5,786,000.00
Total	32,144,585.90	35,013,000.00

37. Contingent liabilities

In RMB Yuan

Item	Ending balance	Beginning balance
Warranty	5,228,857,409.75	4,152,001,660.31
Contingent liabilities of contract performance	434,908,181.43	437,297,661.18
Total	5,663,765,591.18	4,589,299,321.49

38. Deferred income

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Government grants related to assets	222,169,206.66	63,820,286.00	72,095,887.20	213,893,605.46
Government grants related to gains	125,399,342.96	11,700,000.00	450,000.00	136,649,342.96
Total	347,568,549.62	75,520,286.00	72,545,887.20	350,542,948.42

Details of government grants are as follows:

In RMB Yuan

Liability	Beginning balance	Addition	Deduction	Ending balance
Related to assets:	222,169,206.66	63,820,286.00	9,985,144.93	62,110,742.27
Production and construction subsidies	166,416,924.20	63,820,286.00	9,985,144.93	62,110,742.27
Other government subsidies	55,752,282.46			
Related to gains:	125,399,342.96	11,700,000.00	450,000.00	
R&D technology subsidies	121,750,757.27	11,700,000.00	450,000.00	
Other government subsidies	3,648,585.69			
Total	347,568,549.62	75,520,286.00	10,435,144.93	62,110,742.27

39. Other non-current liabilities

In RMB Yuan

Item	Ending balance	Beginning balance
Advance service payment	2,217,804,236.36	1,728,721,535.34
Deduction: Advance service payment within 1 year	1,030,934,007.43	846,494,569.20
Net other non-current liabilities	1,186,870,228.93	882,226,966.14

40. Share capital

In RMB Yuan

	Beginning balance	Changes (+, -)				Ending balance
		Additional issued	Stock dividend	Provident fund transfer	Others	
I. Shares with sales restrictions	675,775,474.00				(46,200,160.00)	629,575,314.00
1. State-owned legal person shares	515,311,738.00					515,311,738.00
2. Other domestic shares	159,248,366.00				(46,200,160.00)	113,048,206.00
Including: Domestic legal person shares						

Domestic natural person shares	159,248,366.00				(46,200,160.00)	113,048,206.00
3. Foreign shares	1,215,370.00					1,215,370.00
Including: Foreign legal person shares						
Foreign natural person shares						
II. Shares without sales restrictions	9,246,023,948.00				43,723,738.00	9,289,747,686.00
1. Ordinary shares denominated in RMB	7,604,409,171.00				43,723,738.00	7,648,132,909.00
2. Domestic listed foreign shares	1,641,614,777.00					1,641,614,777.00
III. Total shares	9,921,799,422.00				(2,476,422.00)	9,919,323,000.00

41. Capital reserves

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Share premium	6,485,177,332.59	286,327,307.00	7,193,909.31	6,764,310,730.28
Share-based payments	648,749,767.92	187,899,000.00	286,327,307.00	550,321,460.92
Capital reserve transferred arising from the old standards	44,496,899.00			44,496,899.00
reserve of equity investments	17,015,985.20			17,015,985.20
Other capital reserves (Note)	1,337,366,701.06	5,395,781.70	663,566,110.70	679,196,372.06
Total	8,532,806,685.77	479,622,088.70	957,087,327.01	8,055,341,447.46

Note : In 2023, the decrease in other capital reserves was mainly due to the transfer of changes in capital reserves under the equity method accounting involved in the original holding of equity in Deepal Automobile Technology Co., Ltd. into the current period's profit and loss.

42. Treasury stock

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Treasury stock	627,060,416.52		184,193,941.80	442,866,474.72
Total	627,060,416.52		184,193,941.80	442,866,474.72

43. Other comprehensive income

In RMB Yuan

Item	Beginning balance	Amount for this reporting period						Ending balance
		Amount before tax	Deduct: amounts transferred to income statement which were recognized in other comprehensive income in prior period	Deduct: other comprehensive income in the previous period and transferred to retained earnings in the current period	Deduct: Income tax	Amount attributable to owners	Amount attributable to minority interests	
I. Other comprehensive income that cannot be transferred to profit or loss under the equity method	157,170,398.18							157,170,398.18
Change in net liability or assets from defined benefit plan	(185,000.00)							(185,000.00)
Other comprehensive income that cannot be transferred to profit or loss under the equity method	(2,765,221.82)							(2,765,221.82)
Changes in the fair value of other equity instrument investments	160,120,620.00							160,120,620.00
II. Other comprehensive income will be reclassified to profit or loss in subsequent period	(58,328,782.76)	47,734,187.34				47,734,187.34		(10,594,595.42)
Other comprehensive income that can be transferred to profit or loss under the equity method	(75,815.98)							(75,815.98)
Foreign currency translation difference	(58,252,966.78)	47,734,187.34				47,734,187.34		(10,518,779.44)
Total	98,841,615.42	47,734,187.34				47,734,187.34		146,575,802.76

44. Special reserves

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Safety fund	24,090,898.05	64,708,453.30	35,232,765.78	53,566,585.57
Total	24,090,898.05	64,708,453.30	35,232,765.78	53,566,585.57

45. Surplus reserves

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Statutory surplus	3,528,137,635.53			3,528,137,635.53
Total	3,528,137,635.53			3,528,137,635.53

46. Retained earnings

In RMB Yuan

Item	Current period	Prior period
Retained earnings at beginning of the year	41,379,489,865.45	35,900,674,525.13
Add: Profits attributable to parent company for the current year	7,652,979,346.80	5,857,626,135.78
Less: Ordinary share dividend of cash	2,341,414,868.12	1,778,856,191.54
Retained earnings at the end of year	46,691,054,344.13	39,979,444,469.37

47. Operating revenue and cost

In RMB Yuan

Item	Amount for this period		Amount for prior period	
	Revenue	Cost	Revenue	Cost
Main business	64,198,056,038.61	53,253,026,788.59	55,281,269,652.99	44,486,900,457.55
Other business	1,294,042,830.40	748,972,479.99	1,292,298,740.72	873,190,024.65
Total	65,492,098,869.01	54,001,999,268.58	56,573,568,393.71	45,360,090,482.20

48. Tax and surcharges

In RMB Yuan

Item	Amount for this period	Amount for prior period
Consumption tax	1,666,317,085.12	1,469,234,309.60
City maintenance and construction tax	208,432,679.24	194,046,087.99
Educational surcharge	140,534,177.17	133,244,356.31
Others	170,890,307.46	149,775,477.87
Total	2,186,174,248.99	1,946,300,231.77

49. Operating expenses

In RMB Yuan

Item	Amount for this period	Amount for prior period
Sales service fee	1,248,854,504.34	1,151,982,258.69
Promotion, advertising fee	1,084,798,251.79	552,426,701.41
Payroll and welfare	430,787,399.64	297,621,384.05
Transportation and storage fees	220,838,227.15	205,973,233.78
Travelling expenses	47,325,735.92	30,218,731.48
Package expenses	11,749,644.92	28,619,986.39
Others	24,080,857.61	18,487,525.97
Total	3,068,434,621.37	2,285,329,821.77

50. General and administrative expenses

In RMB Yuan

Item	Amount for this period	Amount for prior period
Payroll and welfare	1,787,629,699.79	1,766,803,412.30
Depreciation and amortization	231,626,256.31	110,312,454.37
Traffic expenses and travelling expenses	34,511,835.46	21,235,281.45
Others	218,192,616.99	285,683,156.98
Total	2,271,960,408.55	2,184,034,305.10

51. Research and development expenses

In RMB Yuan

Item	Amount for this period	Amount for prior period
Payroll and welfare	1,349,892,332.55	819,010,682.93
Depreciation and amortization	1,015,646,669.62	614,117,321.15
Subcontract fee	287,631,512.09	272,218,189.13
Material fee	173,948,774.18	112,662,406.81
Test fee	64,510,633.02	17,479,289.63
Others	72,974,183.02	96,806,255.02
Total	2,964,604,104.48	1,932,294,144.67

52. Financial income

In RMB Yuan

Item	Amount for this period	Amount for prior period
Interest income	532,594,819.89	438,428,075.90
Less: Foreign exchange gain or loss	24,815,219.82	(40,733,323.13)
Interest expense	36,814,471.44	17,892,411.14
Others	17,697,023.74	23,270,638.90
Total	453,268,104.89	437,998,348.99

53. Other income

Government subsidies related to daily activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
Production and construction subsidies	657,988,649.18	186,910,289.65

54. Investment income

In RMB Yuan

Item	Amount for this period	Amount for prior period
Long-term equity investment losses accounted for by the equity method	(180,436,966.53)	78,821,605.75
Investment income from disposal of long-term equity investments	1.00	
The investment income of financial asset held for trading during its holding period	1,406,842.07	2,690,400.00
Dividend income from remaining investments in other equity instruments	180,656,814.04	144,222,128.67
Gains from the remeasurement of the remaining equity at fair value after the loss of control		2,128,305,938.85
Income generated from business combinations not under the same control	5,021,482,128.74	
Total	5,023,108,819.32	2,354,040,073.27

55. Fair value change

In RMB Yuan

Source of income from changes in fair value	Amount for this period	Amount for prior period
Financial assets held for trading	14,575,284.30	26,136,888.77
Financial liabilities held for trading	(37,909,945.45)	
Total	(23,334,661.15)	26,136,888.77

56. Impairment loss of credit

In RMB Yuan

Item	Amount for this period	Amount for prior period
Bad debt for account receivable	15,463,066.50	10,913,106.06
Bad debt for other receivables	50,421.60	(138,419.44)
Total	15,513,488.10	10,774,686.62

57. Impairment loss on assets

In RMB Yuan

Item	Amount for this period	Amount for prior period
Impairment of inventory	110,345,479.11	72,131,985.60
Impairment of fixed assets	184,845,379.29	165,117,956.10

Impairment of intangible assets	41,460,645.81	2,920,133.24
Impairment of contract assets	60,622,656.78	1,657,510.52
Total	397,274,160.99	241,827,585.46

58. Gain on disposal of assets

In RMB Yuan

Item	Amount for this period	Amount for prior period
Gain on disposal of fixed-assets	366,667,730.28	68,244,082.28
Total	366,667,730.28	68,244,082.28

59. Non-operating income

In RMB Yuan

Item	Amount for this period	Amount for prior period	Amount recognized in current period as non-recurring profit and loss
Fines, penalties and others	93,295,575.81	54,366,637.51	93,295,575.81
Total	93,295,575.81	54,366,637.51	93,295,575.81

60. Non-operating expenses

In RMB Yuan

Item	Amount for this period	Amount for prior period	Amount recognized in current period as non-recurring profit and loss
Donation	10,600,000.00		10,600,000.00
Vehicle reward	841,680.00	1,711,728.00	841,680.00
Fines and penalties	52,548.37	1,327,232.91	52,548.37
Others	2,004,732.65	1,831,254.32	2,004,732.65
Total	13,498,961.02	4,870,215.23	13,498,961.02

61. Income tax expense

(1) Table of income tax expense

In RMB Yuan

Item	Amount for this period	Amount for prior period
Current income tax expense	429,737,792.88	48,946,847.14
Deferred income tax expense	(253,116,967.69)	(152,226,972.88)
Total	176,620,825.19	(103,280,125.74)

(2) The relationship between profit before tax and income tax expense

In RMB Yuan

Item	Amount for this period
Total profit	7,143,633,825.26
Tax at the applicable tax rate	1,071,545,073.79
Impact of different tax rates of subsidiaries	24,441,849.80
Adjustments to current income tax of previous period	20,812,467.28
Non-taxable income	(28,463,044.30)
Usage previous deductible losses	164,951,569.37
Utilize previous deductible losses	(16,643,751.06)
Profit or loss attributable to joint ventures and associates	(723,007,804.69)
Additional deduction	(337,015,535.00)
Income tax expense	176,620,825.19

62. Other comprehensive income

Please refer to notes VII, 43.

63. Notes to cash flow statement

(1) Items of cash received relating to other operating activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
Interest income	527,001,902.34	438,428,075.90
Government grants	863,412,085.63	401,800,087.37
Others	362,804,407.92	561,189,492.27
Total	1,753,218,395.89	1,401,417,655.54

(2) Items of cash paid relating to other operating activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
Selling expense	2,429,716,985.74	1,980,235,740.95
Administrative expense	617,746,243.11	569,553,555.35
Research and development expenses	1,384,809,950.23	609,764,742.34
Others	926,324,359.78	379,019,456.72
Total	5,358,597,538.86	3,538,573,495.36

(3) Items of cash received relating to other investing activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
------	------------------------	-------------------------

Net cash received from business merger	6,216,944,276.29	
Total	6,216,944,276.29	

(4) Items of cash paid relating to other investing activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
Cash transferred out from the loss of control of the subsidiary		815,126,333.76
Total		815,126,333.76

(5) Items of cash received relating to other financing activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
Withdraw for deposit of bill	362,339,945.61	715,239,432.26
Total	362,339,945.61	715,239,432.26

(6) Items of cash paid relating to other financing activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
Payment for deposit of bill	377,810,786.49	669,560,830.95
Repurchase of restricted stocks	1,327,927.25	
Others	39,385,976.28	29,669,861.07
Total	418,524,690.02	699,230,692.02

64. Supplementary information of cash flow statement

(1) Supplementary information of cash flow statement

In RMB Yuan

Supplementary information	Amount for this period	Amount for prior period
I. Cash flows from operating activities calculated by adjusting the net profit		
Net profit	6,967,013,000.07	5,839,023,367.10
Add: Impairment provision for assets	412,787,649.09	252,602,272.08
Depreciation of fixed assets	1,492,472,007.62	1,435,681,140.90
Right-of-use assets depreciation	32,246,838.71	16,605,322.98
Depreciation and amortization of investment real estate	113,355.78	
Amortization of intangible assets	638,535,490.78	528,117,679.23
Amortization of long-term deferred expense	1,468,484.08	1,826,783.84
Increase in deferred income	65,085,141.07	(139,049,041.50)
Disposal income on fixed assets, intangible assets and others	(366,667,730.28)	(68,244,082.28)

Income of fair value movement	23,334,661.15	(26,136,888.77)
Financial expense	36,814,471.44	17,892,411.14
Investment income	(5,023,108,819.32)	(2,354,040,073.27)
Increase in deferred tax assets	(182,617,869.82)	(154,489,446.55)
Decrease in deferred tax liabilities	1,404,707,710.78	2,262,473.67
Decrease in inventory	(4,429,633,070.54)	(244,183,357.63)
Decrease in operating payables	1,025,339,747.77	1,273,807,337.63
Increase in operating payables	4,665,879,442.66	(722,465,767.08)
Share-based payments cost	187,899,000.00	192,310,900.00
Others	3,787,202.55	715,388.71
Net cash flows from operating activities	6,955,456,713.59	5,852,236,420.20
2. Movement of cash and cash equivalents:		
Ending balance of cash	64,153,666,049.54	51,032,267,488.15
Less: beginning balance of cash	52,491,435,047.74	49,517,916,834.99
Increase in cash and cash equivalents	11,662,231,001.80	1,514,350,653.16

(2) Cash and cash equivalents

In RMB Yuan

Item	Ending balance	Beginning balance
I. Cash		
Including: Cash	1,886.16	32,155.77
Bank deposits that can be readily used	64,133,735,374.29	52,455,913,791.28
Other monetary funds that can be used for payment at any time	19,928,789.09	35,489,100.69
II. Ending balance of cash and cash equivalents	64,153,666,049.54	52,491,435,047.74

