

Stock Code: 601689

Abbr.: Tuopu Group

Ningbo Tuopu Group Co., Ltd.

Annual Report 2023



April 2024

Important Notes

I. The Board of Directors, Board of Supervisors, Directors, Supervisors and Senior Management of Ningbo Tuopu Group Co., Ltd. hereby guarantee that the information presented in this report shall be true, accurate and complete and free of any false records, misleading statements or material omissions, and they will bear joint and several liability for such information.

II. All directors attended the meeting of the Board of Directors.

III. BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership) issued a standard and unqualified audit report for the Company.

IV. Wu Jianshu, a person in charge of the Company, Hong Tieyang, an officer in charge of accounting work and accounting institution (Accounting Officer) hereby declare and warrant that the financial statements in the annual report are authentic, accurate, and complete.

V. Profit Distribution Plan or Capital Reserve Converted to Additional Shares Plan Approved by the Board during the Reporting Period

As audited by BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership), Ningbo Tuopu Group Co., Ltd. (“The Parent Company”) realized a net profit at RMB 754,590,880.36 in 2023, after a statutory surplus reserve at RMB 75,459,088.04 is withdrawn at 10% of the realized net profit, the profit available for distribution in the year is RMB 679,131,792.32; with the undistributed profit at the beginning of the year at RMB 3,812,658,276.18 added, and the cash dividends at RMB 510,248,373.09 distributed in 2023 deducted, the cumulative profit available for distribution at the end of 2023 is RMB 3,981,541,695.41.

According to the resolution passed at the 8th meeting of the fifth Board of Directors of the Company, the profit distribution plan laid down for 2023 would be: with the number of shares registered on the equity registration date for the implementation of equity distribution as the base number, RMB 5.56 (tax included) per 10 shares will be distributed to all shareholders as cash dividends.

As at 31 December 2023, the total number of shares of the company is 1,102,049,773 shares. On 26 January 2024, the Company finalized the issuance of 60,726,104 shares to specific parties and completed the registration, custody, and restriction of sale procedures for the additional shares at the Shanghai Branch of China Securities Depository & Clearing Corporation. The total number of Company shares after the registration of this issue was 1,162,775,877 shares. Following the registration of the aforementioned additional issue, a total cash dividend of RMB 646,503,387.61 (with tax included) is proposed to be distributed, representing 30.06% of the net profit attributable to the ordinary shareholders

of the listed company in the consolidated financial statements for the year. The remaining profits will be carried over to the next year.

If there is a change in the said total shares in the period from the date of the announcement of profit distribution plan to the record date for distribution, the Company intends to maintain the above-mentioned cash dividend of RMB 5.56 (with tax included) per 10 shares, and adjust the total cash dividend as appropriate.

The above profit distribution plan is prospectively submitted to the general meeting of the Company for consideration.

VI. Risk statement of forward-looking statements

Applicable Non-applicable

The forward-looking description of the future development strategy, business plan, performance forecast and other aspects in relation to the Company as contained herein will not constitute a substantial commitment to investors. All investors of the Company are advised to be cautious about the investment risks.

VII. Whether there is any non-operating capital occupation by the controlling shareholder and its affiliates

No

VIII. Whether there is any external guarantee provided in violation of the prescribed decision procedures

No

IX. Whether there are more than half of the directors who cannot guarantee the annual report disclosed by the Company as to its authenticity, accuracy and completeness

No

X. Significant risk statement

The Company has described the significant risks that may adversely affect the future development of the Company and the realization of its business objectives herein. Refer to "Section 3 Discussion and Analysis of Operation Conditions"

XI. Others

Applicable Non-applicable

The Company successfully concluded the issuance of 60,726,104 A shares to specific parties on 26 January 2024. Subsequently, the registration, custody, and restriction of sale procedures for the newly issued shares were completed at the Shanghai Branch of China Securities Depository and Clearing Corporation.

As per the "Capital Verification Report" (Xinhui Zhi Zi [2024] No. ZF10029) issued by BDO China Shu Lun Pan Certified Public Accountants (Special General Partnership) on 17 January 2024, the total proceeds generated from the issuance of A shares to specific targets amounted to RMB3,514,826,899.52 as of January 16, 2024. Net of the expenses related to the issue, which totaled RMB16,389,101.00 and RMB16,389,101.09 (excluding VAT), the actual net proceeds raised were

RMB3,498,437,798.43. Out of this amount, RMB 60,726,104 contributed to the increase in paid-in capital (share capital), while RMB3,437,711,694.43 contributed to the increase in capital surplus.

For more details refer to the "Announcement on the Results of the Issue of Shares by Tuopu Group to Specific Targets and Changes in Share Capital" published by the Company on the Shanghai Stock Exchange website on 30 January 2024.

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Directory of	Financial statements affixed with the signatures and seals of the legal representative of the Company, the officer in charge of accounting work and accounting institution.
Documents Available	Original audit report affixed with the seal of the accounting firm and the signature and seal of CPAs.
for Reference	All original company documents and announcements disclosed on the website designated by CSRC during the reporting period.

Section 1 Definitions

I. Definitions

In this report, unless the context requires otherwise, the following words and terms shall be construed as:

Common terms and definitions		
The Company, issuer, Tuopu	Refers to	Ningbo Tuopu Group Co., Ltd.
MECCA HK	Refers to	MECCA INTERNATIONAL HOLDING (HK) LIMITED, the controlling shareholder of the Company
Ningbo Zhuyue	Refers to	The wholly-owned sub-subsidiary of the controlling shareholder, MECCA INTERNATIONAL HOLDING (HK) LIMITED
Pecil Property	Refers to	The wholly-owned sub-subsidiary of the controlling shareholder, MECCA INTERNATIONAL HOLDING (HK) LIMITED
Reporting Period	Refers to	From January 1, 2023 to December 31, 2023
Board of Directors, Board of Supervisors, General Meeting of Shareholders	Refers to	Board of Directors, Board of Supervisors, General Meeting of Shareholders of Ningbo Tuopu Group Co., Ltd.
1.00 Yuan, 10,000 Yuan, 100 million Yuan	Refers to	¥1.00, ¥10,000.00, ¥100,000,000.00
Convertible bonds	Refers to	Convertible corporate bonds
CSRC	Refers to	China Securities Regulatory Commission
SSE	Refers to	Shanghai Stock Exchange

Section 2 Company Profile and Key Financial Indicators

I. Company Information

Company Name in Chinese	宁波拓普集团股份有限公司
Company Abbreviation in Chinese	拓普集团
Company Name in English	Ningbo Tuopu Group Co.,Ltd.
Company Abbreviation in English	Tuopu Group
Legal Representative of the Company	Wu Jianshu

II. Contact Person and Contact Information

	Security of the Board	Representative of Securities Affairs
Name	Wang Mingzhen	Gong Yuchao
Contact Address	268 Yuwangshan Rd, Beilun District, Ningbo, Zhejiang	268 Yuwangshan Rd, Beilun District, Ningbo, Zhejiang
Tel.	0574-86800850	0574-86800850
Fax	0574-86800877	0574-86800877
E-mail	wmz@tuopu.com	gyc@tuopu.com

III. General Information Summary

Registered Address of the Company	268 Yuwangshan Rd, Daqi Street, Beilun District, Ningbo, Zhejiang
Change History of Registered Address of the Company	On June 16, 2020, changed from "No. 215 Huangshan West Road, Beilun District, Ningbo, Zhejiang " to "268

	Yuwangshan Rd, Daqi Street, Beilun District, Ningbo, Zhejiang "
Office Address of the Company	268 Yuwangshan Rd, Daqi Street, Beilun District, Ningbo, Zhejiang
Postal Code of Office Address	315806
Website	www.tuopu.com
E-mail	tuopu@tuopu.com

IV. Information Disclosure and Location

Media Name and Website where The Company Discloses its Annual Report	Securities Times
Stock Exchange Website where The Company Discloses its Annual Report	SSE website (www.sse.com.cn)
Location for Annual Report of the Company	Office of Board Secretary

V. Overview of Stock Information

Overview of Stock Information				
Stock Type	Stock Exchange	Stock Abbreviation	Stock Code	Stock Abbreviation Before Change
A-share	Shanghai Stock Exchange	Tuopu Group	601689	-

VI. Other Related Information

Accounting firm appointed by the Company (domestic)	Name	BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership)
	Office Address	5/F, 61 East Nanjing Rd, Shanghai
	Name of Undersigned Accountants	Yu Weiyang, Tang Wei
The sponsor institution hired by the company to perform the continuous supervision in the reporting period	Name	China Merchants Securities Co. Ltd
	Office Address	111 Fuhua First Rd, Futian Street, Futian District, Shenzhen, Guangdong
	Name of undersigned sponsor's representatives	Xiao Yan, Tan Guotai
	Period of continuous supervision	From July 26, 2016 to the date of using up the raised funds

VII. Key Accounting Data and Financial Indicators over the Past Three Years

(1) Key Accounting Data

Unit: Yuan Currency: RMB

Key Accounting Data	2023	2022		Increase/decrease compared with previous year (%)	2021	
		After change	Before change		After change	Before change
Operating income	19,700,560,430.00	15,992,821,677.50	15,992,821,677.50	23.18	11,462,693,679.86	11,462,693,679.86
Net profit attributable to shareholders of the listed Company	2,150,642,258.47	1,700,208,711.12	1,700,131,795.33	26.49	1,017,497,956.30	1,017,253,691.77

Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	2,021,006,456.66	1,655,627,050.66	1,655,550,134.87	22.07	970,838,543.08	970,594,278.55
Net cash flow generated by operational activities	3,365,629,276.74	2,284,020,088.40	2,284,020,088.40	47.36	1,186,819,193.35	1,186,819,193.35
	At the year end of 2023	At the year end of 2022		Increase/decrease compared with previous year (%)	At the year end of 2021	
		After change	Before change		After change	Before change
Net assets attributable to shareholders of the listed company	13,784,379,600.93	12,129,700,520.61	12,129,379,340.29	13.64	10,589,011,458.60	10,588,767,194.07
Total assets	30,769,771,206.88	27,510,550,218.89	27,510,130,823.47	11.85	18,682,937,031.79	18,682,692,767.26

(2) Key Financial Indicators

Key Financial Indicators	2023	2022		Increase/decrease compared with previous year (%)	2021	
		After change	Before change		After change	Before change
Basic Earnings per Share (RMB/Share)	1.95	1.54	1.54	26.62	0.93	0.93
Diluted Earnings per Share (RMB/Share)	1.95	1.54	1.54	26.62	0.93	0.93
Basic Earnings per Share after deducting non-recurring gains and losses (RMB/Share)	1.83	1.50	1.50	22.00	0.88	0.88
Weighted Average ROE	16.61	15.02	15.02	Increased by 1.59%	10.35	10.35
Weighted Average ROE after deducting non-recurring gains and losses (%)	15.61	14.65	14.65	Increased by 0.96%	9.87	9.87

Notes to the key accounting data and financial indicators over the previous three years at the end of the reporting period

□Applicable √Non-applicable

On November 30, 2022, the Ministry of Finance issued Interpretation No. 16 of the Accounting Standards for Business Enterprises (Caijing [2022] No. 31, hereinafter referred to as “Interpretation No. 16”), which sets out that “Deferred income taxes related to assets and liabilities arising from a single transaction shall not be subject to the exemption from initial recognition” and “Accounting treatment” shall be effective from January 1, 2023. The “Accounting Treatment for Deferred Taxes on Assets and Liabilities Arising from Individual Transactions that are not Subject to the Initial Recognition Exemption” is effective from January 1, 2023 onwards.

Interpretation No. 16 sets out that in the case of a single transaction that is not considered a business combination and has no impact on accounting profit or taxable income at the time of occurrence, the initial recognition of assets and liabilities resulting in taxable temporary differences and deductible temporary differences in equal amounts should be excluded. This includes lease transactions where the lessee initially records a lease liability on the lease term commencement date and includes it in the assets with the right of use. Furthermore, if there is an abandonment obligation for a fixed asset or other asset, the initial recognition of an asset or liability is not required. The exemption from recognizing deferred tax liabilities and assets at the initial stage does not apply to individual transactions, and the enterprise must recognize the corresponding deferred tax liabilities and assets when the transaction occurs, following the guidelines of "ASBE No. 18 - Income Taxes" and other relevant regulations.

If taxable temporary differences and deductible temporary differences arise from a single transaction to which this provision applies that occurs between the beginning of the earliest period for which the financial statements are presented for the first time and the date of its application, as well as lease liabilities and right-of-use assets recognized at the beginning of the earliest period for which the financial statements are presented as a result of a single transaction to which the provision applies and the recognition of projected liabilities related to abandonment obligations and the corresponding related assets, the company shall make adjustments in accordance with this provision.

The Company implemented this regulation from January 1, 2023, and made retrospective adjustments to the financial statements for the earliest period presented in accordance with the requirements of the above regulation.

VIII. Differences in Accounting Data under Chinese and International Accounting Standards

(1) Differences in net profit and net assets attributable to shareholders of listed company in the financial reports disclosed under international accounting standards and Chinese accounting standards

Applicable Non-applicable

(2) Differences in net profit and net assets attributable to shareholders of listed company in the financial report disclosed under international accounting standards and Chinese accounting standards

Applicable Non-applicable

(3) Notes to differences between international and Chinese accounting standards:

Applicable Non-applicable

IX. Key financial data of 2023 by quarter

Unit: Yuan Currency: RMB

	Q1 (From January to March)	Q2 (From April to June)	Q3 (From July to September)	Q4 (From October to December)
Operating income	4,468,569,793.40	4,691,881,251.12	4,991,259,279.17	5,548,850,106.31
Net profit attributable to shareholders of the listed company	450,206,774.38	643,817,921.14	503,029,200.18	553,588,362.77
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	420,343,848.91	606,915,184.85	473,367,741.91	520,379,680.99
Net cash flow generated by	679,210,826.78	546,910,607.84	1,471,164,949.38	668,342,892.74

operating activities				
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Notes to differences between quarterly data and disclosed periodic report data

Applicable Non-applicable

X. Non-recurring Gains and Losses Items and Amounts

Applicable Non-applicable

Unit: Yuan Currency: RMB

Non-recurring Gains and Losses Items	Amount in 2023	Note (if applicable)	Amount in 2022	Amount in 2021
Gains and losses on disposal of non-current assets, including the write-off of the reserves for asset impairment	-8,196,144.37		-8,160,326.70	-1,620,899.20
Government grants recognized in profit or loss for the current period, except for government grants that are closely related to the Company's normal business operations, in compliance with national policies and in accordance with defined criteria, and that have a continuous impact on the Company's profit or loss	154,398,450.86	Section 10, XI	62,111,199.70	35,898,407.13
Gains and losses arising from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and gains and losses arising from the disposal of financial assets and financial liabilities, except for effective hedging business related to the Company's normal operating business	5,949,475.57		10,324,869.65	252,506.50
Capital occupancy fees charged to non-financial enterprises recognized as current profit or loss				
Gains and losses on entrusted investment or asset management				
Gains and losses on entrusted investment or asset management				17,563,635.87
Gains and losses on entrusted external loans				
Losses on assets due to force majeure factors, such as natural disasters				
Reversal of provision for impairment of receivables individually tested for impairment				
Gain arising from the excess of				

the cost of investment in subsidiaries, associates and joint ventures over the fair value of the investee's identifiable net assets at the time of investment acquisition				
Net profit or loss of subsidiaries for the period from the beginning of the period to the date of consolidation arising from a business combination under the same control				
Gain or loss on exchange of non-monetary assets				
Gains or losses on debt restructuring				
One-time costs incurred by the enterprise due to the fact that the relevant business activities are no longer continuing, such as expenditures for the relocation of employees				
One-time impact on current profit or loss due to adjustments in tax, accounting and other laws and regulations				
One-time recognition of share-based payment expenses due to the cancellation or modification of the share incentive plan				
For cash-settled share-based payments, gains or losses arising from changes in the fair value of employee compensation payable after the feasible date of entitlement				
Gains or losses arising from changes in the fair value of investment properties subsequently measured using the fair value model				
Gains or losses arising from transactions where the transaction price is significantly less than fair value				
Gains or losses arising from contingencies not related to the Company's normal business operations				
Custody fee income from entrusted operations				
Non-operating income and expenses other than the above	1,538,566.49		-9,377,752.06	3,575,775.34
Other gains and losses items that fit the definition of non-recurring				

gains and losses				
Less: Impact of income tax	24,244,688.81		10,896,170.83	8,942,931.42
Amount of influence of minority shareholders' equity (after tax)	-190,142.07		-579,840.70	67,081.00
Total	129,635,801.81		44,581,660.46	46,659,413.22

For the non-recurring profit and loss items defined by the company in accordance with the "Interpretive Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public - Non-recurring Gains and Losses", and the non-recurring gains and losses as enumerated in the "Interpretive Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public - Non-recurring Gains and Losses" are defined as recurring profit and loss items with the reasons stated.

Applicable Non-applicable

XI. Items Measured by Fair Value

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Ending Balance	Changes in Current Period	Impact on Current Profit
Equity instrument investments	954,888.48	872,066.52	-82,821.96	-82,821.96
Short-term financial products		300,000,000.00	300,000,000.00	
Receivables Financing	1,157,514,623.70	1,039,933,314.87	-117,581,308.83	1,166,149.25
Total	1,158,469,512.18	1,340,805,381.39	182,335,869.21	1,083,327.29

XII. Other

Applicable Non-applicable

Section 3 Management Discussion and Analysis

I. Discussion and Analysis of Operating Conditions

In this reporting period, the automobile industry was vulnerable to unfavorable factors such as economic fluctuations, short supply of chips, and volatility of raw materials. During the reporting period, as driven by the positive factors including broad product line, system R&D capabilities and innovation-intensive business pattern, the sales income and profit of the Company maintained rapid growth, and its business management activities were also boosted. More details are described below:

(1) Marketing and sales.

The Tier0.5 cooperation mode rolled out by the Company and its strategic customers has made an exemplary success. Under this mode, the number and amount of components per vehicle are higher, and the Company is able to provide better QSTP products and services to customers, create value for customers. Adhering to the cooperation concept of "quick response and all-out cooperation", the Company has been highly rated by strategic customers, and there is an ample potential of business growth. Tuopu Poland has been put into operation, and the construction of Tuopu Mexico is paced up to fulfill the order request of strategic customers and deepen strategic partnerships.

The Tier0.5 cooperation has been continuously promoted. In the domestic market, the company's cooperation with Huawei-Seres, Ideal, Chery, Great Wall, Xiaomi, BYD, Geely and other automobile enterprises is progressing rapidly, and the amount of components per vehicle is increasing. In the international market, the company and the United States of America's innovative car companies A

customers, as well as FORD, GM, STELLANTIS and other traditional car companies are in the field of NEVs to roll out full-on cooperation.

The advancement of the product platform strategy and the improvement of the market acceptance of the new marketing pattern have led to a rapid growth of new orders placed to the Company this year, which in turn boosts the sustainable fast development in future.

The company-specific IBS project, EPS project, air suspension project, thermal management project, and cabin comfort project have been designated as stable supplies to FAW, Geely, Huawei-Seres, Lixiang, BYD, Xiaomi, SAIC, and Dongfeng, which in turn paves the way for long-term development.

(2) R&D and innovation.

During the reporting period, the Company has continued to invest in R&D and allocate resources to maintain its leading position in R&D. The R&D expenses for the year reached RMB 986 million. As a result of continuous R&D investment, the Company has successfully mass-produced its air suspension system, cabin comfort actuator, IBS, EPS, and other projects. The product line is expanding steadily.

(3) Setup of Electric Drive Division

Robotics is a highly promising emerging industry in today's society, with applications in intelligent manufacturing, medical care, and services. It has the potential to liberate labor and improve the quality of human life. Based on predictions from institutions, it is anticipated that robots will replace hundreds of millions of jobs worldwide in the future. The global robotics industry has the potential to reach a capacity of up to one hundred trillion dollars, indicating a vast market space and exemplifying a new era of productivity. With the rapid advancement of AI and other innovative technologies, along with an aging population, the robotics industry is experiencing a period of rapid growth.

The company has dedicated extensive time and resources to research and develop the IBS project, focusing on the intelligent brake system. As a result, they have acquired a profound technical expertise in various areas such as machinery, deceleration mechanism, motor, electric control, and software. This has allowed them to expand their business horizontally into other areas such as thermal management system, intelligent steering system, air suspension system, cabin comfort actuator, and robotic electric actuator. Robotic actuators, which consist of linear actuators and rotary actuators, are crucial components of robots. These actuators need to meet specific technical requirements such as lightweight, miniaturization, and low-power consumption in order to simulate human motions and achieve MDOF flexibility. However, attaining these goals requires overcoming numerous engineering design limitations and integrating various components such as motors, reduction mechanisms, sensors, encoders, drives, controllers, and communication systems. Consequently, the structure and technology involved in robotic actuators are complex and intense.

The company's core strengths in the robot actuator business lie in several key areas. Firstly, they possess the capability to independently develop various types of motors, including permanent magnet servo motors and frameless motors. Secondly, they have experience in integrating motors, gearheads, and controllers. Thirdly, they have precision machining capabilities. Lastly, they have the ability to synergize different research and development resources as well as testing resources. These core strengths enhance the company's strong competitiveness in the field, enabling them to secure a larger market share.

The company has repeatedly sent samples of its electric drive actuators and rotary actuators for robots to customers, which in turn gives it recognition and praise. This has led to rapid progress in the project.

To simulate human movement, each robot requires numerous motion actuators, each valued at tens of thousands of RMB. The market potential for these actuators is immense. Recognizing the opportunity in the robot industry, the company has strategically decided to set up the Electric Drive Division. This division will operate independently with its own management structure and a skilled professional team. Additionally, the company will integrate various advantageous resources to create favorable conditions for the division's rapid development.

The setup of the Electric Drive Division reflects the company's dynamic adjustment and implementation of its strategy. By leveraging advantageous resources and assembling a talented team, the company aims to focus on its core business and provide strategic protection for its development.

While developing eight product lines for intelligent electric vehicles, the company is capitalizing on the rapid growth of the robot industry. It is prioritizing and expanding key products and core technologies within the robot industry chain. This approach allows for synergistic development between

the business of intelligent automobile components and the business of robot components. Ultimately, this lays a solid foundation for the company's sustained rapid growth.

(4) Capacity landscaping.

Based on the recent directives from the company, along with the anticipated increase in the penetration of NEVs, the company is persistently executing its production capacity arrangement. The construction and commencement of operations have been accomplished for approximately 1,100 mu of plants, including Hangzhou Bay phases VI and VII, Chongqing plant, Huzhou plant, and Anhui Shouxian plant. Furthermore, the planning and execution of Hangzhou Bay phases VIII and IX, Xi'an plant, and Mexico plant are also being expedited.

In the short run, the investment and construction of these factories are expected to impose a certain cost pressure. In the times of NEV rapid development, even though car makers have some capacity available, the supply chain of parts has not yet kept up with the pace. In this concern, the capacity boost has been weighed and decided as appropriate with impressive forward-looking character.

(5) Cost control.

During the reporting period, raw materials fluctuated drastically and labor costs increased significantly. The Company scaled up purchasing, ran technological innovation, and performed strict budget control in order to have cost under control.

With new factories built every year, the overhead and manufacturing expenses are higher in the process of production ramp-up and trial production, the average cost of a factory is around tens of millions of yuan. As a new factory reaches the initial production capacity and comes at the break-even point, it would make a greater contribution to the group's profit.

Many research projects in process and a large number of technical talents led to rapid increase of R&D expenses. The demand for capacity boost resulted in a sharp increase of capital expenditures and higher ratios of depreciation and amortization. In future, the volume production and sales growth are expected to spread R&D cost, capital expenditures and miscellaneous cost, and there is more room for gross margin.

(6) Manufacturing upgrade.

The Company proceeds digital factory, implements MES management system, enables effective management in respect of quality control, product traceability, lean production, equipment management, and promotes the interconnectivity between the company-wide data and customer data, in order to build an smart factory accredited with Industry 4.0.

New factories leverage virtual simulation DFM to conduct full-scale simulations on quality, traceability, automation, visual inspection, energy utilization, carbon emissions to ensure the highest level of product quality and cost, and reduce the duration of volume production to the extent possible.

(7) Photovoltaic power generation.

The company fulfills its corporate responsibilities in ESG, boosts green and low-carbon production, fulfills corporate social responsibilities of energy saving, low-carbon environmental protection, and contributes to "carbon peaking and carbon neutrality". In 2023, the installed photovoltaic capacity is 127.55 MW, the annual power generation will reach 130.3944 million kWh, and the carbon dioxide emissions will be reduced by 130,003.18 tons a year. In future, efforts will be intensified to broaden the scope of distributed photovoltaic power plants, and a package of initiatives will be taken to scale down carbon emissions and attain the goal of zero-carbon factory step by step.

(8) Refinancing.

The Company's refinancing project was completed in January 2024 with proceeds of approximately RMB 3,498 million. In turn, it further enhances the financial strength, seizes the opportunity for developing NEV, and accelerate the development of various projects. With the drastic growth of sales and profits, its own cash flow will cover, even outrun capital expenditures, and subsequent external financing will reduce.

II. Industry landscaping during the reporting period

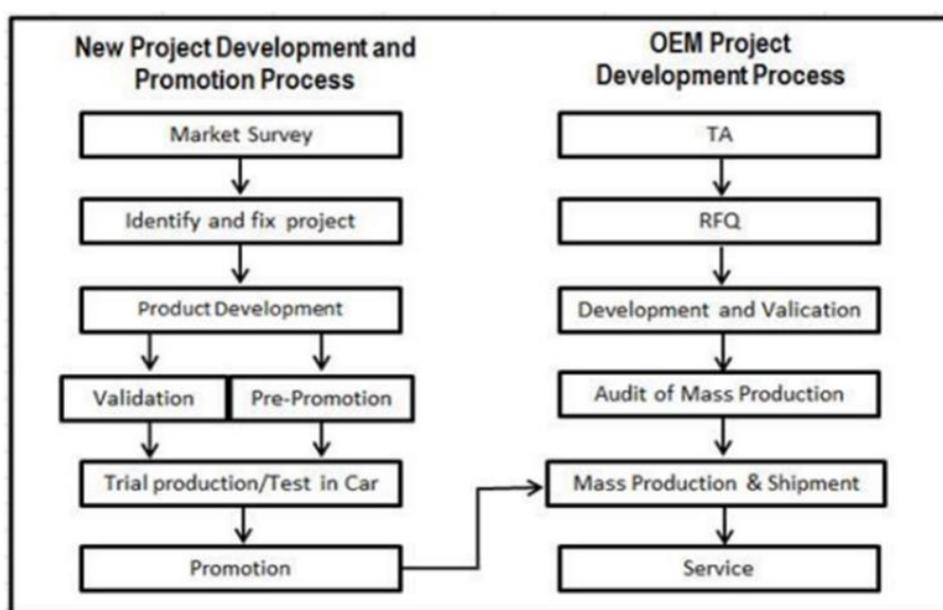
It has been reported that about 59.414 million units of passenger cars were sold globally in 2023, up by 9.5% over the previous year; in which, about 25.995 million units were sold in China, up by 10.4% over the previous year. About 12.709 million units of new energy passenger vehicles were sold globally, up by 31.4% over the previous year, which accounts for 21.4% of the global sales; in which, about 8.967 million units were sold in China, up by 37.0% over the previous year, which accounts for 34.5% of the domestic sales.

III. Business operations engaged by the Company during the reporting period

1. Main operations

The Company specializes in the research and development, production and sales of auto parts. The main products include Automobile Vibration Control System, Interior & Exterior System, Body Lightweight Products, Cabin Comfort System, Thermal Management System, Chassis System, Air Suspension, Intelligent Braking System. The major customers it serves include international and domestic smart electric car makers and traditional OEM car makers at home and abroad. In line with the business philosophy of creating value for customers, the Company adheres to R&D and innovation, boosts global landscaping, enhances overall competitiveness, and strives to be a more trusted partner for car makers.

2. Business process and operation pattern



IV. Analysis of core competitiveness during the reporting period

√Applicable □Non-applicable

Currently, the swift advancement of cutting-edge global science and technology has accelerated the progress of AI. Intelligent driving and robotics stand out as crucial AI sectors that are reshaping human existence, offering vast market opportunities. The NEVs track in which the Company is currently engaged heralds the market capacity at trillion-level, its enormous potential of market development, long business life cycle, technology-intensive, capital-intensive, and the call for reshaping the existing competitive landscape, pinpoint a historical opportunity for the Company to achieve spinning development.

In the course of 40 years after founding, the Company has been consistently enhancing overall competitiveness, raised the competition threshold and shaped a moat.

1. Strength of product platform.

Keeping up with the trend of industry development, the Company makes a prospective distribution of NEVs track, expands its product lines, and forms a platform-based corporation. Now it owns 8 product lines: Automobile Vibration Control System, Interior & Exterior System, Body Lightweight Products, Cabin Comfort System, Thermal Management System, Chassis System, Air Suspension System, Intelligent Braking System. The unit price of components per vehicle is about 30,000 and there is some room to expand the product line.

The alternative design of the robotic electric drive actuator by the company holds significant potential for the multi-billion-dollar track of mankind's future, offering broad development prospects.

The Company has a wide range of product lines which can provide customers with one-stop, system-grade and modularized products and services, and some products are scarce and hardly benchmarked in the global market of automobile parts. In the era of industrial transformation and business model innovation, labor collaboration with customers can in turn enhance customer satisfaction and pave the way for getting bigger and stronger.

The Company has a wide array of product lines such as suspension system, brake-by-wire and steering-by-wire, impressive chassis tuning capabilities, and requisite factors to integrate drive-by-wire chassis and skateboard chassis. Drive-by-wire chassis is an essential condition to realize high-level auto piloting. In contrast, skateboard chassis can create a new car-making model featuring faster speed of making and lower cost. With a proven ability to render further services to customers, the Company is highly responsive to the technology development trend of vehicle E/E control architecture and sub-domain control and the creative car-making model that may appear.

The product lines are briefly described here: 1. Vibration Control System, comprising powertrain mount support, drive motor damper, cylinder support, torsional damper, sub-frame support, and hydraulic bushing; 2. Interior & Exterior System, comprising automobile door panel, roof, main carpet, coat rack, heat and sound insulation components, luggage insulation components, and exterior trim products such as sealing strips and decorative strips; 3. Body Lightweight Products, comprising one-piece front and rear floor panels, body structural part, door structural part, and battery pack structural part; 4. Cabin Comfort System, comprising rotary screen controller, electric tailgate, electric sliding door, and seat comfort system; 5. Thermal Management System, comprising integrated heat pump assembly, multi-port valve, electronic water pump, and electronic expansion valve; 6. Chassis System, comprising front and rear sub-frames, aluminum sub-frame, control arms, rods, and steering knuckles; 7. Air Suspension System, comprising integrated air supply unit, air suspension, and height sensor; 8. Intelligent Braking System, comprising steer-by-wire, brake-by-wire, and power-adjustable steering columns. 9. Robotic motion actuators, including rotary and linear actuators.

2. Strength of customer group and business pattern

The Company undertakes the mission statement of creating values for its customers and has been generally accepted by customers in cooperation. The TUOPU brand reputation has been enhanced, along with higher loyalty level of customers. In the era of intelligent electrification, capitalizing on the core competitiveness generated from QSTP, the Company has established and maintained stable cooperation with domestic and overseas carmakers.

The Company brings Tier0.5 grade cooperation into practice and establishes strategic partnerships with customers. This creative supply chain cooperation is expected to improve efficiency and reduce cost for car makers, fit the present needs of developing automotive industry, and to keep the competition threshold higher. The rendering of “responsive and answerable” services to every strategic customer has been positively rated and recognized by customers, which in turn paves the way for supplying components to millions of units.

3. Strength of R&D.

The only way leading to a world-class automobile parts enterprise is to improve capabilities of R&D and innovation. Sticking to R&D and innovation, the Company was the first participant within the industry to lay down the forward R&D development strategy as early as twenty years ago. After the technological accumulation for years, now it has the system-level synchronous positive R&D capabilities of each product line, and demonstrates the R&D integration capabilities of machinery, electronic control

and software. and has a number of independent intellectual property rights such as invention patents. The Company kicks off basic research works in order to further maintain its leading edge in research and development. With uninterrupted investments in system construction, recruitment of talents and testing capacity, the Company maintains the average percentage of annual R&D investments in operating income at a level about 5%, signaling the continuous improvement of R&D competitiveness. The company proves the capacity to further broaden the range of products, establishing the groundwork for achieving the "Technology-intensive Tuopu".

With R&D centers set up in North America, Europe, Shanghai, Shenzhen, and Ningbo, the Company is able to provide better services to global customers and recruit quality talents at home and abroad. A research team of more than 3,000 members, comprising nearly 200 masters and doctors, has been formed.

The Company has set up a test center of global excellence which has the testing and validation capabilities with respect to materials, products, systems and vehicles. With certified CNAS ISO/IEC17025 system, the Company has been appointed by many automakers to conduct in-vehicle tests.

Leveraging the top-down R&D capabilities, the Company can expand its product line and enhance the value of components per vehicle, and also renders T0.5-level service to customers.

4. Strength of plant layout and capacity.

The Company has set up manufacturing bases in Ningbo, Chongqing, Wuhan and other places encircling major automobile industry clusters in China. To render better services to global customers, the Company has established manufacturing plants or warehouse centers in the United States, Canada, Brazil and Malaysia, Tuopu Poland have switched to volume production, and Tuopu Mexico Industrial Park and the factory in the United States are planning production activities in order. Under this plant layout, the Company is able to render faster and more efficient services to its customers and guarantee the business development on global platforms.

The penetration rate of NEVs features by a rapid increase, just as the industry participants experience, but the industrial chain capacity of NEVs is obviously insufficient, global auto part makers are under a heavy burden of transformation, their investment willingness is weak, and the investment level and rate of home auto part makers are not enough. According to the company-specific capacity requirement and future forecasts, the Company is expected to build up capacity in order to maintain its leading edge in production capacity, technology, and equipment.

In addition, the automobile industry requires a large-sum investment in the plant layout, the construction period is long and the complex equipment and process are involved, so it can hardly be replaced like the cellphone industry chain.

5. Strength of intelligent manufacturing.

Relying on the intelligent manufacturing strategy and pinpointing the goal of building a lighthouse factory, the Company enhances the digitalization of the factory, and fabricates a smart factory.

Leveraging DFM virtual simulation technology, the Company simulates factory layout, production line design, production process, parameter control, visual inspection, takt time, distribution and warehousing, energy saving and consumption reduction in the stage of product supplying and R&D, which in turn sharply reduces the duration of volume production, improves quality and reduces cost.

The Company has set up an equipment automation division to enhance the production automation, strengthens quality assurance capabilities, increase the output per capita, and prepares for benchmarking the international level.

The availability of production automation, coupled with AI visual inspection, AGV automatic logistics, intelligent warehousing and RFID barcode and traceability system, is driven by AI, big data analysis, and 5G to improve intelligent manufacturing capabilities, ensure quality and reduce costs.

6. Strength of management.

Under the IATF16949 quality system, the Company has established a specific management system with typical features through years of innovation efforts.

For management structure, the division-based management structure is laid down for the group, which can relieve the stress of management, highlight the business operations, improve the efficiency of operation, and lead to relative competition; divisions are subject to the horizontal flat management with sales activities standing in the core, for market-oriented construction of the organization, pool resources and make quick response; under the pyramid organization, business units enforce standard processes to improve efficiency and reduce cost.

For management system, the Company has established a full set of standard processes, management systems and assessment indicators as directed by process, information, standardization, and lean production, and is leveraging some information tools such as SAP, PLM, OA, and MES to implement exact processes, bring digitalized operation into practice, thereby improving management, decision-making efficiency and business performance.

For incentive mechanism, the Company lays up a career platform that is adequately authorized for staff members, in which the Company tapes into internal development and promotion mode that is fair and just, in order to keep the channel of promotion smooth, fit to the growth strategy, and form a positive cycle for business growth and career path.

7. Strength of talents.

The Company puts the screening and training of talents in priority. The post-doctoral workstation within the Company solicits and recruits technical specialists globally. Adhering to the concept of “recruiting and promoting members on their merits”, the Company is committed to building a competitive management team. The Company has established an integrated, specific and open financial indicator system to transform officers from managers to operators and entrepreneurs.

The Company encourages for the formation of a learning organization that is fully authorized, and forges a young and experienced international team specialized in sales, R&D activities and production who can pave the way for leapfrog development of the Company.

8. Strength of culture.

The Company undertakes the mission statement of “making our customers, employees, shareholders, the community and partners satisfied, and becomes a corporate citizen of excellence.

Aligning with the business philosophy of serving the country with industrial achievements, the Company stands at the industry front, gets immersed in R&D and innovation, goes all out to solve “bottlenecking” technical issues, and contributions to the industry safety and development. Adhering to the operation concept of legal compliance, the Company undertakes social responsibility and is committed to infusing positive energy into social development.

The Company gives its employees an access to comfortable workplace, equal interpersonal relationships, appealing salary and benefits, and an extraordinary career development platform, in order to tap into the potentials of all employees. The Company has established partnerships with suppliers, respected the business philosophy of seeking equality and win-win results, and driven the common development of the supply chain.

The Company values and protects the interests of investors, strictly abides by the rules governing information disclosure and other provisions, and distributes dividends to investors even though the capital expenditures have been increased. All staff members are united to improve operating performance, in order to maximize the benefits to investors.

9. Strength of equity structure.

The Company is run and operated by founder, which in turn maintains the prudence of major decisions, values long-term benefits and development, makes quick decisions and assures good execution. The founder holds a higher percentage of shares, keeps a clear equity structure, and exercises longstanding control on the Company from the top-level design, in order to keep the Company running steadily for a long time and have an ample potential for capital expansion. The members of the Board of Directors led by the chairman demonstrate impressive experience, have clear division of work, keep a low profile, keep ambitious and energetic, and use their best endeavors to drive the Company to the forefront of the industry in the right way.

10. Strength of risk control.

The Company keeps the debt-to-equity ratio at low level and has an abundant cash flow. The well-established financial system and the strict risk control system can in turn guarantee the implementation of strategic plan and investment plan, or allow it to seek mergers and expansion whenever appropriate, or reduce the risk exposure to business operation, and maintain its long-term investment value.

V. Condition of main operations during the reporting period

During the reporting period, the Company earned an operating income of RMB 1.9701 billion, an increase of 23.18% over the previous period; total profit was RMB 2.462 billion, an increase of 25.63 over the previous period; the net profit attributable to shareholders of the listed company was RMB 2.151 billion, an increase of 26.49% over the previous period.

In accordance with accounting standards, the Company initially and subsequently measured the convertible bonds held at amortized cost, and recognized finance costs of RMB 86,487,400 and actual interest expenses payable of RMB 7,341,800 for the reporting period, which, after deducting the effect of corporate income tax, reduced the profit of the period by RMB 67,273,800.

The Company adhered to accounting standards and exercised prudence by fully providing for bad debts in relation to accounts receivable of RMB 123,600,500 from Human Horizons and that of RMB 28,980,300 from WM Motor. This provision, taking into account the deferred income tax factor, resulted in a total reduction of RMB 114,435,600 in the current period profit.

Throughout the reporting period, the Company generated a net cash flow of RMB 3.366 billion from operating activities. Additionally, there was a cash outflow of RMB 4.487 billion from investing activities, with RMB 3.177 billion allocated towards the purchase and construction of fixed assets and other long-term assets. This strategic allocation aimed to adequately prepare the Company for the rapid growth of the new energy automobile market and enhance its competitive barriers.

As of the end of this report, the Company's total assets reached RMB 30.770 billion, reflecting an 11.85% increase compared to the previous year-end. Furthermore, total liabilities amounted to RMB 16.955 billion, indicating a 10.46% increase compared to the end of last year. The asset-liability ratio

stood at 55.10%, while the owner's equity attributable to the parent company amounted to RMB 13.784 billion, representing a 13.64% increase compared to the end of last year.

(1) Analysis of main business operations

1. Analysis of changes in related items in the income statement and cash flow statement

Unit: Yuan Currency: RMB

Subject	Amount in the current period	Amount in previous period	Change as percentage (%)
Operating income	19,700,560,430.00	15,992,821,677.50	23.18
Operating cost	15,163,117,900.35	12,535,999,713.52	20.96
Cost of sales	258,824,636.84	220,240,238.99	17.52
Overhead expenses	543,720,741.04	423,280,764.94	28.45
Financial expenses	85,748,537.01	-12,003,288.51	-814.38
R&D cost	986,403,005.39	750,718,588.09	31.39
Net cash flow from operating activities	3,365,629,276.74	2,284,020,088.40	47.36
Net cash flows from investing activities	-3,410,258,600.39	-5,105,820,338.36	NA
Net cash flow from financing activities	-71,428,358.13	4,296,748,972.35	NA

Note to the reason for changes in operating income: attributed to large volume of orders placed by domestic and foreign valued customers solicited by the Company in the current period

Note to the reason for changes in operating cost: attributed to an increase of operating income in the current period over the previous period

Note to the reason for changes in cost of sales: attributed to an increase in sales service fees and business entertainment expenses in the current period

Note to the reason for changes in overhead expenses: attributed to an increase of the number of management staff and of salary paid to them in the current period

Note to the reason for changes in financial expenses: attributed to an increase in exchange gains in the current period

Note to the reason for changes in R&D expenses: attributed to a continuous intensification of R&D and innovation efforts and of R&D investments in the current period

Note to the reason for changes in net cash flow from operating activities: attributed to an increase of payment received in the current period

Note to the reason for changes in net cash flows from investment activities: attributed to a substantial increase of cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets in the current period.

Note to the reason for the change in net cash flow from financing activities: attributed to the receipt of funds raised from the issuance of convertible bonds and an increase in long-term loans in the current period

Particulars of major changes in the business type, profit composition or source of profit of the Company during the current period

Applicable Non-applicable

2. Analysis of revenue and cost

Applicable Non-applicable

The revenue and cost of the Company in 2023 can be summarized as:

(1). Condition of main business operations by industry, product, region and selling pattern

Unit: Yuan Currency:RMB

Main business operations by industry						
By industry	Operating income	Operating cost	Gross profit rate (%)	Increase/Decrease of operating income over the previous year (%)	Increase/Decrease of operating cost over the previous year (%)	Increase/Decrease of gross profit rate over the previous year (%)
Automobile parts	18,728,035,198.12	14,616,118,265.90	21.96	22.09	20.58	Increased by 0.98%
Main business operations by product						
By industry	Operating income	Operating cost	Gross profit rate (%)	Increase/Decrease of operating income over the previous year (%)	Increase/Decrease of operating cost over the previous year (%)	Increase/Decrease of gross profit rate over the previous year (%)
Vibration control parts	4,299,080,180.82	3,256,222,215.87	24.26	11.04	10.77	Increased by 0.19%
Trimming system	6,576,507,664.35	5,262,936,727.88	19.97	20.39	18.99	Increased by 0.94%
Chassis System	6,122,224,689.00	4,700,439,675.72	23.22	37.73	34.25	Increased by 1.99%
Mechatronic system	180,632,502.96	141,112,972.76	21.88	-5.77	-1.60	Decreased by 3.31%
Thermal management system	1,547,735,833.31	1,255,058,987.23	18.91	13.08	12.63	Increased by 0.32%
Electric drive system	1,854,327.68	347,686.44	81.25	NA	NA	NA
Main business operations by region						
By region	Operating income	Operating cost	Gross profit rate (%)	Increase/Decrease of operating income over the previous year (%)	Increase/Decrease of operating cost over the previous year (%)	Increase/Decrease of gross profit rate over the previous year (%)
Domestic	12,955,128,525.30	10,200,604,729.47	21.26	19.00	15.94	Increased by 2.07%
Overseas	5,772,906,672.82	4,415,513,536.43	23.51	29.64	32.85	Decreased by 1.85%
Condition of main business operations by selling pattern						
Selling pattern	Operating income	Operating cost	Gross profit rate	Increase/Decrease of operating income over the previous	Increase/Decrease of operating cost over the previous year	Increase/Decrease of gross profit rate over the previous year

			(%)	year (%)	(%)	(%)
Direct selling	18,728,035,198.12	14,616,118,265.90	21.96	22.09	20.58	Increased by 0.98%

(2). Analysis of production output and quantity sold

√Applicable □Non-applicable

Main product	Unit	Production output	Quantity sold	Quantity of inventories	Increase/Decrease of production output over the previous year (%)	Increase/Decrease of quantity sold over the previous year(%)	Increase/Decrease of inventories over the previous year(%)
Vibration control parts	In 10,000 sets	927.65	916.65	214.37	6.78	7.73	5.41
Trimming system	In 10,000 sets	785.56	786.66	11.98	15.37	15.78	-8.41
Chassis System	In 10,000 sets	565.82	559.11	45.55	32.93	36.47	17.28
Mechatronic system	In 10,000 sets	66.77	64.98	6.42	-10.05	-11.18	38.62
Thermal management system	In 10,000 sets	63.70	61.91	5.43	13.06	13.08	49.18
Electric drive system	In 10,000 sets	0.02	0.02	0.00	NA	NA	NA

(3) Performance condition of major purchase and sales contracts

□Applicable √Non-applicable

(4). Cost analysis

Unit: Yuan

Summary by industry							
By industry	Cost breakdown	Amount in the current period	As a percentage of total cost in the current period (%)	Amount in previous year	As a percentage of total cost in previous year	Change in the amount in the current period as a percentage of previous period (%)	Remark
Automobile parts	Direct cost of material	11,337,952,508.94	77.57	9,436,338,153.53	77.85	20.15	

Automobile parts	Direct cost of labor service	932,656,152.87	6.38	808,107,949.22	6.67	15.41	
Automobile parts	Manufacturing expenses	2,345,509,604.09	16.05	1,877,181,081.53	15.49	24.95	
Summary by product							
By product	Construction of cost	Amount in the current period	As a percentage of total cost in the current period (%)	Amount in previous year	As a percentage of total cost in previous year	Change in the amount in the current period as a percentage of previous period (%)	Remark
Vibration control parts	Direct cost of material	2,401,209,569.29	16.43	2,183,168,142.36	18.01	9.99	
Vibration control parts	Direct cost of labor service	275,227,808.84	1.88	253,940,790.12	2.09	8.38	
Vibration control parts	Manufacturing expenses	579,784,837.74	3.97	502,462,508.08	4.15	15.39	
Trimming system	Direct cost of material	4,099,137,227.19	28.05	3,407,561,972.75	28.11	20.30	
Trimming system	Direct cost of labor service	284,105,131.10	1.94	253,322,301.28	2.09	12.15	
Trimming system	Manufacturing expenses	879,694,369.59	6.02	762,114,471.29	6.29	15.43	
Chassis System	Direct cost of material	3,618,234,791.20	24.75	2,721,667,458.92	22.45	32.94	
Chassis System	Direct cost of labor service	329,987,910.74	2.26	269,610,868.71	2.22	22.39	
Chassis System	Manufacturing expenses	752,216,973.78	5.14	510,066,426.13	4.21	47.47	
Mechatronic system	Direct cost of material	122,595,279.76	0.84	129,005,134.03	1.06	-4.97	
Mechatronic system	Direct cost of labor service	10,277,989.42	0.07	5,924,335.05	0.05	73.49	
Mechatronic system	Manufacturing expenses	8,239,703.58	0.06	8,472,064.20	0.07	-2.74	
Thermal management system	Direct cost of material	1,096,570,837.90	7.50	994,935,445.47	8.21	10.22	
Thermal management system	Direct cost of labor service	32,966,773.25	0.23	25,309,654.06	0.21	30.25	
Thermal	Manufacturing	125,521,376.08	0.86	94,065,611.83	0.78	33.44	

management system	ng expenses						
Electric drive system	Direct cost of material	204,803.60	0.00	-	-	-	
Electric drive system	Direct cost of labor service	90,539.52	0.00	-	-	-	
Electric drive system	Manufacturing expenses	52,343.32	0.00	-	-	-	

(5).Changes in the scope of consolidation due to changes in the equity of major subsidiaries during the reporting period

Applicable Non-applicable

(6).Significant changes or adjustments to business operations, products or services during the reporting period

Applicable Non-applicable

(7). Main customers and main suppliers

A. Condition of main customers

Applicable Non-applicable

The sales amount from the top five customers is RMB 12,497.8021 million, in 63.44% of the annual sales amount; in which, the sales amount from the related parties of the top five customers is 0, in 0% of the annual sales amount.

During the reporting period, the sales to a single customer accounts for 50% of total sales amount, there are circumstances in which the Company solicits new customers or heavily relies on a few customers out of the Top 5 customers.

Applicable Non-applicable

B. Condition of main suppliers

Applicable Non-applicable

The purchase amount from the top five suppliers is RMB 2,790.2592 million, in 24.95% of the annual purchase amount; in which, the purchase amount from the related parties of the top five suppliers is 0, in 0% of the annual purchase amount.

During the reporting period, the purchase from a single supplier accounts for 50% of total purchase amount, there are are circumstances in which the Company solicits new suppliers or heavily relies on a few supplies out of the Top 5 suppliers.

Applicable Non-applicable

3. Expenses

Applicable Non-applicable

Unit: Yuan

Subject	2023	2022	Change as Percentage (%)	Reason for Change
Cost of sales	258,824,636.84	220,240,238.99	17.52	Attributed to an increase in sales service fees and business entertainment

				expenses in the current period
Overhead expenses	543,720,741.04	423,280,764.94	28.45	Attributed to an increase of the number of management staff and of salary paid to them in the current period
Financial expenses	85,748,537.01	-12,003,288.51	-814.38	Attributed to an increase in exchange gains in the current period
R&D cost	986,403,005.39	750,718,588.09	31.39	Attributed to the further extent of R&D innovation and the increase in R&D cost in the current period

4. R&D investment

(1). Particulars of R&D investment

Applicable Non-applicable

Unit: Yuan

Expendable R&D investment in the current period	986,403,005.39
Capitalized R&D investment in the current period	0.00
Total R&D investment	986,403,005.39
Total R&D investment as a percentage of operating income (%)	5.01
Number of R&D members in the Company	0.00

(2) List of R&D specialists

Applicable Non-applicable

Number of R&D specialists	3,679
R&D specialists as a percentage of total staff members (%)	18.84
Educational level of R&D specialists	
Kind of educational level	Number of specialists by academic degrees
Holders of doctoral degree	9
Holders of master degree	176
Holders of bachelor degree	1,690
Holders of college degree	1,804
Holders of high school degree or below	0
Age group of R&D specialists	
Kind of age group	Number of specialists by age group
Below 30 (excluding 30)	1,322
30-40 (including 30, excluding 40)	1,560
40-50 (including 40, excluding 50)	725
50-60 (including 50, excluding 60)	72
60 and above	0

(3). Particulars

Applicable Non-applicable

(4) Reasons for major changes in the structure of R&D specialists and the impact on the future development of the Company

Applicable Non-applicable

5. Cash flow

Applicable Non-applicable

Subject	2023	2022	Change as percentage (%)	Reason for change
Net cash flow from operating activities	3,365,629,276.74	2,284,020,088.40	47.36	Attributed to an increase of the payment received in the current period
Net cash flow from investing activities	-3,410,258,600.39	-5,105,820,338.36	NA	Attributed to a substantial increase of the cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets in the current period
Net cash flow from financing activities	-71,428,358.13	4,296,748,972.35	NA	Attributed to the receipt of funds raised by non-public offering of shares in the current period

(2) Explanation of major changes in profits caused by operations other than main operations

Applicable Non-applicable

(3) Analysis of assets and liabilities

√Applicable □Non-applicable

1.Assets and liabilities

Unit: Yuan

Item	Amount at the end of the current period	Amount at the end of the current period as a percentage of total assets (%)	Amount at the end of previous period	(%) Amount at the end of previous period as a percentage of total assets	(%) Change in the amount at the end of the current period as a percentage of the amount at the end of previous period (%)	Remark
Trading financial assets	300,872,066.52	0.98	954,888.48	0.00	31,408.61	Attributed to the decrease in the amount of financial products purchased in the current period
Notes receivable	554,030,607.88	1.80	410,801,964.08	1.49	34.87	Attributed to the substantial increase in operating income in the current period resulting in an increase in the amount of accounts receivable
Other receivable	89,762,378.31	0.29	140,748,361.64	0.51	-36.22	Attributed to the increase in the deposit and security deposit paid in the current period
Other Current Assets	283,924,859.25	0.92	208,497,764.18	0.76	36.18	Attributed to the increase in VAT set-aside during the period
Fixed Assets	11,518,327,615.38	37.43	8,725,700,134.49	31.72	32.00	Attributed to the increase in newly purchased machinery and equipment and the conversion of newly constructed plants to fixed assets during the period.
Right-of-use Assets	340,623,222.02	1.11	89,083,423.67	0.32	282.36	Attributed to the increase in the recognition of

						right-of-use assets in accordance with the “New Leasing Standards” during the period.
Other Non-current Assets	292,058,305.82	0.95	754,078,748.57	2.74	-61.27	Attributed to the decrease of prepayment for construction and equipment in the current period
Payroll payable	353,499,479.48	1.15	268,698,963.77	0.98	31.56	Attributed to the increase in salary payable balance due to the increase in staff during the period.
Tax due	271,156,762.61	0.88	170,226,721.86	0.62	59.29	Attributed to the increase in VAT payable, enterprise income tax payable and residual insurance premium payable at the end of the period.
Non-current liabilities due within one year	1,290,220,025.19	4.19	23,450,209.53	0.09	5,401.96	Attributed to the reclassification of long-term loans due within one year to this account.
Other current liabilities	1,690,671.66	0.01	166,036,174.17	0.60	-98.98	Attributed to the decrease in finance lease borrowings during the period
Lease liabilities	298,078,535.61	0.97	67,084,816.51	0.24	344.33	Attributed to the increase in lease liabilities recognized in accordance with the “New Leasing Standards” during the period.
Deferred Income Tax Liabilities	66,838,020.68	0.22	113,023,332.3	0.41	-40.86	Attributed to the decrease in net deferred tax assets and deferred tax liabilities at the end of the period.

2. Overseas assets

Applicable Non-applicable**(1) Scale of assets**

Including: overseas assets RMB 1,888,578,916.23 (Unit: Yuan Currency: RMB), in 6.14 % of total assets.

(2) Explanation for the reason why overseas assets account for a higher percentageApplicable Non-applicable

3. Major asset restrictions as of the end of the reporting period

Applicable Non-applicable

Unit: Yuan

Item	Book balance at the end of the period	Book value at the end of the period	Reason for restricted use
Monetary Funds	541,429,058.76	541,429,058.76	Security deposit
Notes receivable	482,580,085.17	480,750,837.88	Pledge
Receivable financing	438,059,635.51	438,059,635.51	Pledge
Fixed assets	964,846,332.80	664,318,107.19	Mortgage
Investment real estate	24,529,646.86	8,501,803.54	Mortgage
Intangible Assets	215,968,916.82	167,242,044.27	Mortgage
Total	2,667,413,675.92	2,300,301,487.15	

4. Other Notes

 Applicable Non-applicable**(4) Analysis of industry operational information** Applicable Non-applicable

Analysis of Operational Information in Automobile Manufacturing Industry

1. Production capacityApplicable Non-applicable**2. Production output and quantity sold of vehicles**Applicable Non-applicable**3. Production output and quantity sold of automobile parts**Applicable Non-applicable**4. NEVs**Applicable Non-applicable**5. Automobile financing**Applicable Non-applicable**6. Other Notes**Applicable Non-applicable

(5) Investment condition

Overall analysis of external equity investments

Applicable Non-applicable

1. Significant equity investment

Applicable Non-applicable

2. Significant non-equity investment

Applicable Non-applicable

i. Condition of purchased land

On 28 February 2023, Xi'an Tuopu Automobile Parts Co., Ltd., a wholly-owned subsidiary, won the bid for the right to use a parcel of state-owned construction land in Xi'an for a consideration of RMB 33.87 million, the area of this parcel is about 120 mu.

ii. Updates of investments

NO.	Date of Signing	Reference number of announcement	Title of announcement	Main content	Update of event
1	December 2021	2021-086	Tuopu Group's Announcement on the Investment Intent Agreement Signed with Chongqing	The Company and the People's Government of Shapingba District, Chongqing signed the "Project Cooperation Agreement for Tuopu NEV Chassis lightweight System - Interior Trim Sound Insulation System Production Base", with an intent of investing RMB 1.5 billion in Shapingba District to construct the production base for NEV product lines by phase.	The housing structure has been completed, with equipment under installation and test run.
2	August 2022	2022-072	Tuopu Group's Announcement on the Investment Intent Agreement Signed with Shouxian County, Anhui	The Company and the Administration Committee of Xinqiao International Industrial Park, Shouxian County, Anhui signed the "Project Agreement" with the intent of investing RMB 2.5 billion to build a NEV critical parts production base in phases in Xinqiao International Industrial Park, Shouxian County.	The housing structure has been completed, with equipment under installation and test run.
3	September 2022	2022-079	Tuopu Group's Announcement on the Investment Intent Agreement Signed with Xi'an	The Company and the Administration Committee of Xi'an Economic and Technological Development Zone signed the "Auto Parts Production Project Landing Agreement" with the intent of investing about RMB 3 billion to build a NEV critical parts production base in Xi'an Economic and Technological Development Zone.	The main structure is under construction.

4	September 2022	2022-081	Tuopu Group's Announcement on New Establishment of a Wholly-owned Subsidiary in Mexico	The Company establishes a new wholly-owned subsidiary TUOPU GROUP MEXICO,S.de R.L. de C.V in Mexico, and plans to purchase industrial land in Mexico to build a production base for NEV auto parts.	The company intends to lease instead of building its own factory, and has leased three phases of factory buildings in Mexico successively, and is currently reconstructing factory buildings.
5	September 2022	2022-082	Tuopu Group's Announcement on the Investment Intent Agreement Signed with Changxing, Huzhou	The Company and the Administration Committee of Changxing Economic and Technological Development Zone, Huzhou signed the "Investment Agreement" with the intent of investing about RMB 2 billion to build a NEV critical parts production base in Changxing Economic and Technological Development Zone.	The main structures of Workshop B and Workshop C are all completed, with the flooring of Workshop A under construction.

3. Financial assets measured at fair value

□Applicable √Non-applicable

Unit: yuan Currency: RMB

Asset category	Amount at beginning of period	Gain/loss on fair value changes during the period	Cumulative fair value changes included in equity	Impairment provided during the period	Amounts purchased during the period	Amounts sold/redeemed during the period	Other changes	Amount at end of period
Equity instruments	954,888.48	-82,821.96						872,066.52
Short-term financial products					1,310,000,000.00	1,010,000,000.00		300,000,000.00
Receivables financing	1,157,514,623.70				2,759,037,229.63	2,877,784,687.71	1,166,149.25	1,039,933,314.87
Total	1,158,469,512.18	-82,821.96			4,069,037,229.63	3,887,784,687.71	1,166,149.25	1,340,805,381.39

Securities Investment

Applicable Non-applicable

Securities investment

Applicable Non-applicable

PE fund investment

Applicable Non-applicable

Derivatives investment

Applicable Non-applicable

4. Updates on major asset reorganization and consolidation during the reporting period

Applicable Non-applicable

(6) Disposal of major assets and equity

Applicable Non-applicable

(7) Analysis of major controlling and participating companies

√Applicable □Non-applicable

Unit: in 10,000 Yuan

Company name	Registered capital	Total assets in the reporting period	Total liabilities in the reporting period	Total net assets in the reporting period	Operating income in the reporting period	Net profit in the current period
NINGBO TUOPU AUTOMOBILE ELECTRONICS CO.,LTD.	250,000.00	668,469.93	231,617.86	436,852.06	586,608.13	78,726.53
TUOPU ELECTRIC VEHICLE THERMAL MANAGEMENT SYSTEM (NINGBO) CO.,LTD.	383,600.00	486,872.82	100,365.01	386,507.81	205,925.99	637.89
NINGBO TUOPU IMP.& EXP. CORP.	20,000.00	75,091.21	24,482.67	50,608.54	378,112.74	22,367.65
NINGBO TUOPU AUTOMOBILE PARTS CO.,LTD.	20,000.00	114,476.67	95,136.01	19,340.66	808,543.01	-4,761.30
NINGBO TUOPU VIBRO-ACOUSTICS TECHNOLOGY CO.,LTD.	20,000.00	158,626.08	133,254.16	25,371.92	612,871.89	3,569.28
ZHEJIANG TOWIN AUTOMOBILE PARTS CO.,LTD.	18,000.00	55,920.40	7,149.83	48,770.56	30,356.50	-230.49
SUINING TUOPU AUTOMOBILE CHASSIS SYSTEM CO.,LTD.	15,000.00	40,627.01	11,219.87	29,407.14	49,947.39	6,342.00
TUOPU POLAND CO.,LTD.	1,800.00	12,910.55	7,726.37	5,184.19	56,263.85	5,790.74
NINGBO TUOPU	51,490.00	89,107.64	27,609.48	61,498.16	74,768.76	7,281.73

CHASSIS SYSTEM CO.,LTD.						
HUNAN TUOPU	72,259.00	103,950.15	28,557.56	75,392.59	63,460.25	4,385.47
TUOPU SKATEBOARD CHASSIS (NINGBO) CO., LTD.	163,301.00	200,234.78	45,933.84	154,300.94	11,073.00	-6,894.05
TUOPU NORTH AMERICA LIMITED	5.00	6,440.61	6,922.67	-482.07	129,405.03	37.95
TUOPU ELECTRICAL APPLIANCES	5,000.00	32,803.06	12,968.31	19,834.75	34,206.62	7,260.03
NINGBO BORGERS	2,100.00	14,709.74	6,396.57	8,313.17	35,327.51	-7,658.51

(8) Structured entities controlled by the Company

Applicable Non-applicable

VI. Discussion and Analysis on the Future Development of the Company**(1) Industry structure and trend**

Applicable Non-applicable

The automobile industry is placed in the situation of drastic change and far-reaching changes are taking place in respect of industry, technology, business model, marketing model, profit model and supply chain model.

1. A general consensus as to the revolutionary trend of "electrifying, intelligence, and networking" in the automotive industry has been reached across the globe. And global car makers are working towards this trend.

2. Technology-intensive companies make cars with innovative companies across borders, stirring up a new trend in the automotive industry. Great innovators like Tesla, who are making cars from the point of consumers, as if they were users, have made great success. The past industrial OEM pattern has been broken down, it is time for car makers to pinpoint a new identity and rebuild core competitiveness.

3. China is expected to get an upper hand in the electrification tide. The strategy of swapping market share for technology leads to success in high-speed rail and electrical appliance, but not in traditional vehicles. Now there are some opportunities for NEVs due to the following reasons:

First, the Chinese government has been consistently promoting electrification; second, the entrepreneurship and dividend of engineers are now prevailing in China; third, China has technological accumulation and progress in respect of 5G, big data, artificial intelligence, and auto piloting. If a new round of cutting-edge technologies can be applied to the automotive industry, the technological monopoly of EU, US and Japanese old-brand car makers will be broken down, Chinese car makers will stand on the same starting line with global leaders and are expected to get an upper hand in the new round of competition.

4. A revolution is projected for China's auto parts industry, which will turn the past scenario of technology hollowing, small scale, and lack of R&D and innovation. Some auto parts giants with global competitiveness are expected to stand out of China's auto parts industry.

(2) Development strategy

Applicable Non-applicable

Amid the great revolution of the automotive industry, the Company is determined to be a technology-intensive large platform supplier with extensive industrial landscape, intensive product technology, impressive R&D capabilities, and a broad range of customer groups, establish Tier 0.5

cooperation with customers, lead the revolution of the relations between car makers and auto parts suppliers, strive to be a one-hundred-billion-level giant in China's auto parts industry and a world-class auto parts supplier, empower the development of NEV industry, and contribute to attaining the goal of "Carbon Peaking and Carbon Neutrality".

1. Platform strategy. Now the Company owns 8 product lines: Automobile Vibration Control System, Interior & Exterior System, Chassis Lightweight System, Cabin Comfort System, Thermal Management System, Chassis System, Air Suspension System, Intelligent Braking System. The unit price of components per vehicle is about RMB 30,000 and these product lines are accessible to enormous potentials of expansion. The Company is also developing robot motion actuators, as it identifies an enormous market potential.

2. Technology strategy. The Company adheres to R&D and innovation, enhances its R&D capabilities of mechanics, electronic control, software and chassis tuning, increases the technology-intensive level of products, addresses the industry-wide "bottlenecking" technical issue, and make own contribution to the industrial development.

3. Intelligent manufacturing strategy. The Company is intensifying the efforts to implement the digital factory strategy, improving the quality control level, process capability, automation and value stream analysis capability through virtual simulation, and endeavoring to change the international impression on "Made in China".

Its geographical location in Qianwan New Area Industrial Park witnesses the rise of "Wisdom in China". First, many product types essentially covering all product lines; second, a wide range of processes including stamping, forging, HP die casting, LP casting, differential pressure casting, extrusion casting, injection molding, die pressing, precision machining, welding, painting, assembling; third, with state-of-the-art equipment, many sorts of domestic advanced equipment and automated production lines are densely distributed; fourth, access to leading manufacturing management practice, a wide array of advanced manufacturing and management tools such as AGVs and digital Kanban are put into efficient use; fifth, with products tailored for international and domestic markets. Despite with the sharp rise of tariffs and international freight rates, the international competitiveness of "Made in China" are highlighted. With sufficient orders, busy production activities and trucks coming in and out take on a thriving image, leaving an impression of the rise of China as a great power and the national industry upgrade.

4. T0.5 grade market strategy. Capitalizing on the composite strengths of platform-based enterprise product line, R&D and QSTP (quality, service, technology, cost), the Company strives to build a new Tier0.5 business pattern and increase the amount of components per vehicle.

With a definitive strategic goal in mind, the Company adheres to the path of in-house development and M&A cases. Upholding the principle of "in-house startups", the Company does not give up any opportunities for value-added M&A cases. Especially after 2025, it is projected that many enterprises will run into trouble due to slow-paced transition, the Company may embrace a lot of M&A opportunities, which in turn promotes its rapid expansion.

(3) Business plan

Applicable Non-applicable

In 2024, the Company is anticipated to exploit the market, speed up the mass production project, improve the management level, control cost, drive the rapid development, and prepare for attaining the medium-term strategic goal in alignment with the predefined strategy.

1. Sales and market.

Relying on the composite advantages of the platform-based enterprise and adhering to Tier0.5 cooperation, the Company broadens the sphere of strategic cooperation and drives on the synchronized development lane in reliance of coordinated product lines.

For the moment, new opportunities are arising out of the transition of international auto parts industry, the Company is expected to pace up the international market exploitation this year.

2. New project development.

R&D efforts will be intensified to bring all product lines and projects into reality. In this year, automotive electronic products qualified for experimental verifications and road tests, and drove to the harvesting stage of volume production across the board.

3. Capacity landscaping.

It is scheduled to complete the construction in Phase 8 and 9 of factories based in Qianwan New Area, as well as Xi'an factory this year. The domestic capacity deployment has virtually wrapped up and subsequent projects will enter the harvesting period step by step.

The penetration rate of electric vehicles in North America and Europe is relatively low, foreign car makers are rushing the transition to NEVs, foreign auto parts manufacturers are less willing to invest, and the transition pace is slow, so it is unlikely to fulfill the urgent needs of NEV transition. Enormous market opportunities arising out of the international market, and the receipt of surging new orders, motivate the Company to pool investments in Mexico. The Phase 1 construction of 220 mu will be accelerated and it is expected that the equipment will be installed at the end of the year. In future, the Company plans to build a 1000-mu intelligent manufacturing industrial park modeled after the Qianwan New Area in line with the order needs. Tuopu Poland is also scheduled to expand capacity in order to fulfill the needs of its customers for capacity boost.

To attain the profitability of international expansion, the Company has performed the following analyses and preparations: on the one hand, the resources of NEV auto parts in the current international market are scarce, which means reasonable prices can be guaranteed. On the other hand, the Company has prepared well for: (1) making the facilities more automated, increasing the output per capita, reducing labor forces and relieving management pressure; (2) forming an expedition team, engaging experienced management, process and some technical specialists in the project implementation, making sure that the project will be put into operation on schedule and designated quality; (3) integrating the industrial chain to address the short supply of production materials in the international market; (4) linking and integrating management information systems for the sake of controlled and compliant activities.

4. Cost control. Efforts will be made to promote the budget control system and lean production system for cost cut-down. Specific management will be available for new factories to put production into operation and transit from loss to profit as soon as practicable.

5. Intelligent manufacturing. Efforts will be continued to boost the construction of digital benchmark factories. And the full-scale volume production of automotive electronics will be realized.

In addition, other works undertaken by the Company, including quality control, lean production, system innovation, are pushed forward.

(4) Potential risks

Applicable Non-applicable

1. Exchange rate, tariffs, fluctuations in material prices, and price reduction requested by customers may expose business operations to risk. The Company intends to resolve these risks by enhancing overall competitiveness. In the course of 40 years after founding, Pulling through a plurality of risks as mentioned above, the Company keeps good business performance and development momentum, and establishes a full set of risk control systems based on the accumulated experience.

2. The NEVs track in which the Company is currently engaged has been fully recognized by governments and the industry community and put into practice, with proven signs of right direction and bright future. For this reason, there is no risk borne in the strategic direction and investments.

(5) Others

Applicable Non-applicable

VII. Explanation on the circumstances and reasons why the Company did not disclose under the standards due to inapplicability of the standards or special reasons such as state secrets and business secrets

Applicable Non-applicable

Section 4 Corporate Governance

I. Notes to Corporate Governance

Applicable Non-applicable

The Company acted in strict compliance with the "Company Law", "Securities Law", relevant regulations of CSRC and SSE, and the provisions under the "Articles of Association", in order to improve the corporate governance structure, improve internal control system, and operate the internal control system. General meeting, Board of Directors, Board of Supervisors, independent directors and the management operated precisely by following the internal control procedure, in order to secure the legitimate rights and interests of the Company and its shareholders.

1. Shareholders and General Meeting

The shareholders reviews the events to the extent permitted in the functions and powers of general meeting under the relevant provisions, the "Articles of Association" and the "Rules of Proceedings of General Meeting", and appoints lawyers to witness the procedures of holding and convening the general meeting and to maintain the legitimate rights and interests of the shareholders, especially the minority shareholders. The Company holds the general meeting in the form of internet voting and polling and the procedures of convening and holding the general meeting and voting at the general meeting are legal and valid. During the reporting period, significant matters including amendments to the Articles of Association, regular reports, profit distribution, re-appointment of auditor, related party transactions, utilization of proceeds, by-election of directors, changes and extensions of PE investment projects, and the initiation of non-public offerings were considered and decided at the general meeting.

2. Controlling Shareholders and Listed Companies

The controlling shareholder, actual controller and the related parties of the Company exercise their powers and assume obligations under the applicable laws and regulations, and there is no activity that directly or indirectly interferes with the business operations beyond the general meeting. During the reporting period, the Company did not provide a guarantee for the controlling shareholder and its affiliates, nor did the controlling shareholder occupy the funds of the Company.

3. Directors and Board of Directors

The Board of Directors consists of 9 directors including 3 independent directors. Four special committees, Strategy and Investment Committee, Auditing Committee, Nomination Committee, and Remuneration and Assessment Committee, are affiliated under the Board of Directors. The Board of Directors and special committees have laid down the rules of proceedings. Directors are able to present at the meeting of Board of Directors, perform due diligence, earnestly maintain the legitimate rights and interests of the Company and all shareholders on time under the "Articles of Association" and other applicable laws and regulations.