65. The assets with ownership or right restricted

In RMB Yuan

Item	Ending balance	Explanation
Cash and cash equivalents	1,832,280,514.67	Acceptance bill deposit
Note receivables	6,379,455,146.47	Pledge for issuing bills payable
Fixed assets	28,900,540.24	Processing release procedures
Intangible assets	16,614,436.08	Processing release procedures
Total	8,257,250,637.46	

66. Foreign Monetary Item

In RMB Yuan

Item	Original Currency	Exchange Rate	Translated to RMB
Cash			
Including: USD	29,760,695.54	7.2258	215,044,833.83
GBP	8,367,752.13	7.8771	65,913,620.30

EUR	3,968,271.98	9.1432	36,282,704.37
JPY	148,663,225.00	0.0501	7,448,027.57
RUB	7,733,842,927.23	0.0834	645,002,500.13
Accounts receivable			
Including: USD	56,418.30	7.2258	407,667.35
EUR	3,523,830.00	7.8771	27,757,561.29
GBP	414,688.44	9.1432	3,791,579.34
Other receivables			
Including: USD	1,318.04	7.2258	9,523.89
EUR	2,723,874.52	7.8771	21,456,231.98
GBP	49,632.42	9.1432	453,799.14
JPY	100,000.00	0.0501	5,010.00
Accounts Payable			
Including: USD	6,995.00	7.2258	50,544.47
EUR	199,529.46	9.1432	1,824,337.76
GBP	29,760,695.54	7.2258	215,044,833.83
Other Payables	8,367,752.13	7.8771	65,913,620.30
Including: USD	3,968,271.98	9.1432	36,282,704.37
GBP	148,663,225.00	0.0501	7,448,027.57

67. Government grants

The government grants accounted by the Group with the net method offset the book value of relevant assets and related costs as follows:

In RMB Yuan

	Amount for this period	Amount for prior period
Government grants related to assets	62,110,742.27	132,421,192.00
Write down: Fixed assets	61,413,808.31	132,421,192.00
Intangible assets	696,933.96	
Government grants related to income	50,967,519.78	177,846,131.22
Write down: Operating cost	23,614,843.48	73,489,574.95
Operating expenses	6,763,467.92	964,950.11
General and administrative expenses	8,254,895.38	10,761,122.82
Research and development expenses	12,334,313.00	92,433,583.34
Financial income		196,900.00

For other government grants, refer to notes V, 38 and 53.

VIII. The change of consolidation scope

1. Business combination not under the Same Control

(1) Business combinations not under common control that occurred in the current period

The Company originally held 40.66% equity in Deepal Automobile Technology Co., Ltd. (referred as “Deepal Auto”), which can have a significant impact on it and is accounted for using the equity method. The Company has signed an Equity Transfer Agreement with Chongqing Changxin Equity Investment Fund Partnership (Limited Partnership) (referred as “Changxin Fund”) and Chongqing Liangjiang New Area Chengwei Equity Investment Fund Partnership (Limited Partnership) (referred as “Chengwei Fund”), shareholders of Deep Blue Automobile, to acquire 10.34% of the equity of Deepal Auto for cash of RMB 1,331.6214 million, The

transaction completed equity delivery procedures on February 1, 2023. After the completion of the acquisition, the company held a total of 51.00% equity in Deepal Auto. On the acquisition date, the company recognized a profit of RMB 5,021,482,128.74 from the merger of enterprises not under the same control.

From the date of purchase to the end of the current period, the operating income of Deepal Auto was RMB 8,828,401,817.81, and the net loss was RMB 1,058,521,570.86.

(2) Merger costs and goodwill

In RMB Yuan

Consolidation costs	Deepal Auto
-- Cash	1,331,621,441.70
-- Fair value of non cash assets	---
--Fair value of debt issued or assumed	---
-- Fair value of equity securities issued	---
-- Fair value of contingent consideration	---
--Fair value of equity held before the purchase date at the purchase date	5,248,006,233.55
--Other	---
Total consolidated costs	6,579,627,675.25
Minus: Fair value share of identifiable net assets obtained	4,780,094,150.38
The amount of goodwill/merger cost less than the fair value share of identifiable net assets obtained	1,799,533,524.87

Method for determining the fair value of merger costs: income method

(3) The identifiable assets and liabilities of the purchased party on the purchase date

In RMB Yuan

	Deepal Auto	
	Fair value on purchase date	Book value on purchase date
Assets:		
inventory	2,750,696,247.99	2,668,394,136.79
fixed assets	446,508,547.00	434,621,131.80
intangible assets	10,744,244,703.94	1,028,260,675.89
Total other current assets	14,258,866,595.00	14,258,866,595.00
Total other non current assets	1,604,398,095.47	1,605,804,945.65
Total Assets	29,804,714,189.40	19,995,947,485.13
Liabilities:		
Total Current Liabilities	18,184,591,739.10	18,184,591,739.10
Total Non-current Liabilities	816,971,121.83	821,924,907.70
Total liabilities	19,001,562,860.93	19,006,516,646.80
Shareholders' (or owners') equity	10,803,151,328.47	989,430,838.33

Method for determining the fair value of identifiable assets and liabilities: asset based method

(4) Gains or losses arising from remeasuring equity held before the purchase date at fair value

Is there any transaction that achieves business merger through multiple transactions and obtains control during the reporting period

Yes No

2. Combination under the same control

Applicable Not Applicable

3. Counter purchase

Applicable Not Applicable

4. Disposing subsidiary

Whether there is a single disposal of the subsidiary company investment that is the loss of control of the situation

Applicable Not Applicable

5. Change of consolidation scope due to other reasons

Applicable Not Applicable

IX. Stake in other entities

1. Rights in subsidiaries

The subsidiaries of the Company are as follows :

Company name	Main operating place	Registered place	Nature of business	Registered capital (ten thousand)	Total proportion of shareholders (%)	
					Direct	Indirect
I. The subsidiary formed by establishment or investment						
Chongqing Changan International Automobile Sales Co., Ltd.	Chongqing	Chongqing	Sales	20,375.64	100.00	-
Chongqing Changan Vehicle Networking Technology Co., Ltd.	Chongqing	Chongqing	Lease	8,850.00	100.00	-
Chongqing Changan Special Automobile Sales Co., Ltd (Note 1)	Chongqing	Chongqing	Sales	2,000.00	50.00	-
Chongqing Changan Automobile Supporting Service Co., Ltd.	Chongqing	Chongqing	Sales	3,000.00	99.00	1.00
Chongqing Changan New Energy Automobile Co. Ltd.	Chongqing	Chongqing	R&D	2,900.00	100.00	-
Chongqing Changan Europe Design Center Co., Ltd.	Turin, Italy	Turin, Italy	R&D	EUR 1,738	100.00	-
Changan United Kingdom R&D Center Co., Ltd.	Nottingham, United Kingdom	Nottingham, United Kingdom	R&D	GBP 2,639	100.00	-
Beijing Changan R&D Center Co., Ltd.	Beijing	Beijing	R&D	100.00	100.00	-
Changan Japan Designing Center Co., Ltd.	Habin	Habin	R&D	JYP1,000	100.00	-
Changan United States R&D Center Co., Ltd.	Troy, United states	Troy, United states	R&D	USD154	100.00	-
Changan Automobile Russia Co., Ltd.	Moscow, Russia	Moscow, Russia	Sales	RUB 220,382	100.00	-
Changan Automobile Investment (Shenzhen) Co., Ltd.	Changan Automobile Investment (Shenzhen) Co., Ltd.	Changan Automobile Investment (Shenzhen) Co., Ltd.	Changan Automobile Investment (Shenzhen) Co., Ltd.	23,789.00	100.00	-
Nanjing Changan New Energy Automobile Sales & Service Co., Ltd.	Nanjing	Nanjing	Sales	5,000.00	100.00	-
Chongqing Anyi Automotive	Chongqing	Chongqing	Sales	200.00	100.00	-

Technology Service Co., Ltd.							
Xiamen Changan New Energy Automobile Sales & Service Co., Ltd.	Xiamen	Xiamen	Sales	200.00	100.00	-	
Guangzhou Changan New Energy Automobile Sales & Service Co., Ltd.	Guangzhou	Guangzhou	Sales	400.00	100.00	-	
Chongqing Chehemei Technology Co., Ltd.	Chongqing	Chongqing	Sales	1,000.00	100.00		
Chongqing Changan Kaicheng Automobile Technology Co., Ltd.	Chongqing	Chongqing	Sales	100,000.00	83.64		
Chongqing Changan Automobile Software Technology Co., Ltd.	Chongqing	Chongqing	R&D	9,900.00	100.00		
Chongqing Chehemei Technology Co., Ltd.	Chongqing	Chongqing	Sales	4,900.00	100.00		
Chongqing Changan Technology Co., Ltd.	Chongqing	Chongqing	R&D	9,000.00	100.00		
II. The subsidiary formed by business combination not under common control							
Nanjing Changan Automobile Co., Ltd.(Note 2)	Nanjing	Nanjing	Manufacturing	60,181.00	84.73	-	
Chongqing Lingyao Automobile Co., Ltd.	Chongqing	Chongqing	Manufacturing	133,764.00	100.00	-	
Deepal Automobile Technology Co., Ltd.	Chongqing	Chongqing	Manufacturing	32,810.83	51.00		
III. The subsidiary formed by business combination under common control							
Hefei Changan Automobile Co., Ltd.	Hefei	Hefei	Manufacturing	227,500.00	100.00	-	

Note 1: The remaining shareholders of Chongqing Changan Special Automobile Co., Ltd. made an agreement with the Company that the remaining shareholders are to vote in accordance with the Company. The main financial and operating policies have been controlled by the Company, so it is included in the scope of consolidated financial statements.

Note 2: The Company owns 91.53% of voting shares of Nanjing Changan Automobile Co., Ltd., the difference between proportion of voting shares and proportion of shares held is due to the voting right consigned from minority shareholders.

As at June 30, 2023, the Group has no subsidiaries with important minority interests.

2. Transactions result in change of holding share proportion but no effect in control of subsidiaries

Applicable Not applicable

3. Stakes in joint ventures and associates

(1) Significant joint ventures or associates

Company name	Main operating place	Registered place	Nature of business	Registered capital (ten thousand)	Total proportion of shareholders (%)		Accounting treatment
					Direct	Indirect	
I. Joint ventures							
Changan Ford Automobile Co., Ltd.	Chongqing	Chongqing	Manufacture and sale of automobiles, and components	USD24,100	50.00	-	Equity
Changan Mazda Automobile Co., Ltd.	Nanjing	Nanjing	Manufacture and sale of automobiles, and components	USD11,681	47.50	-	Equity
Changan Mazda Engine Co., Ltd. (Note 1)	Nanjing	Nanjing	Manufacture and sale of automobiles, and components	USD20,996	50.00	-	Equity

Jiangling Investment Co., Ltd.	Nanchang	Nanchang	Investment Management, Industrial Investment, and Asset Management	100,000.00	50.00	-	Equity
II. Associates							
Chongqing Changan Kuayue Automobile Co., Ltd.	Chongqing	Chongqing	Develop, product and sale of automobile and components; import and export goods.	6,533.00	34.30	-	Equity
Chongqing Changan Kuayue Automobile Sales Co., Ltd.	Chongqing	Chongqing	Sale of Changan Kuayue's automobile and agricultural cars and components. Technical advisory services for automobile	300.00	34.30	-	Equity
Beijing Fang'an Taxi Co., Ltd.	Beijing	Beijing	For the car loan business	2,697.96	22.24	-	Equity
Chongqing Auto Finance Co., Ltd.	Chongqing	Chongqing	Provide car loan; provide vehicle loans and operating equipment loans to car dealers, including the construction loans of exhibition hall, spare parts loans and maintenance equipment loans, etc.	476,843.10	28.66	-	Equity
Nanjing Chelai Travel Technology Co., Ltd.	Nanjing	Nanjing	Car sales, leasing, software technology development, technical services	10,000.00	10.00	-	Equity
Hunan Guoxin Semiconductor Technology Co., Ltd.	Zhuzhou	Zhuzhou	Technology development consulting, technical services, technology transfer in the field of power semiconductors	50,000.00	25.00	-	Equity
Beijing Wutong Chelian Technology Co., Ltd.	Beijing	Beijing	Technology development, technical consulting, technical services, technology transfer	56,055.88	-	41.30	Equity
Anhe (Chongqing) Equity Investment Fund Management Co., Ltd.	Chongqing	Chongqing	Equity investment management	1,260.00	-	44.44	Equity
Hangzhou Chelizi Intelligent Technology Co., Ltd.	Hangzhou	Hangzhou	Car travel service	630.00	-	20.00	Equity
Pakistan Master Motors Co., Ltd.	Lahore, Pakistan	Lahore, Pakistan	Manufacture and sale of automobiles, and components	PKR75,000	-	30.00	Equity
Jiangling Holding Co., Ltd.	Nanchang	Nanchang	Manufacture and sale of automobiles, and components	200,000.00	25.00	-	Equity
Nanjing Leading Equity Investment Partnership	Nanjing	Nanjing	Equity investment and related services	976,000.00	16.39	-	Equity
Nanjing Leading Equity Investment Management Co., Ltd.	Nanjing	Nanjing	Private equity investment fund management and related services	1,000.00	15.00	-	Equity
Zhongqi Chuangzhi Technology Co., Ltd.	Nanjing	Nanjing	R&D	1,600,000.00	3.125	-	Equity
Chongqing Changxin Zhiqi Private Equity Investment Fund Partnership (Limited Partnership)	Chongqing	Chongqing	Equity Investment	50,200.00	49.80	-	Equity
AVATR. Co., Ltd	Nanjing	Nanjing	R&D	164,466.00	40.9939	-	Equity
Chongqing Changan Innovation Private Equity Investment Fund Partnership Enterprise (Limited Partnership)	Chongqing	Chongqing	Private equity investment funds	65,100.00	46.08	-	Equity
Time FAW Power Battery Co., Ltd	Ningde	Ningde	Development, production, sales, and provision of related after-sales and technical consulting services for lithium-ion batteries, power batteries, ultra large capacity energy storage batteries, and battery systems	200,000.00	-	10.00	Equity
Western Car Network	Chongqing	Chongqing	Internet information services;	10,000.00	-	5.00	Equity

(Chongqing) Co., Ltd			Inspection and testing services				
Anhe Chongqing Dingfeng Automobile Contract Private Equity Investment Fund	Chongqing	Chongqing	Private equity investment funds	15,436.00	40.00	-	Equity
Chongqing Changxian Intelligent Technology Co., Ltd	Chongqing	Chongqing	Software development and sales	25,500.00	45.00	-	Equity

(2) Key financial information of significant joint ventures

Changan Ford Automobile Co., Ltd. is the important joint venture to the Group and makes great influence in the share of profit and loss in joint venture and associates, the Group adopts equity method to deal with the investment to it.

The table below shows the financial status of Changan Ford Automobile Co., Ltd., and all the information has been adjusted to eliminate the difference of the accounting policies.