4. Supervisors and Board of Supervisors

The Board of Supervisors consists of 3 supervisors including 1 supervisor as staff representative, and has laid down the “Rules of Proceedings of Board of Supervisors”. The supervisors earnestly performed their duties, and to hold accountable for shareholders, they oversaw significant matters including amendment to the Articles of Association, placement of guarantee to subsidiaries, regular reports, major production and operation decisions, use of proceeds, the initiation of non-public offerings, and related party transactions, and fulfilled the supervisory role of the Board of Supervisors.

5. Officers

During the reporting period, officers have performed due diligence in accordance with the Articles of Association, to the extent authorized by the general meeting and Board of Directors and permitted by the rules and regulations of the Company.

6. Information Disclosure and Transparency

The Company discloses relevant information in a true, accurate, complete, timely and fair manner exactly under the "Guidelines for Governance of Listed Companies", "Rules Governing the Listing of Shares", "Articles of Association" and "Information Disclosure Management System" and other applicable regulations. The portal site designated by the Company for its information disclosure is the SSE website and the newspaper designated for its information disclosure is Securities Times.

7. Insider Information Control

With the “Insider Registration Management System” available, the Company intensifies the insider information management practice and specifies the registration and filing process of insiders, which in turn paves the way for proper confidentiality of insider information. During the reporting period, the Company controls the route and scope of transmitting insider information, make sure that information is disclosed fairly, and maintain the legitimate rights and interests of investors exactly in accordance with the “Insider Registration Management System”.

Whether there is a material difference concerning corporate governance provisions between corporate governance and laws, administrative regulations, and CSRC regulations on listed company governance; in case of material difference, state the reason.

Applicable Non-applicable

II.Measures taken by the controlling shareholder and actual controller of the Company to maintain the independence of the company-specific assets, persons, finance, organization and business, as well as the solutions, updates on work and follow-up plans that are anticipated to influence its independence

Applicable Non-applicable

Conduct of the same or similar business as the Company by the controlling shareholder, actual controller and other entities under their respective control, influence of peer-to-peer competition or the drastic changes of peer-to-peer competition on the Company, countermeasures taken, updates on solution and follow-up solution plan.

Applicable Non-applicable

III. Brief Information about General Meetings

Session	Date of convention	The search index of the specified website to publish resolutions	Date of disclosure to publication of resolutions	Resolution
The first extraordinary	March 13, 2023	www.sse.com.cn	March 14, 2023	More details are available in “Bulletin on Resolutions of

general meeting 2023				the First Extraordinary General Meeting 2023 of Tuopu Group (Bulletin #: 2023-015)
The first extraordinary general meeting 2022	June 19, 2023	www.sse.com.cn	June 20, 2023	More details are available in "Bulletin on Resolutions of the Extraordinary General Meeting 2022 of Tuopu Group (Bulletin #: 2023-050)
The second extraordinary general meeting 2023	October 19, 2023	www.sse.com.cn	October 20, 2023	More details are available in "Bulletin on Resolutions of the Second Extraordinary General Meeting 2023 of Tuopu Group (Bulletin #: 2023-070)
The third extraordinary general meeting 2023	December 27, 2023	www.sse.com.cn	December 28, 2023	More details are available in "Bulletin on Resolutions of the Third Extraordinary General Meeting 2023 of Tuopu Group (Bulletin #: 2023-084)

Preferred shareholders whose voting rights have been restored request to convene an extraordinary general meeting

Applicable Non-applicable

Note to General Meeting

Applicable Non-applicable

During the reporting period, the Company held four general meetings. These meetings are convened and held under the applicable laws, regulations and these "Articles of Association"; the persons present at and convening such meetings hold legal and valid qualifications; the voting procedure is consistent with the applicable relevant laws, regulations, normative documents and these "Articles of Association". The voting results are legal and valid.

IV. Information About Directors, Supervisors and Officers

(1) Changes in shares held and remuneration of current and resigned directors, supervisors and officers during the reporting period

√Applicable □Non-applicable

Unit: Shares

Name	Capacity (Note)	Gender	Age	Date of taking office	Date of leaving	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Increase/Decrease in shares in the year	Reason for increase/decrease	Total pre-tax remuneration received from the Company during the reporting period (in 10,000 Yuan)	Whether receive remuneration from related parties of the Company
Wu Jianshu	President, Director	Male	60	2023-10-19	2026-10-18	7,210,308	7,210,308	0		0	No
Wu Haonian	Vice President, Director	Male	24	2023-10-19	2026-10-18	0	1,367,300	1,367,300	Increase d shares on the secondary market	34.62	No
Wang Bin	Director, President	Male	49	2023-10-19	2026-10-18					300	No
Pan Xiaoyong	Director, Vice President	Male	44	2023-10-19	2026-10-18					550	No
Wu Weifeng	Director, Vice President	Male	47	2023-10-19	2026-10-18					450	No
Wang Weiwei	Director	Male	41	2023-10-19	2026-10-18					200	No
Zhao Xiangqiu	Independent director	Female	54	2023-10-19	2026-10-18					5.17	No
Wang Yongbin	Independent director	Male	67	2023-10-19	2026-10-18					5.17	No

Xie Huajun [Note]	Independent director	Female	47	2023-10-19	2026-10-18					1.42	No
Wang Mingzhen	Board Secretary	Male	45	2023-10-19	2026-10-18					72	No
Yan Qunli	Chairman of Board of Supervisors, Supervisor	Male	52	2023-10-19	2026-10-18					76	No
Duan Xiaocheng	Supervisor	Male	42	2023-10-19	2026-10-18					120	No
Li Weiguo	Staff representative, supervisor	Male	52	2023-10-19	2026-10-18					28	No
Jiang Kaihong	Vice President	Male	53	2023-10-19	2026-10-18					200	No
Hong Tieyang	Financial Director	Male	46	2023-10-19	2026-10-18					70	No
Zhou Ying [Note]	Independent director	Female	47	2020-10-19	2023-10-18	0	400	400	Increase d shares after leaving office	4.17	No
Total	/	/	/	/	/	7,210,308	8,578,008	1,367,700	/	2,116.55	/

Note 1: On October 2023, The fourth session of the Board of Directors of the Company held a general election upon the expiry of its term of office, Mrs. Zhou Ying ceased to be an independent director due to the expiry of her term of office, and Mrs. Xie Huajun was elected as an independent director for the fifth session of the Board of Directors.

Name	Working Experience
Wu Jianshu	Formerly as President of Ningbo Tuopu Vibration Control System Co., Ltd., President of Ningbo Tuopu Soundproof System Co., Ltd., President of Ningbo Tuopu Coupling Co., Ltd., President of Ningbo Tuopu Automobile Special Rubber Co., Ltd., President of Ningbo Tuopu Brake System Co., Ltd. Currently in the capacity of President of MECCA INTERNATIONAL HOLDING (HK) LIMITED, President and Director of the Company.
Wu Haonian	Graduated from the University of Toronto, Canada on July 2023 and was elected as a director of the fifth session of the Board of Directors of the Company on October 2023 by the shareholders' meeting of the Company. Currently in the capacity of the Vice President and Director of the Company.
Wang Bin	Formerly as Vice General Manager of Ningbo Economic and Technological Development Zone Tuopu Industrial Co., Ltd., Director and General manager of Ningbo Tuopu Vibration Control System Co., Ltd., General manager of Ningbo Tuopu Import and Export Co., Ltd., Vice general manager and Director of Ningbo Tuopu Brake System Co., Ltd. Currently in the capacity of Director and President (General Manager) of the Company.

Pan Xiaoyong	Formerly as Vice President of Ningbo Tuopu Acoustics Vibration Technology Co., Ltd., Manager of System Development Department of Ningbo Tuopu Acoustics Vibration Technology Co., Ltd., and Director of Ningbo Tuopu Brake System Co., Ltd. Currently in the capacity of President of Ningbo Ushone Electronic Chassis Co., Ltd. and Director and Deputy GM (Vice President) of the Company.
Wu Weifeng	Formerly as Director of of Ningbo Tuopu Acoustics Vibration Technology Co., Ltd., General manager of Ningbo Tuopu Automobile Special Rubber Co., Ltd., General manager of Ningbo Bahe Mould Co., Ltd., Vice general manager of Ningbo Tuopu Soundproof System Co., Ltd., Vice general manager and Director of Ningbo Tuopu Brake System Co., Ltd. Currently in the capacity of Director and Vice general manager of the Company.
Wang Weiwei	Formerly as General manager of Intelligent braking system and Stability Control System of Ningbo Tuopu Group Co., Ltd., currently in the capacity of Director of the Company, General Manager of Brake System of Ningbo Ushone Electronic Chassis Co., Ltd.
Zhao Xiangqiu	Formerly as a practicing lawyer in Zhejiang Fanxin Law Firm, currently as a lawyer, partner and executive director of Zhejiang Yahui Law Firm. Currently as a lawyer and partner of Zhejiang Tai'an Law Firm. Currently as an independent director of Jifeng Co., Ltd. (603997.SH).
Wang Yongbin	Formerly taught students in Zhejiang Agricultural University at Ningbo after graduation, formerly as a professor of machinery at Zhejiang Wanli University, the first tutor of master candidates, General manager of the Institute of Mechatronic System Technology, Director of Mechatronic System Technology Laboratory, now retired. Currently as an independent director of the Company, concurrently hold the office of independent director in Ningbo Jifeng Auto Parts Co., Ltd. (603997.SH), NBTM New Materials Group Co., Ltd. (600114.SH), Zhejiang LERA New Energy Power Technology Co., Ltd., and Ningbo Da Zhi Machine Technology Co., Ltd.
Xie Huajun	The deputy department manager of Ningbo Donghai Accounting Firm. The independent director of the Company, currently as an independent director of Jifeng Co., Ltd. (603997.SH).
Wang Mingzhen	Formerly as General manager of Ningbo Tuopu Import and Export Co., Ltd., Supervisor of Ningbo Tuopu Group Co., Ltd. Currently as Board Secretary of the Company.
Yan Qunli	Formerly as Director of Mold Center, Project Manager of Engineering Department and Manager of Engineering Department of Ningbo Ningbo Economic and Technological Development Zone Tuopu Industrial Co., Ltd., Vice general manager of Marketing of Ningbo Tuopu Automobile Parts Co., Ltd., General manager of Vibration Control System NO.1 Department of Ningbo Tuopu Brake System Co., Ltd., and Director and Vice general manager of Ningbo Tuopu Brake System Co., Ltd. Current as the chairman of Board of Supervisors of the Company.
Duan Xiaocheng	Formerly as System Integration Section Chief of Ningbo Tuopu Acoustics Vibration Technology Co., Ltd., Chief Engineer of R&D Center of Ningbo Tuopu Group Co., Ltd., and Vice President of R&D Center of Ningbo Tuopu Group Co., Ltd. Currently in the capacity of President of Powertrain and Chassis Division and Supervisor of the Company.
Li Weiguo	Formerly as Planning Director and Group Management Representative of Ningbo Tuopu Group Co., Ltd. Currently as Managing Director of Management Department and Staff Representative Supervisor of the Company.
Jiang Kaihong	Formerly as Vice General Manager of Ningbo Economic and Technological Development Zone Tuopu Industrial Co., Ltd., Director of the R&D Center of Ningbo Tuopu Vibration Control System Co., Ltd., General Manager of Ningbo Tuopu Automobile Parts Co., Ltd., and General Manager of the Electronic System Division of Ningbo Tuopu Brake System Co., Ltd. Currently in the capacity of the vice president (deputy general manager) of the Company and the senior general manager of Ningbo Ushone Electronic Chassis Co., Ltd.
Hong Tiyang	Formerly as Financial Officer of Ningbo Huazhong Plastic Products Co., Ltd., Project Manager of Ningbo Zhongcheng Tax Accountant Firm, and Financial Manager of Ningbo Tuopu Group Co., Ltd. Currently as Financial Director of the Company.

Other Notes

Applicable Non-applicable

(2) Office held by current and resigned directors, supervisors and officers during the reporting period

1. Office held in corporate shareholder

√Applicable □Non-applicable

Name of persons in office	Name of corporate shareholder	Office held in corporate shareholder	Date of office held	Date of end of office
Wu Jianshu	MECCA INTERNATIONAL HOLDING (HK) LIMITED	Shareholder	2008-07-21	
Note to office held in corporate shareholder	No			

2. Office held in other entities

√Applicable □Non-applicable

Name of persons in office	Name of other entity	Office held in other entity	Date of office held	Date of end of office
Xie Huajun	Ningbo Jifeng Auto Parts Co., Ltd.	Independent director		
Zhao Xiangqiu	Ningbo Jifeng Auto Parts Co., Ltd.	Independent director		
Wang Yongbin	NBTM New Materials Group Co., Ltd.	Independent director		
Wang Yongbin	Ningbo Da Zhi Machine Technology Co., Ltd.	Independent director		
Notes to office held in other entities	No			

(3) Remuneration of Directors, Supervisors and Officers

√Applicable □Non-applicable

Decision-making procedure as to the remuneration of directors, supervisors and officers	Under the “Articles of Association”, the remuneration of directors and supervisors is decided at the general meeting; the remuneration of officers is fixed by the Board of Directors.
Whether the Directors withdraw themselves from the Board's discussion of their remuneration matters	Yes
Particulars of the recommendations made by the Remuneration and Evaluation Committee or the special meeting of independent directors in respect of the remuneration of Directors, Supervisors and officers	The Remuneration and Evaluation Committee is of the view that the remuneration of the Directors, Supervisors and officers of the Company is in line with the remuneration level of the industry in which they are engaged and the actual operation of the Company, and that the procedures for granting the remuneration are strictly following the relevant provisions on appraisal and incentives, and in compliance with the relevant laws, regulations and provisions of these Articles of Association.
Basis for fixing the remuneration of directors,	Fixed according to the industry and local conditions, by referring to the comparable standard of similar listed companies and the actual

supervisors and officers	condition of the Company, where applicable
Actual payment of the remuneration of directors, supervisors and officers	During the reporting period, the remunerations of directors, supervisors and officers have been paid.
Total remuneration received by all directors, supervisors and officers at the end of the reporting period	RMB 21.1655 million (before tax)

(4) Changes in directors, supervisors and officers√Applicable Non-applicable

Name	Office held	Changes	Reason for change
Wu Haonian	Vice President, Director	Elected	General election
Xie Huajun	Independent Director	Elected	General election
Zhou Ying	Independent Director	Left	Leaving the office upon expiry of the term of office

(5)Notes to punishments imposed by securities regulatory institutions over the past three yearsApplicable Non-applicable**(6)Others**Applicable Non-applicable**V. Information about the Board of Directors held during the reporting period**

Session	Date of convention	Resolution
The 28th Meeting of the Fourth Session of the Board of Directors	Feb.22, 2023	The following proposals were considered and passed: 1. "Proposal on the Company's qualification of the conditions for the issuance of shares to specific targets" 2. "Proposal on Adjustment of the Company's Plan for Issuing Shares to Specific Targets in 2022" 3. "Proposal on <Ningbo Tuopu Group's issue of A shares to Specific Targets (Revised)> in 2022" 4. "Proposal on the feasibility analysis report on the utilization of proceeds from the company's issue of A shares to specific targets" 5. "Report on the demonstration and analysis of the company's proposal for the issue of a shares to specific targets" 6. "Proposal on the dilution of immediate returns from the issue of A shares by the Company to specific targets and the adoption of filling measures and commitments by relevant entities" 7. "Proposal to convene the first extraordinary shareholders' meeting of the Company in 2023"
The 29th Meeting of the Fourth Session of the Board of Directors	Apr.17, 2023	The following motions were considered and passed: 1. "Proposal on the work report of the board of directors for 2022" 2. "Proposal on the performance report of independent directors for 2022" 3. "Proposal on the report of the audit committee of the Board of Directors for 2022" 4. "Proposal on the work report of the general manager for 2022" 5. "Proposal on the report on the financial accounts for 2022" 6. "Proposal on the 2022 internal control evaluation report"

		<p>7. "Proposal the deposit and utilization of proceeds for 2022"</p> <p>8. "Proposal on application for credit line from banks and non-bank financial institutions for 2023"</p> <p>9. "Proposal on conducting bills pool business for 2023"</p> <p>10. "Proposal for renewal of the appointment of audit organization for 2023"</p> <p>11. "Proposal on the profit distribution for 2022"</p> <p>12. "Proposal on the full text and abstract of the annual report for 2022"</p> <p>13. "Resolution on confirmation of connected transactions for 2022"</p> <p>14. "Proposal on forecast of daily connected transactions for 2023"</p> <p>15. "Proposal on the use of part of temporarily idle proceeds to entrust wealth management"</p> <p>16. "Proposal on the use of part of temporarily idle proceeds to supplement liquidity"</p> <p>17. "Proposal on requesting the convening of the Company's 2022 annual general meeting of shareholders"</p>
The 30th Meeting of the Fourth Session of the Board of Directors	Apr.21, 2023	<p>The following proposals were considered and passed:</p> <p>1. "Proposal on the First Quarterly Report of 2023"</p> <p>2. "Proposal on not amending downward the conversion price of Tuopu Convertible Bonds"</p> <p>3. "Proposal on the estimated total amount of external guarantees for 2023".</p>
The 31st Meeting of the Fourth Session of the Board of Directors	May 26, 2023	<p>The following proposals were considered and passed:</p> <p>1. "Proposal on amending these Articles of Association"</p> <p>2. "Proposal to confirm the remuneration of directors and officers of the Company for 2022"</p>
The 32th Meeting of the Fourth Session of the Board of Directors	Aug.28, 2023	<p>The following proposals were considered and passed:</p> <p>1. "Proposal on <Tuopu Group's 2023 Semi-annual Report> and its summary"</p> <p>2, "Proposal on <Tuopu Group's 2023 Semi-annual Special Report on the deposit and use of proceeds>"</p>
The 33th Meeting of the Fourth Session of the Board of Directors	Sep.27, 2023	<p>The following proposals were considered and passed:</p> <p>1. "Proposal on the election of a new Board of Directors of the Company"</p> <p>2. "Proposal on providing guarantees for rental of industrial plants for overseas subsidiaries"</p> <p>3. "Proposal to convene the second extraordinary general meeting of shareholders for 2023"</p>
The 1st Meeting of the Fifth Session of the Board of Directors	Oct.20, 2023	<p>The following proposals were considered and passed:</p> <p>1. "Proposal on election of the chairman of the fifth session of the board of directors of the Company"</p> <p>2. "Proposal on the election of the vice chairman of the fifth session of the board of directors of the Company"</p> <p>3. "Proposal on election of members of specialized committees of the fifth session of the board of directors of the Company"</p> <p>4. "Proposal on the appointment of general manager (president) of the Company"</p> <p>5. "Proposal on appointment of deputy general manager (vice president) of the Company"</p> <p>6. "Proposal on the appointment of secretary of the board of directors of the Company"</p> <p>7. "Proposal on the appointment of financial controller of the Company"</p> <p>8. "Proposal on the appointment of securities affairs representative"</p>

		of the Company” 9. “Proposal on the amendment of the independent director system of Tuopu Group” 10. “Proposal on revising the annual reporting system of independent directors of Tuopu Group”
The 2nd Meeting of the Fifth Session of the Board of Directors	Oct.30, 2023	The following proposal was considered and passed: 1. “Motion on <Tuopu Group Q3 Report for 2023”
The 3rd Meeting of the Fifth Session of the Board of Directors	Dec.8, 2023	The following proposals were considered and passed: 1. “Proposal to extend the validity period of the resolution of the shareholders' general meeting on the issue of A shares by the Company to specific targets” 2. “Proposal to request the shareholders' meeting to extend the validity period of the authorization for the Board of Directors or the persons authorized by the Board of Directors to handle matters relating to the Company's issuance of A shares to specific targets” 3. “Proposal to convene the third extraordinary general meeting of shareholders for 2023”
The 4th Meeting of the Fifth Session of the Board of Directors	Dec.22, 2023	The following proposal was considered and passed: 1. “Proposal on the provision of industrial plant rental guarantee for overseas subsidiaries”

VI. Performance of Duties by Directors

(1) Information about the presences of directors in board meeting and general meeting

Name of director	Whether as independent director	Presences in board meeting						Presences in general meeting
		Number of mandatory attendances in board meeting this year	Number of attendances in person	Number of attendances by communication means	Number of attendances by proxy	Number of absences	Whether failed to present in two consecutive meetings in person	Number of presences
Wu Jianshu	No	10	10	0	0	0	No	4
Wu Haonian	No	4	4	0	0	0	No	1
Wang Bin	No	10	10	0	0	0	No	4
Pan Xiaoyong	No	10	10	0	0	0	No	4
Wu Weifeng	No	10	10	0	0	0	No	4
Wang	No	10	10	0	0	0	No	4

Weiwei								
Zhao Xiangqiu	Yes	10	10	0	0	0	No	4
Wang Yongbin	Yes	10	10	0	0	0	No	4
Xie Huajun	Yes	4	4	0	0	0	No	1
Zhou Ying	Yes	6	6	0	0	0	No	3

Notes to failure to be present in two consecutive meetings board meetings

Applicable Non-applicable

Number of board meetings convened in the year	10
Including: number of on-site meetings	10
Number of meetings convened by communication means	0
Number of meetings convened on site by communication means	0

(2) Information about the objections raised by directors against related matters

Applicable Non-applicable

(3)Others

Applicable Non-applicable

VII. Information about Special Committees under the Board

Applicable Non-applicable

(1) . Members of special committees under the Board of Directors

Category of Special Committees	Name of Member
Auditing Committee	Xie Huajun (Chairman and Convener), Wang Yongbin, Wang Weiwei
Nomination Committee	Wang Yongbin (Chairman and Convener), Zhao Xiangqiu, Wu Jianshu
Remuneration and Assessment Committee	Zhao Xiangqiu (Chairperson, Convener), Xie Huajun, Wu Jianshu
Strategy and Investment Committee	Wang Bin (Chairman, Convener), Pan Xiaoyong, Xie Huajun

(2) Four meetings held by the Auditing Committee during the reporting period

Date of convention	Session	Key Opinions and Suggestions	Other Circumstances about Performance of Duties
Apr.7, 2023	The 10th meeting of the Audit Committee of the Fourth Session of the Board of Directors	The following matters were discussed and approved: 1. "Proposal on the report on the performance of the audit committee of the board of directors for 2022" 2. "Proposal on the report on the 2022 annual financial accounts"	

		<p>3. “Proposal on the 2022 internal control evaluation report”</p> <p>4. “Proposal on the deposit and utilization of proceeds for 2022”</p> <p>5. “Proposal on renewal of audit organization for 2023”</p> <p>6. “Proposal on profit distribution for 2022”</p> <p>7. “Proposal on the full text and summary of the annual report for the year 2022”</p> <p>8. “Proposal on confirmation of connected transactions for 2022”</p> <p>9. “Proposal on forecast of daily connected transactions for 2023”</p> <p>10. “Proposal on the use of part of temporarily idle proceeds for entrusted wealth management”</p> <p>11. “Proposal on using part of temporarily idle proceeds to supplement liquidity”</p>	
Apr.11,2023	The 11th meeting of the Audit Committee of the Fourth Session of the Board of Directors	The following matter was discussed and approved: 1. “Proposal on the <2023 Q1 Report>”	
Aug.13, 2023	The 12th meeting of the Audit Committee of the Fourth Session of the Board of Directors	The following matters were discussed and approved: 1. “Proposal on <Tuopu Group's 2023 Semi-annual Report> and its summary” 2. “Proposal on < Tuopu Group's 2023 Semi-annual Special Report on the Deposit and Utilization of Proceeds>”	
Oct.10, 2023	The 1st meeting of the Audit Committee of the Fifth Session of the Board of Directors	The following matter was discussed and approved: 1. “Proposal on <Tuopu Group's 2023 Q3 Report>”	

(1). The Nomination Committee held the first meeting during the reporting period

Date of convention	Session	Key Opinions and Suggestions	Other Circumstances about Performance of Duties
Oct.19, 2023	The 1st Meeting of the Nomination Committee of the Fifth Session of the Board of Directors 2023	Mr. Wang Bin, Mr. Pan Xiaoyong, Mr. Wu Weifeng, Mr. Jiang Kaihong, Mr. Wang Mingzhen and Mr. Hong Teyang held the qualifications for appointment commensurate with the exercise of their powers and their qualifications for appointment are in compliance with the Company Law, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and other applicable laws, regulations and regulatory documents. It	

		was unanimously agreed that the proposal for the appointment of senior management would be submitted to the 1st meeting of the Fifth Session of the Board of Directors of the Company for consideration.	

(2). The Remuneration and Assessment Committee held two meetings during the reporting period

Date of convention	Session	Key Opinions and Suggestions	Other Circumstances about Performance of Duties
Apr.17, 2023	Resolution passed at the 5th Meeting of the Compensation and Evaluation Committee of the Fourth Session of the Board of Directors	The following matters were discussed and approved: In 2022, the Company has strictly complied with the Labor Law; the management has been diligent; and the remuneration of all employees has been paid in a prompt and full manner by operation of law.	
Aug.15, 2023	The 6th Meeting of the Compensation and Evaluation Committee of the Fourth Session of the Board of Directors	The following matters were discussed and approved: In the first half of 2023, the Company has strictly complied with the Labor Law; the management has been diligent; and the remuneration of all employees has been paid in a prompt and full manner by operation of law.	

(3). The Strategy and Investment Committee held one meeting during the reporting period

Date of convention	Session	Key Opinions and Suggestions	Other Circumstances about Performance of Duties
Sept.18, 2023	The 7th working meeting of the Strategy and Investment Committee of the Fourth Session of the Board of Directors	1. "Proposal on providing guarantees for rental of industrial plants for overseas subsidiaries"	

(5). Particulars about the Objected Matters

Applicable Non-applicable

VIII. Notes to Risks Identified by the Board of Supervisors

Applicable Non-applicable

The Supervisory Committee has no objection to the supervision matters during the reporting period.

IX. Employees of the Parent and Major Subsidiaries at the End of The Reporting Period

(1) Particulars of Staff members

Number of staff members serving the parent company	5,987
Number of staff members serving major subsidiaries	13,541
Total number of staff members in service	19,528
Number of retiring employees to whom the parent company and other subsidiaries have to bear costs and expenses	
Composition of job positions	
Category of job positions	Number of specialists
Production staff	11,156
Marketing staff	521
Technical staff	5,382
Financial staff	255
Administrative staff	2,214
Total	19,528
Education Background	
Category of education	Number of members (persons)
Holders of doctoral, master degrees	205
Holders of bachelor degrees	2,405
Graduated from junior college, technical secondary school	6,848
Others	10,070
Total	19,528

(2) Salary policy

Applicable Non-applicable

In line with the strategic development needs, coupled with the industry-wide salary and the local salary level, the company has drawn up a set of incentive compensation system, and the salary distribution is moderately inclined to strategic talents, salesforce and technical R&D specialists.

Adhering to the concept of sustainable development, the Company is working to improve employee welfare and treatment in the rapid development to share the deliverables and enhance employees' sense of gain; it further continues to give more promotion opportunities to young talents in service, provide them with "open, fair and just" career platform for competitive opportunities.

The compensation policy is subject to a change from time to time as appropriate to development, personnel supply, and external industry salary conditions. In line with the sustainable development track, it will continue to solicit more elites to grow together.

(3) Training plan

Applicable Non-applicable

Based on the characteristics of the automobile industry and the development plan, the Company has drawn up a systematic and efficient training system, and continuously improved its independent evaluation system for engineers and skilled talents, with a view to serving its personnel needs in respect of R&D, technology, QC, quality, production, procurement, shipping, sales, finance, IT and human resources.

The Company provides staff members with various opportunities for professional learning, engagement in industry technical exchanges and management forums, so as broaden global horizon of specialists, give employees at different levels an access to systematic training, acquire good expertise and skills, and improve their business and management capabilities. The long-term sustainable development has built up a strong pool of talents.

(4) Outsourcing of labor services

Applicable Non-applicable

X. The plan for the profit distribution of common stocks or the transfer of capital reserves**(1) Preparation, execution or adjustment of cash dividend policy**

Applicable Non-applicable

1. Formulation of cash dividend policy

On 19 April 2021, the Company held the sixth meeting of the fourth session of the Board of Directors, and considered and approved the "Proposal on the Plan for Shareholder Dividends and Returns in the Next Three Years (2021-2023)". On 10 May 2021, the company held the 2020 Annual General Meeting at which the above proposal was considered and approved. The cash dividend policy as contained in the "Shareholder Dividend Return Plan for the Next Three Years (2021-2023)" is described as follows:

Factors under consideration: The Company pinpoints long-term sustainable development. Given this, efforts should be done to consider the actual operating conditions, development goals, external financing environment, and the requirements and wills of investors, especially small and medium investors in all aspects, and establish a sustainable, stable, rational return planning and mechanism, making institutional arrangements for dividend distribution, guarantee reasonable returns brought to investors, and ensure the continuity and stability of the dividend distribution policy.

Drawing up principles: the Company applies a positive profit distribution policy and values reasonable investment returns for investors. The Company should maintain the continuity and stability of the profit distribution policy while taking into account the long-term interests, the overall interests of all shareholders and the sustainable development of the Company. The Board of Directors, Board of Supervisors and general meeting shall consider the opinions of independent directors and public investors in the decision-making process and justification of profit distribution policies in all aspects.

Form of profit distribution: If the Company is eligible for distribution of cash dividends, the profit distribution method of cash dividends is preferred. Profits can be distributed in cash, stock, or a combination of both.

Conditions for distribution of cash dividends: Cash dividends can be distributed where the following conditions are satisfied:

- (1) The distributable profit realized by the Company in the year (the profit after tax netting of covering losses and drawing the provident fund) is a positive value;
- (2) The auditor issues a standard unqualified audit report on the annual financial report. With the above conditions for dividend distribution are satisfied, after the company has fully reserved the statutory reserve fund and surplus reserve fund, if there is no major cash payment or other events, the profit distributed in cash in a year, in principle, shall not be less than 30% of the distributable profit realized in the year.

Significant cash expenditure refers to one of the following circumstances:

- ① The accumulative expenses of the proposed foreign investment, acquisition of assets, equity or purchase of equipment, land and real estate over a course of the next twelve months have reached or exceeded 30% of the last audited net assets;
- ② The accumulative expenses of the proposed foreign investment, acquisition of assets, equity or purchase of equipment, land and real estate over a course of the next twelve months have reached or exceeded 20% of the last audited net assets;

Provided that there are sufficient cash dividends available for distribution, the Company may otherwise increase stock dividend distribution and capital reserve. If the Board of Directors fails to make an annual cash profit distribution plan, or the annual cash profit distribution ratio is less than 30% of the distributable profits realized in the year, it is necessary to account for following circumstances:

- ① In view of the characteristics of the industry in which it currently engages, the stage of development, business model, profit level, and whether there are major capital expenditure arrangements, account for the reasons for failing to distribute cash dividends or distributing cash dividends at a low level;
- ② The specific use of the retained undistributed profits and the relevant estimated income;

③ The independent opinions expressed by independent directors on the rationality of no or low level of distribution of cash dividends. After the end of each fiscal year, the Board of Directors comes up with a dividend distribution proposal and submits it to the general meeting for consideration. The Company embraces suggestions and supervision from all shareholders, independent directors, supervisors and public investors on the dividend distribution.

Percent and time interval of cash dividends: The Board of Directors should consider factors, such as the characteristics of the industry in which it currently engages, the stage of development, business model, profit level, and whether there are major capital expenditure arrangements, tell the differences of the following circumstances, and propose differentiated cash dividend policy following the procedures as set out in the Articles of Association:

(1) If the development stage is mature and there is no major capital expenditure arrangement over a course of the next twelve months, at the time of making profit distribution, the percent of cash dividends in this profit distribution should be at least 80%;

(2) If the development stage is mature and there is no major capital expenditure arrangement over a course of the next twelve months, at the time of making profit distribution, the percent of cash dividends in this profit distribution should be at least 40%;

(3) If the development stage is mature and there is no major capital expenditure arrangement over a course of the next twelve months, at the time of making profit distribution, the percent of cash dividends in this profit distribution should be at least 40%;

(4) If the development stage is mature and there is no major capital expenditure arrangement over a course of the next twelve months, at the time of making profit distribution, the percent of cash dividends in this profit distribution should be at least 20%;

If it is difficult to identify the development stage but there are major capital expenditure arrangements over a course of the next twelve months, the preceding paragraph may apply.

In principle, the company distributes cash dividends if the relevant plan has been considered and approved by the annual general meeting. The Board of Directors can propose the company to distribute interim cash dividends based on the profitability and capital needs.

Conditions for distribution of stock dividends: Where the operating conditions are good and the Board of Directors believes that the distribution of stock dividends inure to the overall interests of all shareholders, it can propose a stock dividend distribution plan provided that there are sufficient cash dividends available for distribution. Where stock dividends are used for profit distribution, there should be real and reasonable factors such as the growth of the company and the dilution of net assets per share.

Decision procedures and mechanisms: The annual profit distribution plan is proposed and drawn up by the Board of Directors in combination with the provisions of this proposal, profitability, capital supply and demand, and independent directors express independent opinions on the profit distribution plan, and submit it to the general meeting for consideration and approval following proper consideration and approval by the Board of Directors. Independent directors can ask for opinions from minority shareholders, put forward dividend proposals, and submit it directly to the Board of Directors for consideration and approval. Where the general meeting considers on the profit distribution plan, the Company shall provide shareholders with online voting methods, communicate and communicate with shareholders, especially small and medium shareholders through a plurality of channels, listen to the opinions and appeals of small and medium shareholders, and promptly answer the concerns of small and medium shareholders. As soon as the a resolution on the profit distribution plan is adopted at the general meeting, the Board of Directors must complete the distribution of dividends (or shares) within 2 months after the convention of general meeting. If the Company is profitable in the current year and qualifies for cash dividends, but the Board of Directors fails to submit a profit distribution plan to the general meeting under the established profit distribution policy, it shall give the reasons, the purpose and utilization plan of the funds not used for dividends retained in the company in the regular report, and independent directors will express independent opinions.

Changes in the company-specific profit distribution policy: The Company should draw up or adjust dividend return plans and protocols as appropriate and in conjunction with the opinions of shareholders (especially public investors) and independent directors. However, the Company should procure the current and future dividend return plans and protocols not to violate the following principles: when the Company is profitable in the year and qualifies for cash dividends, the company should distribute dividends in cash, and the profit distributed in cash must not be less than 20% of the current profit distribution.

If it is necessary to adjust the profit distribution policy due to major changes in the external business environment or its own business conditions, the protection of shareholders' rights and interests should be taken as the starting point, and the reasons should be demonstrated and explained in detail in the proposal of the general meeting of shareholders; the adjusted profit distribution policy must not violate the provisions of the CSRC. The relevant regulations of the board of directors and the stock exchange; the proposal on adjusting the profit distribution policy must be submitted to the general meeting of shareholders for approval after being considered and approved by the board of directors and the board of supervisors. Independent directors should express independent opinions on the proposal, and the general meeting of shareholders should adopt online voting. Provide conditions for public shareholders to attend and vote in other ways. The profit distribution policy adjustment plan shall be approved by more than 2/3 of the voting rights held by the shareholders present at the general meeting.

Material change in the external business environment or operating conditions shall refer to: 1. Material changes in national laws, regulations and industry policies cause a major adverse impact on the production and operation, resulting in the operating losses; 2. Force majeure factors such as wars and natural disasters have caused major adverse effects on the production and operation, resulting in operating losses of the company; 4. Other matters as stipulated by the China Securities Regulatory Commission and the stock exchange.

2. Implementation of cash dividend policy

The Company's 2022 annual general meeting, which was convened June 19, 2023, reviewed and approved the profit distribution proposal for 2022 presented by the Board of Directors. According to this proposal, a cash dividend of RMB4.63 per 10 shares (tax included) will be distributed to all shareholders based on the number of share capital registered on the date of registration of the share register for the equity distribution. The total number of shares of the Company as of December 31, 2022, was 1,102,046,572 shares, resulting in a proposed total cash dividend of RMB 510,247,562.84 (tax included), with any remaining undistributed profit carried over to the following year. There will be no capitalization of capital surplus or issuance of bonus shares for that year. In case of changes in the total number of shares due to events like the conversion of convertible corporate bonds between the adoption of the profit distribution plan and the share registration date for the equity distribution, the Company plans to maintain the cash dividend of RMB 4.63 (tax included) per 10 shares and adjust the total amount of cash dividends accordingly.

The Company's "Announcement on the Implementation of Tuopu Group's 2022 Annual Equity Distribution" was made public on July 10, 2023. It stated that from the date of proposal adoption (June 19, 2023) until the share registration date for the Equity Distribution, the Company's shares increased from 1,102,048,294 to 1,102,048,322 due to the conversion of "Tuopu Convertible Bonds". Consequently, the profit distribution is based on the Company's total share capital of 1,102,048,322 shares prior to the implementation of the plan. A cash dividend of RMB 0.463 (tax included) will be paid per share, resulting in a total cash dividend of RMB 510,248,373.09. The payment of these dividends was completed by the Company on July 17, 2023.

(2) Special note to cash dividend policy

Applicable Non-applicable

Whether this policy complies with the provisions of these Articles of Association or the requirements of the resolutions of the general meeting	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N
Whether the dividend standard and proportion are definitive and clear?	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N
Whether the relevant decision procedures and mechanisms are complete?	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N
Whether independent directors have performed their duties of due diligence and fulfilled due roles?	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N
Whether the minority shareholders have the chance to fully express their opinions and demands, and whether their legitimate rights and interests are fully protected?	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N

(3) If the Company earns profit during the reporting period and the parent's profit available to shareholders for distribution is positive, but no cash profit distribution plan has been proposed, the Company is required to give the exact reasons and the intended use and the plan of utilizing undistributed profits.

Applicable Non-applicable

(4) Profit distribution and the circumstances at which capital reserves are converted into additional shares during the reporting period√Applicable Non-applicable

Unit:Yuan Currency:RMB

Number of bonus issues (stocks) every 10 shares	
Number of dividends distributed (yuan) (with tax included) every 10 shares	5.56
Number of additional shares (stocks) every 10 shares	4.5
Amount of cash dividends (with tax included)	646,503,387.61
Net profit attributable to common shareholders of public company in the consolidated statement of dividend distribution year	2,150,642,258.47
Net profit attributable to common shareholders of public company as a percentage in the consolidated statement (%)	30.06
The amount at which the shares repurchased in cash are recognized as cash dividends	
Gross amount of dividends (with tax included)	646,503,387.61
Ratio of the gross amount of dividends to the net profit attributable to ordinary shareholders of the listed company in the consolidated statement (%)	30.06

XI.Conditions and Impact of Equity Incentive Plan, ESOP (employee stock ownership plan) or Other Employee Incentive Measures of the Company**(1)Related incentive events have been disclosed in the provisional announcement and there is no progress or change in subsequent implementation**Applicable Non-applicable**Incentives that are not disclosed in the provisional announcement or there is a progress in subsequent implementation**Condition of equity incentives
Applicable Non-applicable

Other notes

Applicable Non-applicable

ESOP

Applicable Non-applicable

Other incentives

Applicable Non-applicable**(2)Share incentives granted by directors, supervisors and officers during the reporting period**Applicable Non-applicable**(3)During the reporting period, the evaluation mechanism for officers, as well as the condition of establishment and implementation of the incentive mechanism**Applicable Non-applicable

XII. Construction and execution of internal control system during the reporting period

Applicable Non-applicable

During the reporting period, the Company has established a strict internal control management system exactly as per the laws and regulations formulated by CSRC and those under the “Company Law” and “Articles of Association”, continued to modified and specified such internal control management system in consideration of industry-wide characteristics and its business operations, improved the efficiency of business decisions, provided some guarantee for the legal compliance of business operations and management and the asset safety, and promoted the steady execution of company strategies.

Such internal control system is structurally reasonable, the internal control system framework suits the requirements of five ministries and commissions including the Ministry of Finance and the China Securities Regulatory Commission that internal control system should be complete, reasonable and effective, and meets the needs of company management and development. The Company is modifying the internal control system and making it work, has attained the anticipated objective as to internal control, and protected the interests of the Company and all shareholders.

At the 8th meeting of the Fifth Session of the Board of Directors, the "Proposal on the 2023 Internal Control Evaluation Report" was considered and passed, and the full text of the “2023 Internal Control Evaluation Report of Tuopu Group” was disclosed on the SSE website on the same day.

Notes to significant deficiencies in internal control during the reporting period

Applicable Non-applicable

XIII. Management and control status of subsidiaries during the reporting period

Applicable Non-applicable

During the reporting period, the Company subjected its subsidiaries to total budget control and enhanced the early warning competence by modifying the effective internal control mechanism. With an internal control system deployed from the management level to the business level, the Company further strengthened the ability in total risk control by performing financial data analysis on the OA and ERP systems.

XIV. Notes to relevant information on the internal control audit report

Applicable Non-applicable

The Company appointed BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership) to audit its internal control and issued standard unqualified audit report. More details are available in the “2023 Internal Control Audit Report of Ningbo Tuopu Group Co., Ltd.” as disclosed on the SSE website on the same day (Xin Kuai Bao Zi [2024] No. ZF10322).

Whether the internal control audit report has been disclosed: Yes

Type of internal control audit report: Standard and unqualified audit report

XV. Rectification of self-examining problems in the special action as to listed company governance

Non-applicable

XVI. Others

Applicable Non-applicable

Section 5 Environmental and Social Responsibility

I. Information about environment

Whether to establish relevant mechanisms for environmental protection	Yes
Funds invested in environmental protection during the reporting period (unit: in RMB 10,000)	20,459.42

(1) Notes to the environmental protection conditions of companies and their important subsidiaries announced by the environmental protection authority as key emission entities

Applicable Non-applicable

1. Information about emissions

Applicable Non-applicable

(1) According to the Notice of Ningbo Municipal Bureau of Ecology and Environment on Issuing the List of Key Units for Environmental Supervision and Control in Ningbo Municipality for the Year 2024 (Ningbo Huanfa [2024] No. 16) issued by the Ningbo Municipal Bureau of Ecology and Environment on March 28, 2024, the Company is shown in the list of key units for environmental supervision and control (radiation):

The Company is included in the list of key environmental risk control units (radiation).

The plant addressed at Guanhai Road, Chunxiao, Beilun District, Ningbo (hereinafter referred to as the "Guanhai Road Plant") has been included in the list of key regulatory units for water environment pollution and the list of key control units for environmental risks (hazardous waste);

The suspension plant addressed at Chunxiao, Beilun District, Ningbo (hereinafter referred to as the "Chunxiao Suspension Plant") has been included in the list of key environmental risk control units (hazardous waste and radiation).

The plant addressed at Longtanshan Road, Beilun District, Ningbo City (hereinafter referred to as the "Longtanshan Road Plant") is included in the list of key environmental risk control units (hazardous waste and radiation).

(2) Ningbo Tuopu Chassis System Company Limited (hereinafter referred to as "Yinzhou Tuopu"), a wholly-owned subsidiary of the Company located in Yinzhou District, Ningbo City, has been included in the list of key environmental risk control units (hazardous waste).

(3) Ningbo Tuopu Automobile Electronics Co., Ltd (hereinafter referred to as "Tuopu Automobile Electronics"), a wholly-owned subsidiary of the Company located in Ningbo Qianwan New District, has been included in the list of key environmental risk control units (hazardous waste, radiation) (hereinafter referred to as "Tuopu Automobile Electronics") is included in the list of key environmental risk control units (hazardous waste, radiation).

(4) Tuopu Skateboard Chassis (Ningbo) Co., Ltd (hereinafter referred to as "Skateboard Chassis"), a wholly-owned subsidiary of the Company located in Ningbo Qianwan New District, has been included in the list of key environmental risk control units (hazardous waste).

(5) Tuopu Thermal Management (Ningbo) Co., Ltd (hereinafter referred to as "Tuopu Thermal Management"), a wholly-owned subsidiary of the Company located in Ningbo Qianwan New District, has been included in the list of key environmental risk control units (hazardous waste).

(6) According to the "Notice on the Publication of the List of Key Units for Environmental Supervision and Control in Jinhua City in 2024" issued by the Bureau of Ecology and Environment of Jinhua on March 31, 2024, the Company's wholly-owned subsidiary, Jiangsu Towin Automobile Components Company Limited ("Jiangsu Towin"), which is located in Baifaoshan Industrial Park, Wuyi County, Jinhua City, was included in the list of key environmental risk control units (hazardous waste) ("Zhejiang Towin"), a wholly-owned subsidiary of the Company located in Baihuashan Industrial Park, Wuyi County, Jinhua City, was included in the list of key environmental risk control units.

(7) According to the "Suining List of Key Units for Environmental Supervision and Control in 2024" issued by Suining Bureau of Ecology and Environment on March 29, 2024, the Company's wholly-owned subsidiary Suining Tuopu Automotive Chassis Systems Company Limited ("Suining Tuopu"), which is located in the Industrial Concentration Development Zone of Anju District, Suining City, was included in the list of key units for environmental supervision and control. ("Suining Tuopu"),

a wholly-owned subsidiary of the Company located in the Industrial Concentration Development Zone of Anju District, Suining City, was included in the list of key environmental risk control units in Suining City in 2024.

(8) Pursuant to the "Notice on Issuing the 2024 Xiangtan City Environmental Supervision and Control Key Units List" issued by the Xiangtan City Bureau of Ecology and Environment on March 28, 2024, the Company's wholly-owned subsidiary, Hunan Tuopu Automobile Parts Co., Ltd., which is located in Xiangtan Economic Development Zone, was included in the list of key environmental supervision and control units.

2. Construction and operation of pollution control facilities

Applicable Non-applicable

All plants of the Company arrange production facilities in a reasonable way, improve processes and increase the recycling of water, and reduce the emissions of sewage, waste liquid, general solid wastes and hazardous wastes. The automatic waste monitoring system is running normally and transmitting data to the environment protection authority in real time, allowing environment protection authorities at all levels to perform real-time monitoring. Each plant has set up a yard for storage of hazardous wastes in accordance with the measures applicable to the control of hazardous wastes, taken reasonable measures against seepage, leakage and overflowing, maintained the hazardous waste management account and transfer form, and subjected hazardous wastes to the transfer form system.

The construction and operation of pollution control facilities in the plants or subsidiaries included on the list of key emission entities are as follows:

(1) Guanhai Road Factory, Chunxiao Suspension Factory, Longtanshan Road Factory: implement rainwater and sewage diversion and clean sewage diversion, and obtain permits for urban sewage connection to the drainage network, as well as obtaining sewage discharge permits issued by the Ecology and Environment Bureau of the jurisdiction or the registration receipt. The numbers are: Sewage discharge: (No. 36 Guanhai Road) 91330200761450380T001V, (No. 1 Longtanshan Road) 91330200761450380T004Y, (No. 59 Guanhai Road) 91330200761450380T007Y, (No. 666 West Hengshan Road) 91330200761450380T002U, (No. 99 Chunxiao Avenue) 91330200761450380T006Z, (No. 268 Yukwangshan Road) 91330200761450380T005W, (No. 339 West Damtou Road) 91330200761450380T003W.

Drainage: (Guanhai Road No. 36) Zhelun Daiji No. 00767, (Longtanshan Road No. 1) Zhelun Daiji No. 00398, (Guanhai Road No. 59) Zhelun Xiaoxiao Daiji No. 00035, (Chunxiao Avenue No. 99) Zhelun Xiaoxiao Daiji No. 00023, (Yukwangshan Road No. 268) Zhelun Daiji No. 00656.

Production wastewater: the production wastewater as gathered from the plant area via the pipeline to the regulating tank of sewage treatment station are subject to neutralization, flocculation, coarse sedimentation, air flotation, acidifying, aerobic biochemistry reaction, sedimentation and regulating. Once acceptable to the standard, the production wastewater will be discharged to the municipal sewage pipeline, an intelligent sewage treatment control system that can prevent any unacceptable sewage from accessing to the municipal sewage pipeline. An automatic monitoring system is implemented in the plant area, which allows the environmental protection authority to monitor how the sewage station operates in the plant area.

Domestic sewage: The oily wastewater generated in the canteen is pretreated by the oil trapping facility, and the domestic sewage is treated by the septic tank. Once acceptable to the pipeline conveyance standard designated by the Sewage Treatment Plant, the domestic wastewater will be discharged to the municipal sewage pipeline system.

The above wastewater and sewage subject to the treatment process are finally discharged to Chunxiao municipal sewage pipeline system via a drain outlet, finally to Chunxiao Sewage Treatment plant. The normative standard applicable to sewage discharge of Chunxiao Plant: total zinc is subject to Grade 1 standard as contained in Table 4 of the "Integrated Wastewater Discharge Standard" (GB8978-1996), other contents are subject to the pipeline conveyance standard of Chunxiao Sewage Treatment Plant. Actual data of production wastewater test: total zinc is 0.038mg/L, pH value is 8.31, suspended matter is 10mg/L, COD is 55mg/L; domestic wastewater test data: pH value is 7.60, suspended matter is 97mg/L, COD It is 354mg/L, all data are acceptable.

In the plant, rubber scraps, non-conforming products in production, and scrap metal generated by mold repair are identified as general solid wastes, sorted out by category, then disposed and recycled.

Waste activated carbon, waste paint slags, pickling and phosphate slags, and waste oil generated in the production process are identified as hazardous wastes, a yard for storage of hazardous wastes has been set up in accordance with the national applicable provisions. The application for transfer of hazardous wastes has been submitted in accordance with the applicable management provisions of Ningbo Ecological Environment Bureau. And the agreements for disposal of hazardous wastes have been signed with Ningbo Beilun Environmental Solid Waste Disposal Co., Ltd., Hangzhou Fuyang Shenneng Solid Waste Environmental Recycling Co., Ltd., and Ningbo Zhende Environmental Technology Co., Ltd.

(2) Yinzhou Tuopu: a new factory, various pollution prevention and control facilities in the factory area are currently being submitted for approval in preparation for the construction stage.

According to the Ningbo Municipal Bureau of Ecology and Environment on the "Ningbo Tuopu Chassis System Co., Ltd. annual output of 800,000 sets of high-end automotive interior functional trim parts project and annual output of 500,000 sets of automotive lightweight chassis system project Environmental Impact Report Sheet" of the review of the comments (Yin Huan Jian [2023] 126) on the construction and operation of environmental protection facilities are approved as follows:

The project must prioritize the following tasks during the construction and operation process:

Compliance with water pollution control regulations by enhancing the collection and treatment of wastewater. The wastewater from the rubber workshop must meet the standards set by GB27632-2011 for the rubber products industry before being discharged into the natatorium. Other production wastewater, such as neutralization and precipitation tank wastewater, should be treated along with domestic sewage in septic tanks to meet the Level 3 standards of GB8978-1996 for Comprehensive Emission Standards for Wastewater (including ammonia nitrogen and total phosphorus). The discharge should then be directed into the pipe after meeting the control indicators specified in DB33/887-2013 for Indirect Emission Limits of Nitrogen and Phosphorus Pollutants from Wastewater of Industrial Enterprises.

Implementation of exhaust gas pollution prevention measures to ensure compliance with regulations and control all types of exhaust emissions.

The die-casting workshop of Project A is subject to various air pollutant emission standards. These standards, outlined in the GB39726-2020, set limits for the emissions of melting fumes, mold exhaust, natural gas combustion exhaust, baking package exhaust, heat treatment exhaust, shot blasting dust, grinding dust particles, sulfur dioxide, and nitrogen oxides. Additionally, the emissions of non-methane hydrocarbons from die-casting molding, fluorescence flaw detection, industrial oil volatilization, laser marking, and coding are regulated. The total methane hydrocarbons emitted from die-casting, fluorescent flaw detection, volatilization of industrial oils, and dust emissions from laser coding are covered under Table 2 of GB16297-1996. This table includes emission limits for air pollutants from new sources and concentration limits for monitoring unorganized emissions.

The emission of non-methane hydrocarbons in the rubber extrusion, extension exhaust, and vulcanization exhaust in workshop B (suspension system production workshop) of the project complies with the emission limit values of air pollutants from newly-built enterprises stated in Table 5 of the "Pollutant Emission Standards for Rubber Products Industry." Additionally, it adheres to the limit values of unorganized emission from the factory boundaries of newly-built enterprises as specified in Table 6 of the same standards. The emission values of carbon disulphide and odorous gases are also in accordance with the standards set in Table 1 of the "Emission Standards for Odor Pollutants" in GB14554-1993. The second level standard value of odor pollutants at the plant boundary in Table 1 and the limit value of odor pollutants emission standards in Table 2 are also met. Furthermore, the emission standards for steam boiler exhaust emissions are followed as outlined in Table 3 of GB13271-2014 "Boiler Air Pollutants Emission Standards." The special emission limits for air pollutants and the emission requirements for low-nitrogen combustion control, as stated in the "Gas Boiler Low-nitrogen Transformation Work Technical Guidelines (Interim)" by the Department of Ecology and Environmental Protection of Zhejiang Province, are also implemented. It is important to note that the local standards of Zhejiang Province will be enforced once they are released. Lastly, the emission of sand blasting dust from the mold core complies with the comprehensive emission standards for air pollutants stated in Table 2 of GB16297-1996, which includes the emission limits for air pollutants from new sources and the concentration limits for monitoring and control of disorganized emissions.

The production workshop for the sealing system, known as Project Workshop C, involves various processes such as unpacking, rubber refining, open training, extrusion, vulcanization, and jointing hot pressing. These processes generate non-methane hydrocarbons and particulate emissions. To ensure

environmental compliance, the workshop must adhere to the air pollutant emission limits specified in GB27632-2011 "Rubber Products Industry Pollutant Emission Standards." Table 5 of this standard sets the emission limits for new enterprises, while Table 6 specifies the limits for both existing and new enterprises within the plant boundary. Specifically, the workshop needs to control emissions of carbon disulfide and odor from rubber refining and open training. These emissions should comply with the standards outlined in GB14554-1993 "Emission Standards for Odor Pollutants." Table 1 of this standard defines the second level of odor pollutants at the factory boundary, while Table 2 sets the emission standard limits for odor pollutants. Furthermore, the workshop must address emissions from processes such as workpiece surface spraying, drying and curing exhaust, glue and drying and curing exhaust, and sealing strips. These emissions include non-methane hydrocarbons, odor, and other pollutants. To regulate these emissions, the workshop should follow the air pollutant emission limits specified in DB33/2146-2018 Table 1 and the air pollutant concentration limits in Table 6. These limits are outlined in the "Emission Standards for Air Pollutants from Industrial Painting Processes." Regarding the exhaust gas from natural gas combustion, the workshop should comply with the emission standards stated in GB9078-1996 "Emission Standards for Air Pollutants from Industrial Furnaces and Kilns." Specifically, Table 2 of this standard defines the secondary standards for exhaust gas emissions. Additionally, the workshop must meet the requirements of the "Comprehensive Control Program of Air Pollution from Industrial Furnaces and Kilns in Zhejiang Province" as stated in Zhejiang Environmental Letter (2019) No. 315. In Workshop D, which is responsible for the production of sound insulation systems, the pressure molding exhaust gas contains non-methane hydrocarbons. To regulate these emissions, the workshop should adhere to the pollutant emission standards specified in GB31572-2015 "Pollutant Emission Standards for Synthetic Resin Industry." Table 5 of this standard sets the special emission limits for air pollutants, while Table 9 defines the concentration limits for air pollutants at the boundary of enterprises.

The emission standards for malodorous pollutants, as stated in GB14554-1993, are being implemented at the sewage station to control the odorous waste gas emissions. Table 1 sets the secondary standard values for odor pollutants at the plant boundary, while Table 2 establishes the emission standard limits for odor pollutants. In addition, the unorganized emission of volatile organic compounds in the plant area is regulated by GB37822-2019, which provides special emission limits in Table A1. The canteen fumes are effectively treated through a smoke purification device, in accordance with GB18483-2001, which sets the emission standards for the catering industry.

Noise pollution prevention and control requirements. The environmental noise emission at the factory boundary of the project carries out GB12348-2008 "Environmental Noise Emission Standard for Factory Boundary of Industrial Enterprises", which is a category 3 standard.

Solid waste pollution prevention and control requirements. Hazardous waste has been planned in accordance with the relevant requirements of classification collection and storage, and handed over to qualified units for treatment, the corresponding implementation of the hazardous waste transfer joint bill system: general industrial solid waste and domestic garbage and other solid wastes are classified and collected for harmless or resource treatment, and to prevent the generation of secondary pollution.

Environmental risk prevention and emergency response. Implement risk and accident prevention countermeasures in strict accordance with the EIA. Promote the implementation of environmental protection facilities such as wastewater treatment and other key environmental control facilities to implement the requirements of safe production, carry out safety risk assessment and hidden danger investigation and management, and report the relevant information to the Municipal Bureau and the relevant industry authorities, copied to the Municipal Emergency Management Bureau. Proposed to entrust the design unit with the appropriate qualifications of the key environmental protection facilities of the construction project, and to establish and improve the internal pollution prevention and control facilities for stable operation and management responsibility system and safety control ledger information, in strict accordance with the standards and specifications for the construction of environmental governance facilities to ensure that the environmental governance facilities are safe, stable and effective operation. Project pollution prevention and control facilities shall be designed together with the main project in accordance with the requirements of safe production, and when carrying out the safety evaluation work as required, it is proposed to include the environmental control facilities into the scope of safety evaluation together, and can only be implemented after approval and consent of the relevant functional departments. Effectively prevent environmental risks that may be caused by accidental discharge of pollutants or safety production accidents, and ensure the safety of the surrounding environment.

Total pollutant emission control requirements. According to the Report Table, the total control indexes of the whole plant after the implementation of the project are as follows: Chemical Oxygen Demand (COD) 0.212t/a, Nitrogen Oxide: 3.354t/a, Sulfur Dioxide 0.176t/a, Particulate Matter 19.587t/a, VOC 10.949t/a.

If the nature of the project, scale, location, the production process used or measures to prevent pollution and ecological damage have undergone significant changes, the project is proposed to be re-approved according to the law of environmental assessment documents. After 5 years from the date of approval, if the project party starts construction, the EIA document will be reported to the municipal bureau for re-examination. If the project does not conform to the approved EIA document during the construction and operation of the project, the relevant environmental protection procedures shall be carried out in accordance with the law.

The above comments and the pollution prevention and control measures and risk prevention measures proposed in the Report Table, our company intends to conscientiously implement in the project design, construction, operation and management to ensure environmental safety and social stability during the construction and operation of the project. Our company strictly implements the environmental protection "three simultaneous" system, and realizes the commitment of the legal person. Before the project is put into production or use, the environmental protection facilities will be inspected and accepted according to the law, and the project shall not be put into production or use without inspection or unqualified inspection. Our company accepts the supervision and inspection of ecological environment departments at all levels according to regulations.

(3) Tuopu Automobile Electronics: It implements rainwater and sewage diversion and clean sewage diversion, and has obtained a license for urban sewage connection to the drainage network (Zhejiang No. 19119) and a sewage discharge license issued by the Bureau of Ecology and Environment of Hangzhou Bay New District, Ningbo City (Certificate No. 91330201MA2833A9XR001Q).

Production wastewater: After collecting all production wastewater from the plant to the collection tank of sewage treatment station through pipeline, it will be discharged into the municipal sewage pipeline after pretreatment, mediation, reaction, precipitation, neutralization, hydrolysis acidification, aerobic biochemistry, secondary precipitation, flocculation precipitation, and other processes to finally reach the standard. Eliminate non-standard sewage into the municipal pipeline network.

Domestic Wastewater: The oily wastewater generated by the cafeteria is pre-treated by grease traps, and the domestic wastewater is treated by septic tanks, and then discharged into the municipal wastewater pipeline network of Hangzhou Bay New Area after reaching the standard of Hangzhou Bay New Area Sewage Treatment Plant.

After the above wastewater and sewage treatment, one way of wastewater and wastewater is discharged into Hangzhou Bay New Area municipal sewage pipeline through 02WS863 outlet, and the other way of wastewater is discharged into Hangzhou Bay New Area municipal sewage pipeline into the city sewage treatment plant through 01WS703 outlet.

Factory wastewater discharge standards for: GB8978-1996 "Comprehensive Emission Standards for Sewage" in the third level, ammonia nitrogen and total phosphorus to implement the "Zhejiang Province, local standards for industrial wastewater nitrogen, phosphorus pollutants indirect discharge limits" (DB33/887-2013) discharged into the municipal wastewater network, and ultimately by the wastewater treatment plant treatment of the "urban sewage treatment plant pollutant emission standards" (GB18918-2002), and then discharged into the municipal sewage pipe network.

Hangzhou Bay factory wastewater is treated into the urban pipeline network standard. The actual production of wastewater testing data: pH value of 6.1, COD is 18mg / l, ammonia nitrogen is 0.447mg / l, suspended solids <4mg / l, petroleum 0.48mg / l, total phosphorus 0.08mg / l, zinc 0.01mg / l, anionic surfactant <0.17mg / l, total nitrogen 4.57mg / l, five-day BOD6.4mg / l, are all The total nitrogen is 4.57mg/l, the five-day biochemical oxygen demand is 6.4mg/l, all of which meet the requirements.

Metal trimmings within the facility, non-compliant products during production, maintenance of waste metal molds, rubber edges, and waste packaging are classified as general solid waste. These items are subject to unified collection, sale, and comprehensive utilization. Hazardous waste such as waste paint residue, waste rubber, waste packaging drums, sludge, activated carbon, cleaning waste liquid, waste emulsion, waste engine oil, aluminum ash, and aluminum dregs must be handled in accordance with national regulations. Hazardous waste yards and warehouses should be established to meet the requirements of the Environmental Protection Bureau. The transfer of hazardous waste declaration should be done through the "National Solid Waste and Chemical Management Information System" and disposal agreements with Ningbo Beilun Environmental Protection Solid Waste Disposal Co., Ltd.,

Zhejiang Kaikang Metal Products Co., Ltd., Ningbo Bochuan Waste Liquid Disposal Co., Ltd., Dongyang Mason Industry and Trade Co., Ltd., Ningbo Juxin Environmental Protection Products Co., Ltd., Zhejiang Lvchen Environmental Protection Science and Technology Co., Ltd., and Zhejiang Environmental Protection Group Beilun Shanko Environmental Protection Science and Technology Co., Ltd. must be adhered to.

10 sets of Class III X-ray detectors and four sets of Class II X-ray detectors are used in the plant project, and the Company obtained the radiation safety license issued by the Department of Ecology and Environment of Zhejiang Province on May 12, 2022, with the certificate number of Zhe Huan Radiation Certificate [B2971].

(4) Skateboard Chassis: rainwater and sewage diversion and clean sewage diversion are implemented, and the company has obtained a license for urban sewage connection to the drainage network (Zhejiang No. 2411) and a sewage discharge license issued by the Bureau of Construction and Traffic and Transportation of Ningbo Qianwan New Area (Certificate No. 91330201MA7FLHCH5K).

Production wastewater: After collecting all production wastewater from the plant to the collection tank of the wastewater treatment station through the pipeline, it will be discharged into the municipal wastewater pipeline after pretreatment, mediation, reaction, precipitation, neutralization, hydrolysis and acidification, aerobic biochemistry, secondary precipitation, flocculation and precipitation, and other processes that finally meet the standard. Eliminate non-standard sewage into the municipal pipeline network.

Domestic Wastewater: The oily wastewater generated by the cafeteria is pre-treated by grease traps, and the domestic wastewater is treated by septic tanks, and then discharged into the municipal wastewater pipeline network of Hangzhou Bay New Area after reaching the standard of Hangzhou Bay New Area Sewage Treatment Plant.

After the above wastewater and sewage treatment, one way of wastewater and wastewater is discharged into Hangzhou Bay New Area municipal sewage pipeline through WS0001 outlet, and the other way of wastewater is discharged into Hangzhou Bay New Area municipal sewage pipeline into the city sewage treatment plant through WS0155 outlet.

Factory wastewater discharge standards for: GB8978-1996 "Comprehensive Emission Standards for Sewage" in the third level, ammonia nitrogen and total phosphorus to implement the "Zhejiang Province, local standards for industrial wastewater nitrogen, phosphorus pollutants indirect discharge limits" (DB33/887-2013) discharged into the municipal wastewater pipeline network, and ultimately by the wastewater treatment plant to treat up to the "municipal wastewater treatment plant pollutant discharge standards" (GB18918-2002) Class A standard and then discharged to the sea. Hangzhou Bay factory sewage after treatment into the municipal pipeline network standards. The actual production wastewater testing data: pH value of 6-9mg/L, COD 500mg/L, BOD 300mg/L, SS 400mg/L, ammonia nitrogen 35mg/L, petroleum 20mg/L, LAS 20mg/L, total aluminum 2.0mg/L, total phosphorus 8mg/L, total nitrogen 70mg/L, are in line with the requirements.

Industrial waste in the plant, baling tape, waste saw blades, waste rubber edge, scrap rubber-containing iron (just) products, scrap rubber-containing aluminum products, waste mold materials, (waste mold materials, iron chips, cooked iron foam), scrap iron (just) products, waste copper, waste brass, waste cardboard boxes, iron, wire barrels, steel foam belongs to the general solid waste, after the collection of the unified outsourcing of comprehensive utilization. For waste plastic drums, waste iron drums, waste cutting fluid, waste oil, sludge, aluminum ash aluminum slag are hazardous waste, according to the national hazardous waste collection, packaging, storage and transportation, disposal requirements for the establishment of hazardous waste yards and warehouses, and according to the Environmental Protection Bureau of the hazardous waste management requirements unified in the "National Solid Waste and Chemical Management Information System". Ningbo Chengjie Property Management Co., Ltd., Ningbo Yibang Renewable Resources Co., Ltd., Ningbo Bochuan Waste Liquid Disposal Co., Ltd., Dongyang Mason Industry and Trade Co., Ltd., Ningbo Juxin Environmental Protection Products Co., Ltd., Zhejiang Lvchen Environmental Protection Science and Technology Co., Ltd., Zhejiang Environmental Protection Group Beilun Shangke Environmental Protection Technology Co., Ltd.

Skateboard Chassis uses 10 sets of three types of X-ray detectors, and the company is in the process of obtaining the radiation safety license.

Skateboard Chassis has formulated comprehensive and special emergency response plans for environmental emergencies, which are used to standardize and guide the company's emergency response and rescue actions for environmental emergencies and are declared on the Environmental Emergency

Response Enterprises Reporting Platform of Zhejiang Province. The report on the emergency response plan for environmental emergencies has been completed, and it will be declared for filing after the acceptance by the Environmental Protection Bureau.

(5) Tuopu Thermal Management: practicing rainwater and sewage diversion and clean sewage diversion, obtaining the license for urban sewage connection to the drainage network (Zhe Zi No.2360)(Zhe Zi No.2361)(Zhe Zi No.2362), and the sewage discharge license issued by the Bureau of Ecology and Environment of the Hangzhou Bay New District of Ningbo City (Certificate No. 91330201MA2J3L9257002W) (Certificate No. 91330201MA2J3L9257001X) (Certificate No. 91330201MA2J3L9257003X).

Production wastewater: After collecting all production wastewater from the plant to the collection tank of sewage treatment station through pipeline, it will be discharged into the municipal sewage pipeline after pretreatment, mediation, reaction, precipitation, neutralization, hydrolysis acidification, aerobic biochemistry, secondary precipitation, flocculation precipitation, and other processes to finally meet the standard. Eliminate non-standard sewage into the municipal pipeline network.

Domestic Wastewater: The oily wastewater generated by the cafeteria is pre-treated by grease trap facilities, and the domestic wastewater is treated by septic tanks, and then discharged into the municipal sewage network of Hangzhou Bay New Area after reaching the standard of Hangzhou Bay New Area Sewage Treatment Plant.

After the above wastewater and sewage treatment, three of the sewage and wastewater are discharged into Hangzhou Bay New Area municipal sewage pipeline through WS808, WS111 and WS101 drainage outlets into the city sewage treatment plant.

The factory adheres to the sewage discharge standards outlined in GB8978-1996, known as the "comprehensive sewage discharge standards" at the third level. According to these standards, the factory discharges ammonia nitrogen and total phosphorus into the municipal sewage network, following the limits set by the local standards for industrial wastewater nitrogen and phosphorus pollutants indirect discharge limits in Zhejiang Province (DB33/887-2013). The discharged wastewater is then treated at the sewage treatment plant to meet the "municipal wastewater treatment plant emission standards" at level 1, as specified in GB18918-2002. After meeting the Class A standard of GB18918-2002, the treated wastewater is discharged into the sea. In Hangzhou Bay, the factory's sewage is treated according to the municipal pipeline network standards. The actual testing data of the wastewater produced during the factory's production process is as follows: the pH value is 7.3, COD is 358mg/L, ammonia nitrogen is 7.58mg/L, suspended solids are 85mg/L, petroleum is 0.21mg/L, total phosphorus is 1.06mg/L, zinc is 0.01mg/L, anionic surfactant is 0.66mg/L, total nitrogen is 4.57mg/L, and five-day biochemical oxygen demand is 156mg/L. These values are in compliance with the required standards.

Metal trimmings within the plant are used in the production of substandard products, while waste metal mold maintenance, rubber edges, and waste packaging are considered general solid waste. These materials are subject to unified collection and sale for comprehensive utilization. Hazardous waste, such as waste paint residue, waste rubber, waste packaging drums, sludge, activated carbon, cleaning waste liquid, waste emulsion, waste engine oil, aluminum ash, and aluminum dregs, must be handled in accordance with national regulations. This includes proper collection, packaging, storage, transportation, and disposal. Hazardous waste yards and warehouses should be established to meet these requirements. Additionally, compliance with the Environmental Protection Bureau's guidelines for hazardous waste management is essential. Various companies, including Ningbo Beilun Environmental Protection Solid Waste Disposal Co., Ltd., Zhejiang Kaikang Metal Products Co., Ltd., Ningbo Bochuan Waste Liquid Disposal Co., Ltd., Dongyang Meichen Industry and Trade Co., Ltd., Ningbo Juxin Environmental Protection Products Co., Ltd., Zhejiang Lvchen Environmental Protection Technology Co., Ltd., and Zhejiang Province Environmental Protection Group Beilun Shangke Environmental Protection Science and Technology Co., Ltd., have signed hazardous waste disposal agreements to ensure proper handling of such materials.

Tuopu Thermal Management uses 22 sets of Class III X-ray detectors, and the company obtained a radiation safety license issued by the Department of Ecology and Environment of Zhejiang Province on November 17, 2023, with a certificate number of Zhe Huan Radiation [B3074] (10 sets of Class III X-ray detectors in Phase V are not included in the list, and the project is in progress).

Tuopu Thermal Management has formulated comprehensive and special emergency response plans for environmental emergencies, which are used to standardize and guide the company's emergency response and rescue actions in case of environmental emergencies, and declared them on the

environmental emergency response enterprise declaration platform of Zhejiang Province, and the emergency response plans are currently being approved by the Environmental Protection Bureau.

(6) Zhejiang Towin: diversion of rainwater and sewage, diversion of clean water and sewage, obtain the permit for urban sewage to the drainage pipeline system, serial no.: Zhe Wu Wu Pai Zi No. 2022085; obtain the emission permit granted from Jinhua Ecological Environment Bureau, serial no.:91330723MA29PBM72F001U.

Production wastewater: the production wastewater as gathered from the plant area via the pipeline to the regulating tank of sewage treatment station are subject to neutralization, flocculation, coarse sedimentation, air flotation, acidifying, aerobic biochemistry reaction, sedimentation and regulating. Once acceptable to the standard, the production wastewater will be discharged to the municipal sewage pipeline of the Development Zone. An automatic monitoring system is implemented to prevent any unacceptable sewage from accessing to the municipal sewage pipeline. The environmental protection authorities at all levels across the nation can monitor how the sewage station operates in the plant area and the emission indexes.