In RMB Yuan

	Ending balance/Amount for this period	Beginning balance/Amount for prior period
Current assets	11,465,596,213.84	15,159,099,717.00
Including: cash and cash equivalent	4,625,531,681.38	6,818,327,323.00
Non-current assets	20,108,880,589.29	20,859,166,829.00
	31,574,476,803.13	36,018,266,546.00
Total assets	19,534,096,219.77	26,771,621,602.00
Non-current liabilities	9,705,223,801.71	7,716,321,374.00
Total liabilities	29,239,320,021.48	34,487,942,976.00
Minority interests		
Equity attributable to owners	2,335,156,781.65	1,530,323,570.00
Net asset owned according to share proportion	1,167,578,390.83	765,161,785.00
Adjustment	(55,499,140.48)	(52,702,433.15)
Book value of investment	1,112,079,250.35	712,459,351.85
Operating income	21,760,633,483.51	23,377,802,470.94
Financial expenses	131,187,660.08	228,432,281.92
Income tax expense	592,223,920.46	158,336,533.41
Net profit	799,233,915.94	1,045,203,295.40

(3) The financial status of the less important joint ventures and associates

In RMB Yuan

	Ending balance	Beginning balance
Joint venture:		
Total book value of the investment	4,118,225,763.64	4,067,976,150.23
Total amount calculated by shareholding proportion		
--Net profit	50,249,613.41	340,098,900.17
--Other comprehensive income		
--Total comprehensive income	50,249,613.41	340,098,900.17

Associates:		
Total book value of the investment	8,558,605,302.28	9,626,226,954.20
Total amount calculated by shareholding proportion		
--Net profit	(630,303,537.91)	(784,138,202.60)
--Other comprehensive income		146,228.18
--Total comprehensive income	(630,303,537.91)	(783,991,974.42)

(4) Excessive losses incurred by joint ventures or associates

As at 30 June 2023, since the Group has no obligation to undertake the extra loss of Chongqing Changan Kuayue Automobile Sales Co., Ltd, Jiangling Holdings Co., Ltd. When extra loss occurs, the Group writes down the long-term investment to zero without recognizing the extra loss.

X. Risks associated with financial instruments

1. Classification of financial instruments

As at balance sheet day, the book values of financial instruments are as follows:

Financial assets

In RMB Yuan

2023.6.30	Financial assets measured at fair value and whose changes are recorded in the current profit and loss (standard required)	Financial assets measured at amortized cost	Financial assets measured at fair value and whose changes are recorded in Other comprehensive income (specified)	Total
Cash		65,985,946,564.21		65,985,946,564.21
Financial assets for trading	262,239,446.37			262,239,446.37
Notes receivable		33,963,917,823.31		33,963,917,823.31
Accounts receivable		2,477,017,799.35		2,477,017,799.35
Other receivables		924,635,940.20		924,635,940.20
Other current assets		14,765,170.48		14,765,170.48
Investment in other equity instrument			489,950,000.00	489,950,000.00
Total	262,239,446.37	103,366,283,297.55	489,950,000.00	104,118,472,743.92

In RMB Yuan

2022.12.31	Financial assets measured at fair value and whose changes are recorded in the current profit and loss (standard required)	Financial assets measured at amortized cost	Financial assets measured at fair value and whose changes are recorded in Other comprehensive income (specified)	Total
Cash		53,530,183,827.34		53,530,183,827.34
Financial assets for trading	280,315,571.09			280,315,571.09
Notes receivable		35,849,660,652.96		35,849,660,652.96
Accounts receivable		3,068,414,415.29		3,068,414,415.29

Other receivables		861,671,518.62		861,671,518.62
Other current assets		745,970.48		745,970.48
Investment in other equity instrument			489,950,000.00	489,950,000.00
Total	280,315,571.09	93,310,676,384.69	489,950,000.00	94,080,941,955.78

Financial liabilities

In RMB Yuan

	2023.6.30	2022.12.31
Short-term loans	50,000,000.00	29,000,000.00
Trading financial liabilities	37,813,520.40	-
Notes payable	33,712,072,409.02	22,072,793,864.83
Accounts payable	30,465,634,254.25	29,449,664,138.75
Other payables	8,286,560,402.79	4,749,541,830.49
Non-current liabilities due within 1 year	69,596,855.90	885,723,901.34
Long-term loan	76,000,000.00	36,000,000.00
Lease liabilities	120,870,028.21	60,205,397.98
Long-term payables		408,939,511.34
Bonds payable	999,558,490.56	999,528,301.88
Total	73,818,105,961.13	58,691,396,946.61

2. Transfer of financial assets

The transferred financial assets that entirely derecognized but continuing involved

As at June 30, 2023, the book value of the bank acceptance bill that the Group has endorsed to the supplier to settle accounts payable is RMB 5,501,662,863.68 (December 31, 2022: RMB 5,294,424,281.62). On June 30, 2023, its maturity date is 1 to 6 months. According to the relevant provisions of the "Negotiable Instruments Law", if the accepting bank refuses to pay, its holder has the right to recourse against the Group ("continued involvement"). The Group believes that the Group has transferred almost all of its risks and rewards, and therefore, terminates the confirmation of the book value of the settlement accounts payable and the related accounts payable. The maximum loss and undiscounted cash flow of continuing involvement and repurchase are equal to its book value. The Group believes that continued involvement in fair value is not significant.

In the first half of 2023, the Group did not recognize gains or losses on its transfer date. The Group shall continue to be involved in the proceeds or expenses of the year in which the recognition of financial assets has been terminated and the cumulative recognition thereof. Endorsements occur roughly and evenly during the year.

3. Risks of financial instruments

The Group faces risks of various financial instruments in its daily activities, mainly including credit risk, liquidity risk and market risk (including exchange rate risk, interest rate risk and price risk). The main financial instruments of the Group include monetary funds, equity investments, loans, bills receivable, accounts receivable, bills payable, accounts payable, lease liabilities, bonds payable etc. The risks associated with these financial instruments and the risk management strategies adopted by the Group to reduce these risks are described below.

The Group has formulated risk management policies to identify and analyze the risks faced by the Group, set appropriate risk acceptance levels and design corresponding internal control procedures to monitor the Group's risk levels. The Group will periodically re-examine these risk management policies and related internal control systems to adapt to changes in market conditions or the Group's operating activities. The internal audit department also regularly and irregularly checks whether the implementation of the internal control system complies with the risk management policy.

Credit risk

The Group only deals with recognized and reputable customers. In accordance with the Group's policy, a credit review is required for all customers who require credit transactions. In addition, the Group continuously monitors the balance of accounts receivable to ensure that the Group does not face significant bad debt risk. For transactions that are not settled with the relevant business unit's bookkeeping standard currency, the Group does not provide credit transaction conditions unless specifically approved by the Group's credit control department.

Since the counterparties of monetary funds and bank acceptance receivables are reputable banks with higher credit ratings, these financial instruments have lower credit risk.

Other financial assets of the Group include commercial acceptance bills receivable, accounts receivable, other receivables, etc. The credit risk of these financial assets and contract assets comes from counterparty default, and the maximum risk exposure is equal to the carrying amount of these instruments. In 2022, there was no credit risk arising from financial guarantee.

Since the Group only trades with approved and reputable customers, there is no need for collateral. Credit risk is centralized and managed according to customers. As at the balance sheet date, the Group has a specific concentration of credit risks. 33.67% of the Group's accounts receivable (December 31, 2022: 56.83%) originated from the top five customers with the balance of accounts receivable. The Group does not hold any collateral or other credit enhancements for the balance of accounts receivable.

Judgment criteria for significant increase in credit risk

The Group evaluates on each balance sheet date whether the credit risk of the relevant financial instruments has increased significantly since the initial recognition. In determining whether credit risk has increased significantly since the initial recognition, the Group considers that reasonable and evidence-based information can be obtained without unnecessary additional cost or effort, including qualitative and quantitative analysis based on the Group's historical data, external credit risk ratings and forward-looking information. Based on a single financial instrument or a portfolio of financial instruments with similar credit risk characteristics, the Group compares the default risk of financial instruments on the balance sheet date with the default risk on the initial confirmation date to determine the change of default risk of financial instruments during their expected duration.

When one or more of the following quantitative or qualitative criteria are triggered, the Group believes that the credit risk of financial instruments has significantly increased:

- the quantitative criterion is that the default probability of the remaining duration on the report date increases by more than a certain percentage compared with the initial confirmation;
- qualitative criteria mainly include material adverse changes in the operating or financial situation of the debtor, early warning customer list, etc.;

Definition of assets that have incurred credit impairment

In order to determine whether credit impairment occurs, the Group adopts a definition standard consistent with the internal credit risk management objectives for relevant financial instruments, and considers both quantitative and qualitative indicators. The Group mainly takes the following factors into consideration when evaluating whether the debtor has credit impairment:

- significant financial difficulties of the issuer or debtor;
- debtor breaches the contract, such as default or overdue payment of interest or principal;
- the creditor gives the debtor concessions that the debtor would not have made under any other circumstances for economic or contractual reasons related to the debtor's financial difficulties;
- the debtor is likely to go bankrupt or undergo other financial restructuring;
- the financial difficulties of the issuer or debtor result in the disappearance of an active market for the financial asset;
- purchase or source a financial asset at a substantial discount that reflects the fact that a credit loss has occurred.

The credit impairment of financial assets may be caused by the joint action of multiple events, but not by events that can be identified separately.

A parameter for measuring expected credit losses

According to whether the credit risk has significantly increased and whether the credit impairment has occurred, the Group measures the impairment provision for different assets with the expected credit loss of 12 months or the whole duration respectively. The key parameters of expected credit loss measurement include default probability, default loss rate and default risk exposure. The Group takes into account the quantitative analysis and forward-looking information of historical statistical data (such as counterparty rating,

guarantee method and types of collateral, repayment method, etc.) to establish default probability, default loss rate and default risk exposure models.

The relevant definition is as follows:

- probability of default is the probability that the debtor will not be able to meet its repayment obligations in the next 12 months or throughout the remaining period. The default probability of the Group is adjusted based on the results of the historical credit loss model and forward-looking information is added to reflect the default probability of the debtor in the current macroeconomic environment.
- the default loss rate refers to the Group's expectation of the extent of losses from default risk exposure. Default loss rates also vary depending on the type of counterparty, the type and priority of recourse, and the collateral. The default loss rate is the percentage of the risk exposure loss at the time of default, calculated on the basis of the next 12 months or the whole duration;
- default exposure is the amount that should be paid to the Group at the time of default over the next 12 months or throughout the remaining duration.

The assessment of a significant increase in credit risk and the calculation of expected credit losses involve forward-looking information. Through the analysis of historical data, the Group identifies the key economic indicators that affect the credit risks and expected credit losses of each business type.

Liquidity risk

The Group adopts cycle liquidity planning instrument to manage capital shortage risks. The instrument takes into consideration the maturity date of financial instruments plus estimated cash flow from the Group's operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility and sufficient cash to support operating capital through financing functions by the use of bank loans, debentures, etc.

Market risk

Interest rate risk

The Group's revenue and operating cash flows are seldomly influenced by the interest fluctuation. As at 30 June 2023, the Group's loans and bonds are bearing fixed interest rate and the Group is not hedging the risk currently.

Foreign currency risk

The Group's exposures to fluctuation in foreign currency exchange rate mainly arise from operating activities where transactions are settled in currencies other than the units' functional currency and net investment to offshore subsidiary.

In 30 June, 2022, the Group only has limited transactional currency exposures of its total revenue that is valued in currencies other than the units' functional currency. The estimated influence of fluctuation of foreign currency is insignificant; therefore, the Group hasn't carried out large amount of hedging to reduce the risk.

Equity instruments investment price risk

The price risk of equity instrument investment refers to the risk that the fair value of equity securities is reduced due to changes in the level of stock indexes and changes in the value of individual securities. On June 30, 2023, the Group's listed equity instrument investment (Note VII 2) was listed on the Shanghai Stock Exchange and measured on the basis of market quotes on the balance sheet date. The following table illustrates the sensitivity of the Group's net profit and loss to every 5% change in the fair value of equity instrument investments (based on the book value at the balance sheet date) under the assumption that all other variables remain constant.

In RMB Yuan

	Carrying amount of equity investments	Change in fair value	Increase/(decrease) in equity
2023.6.30			
Shanghai- Equity investment included in financial assets at fair value through profit or loss	98,889,450.00	5%	4,202,801.63
Shanghai- Equity investment included in financial assets at	98,889,450.00	(5%)	(4,202,801.63)

fair value through profit or loss			
Shenzhen- Equity investment included in financial assets at fair value through profit or loss	163,349,996.37	5%	6,942,374.85
Shenzhen- Equity investment included in financial assets at fair value through profit or loss	163,349,996.37	(5%)	(6,942,374.85)
2022.12.31			
Shanghai- Equity investment included in financial assets at fair value through profit or loss	126,112,500.00	5%	5,359,781.25
Shanghai- Equity investment included in financial assets at fair value through profit or loss	126,112,500.00	(5%)	(5,359,781.25)
Shenzhen- Equity investment included in financial assets at fair value through profit or loss	125,052,628.80	5%	5,314,736.72
Shenzhen- Equity investment included in financial assets at fair value through profit or loss	125,052,628.80	(5%)	(5,314,736.72)

4. Capital management

The main goal of the Group's capital management is to ensure that the ability of continuous operation and maintain healthy capital ratios in order to support business development, and to maximize shareholder value.

The Group manages the capital structure and adjusts it with the change of economy trend and the risk feature of the assets. To maintain or adjust the capital structure, the Group can rectify dividend distribution, return capital to shareholders or issue new shares. The Group is not subject to external mandatory capital requirements constraints. The goal, principle and procedure of capital management stay the same in 2022 and 30, June 2023.

The Group's leverage ratio on the balance sheet date is as follows:

	June 30, 2023	December 31, 2022
Leverage ratio	58.90%	56.90%

XI. Disclosure of fair value

1. Assets and liabilities measured at fair value

June 30, 2023

In RMB Yuan

	Input measured at fair value			
	Quoted price in active market (The first level)	Important and observable input (The second level)	Important but unobservable input (The third level)	Total
Trading financial assets	262,239,446.37			262,239,446.37
Equity instrument investment	262,239,446.37			262,239,446.37
Other equity instrument investments			489,950,000.00	489,950,000.00
Trading financial liabilities		37,813,520.40		37,813,520.40
Total	262,239,446.37	37,813,520.40	489,950,000.00	790,002,966.77

December 31, 2022

In RMB Yuan

	Input measured at fair value			Total
	Quoted price in active market (The first level)	Important and observable input (The second level)	Important but unobservable input (The third level)	
Trading financial assets	126,112,500.00	154,203,071.09		280,315,571.09
Equity instrument investment	126,112,500.00	125,052,628.80		251,165,128.80
Derivative financial assets		29,150,442.29		29,150,442.29
Other equity instruments			489,950,000.00	489,950,000.00
Total	126,112,500.00	154,203,071.09	489,950,000.00	770,265,571.09

2. Fair value estimation

Management has assessed and concluded accounts, including cash, notes receivable, accounts receivable, other receivables, other payables, notes payable and accounts payable and so on, whose fair value equals to book value because of its short term to overdue.

Financial assets and financial liabilities are measured at the amount that an asset could be exchanged for or by which a liability could be incurred or settled by knowledge, willing parties in a current arm's-length transaction, other than liquidation or unwilling sales. Methods and hypothesis followed are used for determining fair value.

Long-term loans and long-term payables use discounted cash flow method to determine its fair value, with discount rate in accordance with market return of other financial instruments based on similar terms, credit risks and remaining terms. As at 30 June 2023, the default risk of long-term loans and short-term loans were considered immaterial.

The equity instruments listed by the Group are ordinary shares with unrestricted sale conditions, and their fair value is determined at the quoted market price. The Group's unlisted equity instrument investments are estimated at fair value using the market method based on unobservable market prices or interest rate assumptions. The Group mainly refers to the evaluation reports of independent qualified professional appraisers. The Group believes that the fair value and its changes estimated by valuation techniques are reasonable and are also the most appropriate value on the balance sheet date.