Domestic sewage: The oily wastewater generated in the canteen is pretreated by the oil trapping facility, and the domestic sewage is treated by the septic tank. Once acceptable to the pipeline conveyance standard designated by Wuyi NO.1 Sewage Treatment Plant, the domestic wastewater will be discharged to the municipal sewage pipeline system.

The above wastewater and sewage subject to the treatment process are finally discharged to the municipal sewage pipeline system of Wuyi Baihuashan Industrial Park via a drain outlet, finally to Wuyi Sewage Treatment plant.

The normative standard applicable to sewage discharge of Zhejiang Towin: total zinc is subject to Grade 3 standard of "Integrated Wastewater Discharge Standard" (GB8978-1996), the sewage subject to treatment process is discharged into the municipal pipeline system. Actual data of production wastewater test: pH value: 7.28, suspended matter: 23 mg/l, COD: 52.07 mg/l, biochemical oxygen demand over a course of 5 days: 53.8mg/l, ammonia nitrogen: 5.71mg/l, total phosphorus: 0.28mg/l, petroleum: 0.51mg/l, anionic surfactant: 1.08mg/l, all indexes conform to the specifications.

In Zhejiang Towin Plant, rubber scraps, non-conforming products in production, and scrap metal generated by mold repair are identified as general solid wastes, collected, then disposed and utilized. Waste paint slags, pickling and phosphate slags, and waste oil generated in the production process are identified as hazardous wastes, a dedicated storehouse for hazardous wastes is set up under the national provisions applicable to collection, packaging, storage, conveyance and disposal of hazardous wastes, the storage registration account is created on Zhejiang Solid Wastes Monitoring Information System, and the agreements for disposal of hazardous wastes have been signed with Zhejiang Red Lion Environmental Protection Co., Ltd. and Zhejiang Yulong Environmental Protection Technology Co., Ltd.

Zhejiang Towin Plant arranges production facilities in a reasonable way, improves processes and increase the recycling of water, and reduces the emissions of sewage. The automatic waste monitoring system is running normally and transmitting data to the environment protection authority in real time. The access control facility (environmental protection authorities at the central, provincial, municipal and county level can perform real-time monitoring) is added. The plant has set up a yard and storehouse for hazardous wastes in accordance with the measures applicable to the control of hazardous wastes, and maintained the hazardous waste management account and transfer form.

(7) Suining Tuopu: diversion of rainwater and sewage, diversion of clean water and sewage, obtain the permit for urban sewage to the drainage pipeline system, and the emission permit granted from Suining Ecological Environment Bureau of Sichuan (serial no.: 91510904071417225P001U).

Production wastewater: the production wastewater as gathered from the plant area via the pipeline to the regulating tank of sewage treatment station are subject to neutralization, flocculation, coarse sedimentation, air flotation, acidifying, aerobic biochemistry reaction, sedimentation and regulating. Once acceptable to the standard, the production wastewater will be discharged to Longyanjing Sewage Treatment Plant. An automatic monitoring system is implemented, which allows the environmental protection authorities at all levels in Sichuan to monitor how the sewage station operates in the plant area and the emission indexes.

Domestic sewage: The oily wastewater generated in the canteen is pretreated by the oil trapping facility, the Longyanjing Wastewater Treatment Plant receives domestic sewage after it has undergone pre-treatment in septic tanks. The sewage is then treated and discharged in accordance with the set standards.

The above wastewater and sewage subject to the treatment process are discharged into the municipal sewage pipeline of Anju Industrial Concentration Development Zone, finally to Longyanjing Sewage Treatment Plant.

The normative standard applicable to sewage discharge of the plant is Grade 3 standard of "Integrated Wastewater Discharge Standard" (GB8978-1996). The sewage subject to treatment process is discharged into the municipal pipeline system. Actual data of production wastewater test: Total nickel: 0.041mg/l, pH value: 7.3, COD: 194.3mg/l, ammonia nitrogen: 11.22mg/l (standard values of five classes with respect to this project), and petroleum: 0.36mg/l.

Test data of domestic wastewater: pH value: 7.2, suspended matter: 79 mg/l, COD: 224mg/l, all indexes conform to the specifications.

In the plant, rubber scraps, non-conforming products in production, and scrap metal generated by mold repair are identified as general solid wastes, collected, then disposed and utilized. Waste paint slags, pickling and phosphate slags, and waste oil generated in the production process are identified as hazardous wastes, a dedicated yard and storehouse for hazardous wastes is set up under the national provisions applicable to collection, packaging, storage, conveyance and disposal of hazardous wastes, the application for transfer of hazardous wastes has been submitted in accordance with the applicable management provisions of Anju Environmental Protection Bureau, and the agreements for disposal of hazardous wastes have been signed with Suining Tuopu and Zigong Jinlong Cement Co., Ltd.

The plant arranges production facilities in a reasonable way, improves processes and increase the recycling of water, and reduces the emissions of sewage. The automatic sewage monitoring system is operating normally and connected to the environmental protection authority for data transmission in real time, and the environmental protection authorities at the provincial, city and county levels can monitor it in real time. Sichuan Maigao has been approved in the environmental protection acceptance procedure by Suining Environmental Protection Bureau and filed for urban rainwater and sewage pipeline. Acting in strict accordance with the national emission standards, Sichuan Maigao is committed to improving the environment, with minor impact on the surrounding environment. The sludge, waste oil, and waste paint slag generated from the sewage station are disposed by Zigong Jinlong Cement Co., Ltd.

(8) Hunan Tuopu: It has implemented rainwater and sewage diversion and obtained the license for urban sewage connection to the drainage network (4111 No. 0319) and the sewage discharge license issued by Xiangtan Ecological Environment Bureau (Certificate No. 91430300MA4PDKMY0M001Q).

Production wastewater: 1 wastewater treatment station, with a treatment capacity of 15m³/h, treatment processes include: fluorescent osmosis solution cleaning wastewater pretreatment process, hydrolysis adjustment process, biochemical contact oxidation process, depth treatment process, etc.; production wastewater is optimized and adjusted, and 60% of the water treated by the wastewater treatment station is reused for production, and 40% of the wastewater is discharged into municipal wastewater pipeline network after treatment up to the standard; the waste cutting fluid, as a hazardous waste, is It will be handed over to the third party qualified unit for treatment.

Domestic wastewater: grease trap (20m³/d) and septic tank (50m³/d) are discharged into the municipal sewage network after the septic tank treatment is up to standard.

After treatment, the above wastewater and sewage are discharged into Xiangtan municipal sewage pipeline into Jiuhua Sewage Plant through the factory's total outlet DWO01 outlet.

The factory wastewater discharge at Hunan Tuopu follows the implementation standard set by GB8978-1996 "Comprehensive Wastewater Discharge Standard". After undergoing treatment at the factory wastewater treatment station, the wastewater is discharged into the municipal sewage network. Subsequently, it undergoes further treatment at the Jiuhua Wastewater Treatment Plant. The testing data for the actual production wastewater indicates that it meets the required standards. The pH value is 7.2, COD is 128mg/L, ammonia nitrogen is 17.1mg/L, suspended solids are less than 30mg/L, petroleum content is 0.4mg/L, total phosphorus is 0.44mg/L, anionic surfactant is 0.832mg/L, total nitrogen is 3.95mg/L, and five-day BOD is 35.9mg/L.

Metal trimmings in the plant, the production of substandard products, mold maintenance of waste metal, rubber edges, waste packaging belongs to the general solid waste, after unified collection and sale of comprehensive utilization. For waste rubber, waste drums, sludge, waste activated carbon, waste emulsion, waste oil, aluminum ash, aluminum slag, dust collected by bag filter are hazardous waste, according to the national requirements for hazardous waste collection, packaging, storage and transportation, disposal of hazardous waste warehouse has been set up, and according to the requirements of the Environmental Protection Bureau of the management of hazardous waste unified in the "National Solid Waste and Chemical Management Information System", and hazardous waste

disposal agreements were concluded with Hunan Hanyang Environmental Protection Technology Co., Ltd, Hunan Jingyi Xiangtai Environmental Protection Hi-Tech Co., Ltd, Changsha Mingyuan Environmental Protection Technology Co., Ltd., and Hunan Yongxinyuan Environmental Protection Co., Ltd.

Hunan Tuopu project uses 6 sets of Class III X-ray detectors, and the Company obtained the radiation safety license issued by Xiangtan Eco-Environmental Bureau on January 28, 2023, with the certificate number: Xianghuan Huirongzhi [C0168].

3. EIA of construction projects and administrative permits granted to other environmental protection

Applicable Non-applicable

All construction projects in each plant are subject to the project-specific EIA requirement and comply with the national emission standards, approved by the environmental protection acceptance and filed for urban rainwater and sewage pipeline. All environmental impact factors are acceptable to the project-specific EIA requirement. Each plant is committed to improving the environment.

4. Emergency response for environmental contingencies

Applicable Non-applicable

The Company has laid down the integrated and dedicated emergency responses to environmental contingencies, which can direct the rescue operations in case of environmental contingencies. The Company makes announcement on local environmental emergency enterprise declaration platform or ecological environment bureau, under the record number 330206-2022-013-L, 330282 (H) -2022-043L, 330206-2015-007-L, 510904-2021-018-L, 430304-2024-036-L, respectively.

5. In-house environmental monitoring plan

Applicable Non-applicable

The Company tests wastewater, waste gas, and noise at plant boundaries in all plants at regular intervals every year, which are found to be acceptable under the national standards; the plan for disposal of hazardous wastes is submitted earlier each year.

6. Administrative penalties due to environmental concerns during the reporting period

Applicable Non-applicable

7. Other environmental information that should be disclosed

Applicable Non-applicable

(2)Notes to the environmental protection of the companies other than key emission entities

Applicable Non-applicable

(3)Relevant information that benefits ecosystem protection, pollution control, and fulfillment environmental responsibilities

Applicable Non-applicable

To take corporate ESG responsibilities, the Company promotes green and low-carbon production, fulfills corporate social responsibilities of energy saving, low-carbon environmental protection, and contributes to "carbon peaking and carbon neutrality".

(4)Measures and effects taken to reduce carbon emissions during the reporting period

Whether to take carbon reduction measures	Yes
Reduction emissions of carbon dioxide equivalent (unit: in tons)	130,003.18
Types of carbon reduction measures (e.g.: using clean energy to generate electricity,	Use photovol

using carbon reduction technique in the production process, developing and producing new products that contribute to reducing carbon emissions)	taic power f or generation
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Particular notes

Applicable Non-applicable

In 2023, the installed photovoltaic capacity is 127.55 MW, the annual power generation will reach 130.3944 million kWh, and the carbon dioxide emissions will be reduced by 130,003.18 tons a year. In future, efforts will be intensified to broaden the scope of distributed photovoltaic power plants, and a package of initiatives will be taken to scale down carbon emissions and attain the goal of zero-carbon factory step by step.

II. Fulfillment of social responsibility

(1) Whether to disclose social responsibility report, sustainable development report or ESG report one by one

Applicable Non-applicable

(2) Particulars on fulfillment of social responsibility

Applicable Non-applicable

External donations, public welfare projects	Quantity/Content	Description
Total amount donated (yuan)	130	
Of which: funds (yuan)	130	Donation of RMB 300,000 to firefighting, RMB 900,000 to environmental protection, RMB 100,000 to education
Materials and supplies equivalent to (in RMB 10,000)		
Number of people benefited (persons)		

Particular Notes

Applicable Non-applicable

1. On July 2023, the Company donated RMB 300,000 to Ningbo Beilun “Liangshan” Environmental Protection Foundation;
2. On August 2023, the Company donated RMB 300,000 to the “Flaming Ambition Charity Fund” of Ningbo Beilun Charity Federation;
3. On November 2023, the Company donated RMB 100,000 to Ningbo University Education Development Foundation.
4. On December 2023, the Company donated RMB 600,000 to the Environmental Protection Public Welfare Fund of the Charity Federation of Beilun District, Ningbo.

III. Particulars of consolidating and expanding the deliverables of poverty alleviation, rural revitalization and other tasks

Applicable Non-applicable

Particular Notes

Applicable Non-applicable

Section 6 Significant Events

I. Performance of commitments

(1) Commitments made by actual controllers, shareholders, related parties, acquirers of the Company, and the Company and other related parties making commitments during the reporting period or continuing to the reporting period

Applicable Non-applicable

Background of commitment	Type of commitment	Committed by	Content of commitment	Date and deadline of commitment	Whether there is a deadline for performance	Whether performed strictly and timely	If such commitments cannot be completed timely, state the specific reason	If such commitments cannot be completed timely, state the next plan	Background of commitment
Commitment related to the share reform									
Commitment made in the report of acquisition or the report of equity change									
Commitment related to significant asset restructuring									
Commitment related to IPO	Horizontal competition	MECCA INTERNATIONAL HOLDING	1. The Company does not have, and will not be directly or indirectly engaged in, or by any form including but not limited to	March 2012	No	Continuous	Yes	NA	NA

		<p>G (HK) LIMITED</p>	<p>holding, participating of shares, joint venture, associate partnership, lease, agent operation, trust or other similar form engage in any operation or activity that may have constituted or substantially constitute a current or potential competition against the existing and future operations of Tuopu Group and its holding subsidiaries. 2. For companies and economic entities directly or indirectly controlled by the Company, the Company will procure such companies and economic entities to perform the obligations of avoiding competition as contained in the letter of commitment having equivalent standards to the Company/Enterprise by sending out institutions and persons (including but not limited to directors, managing directors, financial officers) or by gaining the controlling status (e.g.: shareholders' rights, directors' rights), so as to keep such companies and economic entities from competing against Tuopu</p>						
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			<p>Group and its subsidiaries.</p> <p>3. If any change in policies and regulations or other reasons that are not attributable to the Company unavoidably causes other companies or economic entities controlled by Company or any company or economic entity that the Company may impose significant impact has constituted or may potentially constitute competition, Tuopu Group shall have the right of first refusal as to the trusted management (contracting operation, leasing operation) or acquisition in respect of such operations that have constituted or may potentially constitute competition.</p> <p>4. The above commitments are unconditional, if a violation of the above commitments inflicts any financial loss to Tuopu Group, the Company will indemnify other shareholders or interested parties of Tuopu Group against such losses as comprehensive, prompt and</p>						
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			sufficient. 5. This letter of commitment shall remain in force and effect whenever the Company and any company controlled by the Company are related to Tuopu Group.						
	Resolve related party transactions	MECCA INTERNATIONAL HOLDING (HK) LIMITED	1. The Company and its controlled entities will do the utmost to avoid related transactions with the issuer and its subsidiaries. 2. If related party transactions are unavoidable, both parties to the transactions will strictly follow the normal business code of conduct. The pricing policy applicable to related party transactions must follow the principles of fairness, impartiality and openness in the market, and the transaction price is fixed at the price at which the transaction are conducted with an independent third party in the market. For major related party transactions without market price available for comparison or pricing is restricted, the transaction price shall be fixed at the cost of the commodities or	March 2012	No	Continuous	Yes	NA	NA

			<p>labor services traded in accordance with a reasonable profit standard with a view to ensuring fair transaction prices.</p> <p>3. The Company undertakes to perform the necessary procedures in strict accordance with the current national laws, regulations, normative documents, the “Articles of Association”, the “Related Party Transaction Control System” and other applicable provisions, adhere to the principles of market fairness, fairness and openness, and define the rights and obligations of both parties, and maintain the fairness and reasonableness of related party transactions, without any circumstance prejudicing the interests of all shareholders of Tuopu.</p> <p>4. The Company and its controlled entities will not illegally occupy the funds and any other assets and resources of Tuopu Group for any reason or in any manner whatsoever, and will not require Tuopu Group to</p>						
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			<p>provide any form of guarantee under any circumstances whatsoever.</p> <p>5. The above commitments are unconditional, if a violation of the above commitments inflicts any financial loss to Tuopu Group, the Company will indemnify other shareholders or interested parties of Tuopu Group against such losses as comprehensive, prompt and sufficient.</p> <p>6. This letter of commitment shall remain in force and effect whenever the Company and its controlled entities are related to Tuopu Group.</p>						
Other	MECCA INTERNATIONAL HOLDING (HK) LIMITED	<p>If the issuer's prospectus contains any falsified records, misleading statements or material omissions, which constitutes a significant and substantial impact on determining whether the issuer meets the issuance conditions as prescribed by law, the Company will, within 30 days after the CSRC rules illegal facts, repurchase the restricted shares that are</p>	March 2015	No	Continuous	Yes	NA	NA	

		<p>originally transferred, and urge the issuer to repurchase all new shares in this public offering; the Company will fix the repurchase price at the higher of the issuer's stock issue price and the average transaction price of the issuer's stock within 30 trading days before the CSRC rules illegal facts, and repurchase all the original restricted shares that have been sold. If the issuer's shares are involved in the issuance of bonus shares or conversion of capital reserves into share capital, such issue price and repurchase quantity will be adjusted where applicable. The Company will indemnify the investors enduring financial losses in securities transactions due to false records, misleading statements or material omissions in the issuer's prospectus for this public offering of stocks. Within 30 days after such illegal facts are ruled by CSRC, the stock exchange or the judicial authority, the Company will, in line with</p>						
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			the principles of simplifying procedures, actively negotiating, compensating in advance, maintaining the interests of investors, especially small and medium investors, and in accordance with the measurable economic losses directly endured by investors, elect to reconcile with investors, mediate with investors through third parties, or otherwise establish investor compensation funds to actively indemnify the investors harmless from and against the direct economic losses endured therein. The standard, scope of subjects and sum of such indemnity shall be subject to the final indemnification plan prevailing in the occurrence of the above circumstances.						
Others	MECCA INTERNATIONAL HOLDING (HK) LIMITED	From August 31, 2012, nothing will procure Ningbo Tuopu Group Co., Ltd. to use any raised funds from this issuance and listing for real estate business or real estate enterprises.	August 2012	No	Continuous	Yes	NA	NA	
Others	Ningbo Tuopu	If the issuer's prospectus contains any falsified	March 2015	No	Continuous	Yes	NA	NA	

		<p>Group Co., Ltd.</p>	<p>records, misleading statements or material omissions, which constitutes a significant and substantial impact on determining whether the issuer meets the issuance conditions as prescribed by law, the Company will, within 30 days after the CSRC rules illegal facts, repurchase the restricted shares that are originally transferred, and urge the issuer to repurchase all new shares in this public offering; the Company will fix the repurchase price at the higher of the issuer's stock issue price and the average transaction price of the issuer's stock within 30 trading days before the CSRC rules illegal facts, and repurchase all the original restricted shares that have been sold. If the issuer's shares are involved in the issuance of bonus shares or conversion of capital reserves into share capital, such issue price and repurchase quantity will be adjusted where applicable. The Company will indemnify the investors</p>						
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			<p>enduring financial losses in securities transactions due to false records, misleading statements or material omissions in the issuer's prospectus for this public offering of stocks. Within 30 days after such illegal facts are ruled by CSRC, the stock exchange or the judicial authority, the Company will, in line with the principles of simplifying procedures, actively negotiating, compensating in advance, maintaining the interests of investors, especially small and medium investors, and in accordance with the measurable economic losses directly endured by investors, elect to reconcile with investors, mediate with investors through third parties, or otherwise establish investor compensation funds to actively indemnify the investors harmless from and against the direct economic losses endured therein. The standard, scope of subjects and sum of such indemnity shall be subject to the final</p>						
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			indemnification plan prevailing in the occurrence of the above circumstances.						
	Others	Ningbo Tuopu Group Co., Ltd.	If the company's stock price falls below its audited net assets per share in the previous year within three years after its IPO and listing (hereinafter referred to as "net asset value per share", total number of the ordinary shareholders' equity attributable to the parent in the consolidated financial statements/number of shares of the company at the end of the year, if the company conducts ex-rights or ex-dividends due to distribution of cash dividends, bonus shares, conversion of share capital, additional issuance of new shares, the above price should be adjusted accordingly, hereinafter inclusive). The Company repurchases its shares through centralized bidding, tender offer or other means as approved by the securities regulatory authorities. The Company further commits that total amount of funds used to repurchase shares	March 2015	No	Continuus	Yes	NA	NA

			must not exceed the total sum of funds raised by its IPO of new shares; the amount of funds used to repurchase its shares for stabilizing the stock price within each period of 12 months from the date of listing shall not be less than RMB 50 million, and the repurchase price must not exceed the latest audited net asset value per share before the announcement of such price stability plan.						
Others	Ningbo Tuopu Group Co., Ltd.	From August 31, 2012, nothing will procure Ningbo Tuopu Group Co., Ltd. to use any raised funds from this issuance and listing for real estate business or real estate enterprises.	August 2012	No	Continuous	Yes	NA	NA	
Resolve related party transactions	Wu Jianshu	1. I and controlled entities will do the utmost to avoid related transactions with the issuer and its subsidiaries. 2. If related party transactions are unavoidable, both parties to the transactions will strictly follow the normal business code of conduct. The pricing policy applicable to related party transactions must follow the principles of	March 2012	No	Continuous	Yes	NA	NA	

			<p>fairness, impartiality and openness in the market, and the transaction price is fixed at the price at which the transaction are conducted with an independent third party in the market. For major related party transactions without market price available for comparison or pricing is restricted, the transaction price shall be fixed at the cost of the commodities or labor services traded in accordance with a reasonable profit standard with a view to ensuring fair transaction prices.</p> <p>3. I undertake to perform the necessary procedures in strict accordance with the current national laws, regulations, normative documents, the “Articles of Association”, the “Related Party Transaction Control System” and other applicable provisions, adhere to the principles of market fairness, fairness and openness, and define the rights and obligations of both parties, and maintain the fairness and</p>						
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			<p>reasonableness of related party transactions, without any circumstance prejudicing the interests of all shareholders of Tuopu.</p> <p>4. I and controlled entities will not illegally occupy the funds and any other assets and resources of Tuopu Group for any reason or in any manner whatsoever, and will not require Tuopu Group to provide any form of guarantee under any circumstances whatsoever.</p> <p>5. The above commitments are unconditional, if a violation of the above commitments inflicts any financial loss to Tuopu Group, I will indemnify other shareholders or interested parties of Tuopu Group against such losses as comprehensive, prompt and sufficient.</p> <p>6. This letter of commitment shall remain in force and effect whenever I and any company controlled by I are related to Tuopu Group.</p>						
	Resolve horizontal competition	Wu Jianshu	1. I does not have, and will not be directly or indirectly engaged in, or by any form including but not limited to	March 2012	No	Continuous	Yes	NA	NA

			<p>holding, participating of shares, joint venture, associate partnership, lease, agent operation, trust or other similar form engage in any operation or activity that may have constituted or substantially constitute a current or potential competition against the existing and future operations of Tuopu Group and its holding subsidiaries.</p> <p>2. For companies and economic entities directly or indirectly controlled by I, I will procure such companies and economic entities to perform the obligations of avoiding competition as contained in the letter of commitment having equivalent standards to I by sending out institutions and persons (including but not limited to directors, managing directors, financial officers) or by gaining the controlling status (e.g.: shareholders' rights, directors' rights), so as to keep such companies and economic entities from competing against Tuopu Group and its subsidiaries.</p>						
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		<p>3. If any change in policies and regulations or other reasons that are not attributable to I unavoidably causes other companies or economic entities controlled by Company/Enterprise or any company or economic entity that I may impose significant impact has constituted or may potentially constitute competition, Tuopu Group shall have the right of first refusal as to the trusted management (contracting operation, leasing operation) or acquisition in respect of such operations that have constituted or may potentially constitute competition.</p> <p>4. The above commitments are unconditional, if a violation of the above commitments inflicts any financial loss to Tuopu Group, I will indemnify other shareholders or interested parties of Tuopu Group against such losses as comprehensive, prompt and sufficient.</p> <p>5. This letter of commitment shall remain in force and</p>						
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			effect whenever I and any company controlled by I are related to Tuopu Group.						
	Others	Wu Jianshu	The Company will indemnify the investors enduring financial losses in securities transactions due to false records, misleading statements or material omissions in the issuer's prospectus for this public offering of stocks. Within 30 days after such illegal facts are ruled by CSRC, the stock exchange or the judicial authority, the Company will, in line with the principles of simplifying procedures, actively negotiating, compensating in advance, maintaining the interests of investors, especially small and medium investors, and in accordance with the measurable economic losses directly endured by investors, elect to reconcile with investors, mediate with investors through third parties, or otherwise establish investor compensation funds to actively indemnify the investors harmless from and	March 2015	No	Continuously	Yes	NA	NA

			against the direct economic losses endured therein. The standard, scope of subjects and sum of such indemnity shall be subject to the final indemnification plan prevailing in the occurrence of the above circumstances.						
Commitment related to refinancing									
Commitment related to equity incentives									
Other commitments made to the small and medium shareholders of the Company									
Other commitments									

(2) There is an expected profit as to the assets or projects of the Company, and the reporting period still falls in the profit expectation period, the Company states whether the assets or projects attain the original profit expectation and gives the reason

Attained Not attained Non-applicable

(3) The status of performance of commitments and its impact on the goodwill impairment test

Applicable Non-applicable

II. Whether there is any non-operating capital occupation by the controlling shareholder and its affiliates

Applicable Non-applicable

III. Violation of guarantee

Applicable Non-applicable

IV. Notes of the Board of Directors to the "Modified Audit Opinion Report" Released by the Accounting Firm

Applicable Non-applicable

V. Notes to Analysis of the Reasons and Impact of Changes in Accounting Policies, Accounting Estimates or Corrections of Major Accounting Errors

(1) Notes to analysis of the Reasons and Impact of Changes in Accounting Policies or Accounting Estimates

Applicable Non-applicable

(1) Application of "Interpretation No. 16 of Accounting Standards for Business Enterprises" Provision concerning "Accounting for deferred income taxes not subject to the initial recognition exemption for assets and liabilities arising from individual transactions"

On 30 November 2022, the Ministry of Finance released the "Interpretation No. 16 of the Accounting Standards for Business Enterprises" (Cai Kuai [2022] No. 31, hereinafter referred to as "Interpretation No. 16"). The provision concerning the "Accounting for Deferred Taxes on Assets and Liabilities Arising from Individual Transactions that are not Subject to the Initial Recognition Exemption" took into effect from January 1, 2023.

Interpretation No. 16 states that for individual transactions that are not business combinations and do not impact accounting profit or taxable income, and where the initial recognition of assets and liabilities leads to the creation of taxable temporary differences and deductible temporary differences in equal amounts, the exemption from recognizing deferred income tax liabilities and assets upon initial recognition does not apply. This exemption also does not apply to individual transactions such as lease transactions where the lessee initially recognizes a lease liability and includes it in the right-of-use asset, or transactions where an estimated liability is recognized and included in the cost of the relevant asset due to an abandonment obligation for fixed assets. In such cases, the enterprise must recognize the corresponding deferred tax liabilities and assets in accordance with the relevant provisions of "ASBE No. 18 - Income Taxes" and other applicable regulations at the time of the transaction.

Enterprises are required to make adjustments in accordance with this provision if taxable temporary differences, deductible temporary differences, lease liabilities, right-of-use assets, projected liabilities related to abandonment obligations, and corresponding related assets arise from a single transaction covered by this provision between the beginning of the earliest period for which the financial statements are presented and the date of its application.

The provision was put into effect by the Company starting on January 1, 2023, and the primary impacts of its implementation are outlined below:

Impacted statement items	Amount of impact on the balance as at January 1, 2022	
	Combination	Parent company
Deferred income tax assets	384,782.84	
Deferred tax liabilities	140,518.31	
Undistributed Profit	244,264.53	

Impacted statement items	Combination		Parent company	
	2023.12.31	2022.12.31	2023.12.31	2022.12.31
	/2023	/2022	/2023	/2022
Deferred income tax assets	1,581,744.79	419,395.42		
Deferred tax liabilities	362,733.76	98,215.10		

Impacted statement items	Combination		Parent company	
	2023.12.31	2022.12.31	2023.12.31	2022.12.31
	/2023	/2022	/2023	/2022
Undistributed Profit	1,219,011.03	321,180.32		
Income tax expense	-897,830.71	-76,915.79		

(2) Application of "Interpretation No. 17 of Accounting Standards for Business Enterprises" The provision concerning "Accounting for Sale and Leaseback Transactions".

On October 25, 2023, Interpretation No. 17 of the Accounting Standards for Business Enterprises (Cai Kuai (2023) No.21) was released by the Ministry of Finance (hereinafter referred to as "Interpretation No. 17"). This interpretation will come into effect on the 1st of January, 2024. The provision regarding "Accounting for Sale and Leaseback Transactions" permits enterprises to adopt it before the year of its issuance.

Interpretation No. 17 sets out that if a lessee subsequently measures a lease liability arising from a sale and leaseback, the lessee must not adjust the lease payments in a manner that would lead to the recognition of a gain or loss related to the right to use the leased property. The company is obligated to retrospectively account for sale and leaseback transactions occurring after the initial implementation of "Accounting Standard for Business Enterprises No. 21 – Leases".

The Company promptly adopted this provision starting from fiscal year 2023, and its implementation had no significant effect on the Company's financial statements.

(2) Notes to Analysis of the Reasons and Impact of the Correction of Major Accounting Errors

Applicable Non-applicable

(3) Communication with the Former Accounting Firm

Applicable Non-applicable

(4) Approval procedure and other Notes

Applicable Non-applicable

VI. Appointment and Dismissal of Accounting Firm

Unit: in 10,000 Yuan Currency: RMB

	Current Accounting Firm
Name of domestic accounting firm	BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership)
Remuneration paid to domestic accounting firm	280
Audit period of domestic accounting firm	13 years
Name of the certified public accountant of the domestic accounting firm	Yu Weiyong, Tang Wei
Length of consecutive audit services of CPAs of domestic accounting firms	Yu Weiyong with 3 years of service, Tang Wei with 4 years of service

	Name	Remuneration
Accounting firm responsible for internal control audit	BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership)	40
Sponsor	China Merchants Securities Co. Ltd	NA

Notes to appointment and dismissal of accounting firm

Applicable Non-applicable

The 2022 general meeting convened by the Company on June 19, 2023 considered and passed the “Resolution on Renewal of the Appointment of Audit Institution for 2023”, and decided to renew the appointment of BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership) as the audit institution of 2023, who will provide audit and internal control audit services of the financial report of 2023 for the Company.

Notes to change of accounting firm during the reporting period

Applicable Non-applicable

Description of the audit fee reduction of 20% or greater (inclusive of 20%) in comparison to the prior year

Applicable Non-applicable

VII. Circumstance of delisting risk

(1) Reasons leading to the warning for delisting risk

Applicable Non-applicable

(2) Proposed responses by the Company

Applicable Non-applicable

(3) Exposure to the risk of delisting and the reason behind it

Applicable Non-applicable

VIII. Events concerning bankruptcy and reorganization

Applicable Non-applicable

IX. Significant Lawsuits and Arbitrations

The Company is involved in any significant lawsuits and arbitrations in the current year The Company is not involved in any significant lawsuits and arbitrations in the current year

X. Listed companies and their directors, supervisors, officers, controlling shareholders, and actual controllers suspected of violations of laws and regulations and the situation of punishments and rectifications

Applicable Non-applicable

XI. Notes to the Credit Standing of the Company and Its Controlling Shareholders and Actual Controllers during the Reporting Period

Applicable Non-applicable

XII. Significant Related-party Transactions

(1) Related-party transactions related to daily operations

1. Events that have been disclosed in the provisional announcement and there is no progress or change in subsequent implementation

Applicable Non-applicable

2. Events that have been disclosed in the provisional announcement, but there is no progress or change in subsequent implementation

Applicable Non-applicable

3. Events that are not disclosed in the provisional announcement

Applicable Non-applicable

(2) Related-party transactions in the acquisition or sale of assets or equity

1. Events that have been disclosed in the provisional announcement and there is no progress or changes in subsequent implementation

Applicable Non-applicable

2. Events that have been disclosed in the provisional announcement, but there is a progress or change in subsequent implementation

Applicable Non-applicable

3. Events that are not disclosed in the provisional announcement

Applicable Non-applicable

4. Where there is a performance agreement involved, the performance achieved during the reporting period shall be disclosed

Applicable Non-applicable

(3) Significant related-party transactions of joint external investment

1. Events that have been disclosed in the provisional announcement and there is no progress or changes in subsequent implementation

Applicable Non-applicable

2. Events that have been disclosed in the provisional announcement, but there are progress or changes in subsequent implementation

Applicable Non-applicable

3. Events that are not disclosed in the provisional announcement

Applicable Non-applicable

(4) Related credits and liabilities

1. Events that have been disclosed in the provisional announcement, but there is no progress or change in subsequent implementation

Applicable Non-applicable

2. Events that have been disclosed in the provisional announcement, but there is a progress or change in subsequent implementation

Applicable Non-applicable

3. Events that have not been disclosed in the provisional announcement

Applicable Non-applicable

(5) Financial business between the Company and the associated financial company, the Company's holding financial company and the related party

Applicable Non-applicable

(6) Other

Applicable Non-applicable

XIII. Major contracts and contract performance

1 .Matters relating to trusteeship, contracting and leasing

Applicable Non-applicable

2. Contracting

Applicable Non-applicable

3. Leasing

Applicable Non-applicable

(2) Guarantee

√Applicable □Not applicable

Unit: Yuan Currency: RMB

External guarantees by the Company (other than its guarantees to subsidiaries)														
Guarantor	Relation between the guarantor and the listed company	Guaranteed party	Guaranteed amount	Date of guarantee occurred (date of agreement execution)	From	Until	Type of guarantee	Main debts	Collateral (if any)	Whether the guarantee has been fulfilled	Whether the guarantee is overdue	Guarantee overdue amount	Counter-guarantee situation	Whether it is a guarantee for related parties
Total amount of guarantees during the reporting period (other than guarantees to subsidiaries)										0				
Total balance of guarantees at the end of the reporting period (A) (other than guarantees to subsidiaries)										0				
Guarantees by the Company to its subsidiaries														
Total amount of guarantees to subsidiaries during the reporting period										372,719,631.96				
Total balance of guarantees to subsidiaries at the end of the reporting period (B)										465,894,031.96				
Total amount of company guarantees (including its guarantees to subsidiaries)														
Total guarantees (A+B)										465,894,031.96				
Total guarantees as a percentage of the Company's net assets (%)										3.37				
Including:														
Amount of guarantees provided for shareholders, actual controllers and their related parties (C)										0				
Amount of debt guarantee provided directly or indirectly for the guaranteed object whose asset-liability ratio exceeds 70% (D)										0				
Amount of the total guarantees exceeding 50% of the net assets (E)										0				

Total of the above three guarantees (C+D+E)	0
Note to unexpired guarantees that may bear joint liability for repayment	NA
Statement of guarantees	<p>(1) Tuopu Poland sp.z.o.o, ("Tuopu Poland") is a wholly-owned subsidiary established by Tuopu Group in Poland in March 2021. It leases 7R PROJEKT 35 Sp. z.o.o ("7R Project Company"). The customized plant will accept and produce European orders and has assigned a lease agreement with 7R Project Company on March 15, 2021. Given business practices and actual needs, the Company provided performance guarantee for the said plant lease agreement signed by Tuopu Poland.</p> <p>The total liability of the letter of guarantee is up to 7 million euros (calculated at the exchange rate on the day before the announcement on March 19, 2021, equivalent to RMB 54.174 million), and the effective term covers the validity period of the said lease agreement (84 months counted from March 15, 2021) and five months after its expiration or termination, but no later than August 1, 2029.</p> <p>The above performance guarantees have been reviewed and approved at the 5th meeting of the fourth Board of Directors. More details are available in "Announcement of Tuopu Group on Providing Performance Guarantees for the Lease of Industrial Plants for Overseas Wholly-owned Subsidiaries" disclosed by the company on the portal site of Shanghai Stock Exchange on March 19, 2021. (Announcement No. 2021-018).The guarantee is continuing in 2022.</p> <p>(2) On 9 December 2021, Tuopu Photovoltaic Technology (Ningbo Hangzhou Bay New Area) Co., Ltd., the wholly-owned sub-subsidiary, signed a loan contract with China Development Bank Ningbo Branch, with the granted credit line at RMB 60 million, under the loan contract number (2021)3302202101100001111. The term of this medium and long-term loan is 12 years which commences from 9 February 2021 till 9 December 2023, subject to the repayment schedule as set out in the contract. The form of guarantee is setting the real property (located at No. 59, Guanhai Road, Chunxiao, Beilun District, Ningbo) on mortgage, such guarantee is provided by Ningbo Tuopu Group Co., Ltd. for the benefit of Tuopu Photovoltaic Technology (Ningbo Hangzhou Bay New Area) Co., Ltd. As of 31 December 2023, the balance of this medium and long-term loan is RMB 39 million, the original value and net value of the real property on mortgage is RMB 45,324,720.72 and RMB 34,905,288.82 respectively; the original value and net value of land on mortgage is RMB 13,070,562.81 and RMB 9,585,079.49 respectively.</p>

The above performance guarantees have been reviewed and approved at the 14th meeting of the Fourth Board of Directors. More details are available in “Announcement of Tuopu Group on Providing Performance Guarantees for Bank Loans to Wholly-owned Sub-subsidiary” disclosed by the Company on the portal site of Shanghai Stock Exchange on November 20, 2021. (Announcement No. 2021-079). The guarantee is continuing in 2022.

(3) TUOPU GROUP MEXICO, S. de R.L. de C.V (hereinafter referred to as “Tuopu Mexico”), a wholly-owned subsidiary of Tuopu Group, rented local industrial buildings as production workshops, in order to put into production as soon as practicable. At the landlord’s request, Toppan Group provided rental guarantee for Toppan Mexico. The total liability of the guarantee shall not exceed USD14 million (approximately RMB 102.76 million), and the validity period shall cover the entire validity period of the lease agreement (i.e. from November 1, 2023 to October 31, 2030).

The above performance guarantees have been reviewed and approved at the 13th meeting of the Fourth Board of Directors. More details are available in “Announcement of Tuopu Group on Providing Performance Guarantees for Bank Loans to Wholly-owned Sub-subsidiary” disclosed by the Company on the portal site of Shanghai Stock Exchange on September 29, 2023. (Announcement No. 2023-067). The guarantee remained on-going during the reporting period.

(4) TUOPU GROUP MEXICO, S. de R.L. de C.V (hereinafter referred to as “Tuopu Mexico”), a wholly-owned subsidiary of Tuopu Group, rented an industrial building located in Nuevo Leon State, Mexico, as its Phase II plant and signed a lease agreement with the lessor. Tuopu USA, LLC, a wholly-owned subsidiary of the Company, guaranteed the rents and related taxes agreed in the above lease agreement, with the total liability not exceeding USD 35 million (approximately RMB 248,335,500). At the same time, Toppan Group delivered to the landlord a standby letter of credit issued by a commercial bank to guarantee the lease of the aforesaid Phase II plant, with a standby letter of credit in the amount of USD 3,047,669.86 (approximately RMB 21,624,131.96). The above guarantees total USD 38,047,669.86 (approximately RMB 269,959,631.96) and are valid for the entire validity period (i.e. from November 15, 2023 to January 14, 2034) of the Lease Agreement.

The above performance guarantees have been reviewed and approved at the 4th meeting of the Fifth Board of Directors. More details are available in “Announcement of Tuopu Group on Providing Performance Guarantees for Bank Loans to Wholly-owned Sub-subsidiary” disclosed

	by the Company on the portal site of Shanghai Stock Exchange on December 23, 2023. (Announcement No. 2023-083). The guarantee remained on-going during the reporting period. The combined total of the aforementioned four assurances amounts to RMB 465,894,031.96.
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(3) Entrusting others to manage cash assets

1. Entrusted financial management

(1) General conditions of entrusted financial management

Applicable Non-applicable

Unit: in 10,000 Yuan Currency: RMB

Type	Source of funds	Amount incurred	Unmatured amount	Unrecovered amount after the maturity
Bank financial products	Raised funds	131,000	30,000	0

Other Conditions

Applicable Non-applicable

(2) Individual entrusted financial management

Applicable Non-applicable

Unit:10000Yuan Currency: RMB

Trustee	Type of entrusted financial management	Amount of entrusted financial management	Start date of entrusted financial management	End date of entrusted financial management	Source of funds	Use of funds	Method of fixing returns	Annualized returns	Expected returns (if any)	Actual returns or losses	Actual recovery	If subject to statutory procedure	If there is any entrusted financial management plan	Extent of impairment provision (if any)	Trustee	Type of entrusted financial management

Bank of Ningbo Beilun Sub-branch	Bank financial products	20,000.00	2023.12.20	2024.6.26	Raised funds	Unit Structured Deposit 7202303630 Product	No	Guaranteed non-fixed return	1.5%-2.9%	200	0	20,000	0	Yes	No	0
SPDB Ningbo Sub-branch	Bank financial products	10,000.00	2023.12.29	2024.3.29	Raised funds	Liduoduo Stable Profit 23JG6961 (Triple Call) RMB Public Structured Deposit	No	Guaranteed non-fixed return	1.3%-2.75%	63.75	0	10,000	0	Yes	No	0

Other Conditions

Applicable Non-applicable

(3) Impairment provision for entrusted financial management

Applicable Non-applicable

2. Conditions of entrusted loans

(1) General conditions of entrusted loans

Applicable Non-applicable

Other conditions

Applicable Non-applicable

(2) Individual entrusted loans

Applicable Non-applicable

Other Conditions

Applicable Non-applicable

(3) Impairment provision for entrusted loans

Applicable Non-applicable

3. Other Conditions

Applicable Non-applicable

(4) Other Significant Contracts

Applicable Non-applicable

XIV. Note to the update of the utilization of proceeds

Applicable Non-applicable

(5) Overall utilization of issue proceeds

Applicable Non-applicable

Unit: in RMB 10,000

Source of proceeds	Time of receipt of proceeds	Total amount of proceeds	Of which: Amount of over-raised funds	Amount of net proceeds after deduction of issuance expenses	Total amount of committed investment of proceeds	Total amount of committed investment of adjusted proceeds (1)	Cumulative total amount of proceeds invested as at the end of the reporting period (2)	Cumulative progress of investment as at the end of the reporting period (%) (3) = (2)/(1)	Amount invested in the current year (4)	Amount invested in the current year Percentage (%) (5) = (4)/(1)	Total amount of fund-raising for change of use
Issuance of Shares to specific subjects	May 9, 2017	239,514.12	0.00	236,042.92	239,514.12	236,042.92	239,054.50	101.28	4,057.02	1.72	42,438.00

Issuance of Shares to specific subjects	Feb.2, 2021	200,000.00	0.00	197,841.78	200,000.00	197,841.78	193,188.38	97.65	8,214.71	4.15	0.00
Issuance of convertible bonds	July 20, 2022	250,000.00	0.00	248,897.26	250,000.00	248,897.26	145,947.93	58.64	16,708.83	6.71	0.00

(5) Particulars of equity investment project

√Applicable □Non-applicable

Unit: in RMB 10,000

Project title	Project nature	Whether it involves a change of investment direction	Source of issue proceeds	Time of availability of issue proceeds	Whether over-raised funds are used	Total amount of investment committed by the project issue proceeds	Total amount of investment with issue proceeds after adjustment (1)	Amount invested in the current year	Total amount of cumulative investment of issue proceeds as at the end of the reporting period (2)	Cumulative update of investment as at the end of the reporting period (%) (3)=(2)/(1))	When the project reaches the intended state of use	Whether the project has been completed	Whether the progress of input is in line with the planned progress	Particular reasons why the progress of input has not reached the plan	Benefits realized in the current year	Benefits realized or R&D results of the project	Whether there has been any significant change in the feasibility of the project, and, if so, please explain the details	Amount saved
Automotive Intelligent Brake System Project	Production construction	No	Issuance of shares to specific subjects	May 9, 2017	No	196,174.00	150,892.91	57.65	154,476.65	102.38	July 2023 (Note 1)	Yes	Yes	No	0.00	0.00	No	0
Automotive	Production	Yes	Issuance	May	No	43,340.12	42,712.01	472.17	43,482.39	101.80	July	Yes	Yes	No	1,775.65	1,775.65	No	0

Electronic Vacuum Pump Project	Production construction		Issuance of shares to specific subjects	9, 2017						2023	s	s						
Light Alloy Subframe Project	Production construction	Yes	Issuance of shares to specific subjects	May 9, 2017	No	0.00	42,438.00	3,527.20	41,095.46	96.84	Note 2	No	Yes	No	NA	NA	No	0
Automotive Lightweight Chassis System Project	Production construction	No	Issuance of shares to specific subjects	Feb.2, 2021	No	200,000.00	197,841.78	8,214.71	193,188.38	97.65	Note 3	Yes	Yes	No	11,087.11	18,429.78	No	0
Lightweight Chassis System Construction Project with an annual capacity of 1.5 million sets	Production construction	No	Issuance of convertible bonds	Feb.2, 2021	No	72,133.99	72,133.99	6,154.69	62,896.09	87.19	Under construction	No	Yes	No	NA	NA	No	0
Lightweight Chassis System Construction Project with an annual capacity of 3.3 million sets	Production construction	No	Issuance of convertible bonds	July 20, 2022	No	177,866.01	176,763.27	10,554.14	83,051.84	46.98	Under construction	No	Yes	No	NA	NA	No	0

Note 1: The automotive intelligent brake system project, a cutting-edge innovation in brake technology, serves as a crucial component for unpiloted driving. The Company successfully finalized its intelligent brake system project on July 2023, delivering samples to customers in the latter part of the same year. By January 2024, the Company commenced bulk supply.

Note 2: The "light alloy sub-frame project" boasts a total investment of RMB 886.42 million, with RMB 424.38 million raised for funding. The fundraising portion was invested on May 2023, while the company plans to further finance the project using its own resources.

Note 3: Currently, there are three entities involved in the implementation of the automotive lightweight chassis system project. Ningbo Tuopu Automobile Electronics Co., Ltd. completed and launched its project on May 2022. Hunan Tuopu Automotive Parts Co., Ltd. and Tuopu Electric Vehicle Thermal Management System (Ningbo) Co., Ltd. were completed and put into production in January 2022 as the implementation entities.

(6) Changes in or termination of fund-raising investments during the reporting period

Applicable Non-applicable

(7) Other circumstances regarding use of proceeds during the reporting period

1. Upfront cost and replacement of issue proceeds investment projects

√Applicable Not applicable

As of August 5, 2022, the Company had allocated a total of RMB 772,150,503.09 towards investment projects using self-financing funds. During the 22nd Meeting of the Fourth Session of the Board of Directors and the 14th Meeting of the Fourth Session of the Supervisory Committee on August 12, 2022, the "Resolution on the Use of Proceeds to Replace Self-financing Funds Invested in Proceeds Raised Projects in Advance" was considered and approved. It was resolved to substitute the self-financing funds totaling RMB 772,150,503.09 invested as of August 5, 2022 with the proceeds. This resolution was supported by the independent directors, who provided their individual opinions, and endorsed by the sponsoring organization through a special verification opinion. Additionally, BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership) issued ZF10934, "Special Assurance Report on the Replacement of Proceeds by Ningbo Tuopu Group Co., Ltd"

As of August 5, 2022, the actual self-financing funds invested in the proceeds investment projects to be replaced by the Company are as follows:

Unit: in RMB 10,000

Project title	Amount prospectively invested by issue proceeds	Amount invested in advance by self-financing funds
Lightweight chassis system construction project with an annual capacity of 1.5 million sets	72,133.99	28,778.81
Lightweight chassis system construction project with an annual capacity of 1.5 million sets	177,866.01	48,436.24
Total	250,000.00	77,215.05

As of December 31, 2023, the Company has actually replaced the advanced funds of RMB 772,150,503.09 as upfront cost, of which: RMB 759,491,703.09 of advanced funds invested in advance was actually replaced in 2022, and RMB 12,658,800.00 of advanced funds invested in advance was actually replaced in 2023 (the advanced funds paid in 2023 were paid by bank acceptance bills). The actual replacement in 2023 will be RMB 12,658,800.00 (the amount due in 2023 by bank acceptances).

2. Temporary replenishment of working capital with idle proceeds

√Applicable Not applicable

1. The 18th meeting of the Fourth Session of the Board of Directors of the Company, held on April 13, 2022, approved the "Proposal on the Use of Part of the Temporarily Idle Proceeds to Supplement the Working Capital". The Company proposed to allocate up to RMB 1,000 million of temporarily idle proceeds to supplement the working capital from July 1, 2022, to June 30, 2023. The independent directors, the Supervisory Committee, and the sponsoring institution of the Company all expressed their agreement. Subsequently, during the annual general meeting of 2021 on May 19, 2022, the Company approved the same proposal. On July 2022, the Company utilized RMB 100 million for this purpose and returned the entire amount to the fund-raising account in January 2023.

2. On August 12, 2022, the 22nd Meeting of the Fourth Session of the Board of Directors of the Company reviewed and approved the "Proposal on New Temporary Supplementary Liquidity Amount of Idle Proceeds." The Company suggested adding a temporary idle proceeds amount of up to RMB 800 million from the date of approval until June 30, 2023. The independent directors, the Supervisory Committee, and the sponsor of the Company all supported this proposal. On August 2022, the Company utilized RMB 200 million and returned the full amount to the working capital account on June 2023.

3. The 29th Meeting of the Fourth Session of the Board of Directors of the Company, held on April 17, 2023, approved the "Proposal on the Use of Part of Temporarily Idle Proceeds to Supplement the Working Capital". The Company intends to enhance the working capital by utilizing a portion of temporarily idle proceeds, not exceeding RMB 500 million, for the period from July 1, 2023, to June 30, 2024. The independent directors, the Supervisory Committee, and the Company's sponsor have all provided their concurring opinions on this proposal. As of July 2023, the Company has already utilized RMB 300 million. The temporarily idle proceeds continue to serve as a temporary working capital replenishment and will be returned before the specified deadline.

3. Cash management of idle proceeds and investment in related products

Applicable Not applicable

1. The 18th Meeting of the Fourth Session of the Board of Directors of the Company, held on April 13, 2022, approved the utilization of temporarily idle proceeds for entrusted wealth management. The Company will manage these funds through structured deposits or the purchase of capital-protected wealth management products, with a maximum amount not exceeding RMB 1,000 million. The authorization period for the purchase of principal-protected wealth management products is from July 1, 2022, to June 30, 2023, with funds within the quota available for rolling use. The independent directors, supervisory committee, and sponsor of the Company have all expressed their agreement on this matter.

2. On August 12, 2022, during the 22nd Meeting of the Fourth Session of the Board of Directors, the Company reviewed and approved the "Proposal on the New Amount of New Idle Proceeds Entrusted for Wealth Management". It was decided that the Company would add a maximum of RMB 800 million of temporarily idle fund-raising funds for cash management purposes, without affecting ongoing fundraising projects. This amount would be utilized for structural deposits or the acquisition of principal-protected financial products. The authorization period was extended to one year, from the Board of Directors' approval until June 30, 2023. The funds within the allocated quota could be utilized on a rolling basis. The independent directors, the Supervisory Committee, and the sponsoring organization of the Company have provided their feedback on this matter.

3. On April 17, 2023, the Company convened the 29th Meeting of the Fourth Session of the Board of Directors and the 2022 Annual General Meeting of the Company on June 19, 2023. During the meeting, the "Proposal on Utilizing a Part of Temporarily Idle Proceeds for Entrusted Wealth Management" was deliberated and approved. It was agreed that the Company would allocate a maximum amount of RMB 500 million from the temporarily idle proceeds for wealth management purposes. This authorization would be effective from July 1, 2023, until the date of approval. The authorization period spans from July 1, 2023, to June 30, 2024. The allocated funds can be utilized on a rolling basis. The Independent Directors, Supervisory Committee, and sponsoring organization of the Company shared their perspectives on this matter.

4. In 2023, the Company managed the cash of unused fundraising funds by acquiring financial products totaling RMB 1,310 million and redeeming financial products totaling RMB 1,010 million. The detailed transaction information of the purchased financial products is as follows:

Unit: in RMB 10,000

Trustee	Name of entrusted	Amount entrusted (in	Interest commencement	Maturity date	Whether recovered on
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	financial products	RMB)	date		maturity on the balance sheet date
SPDB Ningbo Branch	Structured deposits	30,000.00	2023.1.6	2023.3.31	Yes
Bank of China Xindalu Sub-branch	Structured deposits	10,000.00	2023.4.10	2023.6.30	Yes
SPDB Ningbo Branch	Structured deposits	30,000.00	2023.4.7	2023.6.30	Yes
Hangzhou Bank Ningbo Beilun Sub-branch	Structured deposits	5,000.00	2023.4.10	2023.6.30	Yes
Bank of Ningbo Xinqi Sub-branch	Structured deposits	5,000.00	2023.4.10	2023.7.10	Yes
SPDB Ningbo Branch	Structured deposits	18,000.00	2023.8.9	2023.12.29	Yes
Hangzhou Bank Ningbo Beilun Sub-branch	Structured deposits	3,000.00	2023.8.11	2023.12.27	Yes
Hangzhou Bank Ningbo Beilun Sub-branch	Structured deposits	20,000.00	2023.12.20	2024.6.26	No
SPDB Ningbo Branch	Structured deposits	10,000.00	2023.12.29	2024.3.29	No

4. Permanent replenishment of working capital or return of bank loans with over-raised funds

Applicable Not applicable

5. Other

Applicable Not applicable

XV. Note to other material matters that have significant influence on investors' value judgment and investment decisions

Applicable Not applicable

Section 7 Changes in Shares and Shareholders

I. Condition in change of equity

(1) Condition in change of shares

1. Condition in change of shares

Unit: shares

	Before change		Increase or decrease (+, -)					After change	
	Shares	Percent (%)	Issue of new shares	Bonus shares	Conversion of shares from provident fund	Other	Subtotal	Shares	Percent (%)
I. Restricted shares									
1. Shares held by the state									
2. Shares held by state-owned corporations									
3. Other domestic shares									
Of which: shares held by domestic non-state legal persons									
Shares held by domestic natural persons									
4. Shares held by foreign capital									
Of which: shares held by overseas corporates									
Shares held by overseas natural persons									
II. Non-restrict	1,102,046,572	100				3,201	3,201	1,102,049,773	100

ed shares in circulation									
1. RMB common shares	1,102,046,572	100				3,201	3,201	1,102,049,773	100
2. Domestic listed foreign shares									
3. Overseas listed foreign shares									
4. Other									
III. Total shares	1,102,046,572	100				3,201	3,201	1,102,049,773	100

2. Changes in shares

Applicable Non-applicable

On July 14, 2022, the Company publicly issued 25 million convertible bonds, referred to as “Tuopu Convertible Bonds”, bond code “113061”. According to the relevant regulations and the Prospectus of Tuopu Group's Public Offering of Convertible Bonds, “Tuopu Convertible Bonds” can be converted into Top Group's shares from January 20, 2023 onwards.

During the reporting period, a total of 3,201 shares of “Tuopu Convertible Bond” were converted.

3. Impact of changes in shares on financial indexes such as EPS and net assets per share in the most recent year and the most recent period (if any)

Applicable Non-applicable

The cumulative number of shares to be converted from the convertible bonds issued by the Company “Tuopu Convertible Bonds” in 2023 is 3201 shares, accounting for about 0.000290% of the total issued shares of the Company before the conversion. Therefore, the impact of the above changes in shares due to the conversion of convertible bonds on financial indicators such as earnings per share and net assets per share for the last year and period is negligible.

4. Other content as the Company deems necessary to disclose or required by the securities regulatory institution

Applicable Non-applicable

(2) Changes in restricted sale of shares

Applicable Non-applicable

II. Issuance of Securities and Public Listing

(1) Issuance of securities as of the reporting period

Applicable Non-applicable

Note to the issuance of securities as of the reporting period (if there are bonds applicable to different interest rates in the period, state the reasons separately):

Applicable Non-applicable

(2) Changes in the total number of capital stock of the Company and changes in the structure of shareholders and changes in the structure of assets and liabilities

□Applicable √Non-applicable

(3) Existing employee shares

□Applicable √Non-applicable

III. Shareholders and actual controllers**(1) Total shareholders**

Total number (accounts) of common shareholders as of the end of the reporting period	26,728
Total number of ordinary shareholders (accounts) as of the end of the previous month before the disclosure date of the annual report	48,686
Total number (accounts) of preferred shareholders whose voting rights have been restored as of the end of the reporting period	NA
Total number (accounts) of preferred shareholders whose voting rights were restored at the end of the previous month prior to the disclosure of this annual report	NA

(2) Shares held by the top ten shareholders and top ten tradable shareholders (or shareholders not subject to restricted sale) as of the end of the reporting period

Unit: Shares

Shares held by the top ten shareholders							
Name of Shareholder (Full Name)	Increase/Decrease during the reporting period	Number of shares held at the end of the period	Percentage (%)	Number of shares held subject to restricted sale	Condition of pledge, marking or freezing		Nature of shareholders
					Status of shares	Number of shares	
MECCA INTERNATIONAL HOLDING (HK) LIMITED		693,680,000	62.94	0	No		Foreign corporate
Hong Kong Securities Clearing Company Limited		42,448,240	3.85		No		Unknown
Shanghai Ruiyang Investment Management Co., Ltd.-Ruiyang Emerging Growth Private Placement Investment Fund		13,500,000	1.22		No		Unknown

Zhang Jianping		8,541,400	0.78		Unknown		Unknown
Wu Jianshu		7,210,308	0.65		No		Foreign natural person
CITIC Securities Co., Ltd.		6,821,204	0.62		Unknown		Unknown
China Construction Bank Corporation - Xin'ao New Energy Selection Hybrid Securities Investment Fund		5,492,246	0.50		Unknown		Unknown
Ningbo Zhuyue Investment Management Co., Ltd.		5,407,630	0.49		No		Domestic non-state-owned corporate
National Social Security Fund 104 Portfolio		5,072,261	0.46		Unknown		Unknown
China Merchants Bank Corporation – Zhong Ou Alpha Hybrid Securities Investment Fund		3,686,720	0.33		Unknown		Unknown
Shares held by the top ten shareholders not subject to restricted sale							
Name of Shareholder	Number of tradable shares held not subject to restricted sale	Class and number of shares					
		Class	Number of shares				
MECCA INTERNATIONAL HOLDING (HK) LIMITED	693,680,000	RMB common shares	693,680,000				
Hong Kong Securities Clearing Company Limited	42,448,240	RMB common shares	42,448,240				
Shanghai Ruiyang Investment Management Co., Ltd.-Ruiyang Emerging Growth Private Placement Investment Fund	13,500,000	RMB common shares	13,500,000				
Zhang Jianping	8,541,400	RMB common shares	8,541,400				
Wu Jianshu	7,210,308	RMB common shares	7,210,308				
CITIC Securities Co., Ltd.	6,821,204	RMB common shares	6,821,204				

China Construction Bank Corporation - Xin'ao New Energy Selection Hybrid Securities Investment Fund	5,492,246	RMB common shares	5,492,246
Ningbo Zhuyue Investment Management Co., Ltd.	5,407,630	RMB common shares	5,407,630
National Social Security Fund 104 Portfolio	5,072,261	RMB common shares	5,072,261
China Merchants Bank Corporation – Zhong Ou Alpha Hybrid Securities Investment Fund	3,686,720	RMB common shares	3,686,720
Description of the repurchase of special accounts among the top ten shareholders	NA		
Notes to the voting rights entrusted by or to, and waived by the above shareholders	NA		
Notes to the associated relationship or concerted action of the above shareholders	Among these shareholders: 1. Mr. Wu Jianshu holds 100% of the shares in MECCA INTERNATIONAL HOLDING (HK) LIMITED. 2. Ningbo Zhuyue Investment Management Co., Ltd. is a wholly-owned sub-subsidiary of MECCA INTERNATIONAL HOLDING (HK) LIMITED, the controlling shareholder of the Company, and is a person acting in concert. In addition, the Company doesn't know whether there is an associated relationship among the above shareholders or whether they are parties acting in concert.		
Notes to the preferred shareholders whose voting rights have been restored and the number of shares held	NA		

Number of shares held by the top ten shareholders subject to restricted sale and the conditions of restricted sales

Applicable Non-applicable

Change in the top ten shareholders from the previous period

Applicable Not applicable

Number of shares held by the top ten shareholders with limited selling conditions and the conditions of sale restriction

Applicable Not Applicable

(3) Strategic investors or general legal persons becoming the top ten shareholders due to the placement of new shares

Applicable Non-applicable

IV. Controlling Shareholder and Actual Controller

(1) Information about controlling shareholders

1 Corporate

Applicable Non-applicable

Name	MECCA INTERNATIONAL HOLDING (HK) LIMITED
Head or legal representative	Wu Jianshu
Date of Incorporation	July 21st, 2008
Main business operations	Investment

Shareholding status of other domestic and overseas listed companies that hold or participate in shares during the reporting period	No
Other notes	No

2 Natural person

Applicable Non-applicable

3 Special notes to no controlling shareholders in the Company

Applicable Non-applicable

4. Notes to Changes of Controlling Shareholders during the Reporting Period

Applicable Non-applicable

5 Block diagram of the equity rights and control relations between the Company and controlling shareholders

Applicable Non-applicable



(2) Actual controllers

1 Corporate

Applicable Non-applicable

2 Natural person

Applicable Non-applicable

Name	Wu Jianshu
Nationality	Hong Kong
Whether the above person has acquired the right of residence in other countries or regions	Yes
Jobs and titles	Formerly as President of Ningbo Tuopu Vibration Control System Co., Ltd., President of Ningbo Tuopu Soundproof

	System Co., Ltd., President of Ningbo Tuopu Coupling Co., Ltd., President of Ningbo Tuopu Automobile Special Rubber Co., Ltd., President of Ningbo Tuopu Brake System Co., Ltd. Currently in the capacity of President of MECCA INTERNATIONAL HOLDING (HK) LIMITED, President of Ningbo Tuopu Group Co., Ltd.
Domestic or overseas listed companies controlled by the above person in the past 10 years	No

3 Special notes to no controlling shareholders in the Company

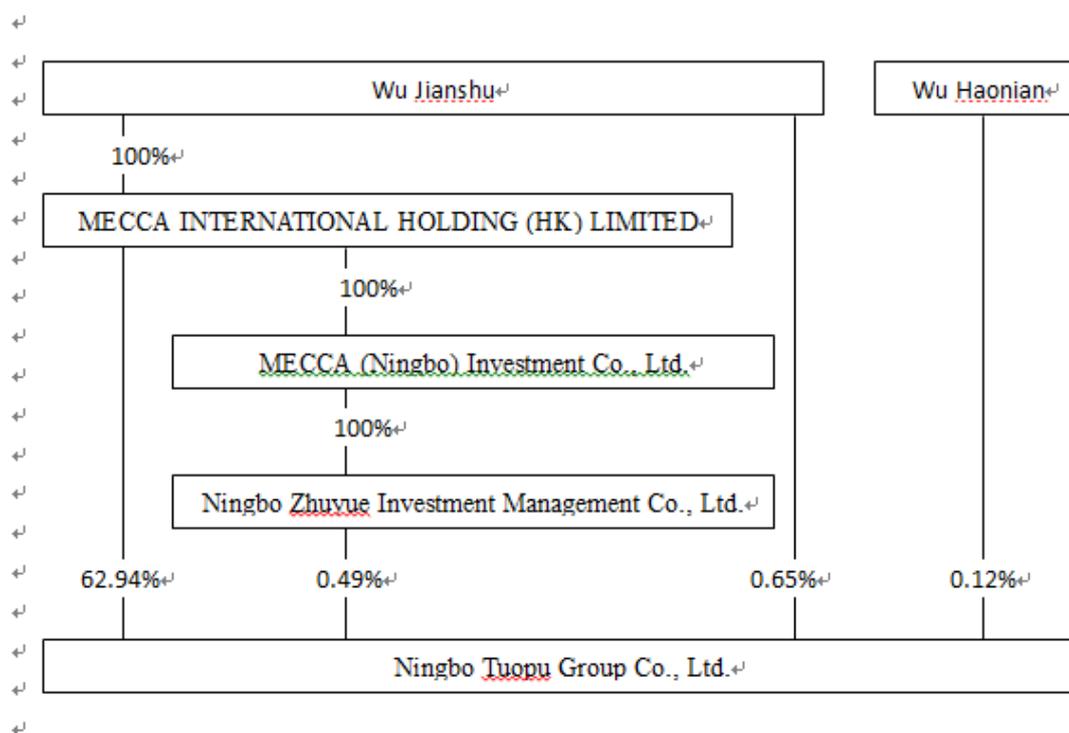
Applicable Non-applicable

4 Index and date of changes in controlling shareholders during the reporting period

Applicable Non-applicable

3 Special notes to no controlling shareholders in the Company

Applicable Non-applicable



Note: Mr. Wu Haonian is the son of the actual controller of the company Mr. Wu Jianshu, who acts in concert with the actual controller.

6 Actual controller who controls the company through trust or other asset management methods

Applicable Non-applicable

(3) Other information about the controlling shareholder and actual controller

Applicable Non-applicable

V. The controlling shareholder or the first majority shareholder of the Company and its persons acting in concert, with the accumulative number of pledged shares accounting for more than 80% of the shares held by them

Applicable Non-applicable

VI. Other corporate shareholders holding more than 10% of the shares

Applicable Non-applicable

VII. Notes to restricted reduction of shares

Applicable Non-applicable

VIII. Status of share repurchases made during the reporting period

Applicable Non-applicable

Section 8 Information about Preference Shares

Applicable Non-applicable

Section 9 Information of Corporate Bonds

I. Corporate bonds, debentures and non-financial corporate debt financing instruments

Applicable Non-applicable

II. Condition of convertible corporate bonds

Applicable Non-applicable

(1) Issuance of convertible bonds

Applicable Non-applicable

(2) Bond holders and guarantors during the reporting period

Applicable Non-applicable

Name of convertible corporate bonds	Tuopu Convertible Bond	
Number of bond holders as at the end of the period	8,789	
Guarantor for corporate bonds	NA	
The Top 10 convertible bond holders are listed below:		
Name of bond holder	Number of bonds held as at the end of the period (in RMB)	Percent of bonds held (%)
Bank of China Limited - China Merchants Advantage Enterprise Flexible Allocation Hybrid Securities Investment Fund	140,000,000	5.60
Industrial and Commercial Bank of China Limited - China Universal Asset Management Convertible Bond Securities Investment Fund	88,456,000	3.54
Northwest Investment Management (Hong Kong) Limited-Northwest Feilong Fund Ltd	86,000,000	3.44
Bank of China Limited - Nanfang Changyuan Convertible Bond Securities Investment Fund	78,983,000	3.16
Agricultural Bank of China Limited - Nanfang Xiyuan Convertible Bond Securities Investment Fund	72,313,000	2.89
Industrial and Commercial Bank of China Limited-Nanfang Guangli Return Bond Securities Investment Fund	66,023,000	2.64
Industrial Bank of China Limited - Guangfa Jiyu Bond Securities Investment Fund	63,000,000	2.52
Industrial and Commercial Bank of China Limited - Golden Eagle Yuanfeng Bond Securities Investment Fund	61,292,000	2.45
China Merchants Bank Co., Ltd-Huaan Convertible Bond Securities Investment Fund	55,313,000	2.21
Bank of China Limited – E-funds Stable Income Bond Securities Investment Fund	52,484,000	2.10

(IV) Changes in convertible bonds during the reporting period

Applicable Non-applicable

Unit: yuan Currency: Renminbi

Name of convertible bonds	Before change	Increase or decrease			After change
		Conversion of shares	Redemption of shares	Resale of shares	

Tuopu Convertible Bonds	2,500,000,000	228,000			2,499,772,000
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Cumulative conversion of convertible bonds during the reporting period

Applicable Not applicable

Name of convertible bonds	Tuopu Convertible Bonds
Amount of shares converted in the reporting period (yuan)	228,000
Number of shares converted in the reporting period (shares)	3,201
Cumulative number of shares converted (shares)	3,201
Cumulative number of shares converted accounted for the total number of issued shares of the company before conversion (%)	0.000290
Amount of shares not yet converted (yuan)	2,499,772,000
Unconverted convertible bonds as a percentage of total convertible bonds issued (%)	99.990880

(3) Successive adjustments of conversion price

Applicable Not applicable

Unit: Yuan Currency: RMB

Name of convertible bonds		Tuopu Convertible Bonds		
Conversion price adjustment date	Adjusted conversion price	Disclosure time	Disclosure media	Description of conversion price adjustment
July 17, 2023	RMB70.92/share	July 10, 2023	Shanghai Stock Exchange website, Securities Times	Adjustment of the conversion price of Tuopu Convertible Bond due to the implementation of the profit distribution plan for the year 2022
The latest conversion price as at the end of the reporting period,		RMB 70.92/share		

(V) The Company's indebtedness, changes in creditworthiness and cash arrangements for debt repayment in the coming years

Applicable Not applicable

The Company's operation is stable, and as at December 31, 2023, the asset-liability ratio was 55.10% and the credit standing was good. In future years, the Company will repay the principal and interest as agreed.

(VI) Description of other conditions of the convertible bonds

Applicable Not applicable

Section 10 Financial Report

I. Audit report

√Applicable □Non-applicable

Audit Report

Xin Kuai Shi Bao Zi [2024] No. ZF10321

To the shareholders of Ningbo Tuopu Group Co., Ltd:**I. Opinion**

We have audited the financial statements of Ningbo Tuopu Group Co., Ltd. (hereinafter referred to as “Tuopu Group”), including the parent company's and the consolidated balance sheet dated December 31, 2023, the parent company's and the consolidated income statement, the parent company's and the consolidated cash flow statement and the parent company's and the consolidated statement of changes in owners' equity for the year 2023 ended, as well as the notes to relevant financial statements.

In our opinion, the attached financial statements are prepared, in all material respects, in accordance with “Accounting Standards for Business Enterprises”, which fairly reflected the consolidated and the parent company’s financial position of Ningbo Tuopu Group Co., Ltd. as at December 31, 2023 and the consolidated and the parent company’s operating results and cash flows for the year 2023 ended.