The Group entered into a derivative financial instrument contract with the bank. The Group's derivative financial instruments are foreign exchange forward contracts, which are measured using valuation techniques similar to the present value method. The observable input value of the market covered by the model is the forward exchange rate. The book value of a foreign exchange forward contract is the same as the fair value.

3. Unobservable input

The following is an overview of the important unobservable input value of the third level fair value measurement:

	Fair value	Valuation techniques	Non-observable input value
Investment in other equity instrument			
2023.6.30	489,950,000.00	Market approach	Comparable transaction value multiplier
2022.12.31	489,950,000.00	Market approach	Comparable transaction value multiplier

XII. Related party relationships and transactions

1. Parent company of the Company

Parent company	Place of registration	Nature of the business	Registered capital	Proportion of shares in the Company (%)	Proportion of voting rights in the company (%)
China Changan Automobile Group Co., Ltd.	Beijing	Manufacture and sale of automobiles, engine, and components	6,092,273,400.00	20.80%	20.80%

The Final controlling party is China South Industries Group corporation

2. Subsidiaries

See subsidiaries in IX (1) . Stake in other entities.

3. Joint ventures and associates

See Joint ventures and associates in IX (3) Stake in other entities.

4. Other related parties

Related parties	Relationship
Chongqing Changan Intelligent Industrial Technology Service Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Changan Construction Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Changan industry (Group) Co., Ltd	Controlled by the same ultimate holding company
Chongqing Changan Real Estate Development Co., Ltd	Controlled by the same ultimate holding company
Chongqing Yihong Engineering Plastic Products Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Xiyi Automobile Connecting Rod Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Wanyou Zunda Automobile Sales & Service Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Wanyou Economic Development Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Wanyou Ducheng Auto Sales Service Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Changan Property Management Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Qingshan Transmission Sales Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Shangfang Automobile Fittings Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Qingshan Industrial Co., Ltd	Controlled by the same ultimate holding company
Chongqing Construction Tongda Industrial Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Jianshe Mechanical & Electrical Equipment Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Changrong Machinery Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Jianshe Automobile Air-conditioner Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Jialing Yimin Special Equipment Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Fuji Supply Chain Management Co., Ltd	Controlled by the same ultimate holding company
Chongqing Dajiang Jiexin Forging Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Anfu Automobile Co., Ltd.	Controlled by the same ultimate holding company
China Changan Automobile Group Tianjin Sales Co., Ltd	Controlled by the same ultimate holding company
China Changan Automobile Group Hefei Investment Co., Ltd	Controlled by the same ultimate holding company
China South Industries Group Commercial Factoring Co., Ltd.	Controlled by the same ultimate holding company
China Ordnance Equipment Group Finance Leasing Co., Ltd	Controlled by the same ultimate holding company
Yunnan Xiyi Industries Co., Ltd.	Controlled by the same ultimate holding company
Yunnan Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Yaan Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company

Related parties	Relationship
Southwest Ordnance Industry Chongqing Environmental Protection Research Institute Co., Ltd.	Controlled by the same ultimate holding company
Wanyou Automobile Investment Co., Ltd	Controlled by the same ultimate holding company
Sichuan Ningjiang Shanchuan Machinery Co., Ltd	Controlled by the same ultimate holding company
Sichuan Jianan Industrial Co., Ltd	Controlled by the same ultimate holding company
Panzhuhua Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Luzhou Wanyou Automobile Service Co., Ltd	Controlled by the same ultimate holding company
Longchang Shanchuan Precision Welded Tube Co., Ltd.	Controlled by the same ultimate holding company
Jiangsu Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Hubei Xiaogan Huazhong Car Lamp Co., Ltd	Controlled by the same ultimate holding company
Hubei Huazhong Marelli Automotive Lighting Co., Ltd	Controlled by the same ultimate holding company
Harbin Dongan Automotive Engine Manufacturing Co., Ltd	Controlled by the same ultimate holding company
Harbin Dongan Automotive Power Co., Ltd	Controlled by the same ultimate holding company
Guizhou Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Dali Wanfu Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Chengdu Wanyou Xiangyu Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Chengdu Wanyou Automobile Trading Service Co., Ltd	Controlled by the same ultimate holding company
Chengdu Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Chengdu Wanyou Trading Co., Ltd	Controlled by the same ultimate holding company
Chengdu Wanyou Filter Co., Ltd	Controlled by the same ultimate holding company
Chengdu Lingchuan Automotive Fuel Tank Co., Ltd	Controlled by the same ultimate holding company
Chengdu Jialing Huaxi Optical Precision Machinery Co., Ltd	Controlled by the same ultimate holding company
Chengdu Huachuan Electric Equipment Co., Ltd	Controlled by the same ultimate holding company
Ordnance Equipment Group Finance Co., Ltd	Controlled by the same ultimate holding company
Beijing Beiji Electromechanical Industry Co., Ltd	Controlled by the same ultimate holding company
Bazhong Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Anhui Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Chongqing Changan Minsheng Logistics Co. Ltd.	Participated by the Ultimate holding company
Chongqing Nexteer Steering System Co.,Ltd.	Participated by the Ultimate holding company
Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	Participated by the Ultimate holding company
Chongqing Hanon Jianshe Automotive Thermal Systems Co., Ltd.	Participated by the Ultimate holding company
Chongqing Dajiang Yuqiang Plastic Co., Ltd.	Participated by the Ultimate holding company
Dajiang Yapp Automotive Systems Co., Ltd.	Participated by the Ultimate holding company
Chongqing Dajiang Guoli Precision Machinery Manufacturing Co., Ltd.	Participated by the Ultimate holding company
Chongqing Dajiang Tongyang Plastics Co., Ltd.	Participated by the Ultimate holding company
China Ordnance Equipment Group Human Resources Development Center	Participated by the Ultimate holding company
China Ordnance News	Participated by the Ultimate holding company
Changan Laisi (Chongqing) robot intelligent equipment Co., Ltd	Participated by the Ultimate holding company
Tiannak Lingchuan (Chongqing) exhaust system Co., Ltd	Participated by the Ultimate holding company
South Inter Air-conditioner Co.,Ltd.	Participated by the Ultimate holding company
South Tianhe Chassis System Co., Ltd.	Participated by the Ultimate holding company
CSM Faurecia Automotive Parts Co., Ltd.	Participated by the Ultimate holding company
GKN HUAYU Driveline Systems (Chongqing) Co., Ltd	Participated by the Ultimate holding company
United Automotive Electronics (Chongqing) Co., Ltd	Participated by the Ultimate holding company
Lear Changan (Chongqing) Automotive System Co., Ltd	Participated by the Ultimate holding company

Related parties	Relationship
Hunan Tianyan Machinery Co., Ltd	Participated by the Ultimate holding company
Hafei Automobile Co., Ltd	Participated by the Ultimate holding company
Chengdu Zhongzi Guangming Catalytic Technology Co., Ltd	Participated by the Ultimate holding company
Chengdu Ningjiang Zhaohe Automotive Parts Co., Ltd	Participated by the Ultimate holding company
Beijing Zhongbing Insurance Brokerage Co., Ltd.	Participated by the Ultimate holding company
Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	Companies in which the company participates
Nanjing LingHang Technology Co., Ltd.	Companies in which the company participates
Nanjing Chelai Travel Technology Co., Ltd	Companies in which the company participates
Jiangling Automobile Co., Ltd	Companies in which the company participates
Beijing Wutong Chelian Technology Co., Ltd.	Companies in which the company participates

5. Related-party transaction

(1) Transactions of goods and services

Goods purchased and services received

In RMB Yuan

Related parties	Nature of the transaction	Current amount	Approved transaction amount	Whether it exceeds the transaction amount	Prior-period amount
Changan Mazda Automobile Co., Ltd	Accept labor	1,270,637.36	-	Yes	-
Jiangling Holdings Co., Ltd.	Procurement of parts	514,070,488.27	8,778,224,627.96	No	585,345.00
Nanjing Chelai Travel Technology Co., Ltd	Accept labor	15,222.66	114,017.07	No	-
Deepal Automobile Technology Co., Ltd	Purchasing parts and accepting labor services	666,172,597.14	1,510,689,568.63	No	716,672,719.94
Beijing Wutong Chelian Technology Co., Ltd.	Purchasing parts and accepting labor services	32,740,169.65	194,226,725.34	No	67,885,814.09
Anhui Wanyou Automobile Sales Service Co., Ltd.	Accept labor	2,622,805.44	2,514,824.71	Yes	2,284,126.26
Chengdu Huachuan Electric Equipment Co., Ltd.	Procurement of parts	265,398,399.77	832,589,256.66	No	201,518,601.15
Chengdu Ningjiang Zhaohe Automobile Components Co., Ltd.	Procurement of parts	303,637.08	9,343,729.88	No	7,248,464.81
Chengdu Wanyou Trading Co., Ltd	Accept labor	44,034.79	85,826.66	No	22,527.44
Chengdu Wanyou Automobile Sales and Service Co., Ltd	Accept labor	826,173.26	119,774.35	Yes	368,483.54

Related parties	Nature of the transaction	Current amount	Approved transaction amount	Whether it exceeds the transaction amount	Prior-period amount
Chengdu Wanyou Auto Trade Service Co., Ltd.	Accept labor	3,136,714.77	7,373,745.99	No	5,421,148.49
Chengdu Wanyou Xiangyu Auto Sales and Service Co., Ltd.	Accept labor	8,781,051.72	3,797,209.13	Yes	6,376,107.26
Guizhou Wanyou Auto Sales and Service Co., Ltd.	Accept labor	6,496,124.73	7,491,378.51	No	6,881,968.71
Harbin Dongan Auto Engine Co., Ltd.	Purchasing parts and accepting labor services	201,477,650.66	600,127,415.35	No	263,267,944.07
Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	Procurement of parts	286,555,317.12	697,042,854.91	No	653,853,009.25
Hunan Tianyan Machinery Co., Ltd	Procurement of parts	59,035,655.33	8,302,082.10	Yes	2,617,013.13
Jiangsu Wanyou Automobile Sales Service Co., Ltd.	Accept labor	3,530,670.99	4,080,339.68	No	2,015,418.16
Luzhou Wanyou Automobile Service Co., Ltd.	Accept labor	208,109.30	569,722.83	No	307,508.81
CSM Faurecia Automotive Parts Co., Ltd.	Procurement of parts	293,507,822.63	1,597,097,938.30	No	252,639,803.32
Southern Tianhe Chassis Systems Co., Ltd	Procurement of parts	547,250,941.45	1,899,968,522.28	No	459,025,340.96
South Inter Air-conditioner Co.,Ltd.	Procurement of parts	324,599,906.01	1,348,876,494.10	No	202,161,276.20
Panzhuhua Wanyou Auto Sales & Service Co., Ltd.	Accept labor	148,176.37	661,829.31	No	257,324.00
Sichuan Jian'an Industrial Co., Ltd	Purchasing parts and accepting labor services	569,748,423.73	1,696,226,350.55	No	534,985,354.14
Sichuan Ningjiang Shanchuan Machinery Co, Ltd.	Procurement of parts	250,225,299.36	630,594,357.18	No	159,762,835.80
Ya'an Wanyou Auto Sales and Service Co., Ltd.	Accept labor	1,014,389.55	1,056,331.27	No	846,681.30
Yunnan Wanyou Auto Sales and Service Co., Ltd.	Accept labor	10,507,634.88	16,222,898.50	No	13,728,699.67
China Changan Automobile Group Tianjin Sales Co., Ltd.	Accept labor	2,515,157.69	812,228.08	Yes	692,160.09
Chongqing Qingshan Industrial Co., Ltd	Procurement of parts	4,247,550,166.24	11,215,297,928.42	No	3,637,088,928.81
Chongqing Wanyou Ducheng Auto Sales Service Co., Ltd.	Accept labor	973,308.83	2,870,066.24	No	2,584,670.89
Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	Accept labor	810,225.03	555,113.26	Yes	716,753.30
Chongqing Wanyou Economic Development Co., Ltd.	Purchasing parts and accepting labor services	14,785,490.80	59,570,534.71	No	40,779,608.17

Related parties	Nature of the transaction	Current amount	Approved transaction amount	Whether it exceeds the transaction amount	Prior-period amount
Chongqing Wanyou Zunda Automobile Sales & Service Co., Ltd.	Procurement of parts	38,252.00	-	Yes	114.95
Chongqing Changan Minsheng Logistics Co. Ltd.	Accept labor	2,685,849,489.33	8,082,612,973.07	No	1,760,470,945.02
Beijing Beiji Mechanical and Electrical Industry Co., Ltd.	Procurement of parts	55,471.89	60,001.39	No	18,410.18
Chengdu Zhongzi Guangming Catalytic Technology Co., Ltd	Procurement of parts	277,552,589.96	51,855,210.76	Yes	-
Chengdu Jialing Huaxi Optical & Precision Machinery Co., Ltd.	Procurement of parts	501,828.63	4,336,389.65	No	1,538,164.71
Chengdu Lingchuan Vehicle Oil Tank Co., Ltd.	Procurement of parts	22,896,846.34	53,576,855.25	No	18,148,367.15
Chengdu Wanyou Filter Co., Ltd.	Purchasing parts and accepting labor services	60,828,232.32	256,871,985.48	No	76,561,417.56
Hubei Huazhong Marelli Automobile Lighting Co., Ltd.	Procurement of parts	425,498,458.56	3,093,309,593.37	No	473,880,131.14
Hubei Xiaogan Huazhong Car Lamp Co., Ltd	Procurement of parts	62,177,934.16	228,392,134.24	No	51,876,744.41
Yunnan Xiyi Industries Co., Ltd.	Procurement of parts	65,386,027.01	174,256,873.80	No	53,637,731.83
China Ordnance Equipment Group Human Resources Development Center	Accept labor	5,377.35	-	Yes	-
China Ordnance Equipment Group Commercial Factoring Co., Ltd	Accept labor	76,040.43	123,178.62	No	-
Chongqing Dajiang Jiexin Forging Co., Ltd	Procurement of parts	916,320.42	4,355,976.69	No	1,845,245.27
Chongqing Dajiang Yuqiang Plastic Co., Ltd.	Procurement of parts	196,038.83	138,773.63	Yes	344,226.01
Chongqing Jianshe Automobile Air-conditioner Co., Ltd.	Procurement of parts	30,929,139.50	110,627,918.48	No	38,555,506.77
Chongqing Construction Tongda Industrial Co., Ltd.	Procurement of parts	27,756,255.26	70,281,670.64	No	16,331,004.84
Chongqing Nexteer Steering System Co.,Ltd.	Procurement of parts	482,284,076.02	1,872,399,642.19	No	400,416,384.73
Chongqing Shangfang Automobile Fittings Co., Ltd.	Procurement of parts	56,847,951.59	182,911,907.96	No	52,075,600.58
Chongqing Qingshan Transmission Sales Co., Ltd.	Procurement of parts	29,495,148.15	47,903,411.54	No	18,687,536.60
Chongqing Yihong Engineering Plastic Products Co., Ltd.	Procurement of parts	35,614,480.95	71,088,788.77	No	14,903,524.92
Chongqing Changan industry (Group) Co., Ltd	Accept labor	6,981,144.30	16,940,554.44	No	6,341,330.87
Chongqing Changan Property Management Co., Ltd.	Accept labor	5,556,152.45	11,211,104.18	No	1,928,927.46
Beijing Zhongbing Insurance Brokerage Co., Ltd.	Procurement of parts	179,456.11	284,148.54	No	45,762.00