II. Basis for Our Opinion

We conducted our audit in accordance with the Auditing Standards for Certified Public Accountants in China. Our responsibilities under those standards are further described in the CPA's Responsibilities for the Audit of the Financial Statements section of our report. According to the “Code of Ethics for Chinese Certified Public Accountants”, we are independent of Tuopu and have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified during the audit are summarized as follows:

Key Audit Matters	How the matter was addressed in the audit
<p>(1) Recognition of revenue</p> <p>More details about the accounting policies for revenue recognition and the analysis of revenue are available in the accounting policies as referred to in Note (25) of “III. Significant Accounting Policies and Accounting Estimates” and Note (40) of “V. Notes to Items of the Consolidated Financial Statements”.</p> <p>In 2023, Tuopu Group’s income from main business operations is RMB 18,728,035,200.</p> <p>Because revenue is one of the key performance indexes of Tuopu Group, there is an inherent risk of management manipulating the time point of revenue recognition in order to achieve specific goals or expectations. In this regard, we</p>	<p>Our main audit procedures for the above key audit matters related to recognition of revenue are as described below:</p> <ol style="list-style-type: none"> 1. Understand the internal control system in relation to revenue recognition and the design and implementation of the financial accounting system, and test the effectiveness of its operation; 2. We understand and evaluate whether the revenue recognition policy of the Company is appropriate or not by reviewing sales contracts and interviews with management; 3. Perform an analytical review of revenue and gross profit based on product types and customer types, and determine whether there are abnormal fluctuations in the amount of revenue during the current period; 4. Classify sales regions, select samples from the income transactions as recorded in respect of this year, check invoices, sales contracts, delivery orders, customs declaration forms, B/Ls and other supporting documents, and evaluate whether the relevant revenue recognition complies with the revenue recognition accounting policies of the Company; 5. Conduct cut-off test on the operating income recognized

regard Tuopu Group's revenue recognition as a key audit matter.	before and after the balance sheet date in order to evaluate whether the operating income is recognized in the appropriate period; 6. Make external confirmation of the account receivable balance and sales of major customers, and confirm whether the account receivable balance at the end of the period and the current income amount are true and accurate; 7. Check if the information related to revenue has been properly presented and disclosed in the financial statements.
(2) Impairment of goodwill	
<p>The details and analysis of the accounting policies for impairment of goodwill are available in the accounting policies as referred to in Note (20) of "III. Significant Accounting Policies and Accounting Estimates" and Note (16) of "V. Notes to Items of the Consolidated Financial Statements".</p> <p>As of December 31, 2023, the original book value of Tuopu Group's goodwill is RMB 287,349,900, and the amount of provision for impairment is RMB 84,166,800.</p> <p>The management conducts an impairment test on the goodwill formed by the business combination at the end of each year. The result of the impairment test of goodwill is fixed by the estimation report of relevant asset group recoverable value as prepared by the management. The recoverable amount of the relevant asset group is calculated and fixed by the present value of the estimated future cash flow. The discounted cash flow forecasts are prepared by using major judgments and estimates, especially determining the growth rate during the forecast period, perpetual growth rate, gross profit margin, discount rate.</p> <p>Since the process of goodwill impairment test is very complex, which relates to significant management estimates and judgments, we regard the impairment of goodwill as a key audit matter.</p>	<p>Our main audit procedures in respect of the above key audit matters related to the impairment of goodwill are as follows:</p> <ol style="list-style-type: none"> 1. We evaluate and test the effectiveness of the design and implementation of internal controls related to the goodwill impairment test, including the adoption of key assumptions and the review and approval of the amount of impairment provision; 2. Referring to industry practices, assess the appropriateness of the valuation method used by the management for cash flow forecasts; 3. Comparing key input values such as revenue growth rate, perpetual growth rate and cost increase with past performance, perform prudent evaluation on the key assumptions and judgments used in preparing discounted cash flow forecasts; 4. Discuss with the management and others about the reasonableness of the methods used in the process of goodwill impairment test, the assumptions of key assessments, the selection of parameters, the forecast of future income and the discount rate of cash flow; 5. Conduct a retrospective review by comparing the forecast of the previous year with the performance of this year to assess the reliability and historical accuracy of the management's forecasting process; 6. Evaluate the competence, professionalism and objectivity of the specialists appointed by the management, and reach a consensus on the content of their works; 7. Check if the information related to goodwill impairment has been properly presented and disclosed in the financial statements.

IV. Other Information

The management of Tuopu Group (hereinafter referred to as the Management) is responsible for the other information. The other information includes the information covered in Tuopu's annual report for the year 2022 ended, other than the financial statements and our audit report.

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

In combination with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

V. Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management is responsible for preparing the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises to achieve a fair presentation, and for designing, implementing and maintaining necessary internal control to ensure that the financial statements are free from material misstatements, whether due to frauds or errors.

In preparing the financial statements, the Management is responsible for assessing Tuopu's ability to continue operating, disclosing matters related to continuous operation (if applicable) and using the hypothesis of continuous operation unless there is a plan to liquidate, terminate operations or no other realistic options.

The management is responsible for supervising the financial reporting process of Tuopu.

VI. CPA's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As part of an audit in accordance with the audit standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Obtain an understanding of internal control relevant to the audit in order to design appropriate audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

(4) Conclude on the appropriateness of using the going concern assumption by the Management. At the same time, draw a conclusion, based on the audit evidence obtained, on whether there is significant uncertainty in matters or situations that may cause major doubts about Tuopu's ability in continuous operation. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the information available up to the date of our audit report. However, future events or conditions may result in Tuopu's inability to continue operating.

(5) Evaluate the overall presentation (including the disclosures), structure and content of the financial statements, and whether the financial statements fairly reflect the relevant transactions and events.

(6) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within Tuopu to express an opinion on the financial statements. We are responsible for guiding, supervising and implementing the group audit, and remain solely responsible for our audit opinion.

We have communicated with those charged with governance on such matters as the scope of audit as planned, the schedule and material audit findings, including the defects in the internal control that are worth paying attention to found in this audit.

We have also provided those charged with governance with a statement on observing the professional ethics related to independence, and communicated with those charged with governance on all the relationships and other matters that might be reasonably deemed to affect our independence, and relevant preventative measures (if applicable).

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

BDO China Shu Lun Pan Certified Chinese CPA: Yu Weiyang
Public Accountants LLP (Project Partner)
(Special General Partnership)

Chinese CPA: Tang Wei

Shanghai, China

Date: 22 April 2024

II. Financial Statements

Consolidated Balance Sheet

As of 31 December 2023

Prepared by: Ningbo Tuopu Group Co., Ltd.

Unit: Yuan Currency: RMB

Item	Note	31 December 2023	31 December 2022
Current assets:			
Cash and Bank Balances	VII.1	2,855,366,991.27	2,795,531,830.43
Deposit Reservation for Balance			
Loans to Banks and Other Financial Institutions			
Trading Financial Assets	VII.2	300,872,066.52	954,888.48
Derivative Financial Assets			
Notes receivable	VII.4	554,030,607.88	410,801,964.08
Accounts receivable	VII.5	5,006,715,161.67	4,347,460,987.76
Receivables Financing	VII.7	1,039,933,314.87	1,157,514,623.70
Prepayments	VII.8	116,414,223.74	117,134,585.39
Premium Receivable			
Reinsurance Accounts Receivable			
Reinsurance Contract Reserves Receivable			
Other Receivables	VII.9	89,762,378.31	140,748,361.64
Including: interest receivable			
Dividends Receivable			
Buying Back the Sale of Financial Assets			
Inventory	VII.10	3,244,841,805.11	3,255,860,915.66
Contract Assets			
Holding for-sale assets			
Non-current Assets Due within 1 Year			
Other Current Assets	VII.13	283,924,859.25	208,497,764.18
Subtotal of Current Assets		13,491,861,408.62	12,434,505,921.32
Non-current Assets:			
Granting of loans and advances			
Investment in Creditor's Rights			
Investment in Other Creditor's Rights			
Long-term Receivables			
Long-term Equity Investment	VII.17	139,641,447.46	141,704,726.21
Investment in Other Equity Instruments			
Other Non-current Financial Assets			
Investment Property	VII.20	22,979,091.55	25,126,095.85

Fixed Assets	VII.21	11,518,327,615.38	8,725,700,134.49
Projects under Construction	VII.22	2,999,617,867.21	3,553,833,187.91
Productive Biological Assets			
Oil and gas assets			
Right-of-use Assets	VII.25	340,623,222.02	89,083,423.67
Intangible Assets	VII.26	1,390,141,202.49	1,227,723,584.59
Development Expenditure			
Goodwill	VII.27	203,183,057.72	209,241,595.49
Long-term unamortized expenses	VII.28	169,098,529.79	157,573,682.61
Deferred Income Tax Assets	VII.29	202,239,458.82	191,979,118.18
Other Non-current Assets	VII.30	292,058,305.82	754,078,748.57
Total Non-current Assets		17,277,909,798.26	15,076,044,297.57
Total Assets		30,769,771,206.88	27,510,550,218.89
Current Liabilities:			
Short-term loan	VII.32	999,798,705.09	1,132,536,757.84
Borrowings from the Central Bank			
Borrowings from Banks and Other Financial Institutions			
Transactional financial liabilities			
Derivative Financial Liabilities			
Notes Payable	VII.35	2,855,691,274.58	2,986,683,115.16
Accounts Payable	VII.36	5,407,037,561.30	4,828,236,418.41
Received Prepayments			
Contract liabilities	VII.38	20,090,277.73	22,053,112.07
Financial Assets Sold for Repurchase			
Deposit Taking and Interbank Deposit			
Receiving from Vicariously Traded Securities			
Receiving from Vicariously Sold Securities			
Payroll payable	VII.39	353,499,479.48	268,698,963.77
Tax Payable	VII.40	271,156,762.61	170,226,721.86
Other Payables	VII.41	24,690,743.41	22,729,867.88
Including: interest payable			2,342,465.75
Dividends Payable			
Service Charge and Commission Payable			
Reinsurance Accounts Payable			
Holding for-sale liabilities			
Non-current Liabilities Due within 1 Year	VII.43	1,290,220,025.19	23,450,209.53
Other Current Liabilities	VII.44	1,690,671.66	166,036,174.17
Subtotal of Current Liabilities		11,223,875,501.05	9,620,651,340.69
Non-current Liabilities:			
Insurance Contract Reserves			
Long-term loan	VII.45	2,506,123,957.26	2,825,000,000.00

Bonds Payable	VII.46	2,436,329,229.37	2,357,411,642.30
Including: Preferred Stocks			
Perpetual Bonds			
Lease Liabilities	VII.47	298,078,535.61	67,084,816.51
Long-term Payables			
Long-term payroll payable			
Expected Liabilities			
Deferred Income	VII.51	424,223,057.18	367,153,765.44
Deferred Income Tax Liabilities	VII.29	66,838,020.68	113,023,332.30
Other Non-current Liabilities			
Total Non-current Liabilities		5,731,592,800.10	5,729,673,556.55
Total Liabilities		16,955,468,301.15	15,350,324,897.24
Owners' Equity (or Shareholders' Equity):			
Paid-in capital (or share Capital)	VII.53	1,102,049,773.00	1,102,046,572.00
Other Equity Instruments	VII.54	143,201,172.16	143,214,233.30
Including: Preferred Stocks			
Perpetual Bonds			
Capital Reserves	VII.55	5,341,029,541.42	5,340,798,886.81
Less: Treasury Share			
Other Comprehensive Incomes	VII.57	-7,279,431.39	-21,343,831.86
Special Reserves			
Surplus Reserves	VII.59	706,943,994.98	631,484,906.94
General Risk Reserves			
Undistributed Profits	VII.60	6,498,434,550.76	4,933,499,753.42
Total Shareholders' Equity Attributable to the Parent Company		13,784,379,600.93	12,129,700,520.61
Minority Shareholders' Equity		29,923,304.80	30,524,801.04
Total Shareholders' Equity		13,814,302,905.73	12,160,225,321.65
Total Liabilities and Shareholders' Equity		30,769,771,206.88	27,510,550,218.89

Legal Representative: Wu Jianshu Accounting Work Officer: Hong Tieyang Accounting Institution Officer: Hong Tieyang

Balance Sheet of the Parent Company

As of 31 December 2023

Prepared by: Ningbo Tuopu Group Co., Ltd.

Unit: Yuan Currency: RMB

Item	Note	31 December 2023	31 December 2022
Current Assets:			
Cash and Bank Balances		618,675,203.54	1,284,945,846.63
Trading Financial Assets		300,000,000.00	
Derivative Financial Assets			
Notes receivable			
Accounts receivable	XIX.1	1,991,981,167.80	2,297,269,083.20
Receivables Financing		6,020,517.09	144,939,077.24
Prepayments		19,523,355.44	77,638,963.69

Other Receivables	XIX.2	338,124,520.82	229,141,399.78
Including: interest receivable			
Dividends Receivable			
Inventory		748,720,435.55	957,961,047.03
Contract Assets			
Holding for-sale assets			
Non-current Assets Due within 1 Year			
Other Current Assets			
Subtotal of Current Assets		4,023,045,200.24	4,991,895,417.57
Non-current Assets:			
Investment in Creditor's Rights			
Investment in Other Creditor's Rights			
Long-term Receivables			
Long-term Equity Investment	XIX.3	12,525,007,982.83	10,971,501,286.58
Investment in Other Equity Instruments			
Other Non-current Financial Assets			
Investment Property		22,979,091.55	25,126,095.85
Fixed Assets		2,437,105,520.81	2,365,475,521.30
Projects under Construction		238,684,855.76	346,048,327.78
Productive Biological Assets			
Oil and gas assets			
Right-of-use Assets			
Intangible Assets		290,479,090.94	284,237,623.81
Development Expenditure			
Goodwill			
Long-term unamortized expenses		23,705,229.33	19,995,272.51
Deferred Income Tax Assets			46,914,435.70
Other Non-current Assets		47,858,801.24	85,008,025.51
Total Non-current Assets		15,585,820,572.46	14,144,306,589.04
Total Assets		19,608,865,772.70	19,136,202,006.61
Current Liabilities:			
Short-term loan		599,470,362.78	499,962,135.61
Transactional financial liabilities			
Derivative Financial Liabilities			
Notes Payable		575,433,154.97	583,212,539.50
Accounts Payable		1,663,426,306.15	1,497,847,166.32
Received Prepayments			
Contract liabilities		1,605,274.16	1,362,904.31
Payroll payable		116,634,952.50	92,793,014.53
Tax Payable		81,172,711.50	44,282,203.95
Other Payables		6,018,884.90	6,768,604.13
Including: interest payable			2,342,465.75
Dividends Payable			
Holding for-sale liabilities			
Non-current Liabilities Due within 1 Year		746,896,254.40	

Other Current Liabilities		208,685.64	60,409,522.56
Subtotal of Current Liabilities		3,790,866,587.00	2,786,638,090.91
Non-current Liabilities:			
Long-term loan		1,970,000,000.00	2,780,000,000.00
Bonds Payable		2,436,329,229.37	2,357,411,642.30
Including: Preferred Stocks			
Perpetual Bonds			
Lease Liabilities			
Long-term Payables			
Long-term payroll payable			
Expected Liabilities			
Deferred Income		117,125,221.06	99,343,459.89
Deferred Income Tax Liabilities		19,778,558.30	82,605,938.28
Other Non-current Liabilities			
Subtotal of Non-current Liabilities		4,543,233,008.73	5,319,361,040.47
Total Liabilities		8,334,099,595.73	8,105,999,131.38
Owners' Equity (or Shareholders' Equity):			
Paid-in Capital (or Share Capital)		1,102,049,773.00	1,102,046,572.00
Other Equity Instruments		143,201,172.16	143,214,233.30
Including: Preferred Stocks			
Perpetual Bonds			
Capital Reserves		5,341,029,541.42	5,340,798,886.81
Less: Treasury Share			
Other Comprehensive Incomes			
Special Reserves			
Surplus Reserves		706,943,994.98	631,484,906.94
Undistributed Profits		3,981,541,695.41	3,812,658,276.18
Total Owners' Equity (or Shareholders' Equity)		11,274,766,176.97	11,030,202,875.23
Total Liabilities and Owners' Equity (or Shareholders' Equity)		19,608,865,772.70	19,136,202,006.61

Legal Representative: Wu Jianshu Accounting Work Officer: Hong Tieyang Accounting Institution Officer: Hong Tieyang

Consolidated Income Statement

For the Period from January 2023 to December 2023

Unit: Yuan Currency: RMB

Item	Note	2023	2022
I. Total Operating Revenue		19,700,560,430.00	15,992,821,677.50
Including: Operating Revenue	VII.61	19,700,560,430.00	15,992,821,677.50
Interest Income			
Earned Premiums			
Service Charge and Commission Income			
II. Total Operating Cost		17,185,938,637.55	14,012,525,037.88

Including: Operating Cost	VII.61	15,163,117,900.35	12,535,999,713.52
Interest Expenditures			
Service Charge and Commission Expenses			
Surrender Value			
Net Claims Paid			
Net Amount of Withdrawn Reserve for Insurance Liability Contract			
Policyholder Dividend Expense			
Reinsurance Cost			
Taxes and Surcharges	VII.62	148,123,816.92	94,289,020.85
Sales Expenses	VII.63	258,824,636.84	220,240,238.99
Administration expenses	VII.64	543,720,741.04	423,280,764.94
Research and development expense	VII.65	986,403,005.39	750,718,588.09
Financial Expenses	VII.66	85,748,537.01	-12,003,288.51
Including: interest expenses		228,089,328.18	135,057,511.74
Interest Income		46,324,974.29	35,832,053.75
Add: Other income	VII.67	219,278,730.12	62,494,498.92
Investment Income (Mark "-" for Loss)	VII.68	3,969,018.78	39,131,881.78
Including: Investment Income from Affiliates and Joint Ventures		-2,063,278.75	28,254,053.75
Profits from derecognition of Financial Assets at Amortized Cost			
Exchange Gains (Mark "-" for Losses)			
Profit of Net Exposure Hedging (Mark "-" for Loss)			
Incomes from changes in fair value (losses marked with "-")	VII.70	-82,821.96	-552,958.38
Credit Impairment Losses (Mark "-" for Loss)	VII.71	-196,691,064.38	-71,304,017.89
Asset Impairment Losses (Mark "-" for Loss)	VII.72	-71,460,814.51	-32,291,487.20
Asset Disposal Income (Mark "-" for Loss)	VII.73	6,635,932.50	-24,682.27
III. Operating Profit (Mark "-" for Loss)		2,476,270,773.00	1,977,749,874.58
Add: Non-operating Revenues	VII.74	4,102,935.73	6,180,024.18
Less: Non-operating Expenses	VII.75	18,083,984.41	24,018,137.53
IV. Total Profit (Mark "-" for Total Loss)		2,462,289,724.32	1,959,911,761.23
Less: Income Tax Expense	VII.76	312,273,518.56	260,868,122.28
V. Net Profit (Mark "-" for Net Loss)		2,150,016,205.76	1,699,043,638.95
(1) Classified by operation continuity			
1. Net Profit as a Going Concern (Mark "-" for Net Loss)		2,150,016,205.76	1,699,043,638.95
2. Net Profit of Discontinued Operation (Mark "-" for Net Loss)			
(2). Classified by the attribution of ownership			
1. Net Profit Attributable to		2,150,642,258.47	1,700,208,711.12

Shareholders of Parent Company			
2. Minority Shareholders' Profit and Loss		-626,052.71	-1,165,072.17
VI. Net Amount of Other Comprehensive Incomes after Tax		14,088,956.94	3,666,722.58
(1) Net Amount of Other Comprehensive Incomes after Tax Attributable to the Parent Company's Owner		14,064,400.47	3,635,064.61
1, Other comprehensive income that cannot be reclassified as P/L			
(1) Re-measure the variation of the defined benefit plan			
(2) Other comprehensive income that cannot be transferred to P/L under the equity method			
(3) Changes in the fair value of investment in other equity instruments			
(4) Changes in the fair value of the credit risk of the enterprise			
2. Other comprehensive income that will be reclassified as P/L		14,064,400.47	3,635,064.61
(1) Other comprehensive income that can be transferred to P/L under the equity method			
(2) Changes in the fair value of investment in other creditor's rights			
(3) Financial assets reclassified into other comprehensive income			
(4) Provisions for the credit impairment of investment in other creditor's rights			
(5) Cash flow hedge reserves			
(6) Currency translation difference		14,064,400.47	3,635,064.61
(7) Others			
(2) Net Amount of Other Comprehensive Incomes After Tax Attributable to Minority Shareholders		24,556.47	31,657.97
VII. Total Comprehensive Income		2,164,105,162.70	1,702,710,361.53
(1) Total Comprehensive Income Attributable to the Parent Company's Owner		2,164,706,658.94	1,703,843,775.73
(2) Total Comprehensive Income Attributable to Minority Shareholders		-601,496.24	-1,133,414.20
VIII. Earnings per Share:			
(1) Basic Earnings per Share (yuan per share)		1.95	1.54
(2) Diluted Earnings per Share (yuan per share)		1.95	1.54

If there is a business combination under the same control in the current period, the net profit earned by the combined party before the combination is: RMB 0, and the net profit earned by the combined party in the previous period is: RMB 0.

Legal Representative: Wu Jianshu Accounting Work Officer: Hong Tieyang Accounting Institution Officer: Hong Tieyang

Income Statement of the Parent Company
For the Period from January 2023 to December 2023

Unit: Yuan Currency: RMB

Item	Note	2023	2022
I. Operating Revenue	XIX.4	7,358,313,567.96	7,076,547,178.31
Less: Operating Cost	XIX.4	5,618,321,371.32	5,389,017,319.94
Taxes and Surcharges		51,014,241.28	41,571,254.40
Sales Expenses		7,080,144.64	12,320,324.81
Administration expenses		200,480,878.28	169,649,690.80
Research and development expense		591,964,067.53	434,534,489.91
Financial Expenses		158,399,513.24	94,051,050.65
Including: interest expenses		191,588,472.08	113,911,492.01
Interest Income		25,187,946.12	18,926,305.18
Add: Other income		120,968,043.79	23,513,606.06
Investment Income (Mark "-" for Loss)	XIX.5	3,969,018.78	39,131,881.78
Including: Investment Income from Affiliates and Joint Ventures		-2,063,278.75	28,254,053.75
Profits from Derecognition of Financial Assets at Amortized Cost			
Profit of Net Exposure Hedging (loss in "-")			
Incomes from changes in fair value (loss in "-")			
Credit Impairment Losses (loss in "-")		-28,586,731.03	-26,244,459.58
Asset Impairment Losses (loss in "-")		-29,964,582.04	-9,499,238.85
Asset Disposal Income (loss in "-")		7,080,096.04	-80,595.44
II. Operating Profit (loss in "-")		804,519,197.21	962,224,241.77
Add: Non-operating Revenues		543,752.23	1,152,149.76
Less: Non-operating Expenses		3,155,249.75	2,851,919.84
III. Total Profit (total loss in "-")		801,907,699.69	960,524,471.69
Less: Income Tax Expense		47,316,819.33	83,770,078.08
IV. Net Profit (Mark for Net Loss)		754,590,880.36	876,754,393.61
(I) Net Profit as a Going Concern (net loss in "-")			
(II) Net Profit of Discontinued Operation (net loss in "-")			
V. Net Amount of Other Comprehensive Incomes After Tax			
(1) Other comprehensive income that cannot be reclassified as P/L			
1. Re-measure the variation of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to P/L under the equity method			
3. Changes in the fair value of investment in other equity instruments			
4. Changes in the fair value of the credit risk of the enterprise			

(2) Other comprehensive income that will be reclassified as P/L			
1. Other comprehensive income that can be transferred to P/L under the equity method			
2. Changes in the fair value of investment in other creditor's rights			
3. Financial assets reclassified into other comprehensive income			
4. Provisions for the credit impairment of investment in other creditor's rights			
5. Cash flow hedge reserves			
6. Currency translation difference			
7. Others			
VI. Total Comprehensive Income		754,590,880.36	876,754,393.61
VII. Earnings per Share:			
(I) Basic Earnings per Share (yuan per share)		0.68	0.80
(II) Diluted Earnings per Share (yuan per share)		0.68	0.80

Legal Representative: Wu Jianshu Accounting Work Officer: Hong Tieyang Accounting Institution Officer: Hong Tieyang

Consolidated Cash Flow Statement
For the Period from January 2023 to December 2023

Unit: Yuan Currency: RMB

Item	Note	2023	2022
I. Cash Flow Generated by Operational Activities:			
Cash from Sales of Merchandise and Provision of Services		19,971,831,263.03	16,122,523,754.96
Net Increase in Customer's Bank Deposits and Interbank Deposits			
Net Increase in Borrowings from the Central Bank			
Net Increase in Borrowings from Other Financial Institutions			
Cash Arising from Receiving Premiums for the Original Insurance Contract			
Net Amount Arising from Reinsurance Business			
Net Increase in Deposits and Investments from Policyholders			
Cash Arising from Interests, Service Charges and Commissions			
Net Increase in Borrowings from Banks and Other Financial Institutions			
Net Increase in Repurchase			

Business Funds			
Net Amount of Cash Received from the Vicariously Traded Securities			
Tax Refund		785,940,216.35	840,256,007.57
Other Received Cashes Related to Operational Activities	VII.78	316,295,492.22	219,062,234.00
Subtotal of cash inflow from operational activities		21,074,066,971.60	17,181,841,996.53
Cash Paid for Merchandise and Services		13,429,902,173.10	11,453,557,445.61
Net Increase in Loans and Advances to Customers			
Net Increase in Deposits with Central Bank and Other Financial Institutions			
Cash Paid for Original Insurance Contract Claims			
Net increase of funds lent			
Cash Paid for Interests, Service Charges and Commissions			
Cash Paid for Policy Dividends			
Cash Paid to and for Employees		2,343,276,069.26	1,997,897,842.15
Cash Paid for Taxes and Surcharges		1,087,471,879.85	746,268,738.06
Other Paid Cashes Related to Operational Activities	VII.78	847,787,572.65	700,097,882.31
Subtotal of cash outflow from operational activities		17,708,437,694.86	14,897,821,908.13
Net cash flow generated by operating activities		3,365,629,276.74	2,284,020,088.40
II. Cash Flow from Investment Activities:			
Cash Arising from Disposal of Investments		1,016,032,297.53	870,877,828.03
Cash Arising from Investment Incomes			12,719,979.84
Net Cash Arising from Disposal of Fixed Assets, Intangible Assets and Other Long-term Assets		19,710,578.44	22,543,846.20
Net Cash Arising from Disposal of Subsidiaries and Other Business Units			
Other Received Cashes Related to Investment Activities	VII.78	40,915,600.00	16,909,763.45
Subtotal of cash inflow from investment activities		1,076,658,475.97	923,051,417.52
Cash Paid for Purchase and Construction of Fixed Assets, Intangible Assets and Other Long-term Assets		3,176,917,076.36	5,425,571,755.88
Cash Paid for Investments		1,310,000,000.00	540,000,000.00
Net Increase in Pledge Loans			
Net Cash Paid for Acquisition of Subsidiaries and Other Business Units			
Other Paid Cashes Related to	VII.78		63,300,000.00

Investment Activities			
Subtotal of Cash Outflow from Investment Activities		4,486,917,076.36	6,028,871,755.88
Net amount of cash flow generated by investment activities		-3,410,258,600.39	-5,105,820,338.36
III. Cash Flow from Financing Activities:			
Cash Arising from Absorbing Investments			
Including: Cash Arising from Subsidiaries Absorbing Investments by Minority Shareholders			
Cash Arising from Borrowings		3,565,013,356.11	6,802,086,141.53
Other Received Cashes Related to Financing Activities	VII.78		169,600,000.00
Subtotal of cash inflow from financing activities		3,565,013,356.11	6,971,686,141.53
Cash Paid for Debts Repayment		2,780,634,391.85	1,879,970,540.00
Cash Paid for Distribution of Dividends and Profits or Payment of Interests		648,393,139.87	396,583,649.33
Including: Dividends and Profits Paid to Minority Shareholders by Subsidiaries			
Other Paid Cashes Related to Financing Activities	VII.78	207,414,182.52	398,382,979.85
Subtotal of cash outflow from financing activities		3,636,441,714.24	2,674,937,169.18
Net cash flow generated by financing activities		-71,428,358.13	4,296,748,972.35
IV. Impact of Fluctuation in Exchange Rate on Cash and Cash Equivalents		19,783,061.01	-408,560.09
V. Net Increase in Cash and Cash Equivalents		-96,274,620.77	1,474,540,162.30
Add: Cash and Cash Equivalents at the Commencement of the Period		2,410,212,553.28	935,672,390.98
VI. Cash and Cash Equivalents at the End of the Period		2,313,937,932.51	2,410,212,553.28

Legal Representative: Wu Jianshu Accounting Work Officer: Hong Tieyang Accounting Institution Officer: Hong Tieyang

Cash Flow Statement of the Parent Company
For the Period from January 2023 to December 2023

Unit: Yuan Currency: RMB

Item	Note	2023	2022
I. Cash Flow Generated by Operational Activities:			
Cash from Sales of Merchandise and Provision of Services		6,981,406,717.64	5,590,419,037.59
Tax Refund		52,500,780.95	
Other Received Cashes Related		136,982,528.01	67,755,649.54

to Operational Activities			
Subtotal of cash inflow from operational activities		7,170,890,026.60	5,658,174,687.13
Cash Paid for Merchandise and Services		3,477,335,286.36	3,540,668,521.80
Cash Paid to and for Employees		737,512,383.00	701,624,412.42
Cash Paid for Taxes and Surcharges		370,383,385.60	329,280,493.47
Other Paid Cashes Related to Operational Activities		354,121,687.97	277,901,664.88
Subtotal of cash outflow from operational activities		4,939,352,742.93	4,849,475,092.57
Net cash flow generated by operating activities		2,231,537,283.67	808,699,594.56
II. Cash Flow from Investment Activities:			
Cash Arising from Disposal of Investments		1,016,032,297.53	870,877,828.03
Cash Arising from Investment Incomes			12,719,979.84
Net Cash Arising from Disposal of Fixed Assets, Intangible Assets and Other Long-term Assets		98,890,529.05	79,325,016.86
Net Cash Arising from Disposal of Subsidiaries and Other Business Units			
Other Received Cashes Related to Investment Activities		197,706,727.42	1,038,381,600.00
Subtotal of cash inflow from investment activities		1,312,629,554.00	2,001,304,424.73
Cash Paid for Purchase and Construction of Fixed Assets, Intangible Assets and Other Long-term Assets		375,255,080.01	568,499,551.81
Cash Paid for Investments		2,865,569,975.00	4,521,316,112.52
Net Cash Paid for Acquisition of Subsidiaries and Other Business Units			
Other Paid Cashes Related to Investment Activities		332,465,000.00	1,118,909,600.00
Subtotal of Cash Outflow from Investment Activities		3,573,290,055.01	6,208,725,264.33
Net amount of cash flow generated by investment activities		-2,260,660,501.01	-4,207,420,839.60
III. Cash Flow from Financing Activities:			
Cash Arising from Absorbing Investments			
Cash Arising from Borrowings		2,169,000,000.00	6,018,972,641.53
Other Received Cashes Related to Financing Activities		100,000,000.00	169,600,000.00
Subtotal of cash inflow from financing activities		2,269,000,000.00	6,188,572,641.53
Cash Paid for Debts Repayment		2,139,600,000.00	1,350,500,000.00
Cash Paid for Distribution of Dividends and Profits or Payment of Interest		618,038,572.64	381,356,170.27
Other Paid Cashes Related to		160,232,525.08	275,177,346.31

Financing Activities			
Subtotal of cash outflow from financing activities		2,917,871,097.72	2,007,033,516.58
Net cash flow generated by financing activities		-648,871,097.72	4,181,539,124.95
IV. Impact of Fluctuation in Exchange Rate on Cash and Cash Equivalents		-379,127.10	-127,226.65
V. Net Increase in Cash and Cash Equivalents		-678,373,442.16	782,690,653.26
Add: Cash and Cash Equivalents at the Commencement of the Period		1,278,492,772.64	495,802,119.38
VI. Cash and Cash Equivalents at the End of the Period		600,119,330.48	1,278,492,772.64

Legal Representative: Wu Jianshu Accounting Work Officer: Hong Tieyang Accounting Institution Officer: Hong Tieyang

Consolidated Statement of Changes in Owners' Equity
For the Period from January 2023 to December 2023

Unit:Yuan Currency:RMB

Item	2023												Minority Shareholders' Equity	Total Shareholders' Equity	
	Shareholders' Equity Attributable to the Parent Company's Owner														
	Paid-in Capital (or Share Capital)	Other Equity Instruments			Capital Reserves	Less: Treasury Shares	Other Comprehensive Incomes	Special Reserves	Surplus Reserves	General Risk Reserves	Undistributed Profits	Others			Subtotal
Preferred Stocks		Perpetual Bonds	Others												
I. Balance at the End of Last Year	1,102,046,572.00			143,214,233.30	5,340,798,886.81		-21,343,831.86		631,484,906.94		4,933,499,753.42		12,129,700,520.61	30,524,801.04	12,160,225,321.65
Add: Changes in Account															

ting Policies														
Co rrection of Errors in the Previou s Period														
Others														
II. Balance at the Start of This Year	1,102,046,572.00		143,214,233.30	5,340,798,886.81	-21,343,831.86	631,484,906.94	4,933,499,753.42	12,129,700,520.61	30,524,801.04	12,160,225,321.65				
III. Increase s or Decrease s in This Period (Decrease s in "-")	3,201.00		-13,061.14	230,654.61	14,064,400.47	75,459,088.04	1,564,934,797.34	1,654,679,080.32	-601,496.24	1,654,077,584.08				
(I) Total Compre hensive Income					14,064,400.47		2,150,642,258.47	2,164,706,658.94	-601,496.24	2,164,105,162.70				
(II) Shareho lders' Contrib ution and Reducti on in	3,201.00		-13,061.14	230,654.61				220,794.47		220,794.47				

Capital															
1. Common stock invested by the owner															
2. Capital Invested by Holders of Other Equity Instrum ents	3,201.00			-13,061.14	230,654.61								220,794.47		220,794.47
3. Amount of Share-b ased Paymen ts Recorde d into Shareho lders' Equity															
4. Others															
(III) Profit Distribu tion								75,459,088.04		-585,707,461.13			-510,248,373.09		-510,248,373.09
1. Approp riation of Surplus Reserve								75,459,088.04		-75,459,088.04					

s															
2. Appropriation of General Risk Reserves															
3. Distribution to Owners (or Shareholders)											-510,248,373.09		-510,248,373.09		-510,248,373.09
4. Others															
(IV) Internal Carry-forward of Shareholders' Equity															
1. Capital Reserves Transferred into Capital (or Share Capital)															
2. Surplus Reserves Transfe															

rred into Capital (or Share Capital)															
3. Surplus Reserve s Coverin g Losses															
4. Carry-f orward retained earning s of the variatio n of the defined benefit plan															
5.Othe r Carry-f orward Retain ed Earnin gs of the Compr ehensi															

ve															
Income															
6. Others															
(V) Special Reserves															
1. Withdrawal in this period															
2. Used in this period															
(VI) Others															
IV. Balance at the End of This Period	1,102,049,773.00			143,201,172.16	5,341,029,541.42		-7,279,431.39		706,943,994.98		6,498,434,550.76		13,784,379,600.93	29,923,304.80	13,814,302,905.73

Item	2022														Minority Shareholders' Equity	Total Shareholders' Equity
	Shareholders' Equity Attributable to the Parent Company's Owner															
	Paid-in Capital (Or Share Capital)	Other Equity Instruments		Capital Reserves	Less: Treasury Share	Other Comprehensive Incomes	S p e c i a l R	Surplus Reserves	G e n e r a l R	Undistributed Profits	O t h e r s	Subtotal				
P r e f e r r e d		P e r t u a	Others													

		d	l					e		i				
		S	B					s		s				
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I. Balance at the End of Last Year	1,102,046,572.00				5,340,798,886.81			-24,978,896.47	543,809,467.58	3,627,335,428.68		10,589,011,458.60	31,658,215.24	10,620,669,673.84
Add: Changes in Accounting Policies														
Correction of Errors in the Previous Period														
Consolidated under the Same Contro														

I														
Others	1,102,046,572.00			5,340,798,886.81		-24,978,896.47		543,809,467.58		3,627,335,428.68		10,589,011,458.60	31,658,215.24	10,620,669,673.84
II. Balance at the Start of This Year			143,214,233.30			3,635,064.61		87,675,439.36		1,306,164,324.74		1,540,689,062.01	-1,133,414.20	1,539,555,647.81
(I) Total Comprehensive Income						3,635,064.61				1,700,208,711.12		1,703,843,775.73	-1,133,414.20	1,702,710,361.53
(II) Shareholders' Contribution and Reduction in Capital														
1. Common stock invested by the owner														
2. Capital Invested by Holder														

s of Other Equity Instruments													
3. Amount of Share-based Payments Recorded into Shareholders' Equity													
4. Others													
(III) Profit Distribution							87,675,439.36	-394,044,386.38		-306,368,947.02			-306,368,947.02
1. Appropriation of Surpluses Reserves							87,675,439.36	-87,675,439.36					
2. Appropriation of General Risk Reserves													
3. Distribution										-306,368,947.02		-306,368,947.02	-306,368,947.02