Related parties	Nature of the transaction	Current amount	Approved transaction amount	Whether it exceeds the transaction amount	Prior-period amount
Lear Changan (Chongqing) Automotive System Co., Ltd	Procurement of parts	186,552,716.15	671,258,752.46	No	229,595,709.77
United Automotive Electronics (Chongqing) Co., Ltd	Purchasing parts and accepting labor services	489,858,832.36	1,429,975,183.76	No	411,241,559.03
GKN HUAYU Driveline Systems (Chongqing) Co., Ltd.	Procurement of parts	175,750,765.78	790,510,541.08	No	210,241,479.79
Nanjing LingHang Technology Co., Ltd.	Accept labor	33,388.14	784,986.19	No	304,110.83
Tiannak Lingchuan (Chongqing) exhaust system Co., Ltd	Procurement of parts	23,033,580.78	94,817,712.44	No	30,942,900.59
Changan Laisi (Chongqing) robot intelligent equipment Co., Ltd	Procurement of parts	1,756,066.31	6,080,910.24	No	-
Chongqing Dajiang Tongyang Plastics Co., Ltd.	Purchasing parts and accepting labor services	251,637,351.95	642,430,775.12	No	191,978,923.57
Chongqing Dajiang Guoli Precision Machinery Manufacturing Co., Ltd.	Purchasing parts and accepting labor services	243,266,094.33	602,237,925.04	No	167,524,798.04
Dajiang Yapp Automotive Systems Co., Ltd.	Procurement of parts	218,898,950.45	639,666,919.95	No	167,401,222.48
Chongqing Hanon Jianshe Automotive Thermal Systems Co., Ltd.	Procurement of parts	75,943,637.67	262,419,840.76	No	71,943,120.72
Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	Procurement of parts	101,723,761.38	246,500,284.04	No	67,077,513.30
Chongqing Changan Intelligent Industrial Technology Service Co., Ltd	Accept labor	11,279,433.62	5,609,648.20	Yes	513,085.15
Longchang Shanchuan Precision Welded Tube Co., Ltd.	Procurement of parts	12,373,330.60	46,371,255.34	No	16,006,962.03
Zhongqi Chuangzhi Technology Co., Ltd	Purchasing goods and accepting labor services	480,000.94	416,000.00	Yes	-
Chongqing Changrong Machinery Co., Ltd.	Procurement of parts	136,845,945.08	471,572,232.84	No	105,095,477.66
Chongqing Wutong Chelian Technology Co., Ltd.	Purchasing parts and accepting labor services	157,766,418.74	2,421,865,920.85	No	18,867,924.00
China Ordnance News Agency	Purchased Items	18,555.76	20,726.01	No	8,235.84
Avatr Technology (Chongqing) Co., Ltd	Procurement of parts	928,938.06	-	Yes	-

Related parties	Nature of the transaction	Current amount	Approved transaction amount	Whether it exceeds the transaction amount	Prior-period amount
Southwest Ordnance Industry Chongqing Environmental Protection Research Institute Co., Ltd.	Accept labor	445,897.62	3,371,826.69	No	643,025.04
Changan Ford Automobile Co., Ltd.	Procurement of parts	-	21,351.61	No	33,177.65
Changan Auto Finance Co., Ltd.	Accept labor	40,003,766.38	83,784,480.00	No	154,563,517.61
Southwest Ordnance Industry Co., Ltd	Procurement of parts	-	1,300,000.00	No	-
Chongqing Changrong Machinery Co., Ltd	Procurement of parts	-	60,989.98	No	-
Nanyang Lida Optoelectronics Co., Ltd	Procurement of parts	-	9,739.85	No	-
Yunnan Wanxing Auto Sales Service Co., Ltd.	Accept labor	-	143,000.00	No	92,971.05
Chongqing Changxian Intelligent Technology Co., Ltd	Accept labor	-	910,000,000.00	No	-
Chongqing construction industry (Group) Co., Ltd	Procurement of parts	-	-	No	726,973.62
Chongqing Pingshan Tk Carburetor Co., Ltd.	Procurement of parts	-	-	No	113,625.19
Chongqing Wanyou Advertising Co.,Ltd.	Procurement of parts	-	-	No	144,000.00
Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	Procurement of parts	-	-	No	2,081,065.28
Avatr (Chongqing) Automobile Sales Service Co., Ltd	Procurement of parts	61,949,625.77	-	Yes	-
Total:		14,784,492,172.04	54,791,273,787.10		12,077,344,092.00

Goods sold and services offered

In RMB Yuan

Related parties	Nature of the transaction	Current amount	Prior-period Amount
Changan Ford Automobile Co., Ltd.	Selling parts and providing labor services	2,017,778.68	1,977,509.38
Changan Mazda Automobile Co., Ltd	Selling parts	7,133,803.72	-
Jiangling Holdings Co., Ltd.	Providing labor services	207,500.00	384,888.69
Changan Automobile Financing Co., Ltd.	Providing labor services	174,835,059.92	233,886,141.47
Chongqing Changan Kuayue Automobile Co., Ltd.	Selling complete vehicles and components	105,713,055.00	35,175,120.00
Chongqing Changan Kuayue Automobile Sales Co., Ltd.	Selling parts	129,155.26	84,044.68
Deepal Automobile Technology Co., Ltd	Selling vehicle parts and providing labor services	111,103,766.19	941,495,311.87
Pakistan Master Automobile Co., Ltd.	Selling complete vehicles	109,372,901.50	686,073,063.37
China Changan Automobile Group Co., Ltd	Providing labor services	23,760.00	-
Anhui Wanyou Automobile Sales Service Co., Ltd.	Selling vehicle parts and providing labor services	140,376,222.36	101,714,909.87

Related parties	Nature of the transaction	Current amount	Prior-period Amount
Chengdu Huachuan Electric Equipment Co., Ltd.	Selling complete vehicles and providing labor services	99,293.70	-
Chengdu Wanyou Trading Co., Ltd.	Selling parts and providing labor services	95,348.42	8,176.99
Chengdu Wanyou Auto Sales and Service Co., Ltd.	Selling vehicle parts and providing labor services	832,930.32	472,725.21
Chengdu Wanyou Auto Trade Service Co., Ltd.	Selling vehicle parts and providing labor services	329,514,962.73	312,041,141.75
Chengdu Wanyou Xiangyu Auto Sales and Service Co., Ltd.	Selling vehicle parts and providing labor services	697,109,803.93	699,738,917.76
Guizhou Wanyou Auto Sales and Service Co., Ltd.	Selling vehicle parts and providing labor services	565,501,997.62	501,259,585.12
Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	Selling parts	1,993,518.61	24,251,252.09
Hunan Tianyan Machinery Co., Ltd	Providing labor services	169,811.32	-
Jiangsu Wanyou Automobile Sales Service Co., Ltd.	Selling vehicle parts and providing labor services	314,630,817.93	105,718,270.77
Luzhou Wanyou Automobile Service Co., Ltd.	Selling complete vehicles and components	592,242.82	450,709.55
Panzhuhua Wanyou Auto Sales & Service Co., Ltd.	Selling parts and providing labor services	329,795.23	383,700.50
Wanyou Automobile Investment Co., Ltd.	Selling complete vehicles and providing labor services	291,309,672.29	327,743,125.35
Ya'an Wanyou Auto Sales and Service Co., Ltd.	Selling vehicle parts and providing labor services	1,523,835.89	889,767.43
Yunnan Wanyou Auto Sales and Service Co., Ltd.	Selling vehicle parts and providing labor services	555,923,788.70	546,916,400.91
China South Industries Group Financial Leasing Co., Ltd.	Provide services	16,343,690.21	7,077,169.81
China Changan Automobile Group Hefei Investment Co., Ltd.	Selling complete vehicles	201,106.20	-
China Changan Automobile Group Tianjin Sales Co., Ltd.	Selling vehicle parts and providing labor services	131,130,406.12	113,428,610.55
Chongqing Anfu Automobile Co., Ltd.	Selling complete vehicles and components	29,676,902.67	7,775,221.22
Chongqing Fuji Supply Chain Management Co., Ltd	Selling complete vehicles	69,216,929.01	-
Chongqing Tsingshan Industrial Co., Ltd.	Selling vehicle parts and providing labor services	470,541.17	72,087,696.68
Chongqing Wanyou Ducheng Auto Sales Service Co., Ltd.	Selling complete vehicles and components	2,029,066.92	1,472,801.11
Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	Selling parts	914,070.23	853,360.20
Chongqing Wanyou Economic Development Co., Ltd.	Selling vehicle parts and providing labor services	895,356,870.07	924,172,360.80
Chongqing Wanyou Zunda Automobile Sales & Service Co., Ltd.	Selling parts	1,211,267,157.57	319,697,765.86
Chongqing Changan Minsheng Logistics Co., Ltd.	Selling parts and providing labor services	1,389,240.00	1,018,913.85
China South Industry Group Finance Co., Ltd.	Provide services	667,592.00	550,714.07
Hubei Huazhong Marelli Automotive Lighting Co., Ltd	Selling goods	1,313.00	-

Related parties	Nature of the transaction	Current amount	Prior-period Amount
Yunnan Xiyi Industries Co., Ltd.	Selling parts		663,752.00
China South Industries Group Commercial Factoring Co., Ltd.	Provide services	5,913.36	44,333.22
Chongqing Jianshe Automobile Air-conditioner Co., Ltd.	Selling parts	7,964.60	11,946.90
Chongqing Nexteer Steering System Co.,Ltd.	Selling parts	5,921,500.00	1,552,230.09
United Automotive Electronics (Chongqing) Co., Ltd	Selling parts	4,577,309.74	-
Nanjing LingHang Technology Co., Ltd.	Providing labor services	850,308.10	1,873,252.38
Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	Providing labor services	91,754.87	13,010,318.55
Tiannak Lingchuan (Chongqing) exhaust system Co., Ltd	Selling parts	937,224.65	2,651,092.85
Chongqing Dajiang Guoli Precision Machinery Manufacturing Co., Ltd.	Selling parts and providing labor services	5,757,279.81	14,217,387.85
Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	Selling parts	765,342.53	1,214,708.00
Zhongqi Chuangzhi Technology Co., Ltd	Selling goods	0.94	-
Chongqing Wutong Chelian Technology Co., Ltd	Selling goods	271.68	-
Avatr Technology (Chongqing) Co., Ltd.	Selling parts and providing labor services	966,811,840.03	52,471,011.00
Dali Wanfu Automobile Sales and Service Co., Ltd	Selling parts	11,752.21	-
Hainan Anxinxing Information Technology Co., Ltd.	Providing labor services	-	28,301.89
Harbin Dongan Auto Engine Co., Ltd.	Sales of parts and maintenance services	-	1,173.00
Yunnan Wanxing Auto Sales Service Co., Ltd.	Selling complete vehicles and components	-	18,951,586.08
Chongqing Changan Minsheng Boyu Logistics Co., Ltd.	Sales of complete vehicles and training fees	-	23,716.98
Chengdu Lingchuan Vehicle Oil Tank Co., Ltd.	Selling parts	-	938,416.81
Chongqing Dajiang Yuqiang Plastic Co., Ltd.	Selling parts	-	131,400.00
Chongqing construction industry (Group) Co., Ltd	Selling parts	-	193,218.11
Chongqing Dajiang Tongyang Plastics Co., Ltd.	Selling parts	-	533,842.98
Avatr (Chongqing) Automobile Sales Service Co., Ltd	Selling goods	660.38	-
Total:		6,754,944,830.21	6,077,311,065.60

(2) Related-party leasing

Rent assets to related parties

In RMB Yuan

Lessee	Type of leased assets	Report period Amount	Same period of last
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			period Amount
South Inter Air-conditioner Co.,Ltd.	Vehicle	48,849.56	67,752.21
Chongqing Changan Industries Group Co. Ltd.	Building	3,283,373.71	3,397,373.71
Nanjing LingHang Technology Co., Ltd.	Vehicle	2,624,149.56	63,932,417.73
Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	Vehicle	22,935,079.52	2,696,360.42
Deepal Automobile Technology Co., Ltd	Building, land and battery Workshop	27,782,737.08	10,675,075.50
Chongqing Changan Minsheng Logistics Co. Ltd.	Building	348,266.98	354,900.63
Chongqing Wanyou Economic Development Co., Ltd.	Building and land	321,100.92	321,100.92
Chongqing Changan Real Estate Development Co., Ltd	Vehicle	24,424.78	-
Total		81,444,981.12	57,367,982.11

Rent assets from related parties

In RMB Yuan

Lessor	Type of leased assets	Rent paid	
		Report period Amount	Same period of last period Amount
Chongqing Changan Minsheng Logistics Co., Ltd	Land	8,133,557.01	1,730,062.80
Chongqing Changan Property Management Co., Ltd	Land	2,977,660.00	-
Total			11,111,217.01

(3) Other related transactions

Integrated service charges

In RMB Yuan

Related parties	Nature of the transaction	Report period Amount	Same period of last period Amount
Changan Industries (Group) Co. Ltd	Payment of land rental fees	-	3,091,095.90
	Payment of building rental fees	-	1,197,968.00
	Payment of utilities	37,806,926.34	27,574,790.98
	Others	-	513,677.67
Total		32,377,532.55	37,806,926.34

Purchase of project materials

In RMB Yuan

Related parties	Report period Amount	Same period of last period Amount

Chongqing Changan Minsheng Logistics Co., Ltd	-	8,150.95
Changan Laisi (Chongqing) robot intelligent equipment Co., Ltd	-	7,830,088.50
Chongqing Changan Intelligent Industrial Technology Service Co., Ltd	2,743,362.86	-
Total	2,743,362.86	7,838,239.45

Staff expenses for technical supporting

In RMB Yuan

Related parties	Report period Amount	Same period of last period Amount
Changan Mazda Automobile Co., Ltd	9,131,656.92	222,474.38
Changan Ford Automobile Co., Ltd	5,605,674.97	7,943,502.33
Changan Mazda Engine Co., Ltd.	6,703,950.04	242,821.56
Hainan Anxinxing Information Technology Co., Ltd.	-	634,354.87
Chongqing Shangfang Auto Parts Co., Ltd	37,002.00	-
Jiangling Holdings Co., Ltd	7,343,774.35	-
Chongqing Changan Crossing Vehicle Co., Ltd	1,212,194.63	-
China Changan Automobile Group Co., Ltd	169,811.32	-
Chongqing Nexteer Steering System Co., Ltd	18,026.66	-
Chongqing Dajiang National Precision Machinery Manufacturing Co., Ltd	2,520.00	-
Jiangling Automobile Co., Ltd	826,370.83	-
Chongqing Construction Transmission Technology Co., Ltd	27,872.04	-
Chongqing WutongChelian Technology Co., Ltd	208,063.02	-
Avatr Technology (Chongqing) Co., Ltd	682,780.43	-
Total	31,969,697.21	9,043,153.14

Techonology development service charges

In RMB Yuan

Related parties	Report period Amount	Same period of last period Amount
Chongqing Tsingshan Industrial Co., Ltd.	10,144,721.22	
Changan Mazda Automobile Co., Ltd	397,572.54	
Total	10,542,293.76	

Collection of trademark use rights fees

In RMB Yuan

Related parties	Report period Amount	Same period of last period Amount
Chongqing Changan Kuayue Automobile Co., Ltd.	6,009,433.96	270,188.68

Related party monetary funds

In RMB Yuan

Related parties	Ending Amount	Beginning Amount
China South Industries Group Finance Co., Ltd	19,857,412,889.08	19,862,952,043.78
Changan Automobile Finance Co., Ltd	14,700,000,000.00	14,950,000,000.00
Total	34,557,412,889.08	34,812,952,043.78

First half of 2023, the annual interest rate of deposits deposited with related parties is 0.35% - 2.25%, and the term is 0-12 months.

Borrowing

Short-term borrowing

In RMB Yuan

Related parties	Ending Amount	Beginning Amount
China South Industries Group Finance Co., Ltd	20,000,000.00	29,000,000.00

Long-term borrowing

In RMB Yuan

Related parties	Ending Amount	Beginning Amount
China South Industries Group Finance Co., Ltd	80,000,000.00	40,000,000.00

Interest income of deferred payment

In RMB Yuan

Related parties	Report period Amount	Same period of last period Amount
Jiangsu Wanyou Automobile Sales Service Co., Ltd	1,380.53	-
Chongqing Wanyou Economic Development Co., Ltd	-	6,588.40
China Changan Automobile Group Tianjin Sales Co., Ltd.	-	2,489.29
Total	1,380.53	9,077.69

6. Payment and receivables of related parties

(1) Payment receivables of related listed companies

In RMB Yuan

Items	Related parties	Ending balance	Beginning balance
Notes receivable	Chongqing Changan Kuayue Automobile Sales Co., Ltd.	37,452,780.00	-

Items	Related parties	Ending balance	Beginning balance
Notes receivable	Deepal Automobile Technology Co., Ltd	–	3,623,354,650.53
Notes receivable	Chengdu Wanyou Auto Trade Service Co., Ltd.	22,000,000.00	22,500,000.00
Notes receivable	Guizhou Wanyou Auto Sales and Service Co., Ltd.	5,000,000.00	7,300,000.00
Notes receivable	Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	1,000,729.17	3,029,467.77
Notes receivable	Wanyou Automobile Investment Co., Ltd.	2,214,980,000.00	3,047,690,000.00
Notes receivable	Yunnan Wanyou Auto Sales and Service Co., Ltd.	35,000,000.00	43,000,000.00
Notes receivable	Chongqing Tsingshan Industrial Co., Ltd.	40,822,710.36	40,463,588.91
Notes receivable	Chongqing Wanyou Economic Development Co., Ltd.	27,000,000.00	20,250,000.00
Notes receivable	Avatr Technology (Chongqing) Co., Ltd.	494,166,303.64	121,822,864.29
Subtotal		2,877,422,523.17	6,929,410,571.50
Account receivable	Changan Ford Automobile Co., Ltd.	6,885,149.43	195,582,372.52
Account receivable	Changan Mazda Automobile Co., Ltd	9,148,414.64	72,378,357.38
Account receivable	Changan Mazda Engine Co., Ltd.	3,373,248.04	3,494,661.85
Account receivable	Jiangling Holdings Co., Ltd.	49,384,266.38	121,166,512.75
Account receivable	Changan Auto Finance Co., Ltd.	29,156,758.91	68,199,053.80
Account receivable	Chongqing Changan Kuayue Vehicle Co., Ltd	17,920,237.90	39,592,219.39
Account receivable	Beijing Fang'an crescent taxi Co., Ltd.	–	38,600,000.00
Account receivable	Chongqing Changan Kuayue Automobile Sales Co., Ltd.	14,942.80	31,861.79
Account receivable	Deepal Automobile Technology Co., Ltd	–	1,011,838,777.69
Account receivable	Pakistan Master Automobile Co., Ltd.	30,444,169.62	37,958,837.25
Account receivable	China Changan Automobile Group Co., Ltd	180,000.00	–
Account receivable	Chengdu Huachuan Electric Equipment Co., Ltd	50,000.00	–
Account receivable	Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	391,043.25	147,532.81
Account receivable	China South Industries Group Financial Leasing Co., Ltd.	5,410,074.20	9,734,968.89
Account receivable	Chongqing Tsingshan Industrial Co., Ltd.	31,864,429.19	29,579,405.37
Account receivable	Chongqing Changan industry (Group) Co., Ltd	3,626,628.57	3,626,628.57
Account receivable	Nanjing LingHang Technology Co., Ltd.	1,428,345.48	4,209,516.65

Items	Related parties	Ending balance	Beginning balance
Account receivable	Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	4,315,640.00	5,181,800.00
Account receivable	Avita Technology (Chongqing) Co., Ltd.	394,779,882.78	320,592,883.29
Account receivable	JMC	-	1,176,831.13
Account receivable	Chongqing Changan Minsheng Logistics Co. Ltd.	-	688,099.86
Account receivable	Chengdu Wanyou Xiangyu Automobile Sales and Service Co., Ltd	-	127,548.00
Account receivable	Guizhou Wanyou Auto Sales and Service Co., Ltd.	-	63,900.00
Account receivable	China South Industries Group Commercial Factoring Co., Ltd.	-	1,841.34
Account receivable	Chongqing Changan Intelligent Industrial Technology Service Co., Ltd	-	0.15
Account receivable	Tiannak Lingchuan (Chongqing) exhaust system Co., Ltd	-	0.03
Subtotal		588,373,231.19	1,963,973,610.51
Other receivable	Chongqing Changan Minsheng Logistics Co. Ltd.	475,374.49	436.57
Other receivable	China South Industry Group Finance Co., Ltd.	243,650.67	859,049.92
Other receivable	Nanjing LingHang Technology Co., Ltd.	107,028.38	-
Other receivable	Chongqing Changxin Zhiqi Private Equity Investment Fund Partnership (Limited Partnership)	35,000,000.00	-
Other receivable	Chongqing Changan industry (Group) Co., Ltd	1,157,446.69	1,157,446.69
Other receivable	China South Industries Group Commercial Factoring Co., Ltd.	44,615,500.00	-
Other receivable	China Changan Automobile Group Hefei Investment Co., Ltd	282,382.49	-
Subtotal		81,881,382.72	2,016,933.18
Advanced payment	Deepal Automobile Technology Co., Ltd	-	10,397,480.50
Advanced payment	Beijing Wutong Chelian Technology Co., Ltd.	12,769,380.30	12,438,660.30
Subtotal		12,769,380.30	22,836,140.80

(2) Accounts payable to related parties of listed companies

In RMB Yuan

Items	Related parties	Ending balance	Beginning balance
Notes payable	Jiangling Holdings Co., Ltd.	772,650,078.38	59,248,188.59
Notes payable	Deepal Automobile Technology Co., Ltd	-	293,766,946.00
Notes payable	Harbin Dongan Auto Engine Co., Ltd.	69,720,000.00	59,090,000.00

Items	Related parties	Ending balance	Beginning balance
Notes payable	Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	181,260,000.00	197,280,000.00
Notes payable	Hunan Tianyan Machinery Co., Ltd	3,680,000.00	–
Notes payable	CSM Faurecia Automotive Parts Co., Ltd.	71,521,000.00	36,370,000.00
Notes payable	South Tianhe Chassis System Co., Ltd.	46,898,358.00	118,961,825.13
Notes payable	South Inter Air-conditioner Co.,Ltd.	188,840,000.00	130,650,474.98
Notes payable	Sichuan Ningjiang Shanchuan Machinery Co, Ltd.	109,816,824.00	60,759,442.02
Notes payable	Chongqing Tsingshan Industrial Co., Ltd.	1,313,041,354.00	1,078,658,254.05
Notes payable	Chongqing Changan Minsheng Logistics Co. Ltd.	336,484,318.39	300,858,223.58
Notes payable	CDGM Tanaka Environmental Catalyst Co.,Ltd.	62,940,000.00	560,000.00
Notes payable	Chengdu Jialing Huaxi Optical & Precision Machinery Co., Ltd.	330,000.00	950,000.00
Notes payable	Chengdu Lingchuan Vehicle Oil Tank Co., Ltd.	2,620,000.00	–
Notes payable	Chengdu Wanyou Filter Co., Ltd.	26,550,000.00	34,373,849.84
Notes payable	Hubei Huazhong Marelli Automobile Lighting Co., Ltd.	144,870,000.00	139,690,000.00
Notes payable	Hubei Xiaogan Huazhong Automobile Light Co., Ltd.	36,940,000.00	15,650,000.00
Notes payable	Chongqing Dajiang Jiexin Forging Co., Ltd.	1,010,000.00	1,090,000.00
Notes payable	Chongqing Jianshe Automobile Air-conditioner Co., Ltd.	21,560,000.00	20,050,000.00
Notes payable	Chongqing Construction Tongda Industrial Co., Ltd.	14,439,729.00	10,640,000.00
Notes payable	Chongqing Nexteer Steering System Co.,Ltd.	192,490,000.00	327,738,252.79
Notes payable	Chongqing Shangfang Automobile Fittings Co., Ltd.	34,683,825.00	33,869,017.86
Notes payable	Chongqing Yihong Engineering Plastic Products Co., Ltd.	19,740,000.00	19,560,000.00
Notes payable	GKN HUAYU Driveline Systems (Chongqing) Co., Ltd	118,680,000.00	98,250,000.00
Notes payable	Tiannak Lingchuan (Chongqing) exhaust system Co., Ltd	29,740,000.00	32,530,000.00
Notes payable	Chongqing Dajiang Tongyang Plastics Co., Ltd.	205,123,800.00	145,840,000.00
Notes payable	Chongqing Dajiang Guoli Precision Machinery Manufacturing Co., Ltd.	4,463,262.00	7,765,999.95
Notes payable	Dajiang Yapp Automotive Systems Co., Ltd.	199,010,000.00	175,450,000.00
Notes payable	Chongqing Hanon Jianshe Automotive Thermal Systems Co., Ltd.	49,510,000.00	82,600,000.00

Items	Related parties	Ending balance	Beginning balance
Notes payable	Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	90,380,000.00	80,530,000.00
Notes payable	Longchang Shanchuan Precision Welded Tube Co., Ltd.	4,942,403.00	6,140,145.72
Notes payable	Southwest Ordnance Industry Chongqing Environmental Protection Research Institute Co., Ltd.	1,012,449.43	-
Notes payable	Chongqing Changrong Machinery Co., Ltd.	-	1,314,548.20
Notes payable	Hunan Tianyan Machinery Co., Ltd.	-	630,000.00
Subtotal		4,354,947,401.20	3,570,865,168.71
Account payable	Jiangling Holdings Co., Ltd.	164,547,071.39	1,116,408,615.48
Account payable	Hangzhou Chelizi Intelligent Technology Co., Ltd.	12,350.00	12,350.00
Account payable	Deepal Automobile Technology Co., Ltd	-	822,638,571.39
Account payable	Beijing Wutong Chelian Technology Co., Ltd.	1,632,357.66	4,301,349.18
Account payable	Chengdu Huachuan Electric Equipment Co., Ltd.	57,494,293.50	41,958,250.19
Account payable	Chengdu Ningjiang Zhaohe Automobile Components Co., Ltd.	1,175,453.90	1,358,424.58
Account payable	Harbin Dongan Auto Engine Co., Ltd.	41,477,760.18	103,616,123.17
Account payable	Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	480,894.09	99,563,867.81
Account payable	Hafei Automobile Co., Ltd	344.04	344.04
Account payable	Hunan Tianyan Machinery Co., Ltd	62,773,650.28	-
Account payable	CSM Faurecia Automotive Parts Co., Ltd.	106,611,292.57	79,576,674.87
Account payable	South Tianhe Chassis System Co., Ltd.	188,361,446.89	142,620,012.97
Account payable	South Inter Air-conditioner Co.,Ltd.	130,716,589.27	87,495,633.58
Account payable	Sichuan Jian'an Industrial Co.,Ltd.	107,350,795.49	40,868,455.07
Account payable	Sichuan Ningjiang Shanchuan Machinery Co, Ltd.	32,663,780.69	11,108,409.24
Account payable	Chongqing Tsingshan Industrial Co., Ltd.	711,328,381.80	153,454,423.03
Account payable	Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	20,842.80	20,842.80
Account payable	Chongqing Wanyou Economic Development Co., Ltd.	4,575,091.49	757,763.87
Account payable	Chongqing Changan Minsheng Logistics Co. Ltd.	10,622,441.06	12,696,301.88
Account payable	CDGM Tanaka Environmental Catalyst Co.,Ltd.	257,112,640.35	32,759,347.97

Items	Related parties	Ending balance	Beginning balance
Account payable	Chengdu Jialing Huaxi Optical & Precision Machinery Co., Ltd.	202,481.66	559,576.76
Account payable	Chengdu Lingchuan Vehicle Oil Tank Co., Ltd.	11,183,506.80	8,056,699.53
Account payable	Chengdu Wanyou Filter Co., Ltd.	26,556,287.37	14,115,700.51
Account payable	Hubei Huazhong Marelli Automobile Lighting Co., Ltd.	146,612,808.09	236,096,916.60
Account payable	Hubei Xiaogan Huazhong Automobile Light Co., Ltd.	17,446,057.16	19,359,970.66
Account payable	Yunnan Xiyi Industries Co., Ltd.	28,768,504.82	4,210,156.64
Account payable	Chongqing Dajiang Jiexin Forging Co., Ltd.	107,645.85	312,203.77
Account payable	Chongqing Dajiang Yuqiang Plastic Co., Ltd.	38,651.31	496,894.20
Account payable	Chongqing Jialing Yimin Special Equipment Co., Ltd.	104,496.50	104,496.50
Account payable	Chongqing Jianshe Automobile Air-conditioner Co., Ltd.	15,637,578.08	10,360,465.69
Account payable	Chongqing Jianshe Mechanical & Electrical Equipment Co., Ltd.	47,265.91	47,265.91
Account payable	Chongqing Construction Tongda Industrial Co., Ltd.	20,074,980.69	11,268,342.31
Account payable	Chongqing Nexteer Steering System Co.,Ltd.	330,092,881.48	278,876,988.05
Account payable	Chongqing Shangfang Automobile Fittings Co., Ltd.	19,581,178.77	13,575,599.30
Account payable	Chongqing Qingshan Transmission Sales Co., Ltd.	6,031,563.88	10,199,151.11
Account payable	Chongqing Xiyi automobile connecting rod Co., Ltd	38,422.14	38,422.14
Account payable	Chongqing Yihong Engineering Plastic Products Co., Ltd.	10,554,570.55	4,247,025.85
Account payable	Chongqing Changan industry (Group) Co., Ltd	234,239.51	236,355.17
Account payable	Lear Changan (Chongqing) Automotive System Co., Ltd	9,335.39	109,342,564.03
Account payable	United Automotive Electronics (Chongqing) Co., Ltd	98,553,343.25	72,864,235.98
Account payable	GKN HUAYU Driveline Systems (Chongqing) Co., Ltd	41,873,286.99	49,148,122.03
Account payable	Tiannak Lingchuan (Chongqing) exhaust system Co., Ltd	43,743.18	5,380,229.34
Account payable	Chongqing Dajiang Tongyang Plastics Co., Ltd.	74,791,702.46	86,558,622.08
Account payable	Chongqing Dajiang Guoli Precision Machinery Manufacturing Co., Ltd.	17,036,265.16	6,417,935.77
Account payable	Dajiang Yapp Automotive Systems Co., Ltd.	158,843,424.75	152,806,662.74
Account payable	Chongqing Hanon Jianshe Automotive Thermal Systems Co., Ltd.	1,646,423.15	2,388,277.76

Items	Related parties	Ending balance	Beginning balance
Account payable	Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	37,859,893.35	25,869,763.88
Account payable	Chongqing Changan Intelligent Industrial Technology Service Co., Ltd	1,443,978.00	-
Account payable	Longchang Shanchuan Precision Welded Tube Co., Ltd.	3,273,547.80	1,759,775.48
Account payable	Chongqing Changrong Machinery Co., Ltd.	40,659,325.37	18,773,538.36
Account payable	Chongqing Wutong Chelian Technology Co., Ltd	2,379,826.71	-
Account payable	Avatr Technology (Chongqing) Co., Ltd	1,049,700.00	-
Account payable	Changan Reis (Chongqing) Robotic Intelligent Equipment Co., Ltd.	-	8,537,490.14
Account payable	Changan Ford Automobile Co., Ltd.	-	1,878,695.33
Account payable	Southwest Ordnance Industry Chongqing Environmental Protection Research Institute Co., Ltd.	-	963,651.26
Account payable	Chengdu Lingchuan Special Industry Co., Ltd.	-	220,175.48
Account payable	Chongqing Automobile Air-conditioner Co., Ltd.	-	205,041.51
Account payable	Hunan Tianyan Machinery Co., Ltd.	-	143,359.78
Account payable	Chongqing Dajiang Xinda Vehicles Shares Co., Ltd.	-	56,251.08
Account payable	Beijing Beiji Mechanical and Electrical Industry Co., Ltd.	-	3,165.30
Account payable	Chongqing Changan Kuayue Vehicle Co., Ltd	-	1,382.56
Account payable	Chongqing Changfeng Jiquan Machinery Co., Ltd.	-	1,340.91
Account payable	Chengdu Wanyou Auto Trade Service Co., Ltd.	426,628.98	250
Account payable	Chongqing Wanyou Ducheng Auto Sales Service Co., Ltd.	3,486.65	-
Subtotal		2,992,164,509.21	3,906,698,522.62
Contract liabilities	Changan Ford Automobile Co., Ltd.	0.36	493,954.43
Contract liabilities	Changan Automobile Finance Co., Ltd	685,200.00	685,200.00
Contract liabilities	Anhui Wanyou Automobile Sales Service Co., Ltd.	13,745,063.04	12,540,522.24
Contract liabilities	Bazhong Wanyou Auto Sales & Service Co., Ltd.	50,426.48	50,426.48
Contract liabilities	Chengdu Wanyou Trading Co., Ltd.	34,357.00	18,900.00
Contract liabilities	Chengdu Wanyou Auto Sales and Service Co.,Ltd.	111,561.78	101,869.64
Contract liabilities	Chengdu Wanyou Auto Trade Service Co., Ltd.	29,592,086.71	18,393,074.44
Contract liabilities	Chengdu Wanyou Xiangyu Auto Sales and Service Co., Ltd.	94,127,263.38	64,279,954.50

Items	Related parties	Ending balance	Beginning balance
Contract liabilities	Guizhou Wanyou Auto Sales and Service Co., Ltd.	51,855,145.20	96,702,773.24
Contract liabilities	Hafei Automobile Co., Ltd	471,942.49	471,942.49
Contract liabilities	Jiangsu Wanyou Automobile Sales Service Co., Ltd.	87,805,094.37	58,420,002.39
Contract liabilities	Luzhou Wanyou Automobile Service Co., Ltd.	76,183.28	91,342.25
Contract liabilities	Panzhuhua Wanyou Auto Sales & Service Co., Ltd.	44,578.01	16,305.41
Contract liabilities	Wanyou Automobile Investment Co., Ltd.	13,995,992.74	47,689,212.74
Contract liabilities	Ya'an Wanyou Auto Sales and Service Co., Ltd.	94,915.31	75,083.25
Contract liabilities	Yunnan Wanyou Auto Sales and Service Co., Ltd.	24,818,155.28	49,769,852.59
Contract liabilities	China Changan Automobile Group Hefei Investment Co., Ltd.	10,273.00	10,273.00
Contract liabilities	China Changan Automobile Group Tianjin Sales Co., Ltd.	20,689,970.87	33,057,138.53
Contract liabilities	Chongqing Wanyou Ducheng Auto Sales Service Co., Ltd.	288,575.24	373,179.91
Contract liabilities	Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	163,077.92	155,719.35
Contract liabilities	Chongqing Wanyou Economic Development Co., Ltd.	112,755,890.79	124,667,991.83
Contract liabilities	Chongqing Wanyou Zunda Automobile Sales & Service Co., Ltd.	67,022,495.88	74,694,999.66
Contract liabilities	Chongqing Changan Minsheng Logistics Co. Ltd.	239,944.56	416,441.17
Contract liabilities	Chongqing Shangfang Automobile Fittings Co., Ltd.	12,979.98	12,979.98
Contract liabilities	Avatr Technology (Chongqing) Co., Ltd	587,105.03	5,832,549.46
Contract liabilities	Dali Wanfu Automobile Sales and Service Co., Ltd	206.06	3,486.06
Contract liabilities	Jiangling Holdings Co., Ltd.	-	6,854,200.00
Contract liabilities	Pakistan Master Automobile Co., Ltd.	-	5,213,676.57
Contract liabilities	Chongqing Anfu Automobile Co., Ltd.	-	149,000.00
Contract liabilities	Yunnan Wanxing Auto Sales Service Co., Ltd.	-	6,816.00
Contract liabilities	Guangxi Wanyou Auto Sales and Service Co., Ltd.	-	302.4
Subtotal		519,278,484.76	601,249,170.01
Other payables	Nanjing Chelai Travel Technology Co., Ltd	17,201.61	-
Other payables	Deepal Automobile Technology Co., Ltd	-	113,039,584.99
Other payables	China Changan Automobile Group Co., Ltd.	1,000.00	1,000.00

Items	Related parties	Ending balance	Beginning balance
Other payables	Anhui Wanyou Automobile Sales Service Co., Ltd.	735,600.00	1,475,600.00
Other payables	Chengdu Huachuan Electric Equipment Co., Ltd.	593.85	173,206.40
Other payables	Chengdu Wanyou Auto Sales and Service co.,Ltd.	190,000.00	790,000.00
Other payables	Chengdu Wanyou Auto Trade Service Co., Ltd.	2,843,347.45	3,607,415.80
Other payables	Chengdu Wanyou Xiangyu Auto Sales and Service Co., Ltd.	6,069,300.00	7,732,620.00
Other payables	Guizhou Wanyou Auto Sales and Service Co., Ltd.	1,119,300.00	4,007,517.20
Other payables	Harbin Dongan Auto Engine Co., Ltd.	80,465.04	106,468.60
Other payables	Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	205,660.00	203,155.92
Other payables	Jiangsu Wanyou Automobile Sales Service Co., Ltd.	4,609,714.52	4,970,000.00
Other payables	Luzhou Wanyou Automobile Service Co., Ltd.	121,800.00	129,140.00
Other payables	South Tianhe Chassis System Co., Ltd.	442,571.34	293,868.55
Other payables	South Inter Air-conditioner Co.,Ltd.	57,987.25	1,567,432.39
Other payables	Sichuan Jian'an Industrial Co.,Ltd.	7,726,533.47	2,101,400.49
Other payables	Sichuan Ningjiang Shanchuan Machinery Co, Ltd.	57,554.22	-
Other payables	Ya'an Wanyou Auto Sales and Service Co., Ltd.	1,863,900.00	2,063,900.00
Other payables	Yunnan Wanyou Auto Sales and Service Co., Ltd.	5,277,100.00	10,068,122.20
Other payables	China Changan Automobile Group Tianjin Sales Co., Ltd.	4,329,000.00	3,729,000.00
Other payables	Chongqing Tsingshan Industrial Co., Ltd.	20,421,377.38	7,868,918.85
Other payables	Chongqing Wanyou Ducheng Auto Sales Service Co., Ltd.	572,718.72	1,096,014.24
Other payables	Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	400,880.00	400,000.00
Other payables	Chongqing Wanyou Economic Development Co., Ltd.	7,013,538.00	7,660,147.80
Other payables	Chongqing Wanyou Zunda Automobile Sales & Service Co., Ltd.	2,150,000.00	-
Other payables	Chongqing Changan Minsheng Logistics Co. Ltd.	702,549,204.53	392,075,910.69
Other payables	Chengdu Wanyou Filter Co., Ltd.	1,257,067.02	1,266,573.71
Other payables	Hubei Huazhong Marelli Automobile Lighting Co., Ltd.	16,218.04	-
Other payables	Chongqing Jianshe Automobile Air-conditioner Co., Ltd.	72,772.00	-

Items	Related parties	Ending balance	Beginning balance
Other payables	Chongqing Construction Tongda Industrial Co., Ltd.	43,645.91	33,787.00
Other payables	Chongqing Nexteer Steering System Co.,Ltd.	2,580,821.97	-
Other payables	Chongqing Shangfang Automobile Fittings Co., Ltd.	560,706.00	1,113,793.54
Other payables	Chongqing Yihong Engineering Plastic Products Co., Ltd.	81.06	-
Other payables	Chongqing Changan industry (Group) Co., Ltd	791,056.30	2,960,859.38
Other payables	Chongqing Changan Property Management Co., Ltd.	5,865,755.49	1,935,184.57
Other payables	Chongqing Changan Construction Co., Ltd.	26,375,786.10	26,391,448.08
Other payables	United Automotive Electronics (Chongqing) Co., Ltd	33,324.83	3,439,700.00
Other payables	GKN HUAYU Driveline Systems (Chongqing) Co., Ltd.	308,222.97	-
Other payables	Nanjing Lingxing Technology Co., Ltd	7,275.64	-
Other payables	Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	7,500,000.00	-
Other payables	Changan Reis (Chongqing) Robotic Intelligent Equipment Co., Ltd.	1,913,989.51	917,118.52
Other payables	Chongqing Dajiang Guoli Precision Machinery Manufacturing Co., Ltd.	141,250.00	-
Other payables	Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	26,668.00	219,898.32
Other payables	Chongqing Changan Intelligent Industrial Technology Service Co., Ltd	1,467,227.64	4,404,413.09
Other payables	Chongqing Changrong Machinery Co., Ltd.	283,545.60	-
Other payables	China Ordnance News	17,100.00	-
Other payables	Southwest Ordnance Industry Chongqing Environmental Protection Research Institute Co., Ltd.	8,269,753.03	-
Other payables	Dali Wanfu Automobile Sales and Service Co., Ltd	26,793.40	-
Other payables	Chongqing Dajiang Tongyang Plastics Co., Ltd.	-	1,423,800.00
Other payables	Hunan Tianyan Machinery Co., Ltd.	-	1,235,044.80
Other payables	Chongqing Anfu Automobile Co., Ltd.	-	200,000.00
Other payables	Chongqing Dajiang Xinda Vehicles Shares Co., Ltd.	-	150,000.00
Other payables	Yunnan Xiyi Industries Co., Ltd.	-	148,030.00
Other payables	China Changan Automobile Group Hefei Investment Co., Ltd.	-	106,890.47
Other payables	Jiangling Holdings Co., Ltd.	-	47,703.40

Items	Related parties	Ending balance	Beginning balance
Other payables	Hubei Xiaogan Huazhong Automobile Light Co., Ltd.	-	27,828.32
Other payables	Chengdu Wanyou Trading Co., Ltd.	-	11,391.20
Other payables	Dajiang Yapp Automotive Systems Co., Ltd.	-	10,855.59
Other payables	Panzhuhua Wanyou Auto Sales & Service Co., Ltd.	-	4,550.30
Other payables	Chongqing Changan Kuayue Vehicle Co., Ltd	43,187,810.00	-
Subtotal		869,603,217.89	611,209,294.41

XIII. Share-based payments

1. General information

Applicable Non-applicable

Unit: share currency: RMB

Total amount of equity instruments granted by the company in the current period	0.00
Total amount of equity instruments exercised by the company in the current period	44,275,061.00
Total amount of various equity instruments expired in the current period of the company	2,476,422.00
The scope of exercise price of stock options issued by the company at the end of the period and the remaining term of the contract	No
The scope of exercise price of other equity instruments issued at the end of the period and the remaining term of the contract	Restricted shares were granted for the first time in February 2021, the grant price was 6.66 yuan/share (before adjustment), and the remaining term is 32 months; Restricted shares were reserved for grant in November 2021, the grant price was 9.93 yuan/share (before adjustment), and the remaining term is 42 months

2. Equity settled share based payment

Applicable Non-applicable

In RMB Yuan

Determination method of fair value of equity instruments on the grant date	Market price method model calculation
Basis for determining the number of exercisable equity instruments	Based on the best estimate of the number of exercisable equity instruments, the relevant expenses and costs are calculated according to the fair value of the equity instruments on the grant date
Reasons for significant differences between the current estimate and the previous estimate	No
Cumulative amount of equity settled share based payment included in capital reserve	550,321,460.92
Total recognized expenses of equity settled share based payment in the current period	187,899,000.00

3. Cash settled share based payment

Applicable Not applicable

4. Modification and termination of share based payment

Applicable Not applicable

5. Other

Applicable Not applicable

XIV. Commitments and Contingencies

1. Significant commitments

Contracted, but not provided for

Items	2023.6.30	2022.12.31
Capital commitments	10,900,775,809.89	11,675,534,857.57
Investment commitments	714,150,001.00	1,782,940,000.00
Total	11,614,925,810.89	13,458,474,857.57

2. Contingencies

By June 30, 2023, no material contingencies needed to be disclosed.

XV. Events after the balance sheet date

None

XVI. Other important events

1. Segment information

The Group identifies operating segments based on the internal organization structure, managerial requirements and internal reporting system, and identifies reportable segments based on operating segments and discloses segment information by operating segment.

An operating segment is a component of the Group that meets all the following conditions:

- (1) it engages in business activities from which it may earn revenues and incur expenses;
- (2) its operating results are regularly reviewed by the Company's management to make decisions about resources to be allocated to the segment and assess its performance; and
- (3) the Group can obtain relevant accounting information such as its financial position, operating results and cash flows.

If two or more segments have similar economic characteristics and meet certain conditions, they can be aggregated into a single operating segment.

The revenue and profit of the Group mainly consist of the automobile manufacturing and domestic sales. The Group's principal assets are in China. The operating performance of the Group has been evaluated as a whole by the management. So the segment report has not been prepared for this year.

2. Lease arrangements

(1) As lessor

The Group leases buildings, machinery and equipment and vehicles for a lease term of 1-15 years, forming an operating lease. Details for investment property and operating leased fixed assets refer to note VII 13 and 14.

The income related to operating leases are listed as follows:

In RMB Yuan	
	Report period Amount
Leasehold Income	233,112,047.46

According to the lease contract signed with the lessee, the minimum lease collection amount of irrevocable lease is as follows:

In RMB Yuan	
	Ending balance
Less than 1 year (including 1 year)	472,029,012.94
1 to 2 years (including 2 years)	332,018,203.12
2 to 3 years (including 3 years)	192,256,798.72
3 to 4 years (including 3 years)	78,908,912.59
4 to 5 years (including 3 years)	20,943,996.69
Over 5 years	47,276,700.94
Total	1,143,433,625.00

(2) As lessee

In RMB Yuan	
	Report period Amount
Interest expense of lease liabilities	7,350,104.73
Short term lease expenses with simplified treatment included in current profit and loss	39,773,086.74
Lease expense of low value assets with simplified treatment included in current profit and loss	123,052.14
Total cash outflow related to leasing	67,798,755.00

The leased assets leased by the Group include buildings and other equipment used in the operation activities. The lease term of houses and buildings is usually 1-5 years, and that of other equipment is usually 2-5 years.

XVII. Notes to the main items of the parent company's financial statements

1. Account Receivables

(1) Aging analysis of accounts receivable is as follow:

In RMB Yuan		
Account receivable age	Ending balance	Beginning balance
Less than 1 year (including 1 year)	8,025,560,564.12	4,445,068,297.55
1 to 2 years (including 2 years)	316,966,984.01	997,705,973.80
2 to 3 years (including 3 years)	587,836,483.56	-

Over 3 years	182,543,593.50	213,599,440.84
Total	9,112,907,625.19	5,656,373,712.19
Minus: Provision	(78,268,533.42)	(117,868,890.37)
Net value of accounts receivable	9,034,639,091.77	5,538,504,821.82

(2) Movements of provision for accounts receivable are as follows:

In RMB Yuan

Items	Beginning balance	Report period Amount			Ending balance
		Accrual	Reversal	Write-off	
2023.6.30	117,868,890.37		1,000,356.95	38,600,000.00	78,268,533.42
2022.12.31	102,237,112.42	17,018,007.91	1,386,229.96		117,868,890.37

(3) Disclosure of accounts receivable

In RMB Yuan

Items	Ending balance				
	Book balance		Provision for bad-debts		Book value
	Amount	(%)	Amount	(%)	
Individual assessment of credit expected loss and provision for bad debts	8,780,451,896.59	96.35	37,652,846.20	0.43	8,742,799,050.39
Assess bad debt provision for expected credit expected loss according to credit risk characteristics combination	332,455,728.60	3.65	40,615,687.22	12.22	291,840,041.38
Total	9,112,907,625.19	100.00	78,268,533.42	0.86	9,034,639,091.77

Items	Beginning balance				
	Book balance		Provision for bad-debts		Book value
	Amount	(%)	Amount	(%)	
Individual assessment of credit expected loss and provision for bad debts	5,137,221,177.03	90.82	76,252,846.20	1.48	5,060,968,330.83
Assess bad debt provision for expected credit expected loss according to credit risk characteristics combination	519,152,535.16	9.18	41,616,044.17	8.02	477,536,490.99
Total	5,656,373,712.19	100.00	117,868,890.37	2.08	5,538,504,821.82

(4) Accounts receivable of the top five ending balances collected by the debtor

As of June 30, 2023, the top five accounts receivable amounted to RMB 7003710837.32, accounting for 76.85% of the total accounts receivable (December 31, 2022: RMB 3044844058.24, accounting for 53.83% of the total accounts receivable).

2. Other receivables

In RMB Yuan

Items	Ending balance	Beginning balance
Dividends receivable	180,656,814.04	
Other receivables	106,460,223.26	859,026,748.64
Total	287,117,037.30	859,026,748.64

(1) Dividends receivable

In RMB Yuan

Items (or invested units)	Ending balance	Beginning balance
China South Industry Group Finance Co., Ltd.	180,656,814.04	
Total	180,656,814.04	

(2) Other receivables

1) Aging analysis of other receivables is as follows:

In RMB Yuan

Account receivable age	Ending balance	Beginning balance
Within 1 year	101,340,518.06	842,446,117.27
1 to 2 years	3,795,520.37	7,116,112.63
2 to 3 years	100,000.00	1,226,346.51
Over 3 years	8,337,264.46	15,300,830.26
Total	113,573,302.89	866,089,406.67
Minus:Provision	(7,113,079.63)	(7,062,658.03)
Net value of other receivables	106,460,223.26	859,026,748.64

2) Analysis of other receivables by nature is as follows:

In RMB Yuan

Items	Ending balance	Beginning balance
Petty cash	52,736,507.27	62,920,147.86
Prepaid equity investment	35,000,000.00	399,486,432.52
Internal transactions	5,815,029.62	32,946,539.47
Energy-saving and new energy subsidy		338,394,118.63
Others	12,908,686.37	25,279,510.16
Total	106,460,223.26	859,026,748.64

3) The changes in the provision for bad debts for other receivables based on the 12-month expected credit loss and the expected credit loss for the entire duration are as follows:

In RMB Yuan

Items	Beginning balance	Report period Amount		Ending balance
		Accrual	Reversal	
2023.6.30	7,062,658.03	74,667.40	24,245.80	7,113,079.63
2022.12.31	7,062,658.03	74,667.40	24,245.80	7,113,079.63

4) Top five debtors of other receivables are as follows:

In RMB Yuan

Items	Nature of payment	Ending balance	Aging	Proportion of total other receivables (%)	Ending balance of provision
First place	Investment funds	35,000,000.00	Within 1 year	30.82	
Second place	Internal transactions	4,628,877.79	Within 1 year	4.08	
Third place	Margin	4,058,265.28	Within 1 year	3.57	
Fourth place	Margin	3,200,000.00	Within 1 year	2.82	
Fifth place	Margin	2,000,000.00	Over 5 years	1.76	
Total		48,887,143.07		43.05	

5) Other receivables derecognized due to transfer of financial assets

As of June 30, 2023, the Group had no other receivables derecognized as financial asset transfers (December 31, 2022: None).

3. Long-term equity investment

(1) Investment in subsidiaries

In RMB Yuan

Investee	Opening Balance	Changes during report period			Ending Balance	Ending Balance of provision
		Addition	reduce investment	Provision for impairment		
Nanjing Changan Automobile Co., Ltd.	422,533,259.00				422,533,259.00	
Chongqing Changan International Automobile Sales Co., Ltd.	203,068,581.00				203,068,581.00	
Chongqing Changan Automobile Supporting Service Co., Ltd.	29,700,000.00				29,700,000.00	
Chongqing Changan Special Automobile Co., Ltd.	2,500,000.00				2,500,000.00	
Chongqing Changan Europe Design Center Co., Ltd.	155,469,913.50				155,469,913.50	
Chongqing Changan New Energy Automobile Co. Ltd.						49,194,195.00
Changan United Kingdom R&D Center Co., Ltd.	250,093,850.95				250,093,850.95	
Chongqing Changan Connected Car Technology Co., Ltd.	88,500,000.00				88,500,000.00	
Beijing Changan R&D Center Co., Ltd.	1,000,000.00				1,000,000.00	
Changan United States R&D Center Co., Ltd.	10,243,460.00				10,243,460.00	
Changan Japan Designing Center Co.,Ltd.	1,396,370.15				1,396,370.15	
Hefei Changan Automobile Co.,Ltd.	1,535,367,765.23				1,535,367,765.23	
Changan Automobile Russia Co., Ltd.	251,242,589.15				251,242,589.15	
Chongqing Changan Lingyao Automobile Co., Ltd.	594,949,059.30				594,949,059.30	
Changan Automobile Investment (Shenzhen) Co., Ltd	237,889,511.00				237,889,511.00	
Chongqing Anyi Automobile Technical Service Co., Ltd.	2,000,000.00				2,000,000.00	

Guangzhou Changan New Energy Automobile Co. Ltd.	4,000,000.00				4,000,000.00	
Xiamen Changan New Energy Automobile Co. Ltd.	2,000,000.00				2,000,000.00	
Chongqing Chehemei Technology Co., Ltd.	10,000,000.00				10,000,000.00	
Nanjing Changan New Energy Automobile Sales & Service Co., Ltd.	50,000,000.00				50,000,000.00	
Chongqing Changan Automobile Software Technology Co., Ltd.	99,000,000.00				99,000,000.00	
Chongqing Changan Kaicheng Automobile Technology Co., Ltd.	977,793,971.55				977,793,971.55	
Chongqing Xingzhi Technology Co., Ltd						
Chongqing Changan Technology Co., Ltd	90,000,000.00				90,000,000.00	
Deepal Automobile Technology Co., Ltd		1,655,606,604.29			1,655,606,604.29	
Total	5,018,748,330.83	1,655,606,604.29			6,674,354,935.12	49,194,195.00

(2) Investment in associates and joint ventures

In RMB Yuan

Investee	Opening Balance	Changes during report period			Ending Balance
		Addition	Investment income/loss under equity method	Others	
1. Joint ventures					
Changan Ford Automobile Co., Ltd.	2,934,876,043.99		522,860,908.17		3,457,736,952.16
Changan Mazda Automobile Co., Ltd.					
Changan Mazda Engine Co., Ltd.					
Nanchang Jiangling Investment Co., Ltd.					
Subtotal	7,267,680,136.01		862,959,808.34	(423,000,000.00)	7,707,639,944.35
2. Associates					
Chongqing Changan Kuayue Automobile Co., Ltd.	209,768,936.34		5,402,511.72		215,171,448.06
Chongqing Changan Kuayue Vehicle					

Marketing Co., Ltd					
Beijing Fang'an Crescent Taxi Co., Ltd					
Changan Automobile Financing Co., Ltd.	2,778,898,410.33		172,182,412.71		2,951,080,823.04
Avatr Technology (Chongqing) Co., Ltd.	1,228,287,241.13		(716,583,868.90)		511,703,372.23
Nanjing Chelai Travel Technology Co., Ltd.	624,773.31		(92,277.85)		532,495.46
Coresing Semiconductor Technology Co., Ltd.	25,452,425.26		71,917.19		25,524,342.45
Nanjing Leading Equity Investment Management Co., Ltd.	1,112,210.69		(5,089.84)		1,107,120.85
Nanjing Leading Equity Investment Partnership (Limited Partnership)	2,570,421,464.70		(51,784.35)		2,570,369,680.35
Zhongqi Chuangzhi Technology Co., Ltd.	168,492,790.78		(6,754,636.46)		161,738,154.32
Chongqing Changxin Zhiqi Private Equity Investment Fund Partnership (Limited Partnership)	170,440,054.08		242,103.89		170,682,157.97
Anhe Chongqing Dingfeng Automobile Contract Private Equity Investment Fund	61,568,706.08		4.26		61,568,710.34
Chongqing Changan Innovation Private Equity Investment Fund Partnership Enterprise (Limited Partnership)	1,000,844.59		446.93		1,001,291.52
Deepal Automobile Technology Co., Ltd	369,885,426.05		(45,900,263.46)	(323,985,162.59)	
Chongqing Changxian Intelligent Technology Co., Ltd		102,000,000.00	66,933.68		102,066,933.68
Jiangling Holding Co., Ltd.					
Subtotal	7,585,953,283.34	102,000,000.00	(591,421,590.48)	(323,985,162.59)	6,772,546,530.27
Total	12,366,388,785.42	102,000,000.00	(141,552,078.57)	(323,985,162.59)	12,002,851,544.26

4. Operating revenue and cost

In RMB Yuan

Items	Report period		Same period of last year	
	Revenue	Cost	Revenue	Cost
Main business	51,607,236,773.22	44,256,352,201.98	47,015,290,808.29	39,177,855,123.67
Other business	2,769,138,423.99	1,060,042,185.33	3,275,009,762.83	1,737,129,368.96
Total	54,376,375,197.21	45,316,394,387.31	50,290,300,571.12	40,914,984,492.63

5. Investment income

In RMB Yuan

Items	Current amount	Prior-period amount
Long-term equity investment losses accounted for by the cost method	544,650,000.00	594,000,000.00
Long-term equity investment losses accounted for by the equity method	(141,552,078.57)	(92,372,274.55)
Investment income from disposal of long-term equity investments	1.00	
The investment income of financial asset held for trading during its holding period	1,406,842.07	2,690,400.00
Dividend income from remaining investments in other equity instruments	180,656,814.04	144,222,128.67
Gains from the remeasurement of the remaining equity at fair value after the loss of control		337,513,868.21
Total	585,161,578.54	986,054,122.33

Long-term equity investment income under equity method

In RMB Yuan

Investee	Current amount	Prior-period amount
Changan Ford Automobile Co., Ltd.	399,619,898.50	522,860,908.17
Changan Mazda Automobile Co., Ltd.	(100,026,283.01)	236,050,510.98
Changan Mazda Engine Co., Ltd.	4,107,980.55	15,784,275.65
Nanchang Jiangling Investment Co., Ltd.	146,167,915.87	88,264,113.54
Jiangling Holding Co., Ltd.		(41,202,595.77)
Chongqing Changan Kuayue Automobile Co., Ltd.	5,402,511.72	(20,594,524.55)
Changan Automobile Financing Co., Ltd.	172,182,412.71	152,764,747.43
Avatr Technology (Chongqing) Co., Ltd.	(716,583,868.90)	(82,620,701.16)
Hainan Anxinxing Information Technology Co., Ltd.		(368,900.00)
Nanjing Chelai Travel Technology Co., Ltd.	(92,277.85)	(97,213.22)
Coresing Semiconductor Technology Co., Ltd.	71,917.19	(552,714.09)
Nanjing Leading Equity Investment Management Co., Ltd.	(5,089.84)	(9,266.61)
Nanjing Leading Equity Investment Partnership (Limited Partnership)	(51,784.35)	(42,899.72)
Zhongqi Chuangzhi Technology Co., Ltd.	(6,754,636.46)	(9,012,542.48)
Chongqing Changxin Zhiqi Private Equity Investment Fund Partnership (Limited Partnership)	242,103.89	(5,754.39)
Anhe Chongqing Dingfeng Automobile Contract Private Equity Investment Fund	4.26	
Chongqing Changan Innovation Private Equity Investment	446.93	

Fund Partnership Enterprise (Limited Partnership)		
Chongqing Changxian Intelligent Technology Co., Ltd	66,933.68	
Deepal Automobile Technology Co., Ltd	(45,900,263.46)	(953,589,718.33)
Total	(141,552,078.57)	(92,372,274.55)

XVIII. Additional information

1. Non-recurring profit and loss statement of current period

Applicable Non-applicable

In RMB Yuan

Items	Amount	explanation
Profit and loss of non-current assets disposition	366,667,730.28	
Government subsidies counted in current profit and loss (except the government subsidies which are closely related with business events, and given certain amount according to national standards)	856,008,089.78	
Interest on late payment of funds charged to non-financial enterprises	17,949,915.40	
In addition to the effective hedging business related to the company's normal business operations, the fair value changes in gains and losses arising from holding trading financial assets	(23,334,661.15)	
Income from business combinations not under common control	5,021,482,128.74	
Other non-operating income and expenses other than the above items	79,796,614.79	
Minus: Income tax impact	171,307,435.24	
Minority shareholders' equity impact (after tax)	3,341,059.80	
Total	6,143,921,322.80	--

If the company identifies non-recurring profit and loss defined by *Information Disclosure by Companies Offering Securities to the Public No. 1--non-recurring profit and loss* and non-recurring profit and loss defined by *Information Disclosure by Companies Offering Securities to the Public No. 1--non-recurring profit and loss* as recurring profit and loss, explain the reasons.

2. Return on equity and earnings per share

Profit in report period	Weighted average return on equity (%)	Earnings per share	
		Basic EPS(yuan/share)	Diluted EPS(yuan/share)
Net profit belonging to the Company's common stockholders	11.70%	0.78	0.76
Net profit belonging to the Company's common stockholders after deducting non-recurring profit and loss	2.31%	0.15	0.15

The group's presentation of return on net assets and earnings per share is in accordance with the preparation rules for information disclosure of companies offering securities to the public No. 9 - Calculation and disclosure of return on net assets and earnings per share (revised in 2010) of the CSRC.

3. Accounting data difference by domestic and foreign accounting standards

(1) Net profit and net asset differences from financial statements by international accounting standards and PRC GAAP

Applicable Not applicable

(2) Net profit and net asset differences from financial statements by overseas accounting standards and PRC GAAP

Applicable Not applicable

(3) Description on accounting data differences by domestic and foreign accounting standards. If auditing institutions abroad have adjusted the data differences, identify the name of the auditing institution abroad.

None

4. Others

Applicable Not applicable