Surplu s Reserv es Coveri ng Losses														
4. Carry-f orward retaine d earnin gs of the variati on of the define d benefit plan														
5. Other Carry-f orward Retain ed Earnin gs of the Compr ehensi ve Incom e														
6. Others														
(V) Specia l Reserv														

es														
1. Withdrawal in this period														
2. Used in this period														
(VI) Others			143,214,233.30								143,214,233.30		143,214,233.30	
IV. Balance at the End of This Period	1,102,046,572.00		143,214,233.30	5,340,798,886.81		-21,343,831.86		631,484,906.94		4,933,499,753.42		12,129,700,520.61	30,524,801.04	12,160,225,321.65

Legal Representative: Wu Jianshu Accounting Work Officer: Hong Tieyang Accounting Institution Officer: Hong Tieyang

Statement of Changes in Owners' Equity of the Parent Company

For the Period from January 2023 to December 2023

Unit: Yuan Currency: RMB

Item	2023										
	Paid-in Capital (or Share Capital)	Other Equity Instruments			Capital Reserves	Less : Treasury Share	Other Comprehensive Income	Special Reserves	Surplus Reserves	Undistributed Profits	Total Shareholders' Equity
		Preferred Stocks	Perpetual Bonds	Others							
I. Balance at the End of Last Year	1,102,046,572.00			143,214,233.30	5,340,798,886.81				631,484,906.94	3,812,658,276.18	11,030,202,875.23
Add: Changes in Accounting Policies											
Correction of Errors in the Previous Period											
Others											
II. Balance at the Start of This Year	1,102,046,572.00			143,214,233.30	5,340,798,886.81				631,484,906.94	3,812,658,276.18	11,030,202,875.23

III. Increases or Decreases in This Period (Decreases in “-”)	3,201.00			-13,061.14	230,654.61				75,459,088.04	168,883,419.23	244,563,301.74
(1) Total comprehensive income										754,590,880.36	754,590,880.36
II) Shareholders' Contribution and Reduction in Capital	3,201.00			-13,061.14	230,654.61						220,794.47
1. Common stock invested by the owner											
2. Capital Invested by Holders of Other Equity Instruments	3,201.00			-13,061.14	230,654.61						220,794.47
3. Amount of Share-based Payments Recorded into Shareholders' Equity											
4. Others											
(III) Profit Distribution									75,459,088.04	-585,707,461.13	-510,248,373.09
1. Appropriation of Surplus Reserves									75,459,088.04	-75,459,088.04	
2. Distribution to Owners (or Shareholders)										-510,248,373.09	-510,248,373.09
3. Others											
(IV) Internal Carry-forward of Shareholders' Equity											
1. Capital Reserves Transferred into Capital (or Share Capital)											
2. Surplus Reserves Transferred into Capital (or Share Capital)											
3. Surplus Reserves Covering Losses											
4. Carry-forward retained earnings of the variation of the defined benefit plan											
5. Other Carry-forward Retained Earnings of the Comprehensive Income											
6. Others											
(V) Special Reserves											
1. Withdrawal in this period											
2. Used in This Period											
(VI) Others											
IV. Balance at the End of This Period	1,102,049,773.00			143,201,172.16	5,341,029,541.42				706,943,994.98	3,981,541,695.41	11,274,766,176.97

Item	2022									
	Paid-in Capital	Other Equity Instruments	Capital	Less	Othe	Spec		Undistributed	Total	

	(Or Share Capital)	Preferred Stocks	Perpetual Bonds	Others	Reserves	Treasury Share	Comprehensive Incomes	Surplus Reserves	Profits	Shareholders' Equity
I. Balance at the End of Last Year	1,102,046,572.00				5,340,798,886.81			543,809,467.58	3,329,948,268.95	10,316,603,195.34
Add: Changes in Accounting Policies										
Correction of Errors in the Previous Period										
Others										
II. Balance at the Start of This Year	1,102,046,572.00				5,340,798,886.81			543,809,467.58	3,329,948,268.95	10,316,603,195.34
III. Increases or Decreases in This Period (Decreases in “-“)				143,214,233.30				87,675,439.36	482,710,007.23	713,599,679.89
(I) Total Comprehensive Income									876,754,393.61	876,754,393.61
(II) Shareholders' Contribution and Reduction in Capital										
1. Common stock invested by the owner										
2. Capital Invested by Holders of Other Equity Instruments										
3. Amount of Share-based Payments Recorded into Shareholders' Equity										
4. Others										
(III) Profit Distribution								87,675,439.36	-394,044,386.38	-306,368,947.02
1. Appropriation of Surplus Reserves								87,675,439.36	-87,675,439.36	
2. Distribution to Owners (or Shareholders)									-306,368,947.02	-306,368,947.02
3. Others										
(IV) Internal Carry-forward of Shareholders' Equity										
1. Capital Reserves Transferred into Capital (or Share Capital)										
2. Surplus Reserves Transferred into Capital (or Share Capital)										

3. Surplus Reserves Covering Losses											
4. Carry-forward retained earnings of the variation of the defined benefit plan											
5. Other Carry-forward Retained Earnings of the Comprehensive Income											
6. Others											
(V) Special Reserves											
1. Withdrawal in this period											
2. Used in this period											
(VI) Others				143,214,233.30							143,214,233.30
IV. Balance at the End of This Period	1,102,046,572.00			143,214,233.30	5,340,798,886.81				631,484,906.94	3,812,658,276.18	11,030,202,875.23

Legal Representative: Wu Jianshu Accounting Work Officer: Hong Tieyang Accounting Institution Officer: Hong Tieyang

III. Basic Information about the Company

1. Company Profile

Applicable Non-applicable

Ningbo Tuopu Group Co., Ltd. (hereinafter referred to as "Company" or "The Company"), a company limited by shares changed from Ningbo Tuopu Brake System Co., Ltd., incorporated by MECCA INTERNATIONAL HOLDING (HK) LIMITED, Ningbo Jinlun Equity Investment Partnership (Limited Partnership) and Ningbo Jinrun Equity Investment Partnership (Limited Partnership), holder of the Corporate Business License (Registration No.: 91330200761450380T), listed on Shanghai Stock Exchange (SSE) in March 2015, is specialized in manufacturing - automobile manufacturing.

As of December 31, 2023, the Company has issued a total of 1,102,049,773 shares, with a registered capital of RMB 1,102,049,773 million, registered address: 268 Yuwangshan Road, Daqi Street, Beilun District, Ningbo, Zhejiang, headquartered in 268 Yuwangshan Road, Daqi Street, Beilun District, Ningbo, Zhejiang, is engaged in R&D, production and sales of automobile parts. MECCA INTERNATIONAL HOLDING (HK) LIMITED is the parent company of the Company is, and Wu Jianshu is the actual controller of the Company.

This financial statement was approved for release by the Board of Directors on April 22, 2024.

IV. Basis for Preparing the Financial Statement

1. Basis for the preparation

The Company prepares the financial statement in accordance with "Accounting Standards for Business Enterprises - Basic Standards" issued by the Ministry of Finance and all specific accounting standards, application guidelines for accounting standards for business enterprises, explanations on the accounting standards for business enterprises and other related regulations (hereinafter collectively as "Accounting Standards for Business Enterprises"), and the disclosure provisions in the "Preparation Rules for Information Disclosures by Companies Offering Securities to the Public No. 15 - General Provisions on Financial Reports" issued by CSRC.

2. Going concern

Applicable Non-applicable

These financial statements have been prepared on a going concern basis.

The Company has going-concern ability for at least 12 months from the end of the reporting period, without any significant item affecting the capability for continuing as a going concern.

V. Significant Accounting Policies and Accounting Estimates

Notes to specific accounting policies and accounting estimates:

Applicable Non-applicable

The following disclosures cover the specific accounting policies and accounting estimates formulated by the Company according to the characteristics of its production and operation.

1. Statement on compliance with Accounting Standards for Business Enterprises

These financial statements are in line with the provisions of the "Accounting Standards for Business Enterprises" as enacted by the Ministry of Finance, and truly and fully reflect the consolidated and the parent's financial standing as of December 31, 2023, as well as the consolidated and the parent's operating results and cash flows in 2023.

2. Accounting Period

The period from the 1st day of January to the 31st day of December in the Gregorian calendar is counted as an accounting period.

3. Operating cycle√Applicable Non-applicable

The Company's operating cycle is 12 months.

4. Functional currency

The functional currency applicable to the Company is Renminbi. Subsidiaries affiliated to the Company determine their functional currency according to the main economic environment in which they are operating. These financial statements will be presented in RMB.

5. Methodology for determining materiality criteria and basis for selection√Applicable Non-applicable

Item	Significance criteria
Significant construction in progress	Individual construction in progress exceeding 0.5% of total assets
Significant accounts payable aged over one year	Accounts payable where the amount of a single item exceeds 0.5% of total assets
Significant contract liabilities aged over one year	Contract liabilities with an amount exceeding 0.5% of total assets
Significant other payables aged over one year	Other accounts payable with an amount exceeding 0.5% of total assets
Significant cash flows from investing activities	Single cash flow from investing activities with an amount exceeding 10% of total assets
Significant non-wholly owned subsidiaries	Total assets of non-wholly owned subsidiaries exceeding 10% of the company's consolidated total assets or operating revenues exceeding 5% of the company's consolidated operating revenues
Significant joint ventures or associates	Carrying value of long-term equity investments in joint ventures or associates accounting for more than 0.5% of the Company's consolidated net assets or investment income accounted for under the equity method of long-term equity investments accounting for more than 10% of the Company's consolidated net income

6. The accounting treatment of business combinations involving enterprises under common control and business combinations not involving enterprises under common control√Applicable Non-applicable

Business combination under common control: The assets and liabilities acquired by the merging party in business combination shall be measured at the book value of the assets, liabilities of the merged party (including goodwill incurred in the acquisition of the merged party by ultimate controlling party) in the consolidated financial statements of the ultimate controlling party on the date of combination. The difference between the book value of the net assets obtained and the book value of the consideration paid for the combination (or total nominal value of the issued shares) is adjusted to capital premium in capital reserve. Adjustments shall be made to retained earnings in the event that the share premiums in the capital reserves are not sufficient for write-down.

Business combinations involving entities not under common control: The assets paid and liabilities incurred or committed as a consideration of business combination by the merging party were measured at fair value on the date of acquisition and the difference between the fair value and its book value shall be charged to the profit or loss for the period. Where the cost of combination is higher than the fair value of the identifiable net assets acquired from the merging party in business combination, such difference shall be recognized as goodwill; where the cost of combination is less than the fair value of the identifiable net assets acquired from the merging party in business combination, such difference shall be

charged to the profit or loss for the period. The identifiable assets, liabilities and contingent liabilities of the merged party obtained in business combination that meet the recognition conditions are measured at their fair values on the purchase date.

The fees which are directly related to the business combination shall be recognized as the profit or loss in the period when the costs are incurred; the transaction expenses of issuing equity securities or debt securities for business merger shall be initially capitalized for equity securities or debt securities.

7. Criteria for determining control and preparation method of consolidated financial statements

Applicable Non-applicable

1. Criteria for determining control

The determination of the scope of consolidation in the consolidated financial statements is based on control. This scope encompasses the Company as well as all its subsidiaries. Control refers to the Company's authority over the investee, its ability to gain variable returns by participating in the investee's activities, and its capacity to utilize its authority to influence the amount of returns it receives.

2. Procedures of Consolidation

The Company regards the Enterprise Group as an accounting entity and prepares consolidated financial statements in accordance with unified accounting policies to reflect the overall financial position, operating result and cash flow of the Enterprise Group. The influence of internal transactions between the Company and the Subsidiaries and between the Subsidiaries shall be offset. Where internal transaction indicates the occurrence of impairment loss to relevant assets, such loss shall be recognized in full. In preparing the consolidated financial statements, where the accounting policies and the accounting periods are inconsistent between the Company and subsidiaries, the financial statements of subsidiaries are adjusted where necessary in accordance with the accounting policies and accounting period of the Company.

The owner's equity, the net profit or loss and the comprehensive income attributable to minority shareholders of a subsidiary of the current period are presented separately under the owners' equity in the consolidated balance sheet, the net profit and the total comprehensive income in the consolidated income statement respectively. Where losses attributable to the minority shareholders of a subsidiary of the current period exceed the minority shareholders' interest entitled in the shareholders' equity of the subsidiary at the beginning of the period, the excess is allocated against the minority shareholders interest.

(1) Acquisition of subsidiaries or Business

For acquisition of subsidiaries or business due to business combination involving entities under common control during the reporting period, the operating results and cash flows of such subsidiaries or business from the beginning to the end of the reporting period when the acquisition occurs shall be included in the consolidated financial statements. Adjustments shall be made to the opening balance of the consolidated financial statements and the related items in the comparative statements simultaneously as if the consolidated reporting entity has been in existence since the beginning of the control by the ultimate controlling party.

Where the control over the investee under common control is made possible due to additional investment or other reasons, the equity investment held before gaining control of the combined party is recognized as relevant profit or loss, other comprehensive income and changes of other net assets at the later of the date of acquisition of the original equity and the date when the combining and the combined parties are under common control, and shall be written down to the opening retained earnings or current profit or loss in the comparative reporting period.

For acquisition of subsidiaries or business due to business combination involving entities not under common control during the reporting period, the identifiable assets, liabilities and contingent liabilities shall be included in the consolidated financial statements based on the fair value determined on the date of the acquisition.

In connection with imposing control over the investee not under joint control due to additional investment and other reasons, the equity of acquiree held before acquisition date shall be remeasured by the Company at the fair value of such equity on the acquisition date and the difference between fair value and book value shall be recognized as investment income in current period. Other comprehensive income related to the equity held by the Acquiree before the acquisition date which can be reclassified into future profit or loss, and other changes of owners' equity accounted for under equity

(2) Disposal of Subsidiaries or Business

① General Treatment

When losing control of the investee due to partial disposal of the equity investment, or any other reasons, the remaining equity investment is remeasured at fair value at the date in which control is lost. The sum of consideration received from disposal of equity investment and the fair value of the remaining equity investment, net of the difference between the sum of the Company's previous share of the subsidiary's net assets recorded from the acquisition date or combination date and the sum of goodwill, is recognized in investment income in the period in which control is lost. Other comprehensive income related to the equity investment of the original subsidiary that can be reclassified into future profit or loss, and other changes of owners' equity accounted for under equity method shall be recognized in investment income in the period in which control is lost.

② Disposal of Subsidiary Achieved by Stages

When disposal of equity interests of subsidiaries through multiple transaction until the control is lost, generally transactions in stages are treatment as a package deal in accounting if the transaction terms, conditions, and economic impact of disposal of the subsidiary's equity interests comply with one or more of the following:

- i. These transactions are achieved at the same time or the mutual effects on each other are considered;
- ii. A complete set of commercial results can be achieved with reference to the series of transactions as a whole;
- iii. Achieving a transaction depends on at least achieving of one of the other transaction;
- iv. One transaction recognized separately is not economical, but it is economical when considered together with other transactions.

When losing control of a subsidiary in disposal of equity interests through multiple transactions is recognized as a package deal, these transactions shall be in accounting treated as loss control of a subsidiary in disposal of equity interests achieved. However, the differences between price on each disposal and disposal of investment on the subsidiary's net assets shall be recognized in other comprehensive income in the consolidated financial statements, and included in profit or loss for the period when the control is lost.

When all transactions in disposal of equity interests of subsidiaries are not a package deal, accounting treatment for partial disposal of equity investments of subsidiary without losing control shall be applied before control is lost. When the control is lost, general accounting treatment for disposal of a subsidiary shall be used.

(3) Acquisition of Minority Interest of Subsidiaries

The Company shall adjust the share premium in the capital reserve of the consolidated balance sheet with respect to any difference between the long-term equity investment arising from the purchase of minority interest and the net assets attributing to the parent company continuously calculated on the basis of the newly increased share proportion as of the acquisition date or date of combination, adjust the retained earnings if the share premium in the capital reserve is insufficient for write-down.

(4) Partial Disposal of Equity Investment in Subsidiaries without Losing Control

Disposal price and disposal of long-term equity investment shall be entitled to the difference between the shares of the net assets of the subsidiaries calculated continuously from the date of purchase or acquisition. Adjustments shall be made to the equity premiums in the capital reserve of consolidated balance sheet. When the equity premiums in the capital reserve are not sufficient for write-down, the retained earnings shall be adjusted.

8. Classification of Joint Arrangement and Accounting Treatment Methods of Joint Operation

Applicable Non-applicable

Joint arrangement can be divided into joint operation and joint venture.

Joint operation refers to a joint arrangement in which the parties have rights to the assets and obligations for the liabilities relating to the joint operation.

The Company recognizes the following items related to the share of interests in the joint operation:

(1) Recognize the assets held separately by the Company and the assets jointly held in accordance with the share of the Company;

(2) Recognize the liabilities assumed separately by the Company and the liabilities jointly assumed in accordance with the share of the Company;

(3) Recognize the income generated through the sale of the Company's share of the output of the joint operation;

(4) Recognize the income generated through the sale of the output of the joint operation in accordance with the share of the Company;

(5) Recognize the expenses incurred separately, and the expenses incurred in joint operation in accordance with the share of the Company.

The Company's investment in joint venture is accounted for by the equity method, as specified in the note "VII. 17. Long-term Equity Investment".

9. Recognition criteria of cash and cash equivalents

Cash refers to the cash on hand of the Company and deposits that are available for payment at any time. Cash equivalents refer to investments held by the Company featuring short duration, strong liquidity, easy conversion into cash of known amount and low risk of changes in value.

10. Conversion of transactions and financial statements denominated in foreign currencies

Applicable Non-applicable

1. Foreign currency transactions

Foreign currency transactions shall be translated into RMB at the spot exchange rate on the day when the transactions occurred, or at an exchange rate fixed in accordance with a systematic and reasonable method that is similar to the spot exchange rate on the day when the transactions occurred.

Balance sheet date foreign currency monetary items shall be translated using the spot exchange rate at the balance sheet date. The resulting exchange differences are recognized in profit or loss for the current period, except for those differences related to the principal and interest on a specific-purpose borrowing denominated in foreign currency for acquisitions, construction or production of the qualified assets, which should be capitalized as cost of the assets.

2. Translation of foreign currency financial statements

All assets and liabilities items in balance sheet are translated based on spot exchange rate on the balance sheet date; owners' equity items other than "undistributed profits" are translated at a spot exchange rate when accrued. Revenue and expense items as contained in the income statement are translated at a spot exchange rate at the transaction occurrence date. For disposal of overseas operation, the translation difference as stated in the foreign currency financial statements relating to overseas operation, is accounted for in the profit and loss account in the current period from owners' equity items.

11. Financial instruments

√Applicable □Non-applicable

The Company recognizes a financial asset, financial liability or equity instrument when it becomes a party to a financial instrument contract.

1. Classification of the financial instruments

According to the Company's business model for management of the financial assets and the contractual cash flow features of the financial assets, the financial assets, when initially recognized, are classified as: financial assets at amortized cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss.

For financial assets that meet the following conditions and are not designated to be measured at fair value through the current profit or loss, the Company classifies them as financial assets at amortized cost:

- The business model is aimed at collecting contract cash flow;
- Contract cash flow is the payment of principal and interest based on the outstanding principal amount.

For financial assets that meet the following conditions and are not designated to be measured at fair value through current profit or loss, the Company classifies them as financial assets at fair value through other comprehensive income (debt instruments).

- The business model is aimed at both collecting contract cash flows and selling financial asset;
- Contract cash flow is the payment of principal and interest based on the outstanding principal amount.

The Company will, at the time of initial recognition, irrevocably designate non-trading investments in equity instruments as financial assets measured at fair value and the change shall be included in other comprehensive income (equity instrument). The designation is made on the basis of independent investment, and the related investments fit the definition of an equity instrument from an issuer's perspective.

In addition to the aforementioned financial assets at amortized cost and at fair value through other comprehensive income, the Company classifies all other financial assets as financial assets at fair value through current profit or loss. At the time of initial recognition, for financial assets that should have been classified as financial assets at amortized cost or fair value through other comprehensive income, the Company can irrevocably designate them as financial assets at fair value through current profit or loss in order to eliminate or significantly reduce the accounting mismatch.

The financial liabilities, when initially recognized, are classified as: financial liabilities at fair value through profit or loss and financial liabilities at amortized cost.

Financial liabilities which meet one of the following conditions will be, when initially measured, designated as financial liabilities at fair value through profit or loss:

- 1) Such designation may be able to eliminate or significantly reduce the accounting mismatch.
- 2) The portfolio of financial liabilities or the portfolio of financial assets and financial liabilities shall be subject to management and performance evaluation on the basis of fair value according to the enterprise risk management or investment strategy contained in the formal documentations, and a report shall be made to the key management personnel within the enterprise on this basis.

- 3) Such financial liabilities shall contain embedded derivatives to be split separately.

2. Recognition and measurement of financial instruments

(1) Financial assets at amortized cost

Financial assets at amortized cost include notes receivable, accounts receivable, other receivables, long-term receivables and creditors investment, which shall be initially measured at fair value, and the relevant transaction expenses should be initially capitalized; The accounts receivable that do not contain material financing compositions and those for which the Company decides to not take into account the financing compositions of no more than one year shall be initially measured at the contract

transaction price.

The interest calculated by effective interest method during the holding period is recorded into the current profit and loss.

At the time of recovery or disposal, the difference between the price obtained and the book value shall be included in the current profit or loss.

(2) Financial assets measured at fair value and its changes are included in other comprehensive income (debt instruments)

Financial assets measured at fair value and its changes are included in other comprehensive income (debt instruments) include receivables financing and investments in other creditor's rights. They are initially measured at fair value, and the value, other than the interest, the impairment loss or profit and the profit or loss on foreign exchange, shall be included in other comprehensive income.

Upon derecognition, the cumulative profits or losses previously included in other comprehensive income shall be removed from other comprehensive income and included in the profit or loss for the period.

(3) Financial assets at fair value through other comprehensive income (equity instruments)

Financial assets at fair value through other comprehensive income (equity instruments) include investment in other equity instruments. They are initially measured at fair value, and the transaction expenses shall be initially capitalized. These financial assets are subsequently measured at fair value, and the change in fair value shall be included in other comprehensive income. The dividends obtained shall be included in the profit or loss for the period.

Upon derecognition, the cumulative profits or losses previously included in other comprehensive income shall be removed from other comprehensive income and included in the carry-forward retained earnings.

(4) Financial assets at fair value through profit or loss in this period

Financial assets at fair value through profit or loss include trading financial assets, derivative financial assets and other non-current financial assets. They are initially measured at fair value, and the transaction expenses related to them are included in the profit or loss for the period. These financial assets are subsequently measured at fair value, and the change in fair value shall be included in the profit or loss for the period.

(5) Financial Liabilities Measured in Fair Value with Changes Recorded into Current Profit and Loss
Financial liabilities at fair value through profit or loss include trading financial liabilities and derivative financial liabilities. They are initially measured at fair value, and the transaction expenses related to them are included in the profit or loss for the period. These financial liabilities are subsequently measured at fair value, and the change in fair value shall be included in the profit or loss for the period.

Upon derecognition, the difference between their book value and the consideration paid is included in the profit or loss for the period.

(6) Financial liabilities at amortized cost

Financial liabilities at amortized cost include short-term loans, notes payable, accounts payable, other payables, long-term loans, bonds payable, and long-term payables. They are initially measured at fair value, and the transaction expenses shall be initially capitalized.

The interest calculated by effective interest method during the holding period is recorded into the

current profit and loss.

Upon derecognition the difference between the consideration paid and the book value of these financial liabilities is included in the current profit or loss.

3. Derecognition and transfer of financial assets

The Company derecognizes financial assets when any one of the following conditions is satisfied:

- The contractual right to receive cash flows of the financial assets has been terminated;
- The financial asset have been transferred and virtually all the risks and rewards related to the ownership of the financial asset shave been transferred to the transferee;
- The financial assets have been transferred, and while the Company has neither transferred nor retained virtually all of the risks and rewards related to the ownership of the financial assets, it has not retained control of the financial assets.

The financial assets have been transferred, and while the Company has neither transferred nor retained virtually all of the risks and rewards related to the ownership of the financial assets, it has not retained control of the financial assets.

The substance-over-form principle shall be adopted while making judgment on whether the transfer of financial assets satisfies the above conditions for termination of recognition.

The transfer of financial assets can be classified into entire transfer and partial transfer. If the transfer of an entire financial asset satisfies the conditions for termination of recognition, the difference between the two amounts below shall be recorded into profit or loss for the period:

(1) The book value of the financial asset transferred;

(2) The consideration received as a result of the transfer, plus the accumulative amount of the change in fair value previously recorded into the owners' equities (in cases where the transferred financial assets are financial assets at fair value through other comprehensive income (debt instruments)).

If the partial transfer of financial assets satisfies the conditions for termination of recognition, the overall book value of the transferred financial asset shall be apportioned according to their respective relative fair value between the recognition terminated part and the remaining part, and the difference between the two amounts below shall be recorded into profit or loss for the current period:

(1) The book value of the recognition terminated portion;

(2) The sum of consideration of the recognition terminated portion and the corresponding portion of accumulated change in fair value previously recorded into owners' equity (in cases where the transferred financial assets are financial assets at fair value through other comprehensive income (debt instruments)).

Financial assets will still be recognized if they fail to satisfy the conditions for termination of recognition, with the consideration received recognized as a financial liability.

4. Recognition for termination of financial liabilities

When the current obligation under a financial liability is completely or partially discharged, the recognition of the whole or relevant portion of the liability is terminated; an agreement is entered between the Company and a creditor to replace the original financial liabilities with new financial liabilities with substantially different terms, terminate the recognition of the original financial liabilities as well as recognize the new financial liabilities.

If all or part of the contract terms of the original financial liabilities are substantially amended, the recognition of the original financial liabilities will be terminated in full or in part, and the financial liabilities whose terms have been amended shall be recognized as a new financial liability.

When recognition of financial liabilities is terminated in full or in part, the difference between the book value of the financial liabilities terminated and the consideration paid (including transferred non-cash assets or new financial liability) is recognized in profit or loss for the current period.

Where the Company repurchases part of its financial liabilities, the book value of such financial

liabilities will be allocated according to the relative fair value between the continued recognized part and terminated part on the repurchase date. The difference between the book value of the financial liabilities terminated and the consideration paid (including transferred non-cash assets or new financial liability) is recognized in profit or loss for the current period.

5. Method of determining the fair values of financial assets and liabilities

The fair value of a financial instrument that is traded in an active market is determined at the quoted price in the active market. The fair value of a financial instrument that is not traded in an active market is determined by using a valuation technique. The Company uses the valuation technique when it is applicable under current conditions and there are enough available data and other information to support and the technique should maximize the use of relevant observable. It chooses the inputs which are consistent with the asset or liability's characteristics considered by market participants in the transaction of the relevant asset or liability and makes the maximum use of relevant observable inputs. Unobservable inputs are used under the circumstance that the relevant observable inputs cannot be obtained or not feasible.

6. Test method and accounting treatment for impairment of financial assets

The Company accounts for impairment of financial assets carried at amortized cost, financial assets (debt instruments) at fair value through other comprehensive income and financial guarantee contracts on the basis of expected credit losses.

The Company recognizes expected credit losses by calculating the probability-weighted amount of the present value of the difference between the cash flows receivable and the cash flows expected to be received from a contract, taking into account reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions, weighted by the risk of default.

For receivables and contract assets resulting from transactions governed by “Accounting Standards for Business Enterprises No. 14, Revenue”, the Company always measures its allowance for losses at an amount equal to the expected credit losses over the entire duration, regardless of whether or not there is a significant financing component. For lease receivables resulting from transactions governed by “Accounting Standards for Business Enterprises No. 21, Leases”, the Company has elected to always measure its allowance for losses at an amount equal to the expected credit losses over the entire duration.

For other financial instruments, the Company assesses at each balance sheet date the changes in credit risk of the relevant financial instruments since initial recognition.

The Company recognizes the relative changes in the risk of default within the expected duration of financial instruments, and assesses whether the credit risk of financial instruments has significantly increased since the initial recognition by comparing the risk of default of financial instruments on the balance sheet date with the risk of default on the initial recognition date. If the financial instrument becomes overdue for more than 30 days, the Company believes that the credit risk of this financial instrument has been significantly increased, unless there are concrete evidences that the credit risk of this financial instrument has not been significantly increased upon initial recognition.

If the financial instrument carries low credit risk at the balance sheet date, the Company believes that the credit risk of this financial instrument is not significantly increased upon initial recognition.

In case the credit risk of a financial instrument has significantly increased since initial recognition, the Company will calculate the allowance for losses based on the expected credit losses over the entire life of the financial instrument. Conversely, if the credit risk has not significantly increased since initial recognition, the Company will measure the allowance for losses based on the expected credit losses of the financial instrument within the next 12 months. Any resulting increase or reversal in the loss allowance will be recorded as an impairment loss or gain in the profit or loss statement. For financial assets (debt instruments) carried at fair value through other comprehensive income, the allowance for losses will be recognized in other comprehensive income, while the impairment loss or gain will be recognized in the profit or loss statement for the current period, without reducing the carrying amount of the financial asset as reported in the balance sheet.

If there is objective evidence that a receivable is impaired for credit purposes, the Company makes an allowance for impairment of that receivable on an individual basis.

In addition to the above receivables that are individually provided for bad debts, the Company classifies the remaining financial instruments into portfolios based on credit risk characteristics and determines the expected credit losses on a portfolio basis.

The categories of portfolios and the basis for determining expected credit losses for the Company's notes and accounts receivable financing are as follows:

Item	Type of portfolio	Basis of determination
Bank acceptances	Portfolio 1	Notes receivable with commercial banks as acceptors
Commercial acceptance	Portfolio 2	Notes receivable with non-commercial banks as acceptors

The categories of portfolio and the basis for determining the expected credit losses on accounts receivable and other receivables were set out below:

Item	Type of portfolio	Basis of determination
Accounts receivable	Aging portfolio	Aging from the point in time when the accounts receivable are recognized
Other receivables	Aging portfolio	Aging from the point of recognition of other receivables

If the Company does not have a reasonable anticipation anymore that it will recover the contractual cash flows from a financial asset, either in whole or in part, the carrying amount of the financial asset is directly reduced.

12. Notes receivable

Applicable Non-applicable

13. Accounts receivable

Applicable Non-applicable

14. Receivables financing

Applicable Non-applicable

15. Other accounts receivable

Applicable Non-applicable

16. Inventories

Applicable Non-applicable

Inventories categories, issue valuation method, inventory system, amortization method for low value consumables and packages

Applicable Non-applicable

1. Category and cost of inventories

Inventories are classified as raw materials, turnover materials, commodity stocks, products in progress and materials commissioned for processing.

Inventories are initially measured at cost. Inventory costs include procurement costs, processing costs, and other expenses incurred to bring the inventory to its current location and condition.

2. Determination of cost for delivered inventory

Cost of inventories is determined using the weighted average method.

3. Inventory system

The perpetual inventory system is adopted.

4. Amortization of low-value consumables and packaging materials

(1) Low-value consumables are amortized using the immediate write-off method;

(2) Packaging materials are amortized using the immediate write-off method.

Criteria for recognition and provision for inventory falling price reserves

Applicable Non-applicable

On the balance sheet date, inventories shall be measured at the lower of cost and net realizable value. A provision shall be made for inventory price drops if inventory costs exceed the net realizable value. Net realizable value refers to the amount after deducting the estimated costs to be incurred at the time of completion, the estimated selling expenses and taxes from the estimated sales price of inventories during daily activities.

Net realizable value of held-for-sale commodity stocks, such as finished goods, goods-in-stock, and held-for-sale raw materials, during the normal course of production and operation, shall be determined by their estimated sales less the related selling expenses and taxes; the net realizable value of material inventories, which need to be processed, during the normal course of production and operation, shall be determined by the amount after deducting the estimated cost of completion, estimated selling expenses and relevant taxes from the estimated selling price of finished goods; the net realizable value of inventories held for execution of sales contracts or labor contracts shall be calculated on the ground of the contracted price. If an enterprise holds more inventories than the quantity stipulated in the sales contract, the net realizable value of the exceeding part shall be calculated on the ground of general selling price.

Where the Company provides for provision for inventory falling price reserves on a portfolio basis, the categories of portfolios and the basis for determining the portfolios as well as the basis for determining the net realizable value of different categories of inventories are set out below:

Category of inventory portfolio	Basis for determining portfolio	Basis for determining net realizable value
Inventory age portfolio	Inventory age	The net realizable value of inventories with an age of more than one year and corresponding to models that have ceased production is zero; for other inventories, the net realizable value is the estimated selling price less estimated selling expenses and related taxes.

The inventory falling price reserves withdrawn shall be reversed within the amount withdrawn, and the reversed amount shall be included in current profit or loss, if the net realizable value of an inventory is higher than its book value after the withdrawal due to the disappearance of the factors that influence the writing-down of its value.

Categories and basis for determining provision for inventory falling price reserves according to portfolios, and basis for determining net realizable value of different categories of inventories

Applicable Non-applicable

Calculation method and basis for determining the net realizable value of inventories by age group for the purpose of recognizing net realizable value of inventories based on age group.

Applicable Non-applicable

17. Contract assets√Applicable Non-applicable**Recognition methods and standards of contract assets**√Applicable Non-applicable

The Company shall show the contract assets or contract liabilities in the balance sheet in accordance with the relationship between the performance of the contract obligations and the Customer payment. The Company shall list its right to receive consideration due to the transfer of goods or services to the Customer (and such rights are subject to factors other than the passage of time) as contractual assets. Contract assets and contract liabilities under the same contract shall be shown on a net basis. The Company's unconditional right (depending solely on the passage of time) to collect consideration from the Customer shall be shown separately as a receivable.

Determination method and accounting treatment for the expected credit loss of contract assets√Applicable Non-applicable

See "V.11. 6. Testing methods and accounting treatment methods for impairment of financial assets" for specified determination method and accounting treatment for the expected credit loss of contract assets.

Categories of portfolios for which bad debt provisioning is made according to the combination of credit risk characteristics and the basis for determining themApplicable √Non-applicable**Aging calculation method for recognizing credit risk profile groupings based on aging**Applicable √Non-applicable**Determination of bad debt provisioning based on individual items Individual provisioning judgment criteria**Applicable √Non-applicable**18. Held-for-sale assets**√Applicable Non-applicable

A non-current asset or disposal group is classified as held for sale if its carrying amount is to be recovered principally through sale (including non-monetary asset exchanges with commercial substance) rather than through continuing use.

Recognition criteria and accounting treatment for non-current assets or disposal groups classified as held for sale√Applicable Non-applicable

The Company will categorize non-current assets or disposal groups as held for sale if the following conditions are met simultaneously:

(1) The sale of these assets or disposal groups is imminent based on the current conditions and the Company's past practice of selling similar assets or disposal groups.

(2) It is highly likely that the sale will occur within one year. The Company has made a decision to sell and has obtained firm commitments from buyers. If the relevant regulations require approval from the relevant authority or regulatory body before the sale can proceed, the Company has obtained that approval.

For non-current assets classified as held for sale (excluding financial assets, deferred income tax assets, and assets arising from employee compensation) or disposal groups with a carrying value higher than the fair value less costs to sell, the carrying value is reduced to the fair value less costs to sell. The

amount of the reduction is recognized as an impairment loss on the asset, which is then recorded in the profit or loss statement. Additionally, a provision for impairment of assets held for sale is also created.

Recognition criteria and presentation of discontinued operations

Applicable Non-applicable

Discontinued operation is a component that meets one of the following conditions and can be separately distinguished, and the component has been disposed of by the Company or classified as held for sale by the Company:

- (1) The component represents a separate principal business or a separate principal operating area;
- (2) The component is part of a related program of proposed dispositions of a separate principal business or a separate principal operating area;
- (3) The component is a subsidiary acquired exclusively for resale.

Gains and losses from continuing operations and gains and losses from discontinued operations are presented separately in the income statement. Operating gains and losses, such as impairment losses and reversal amounts for discontinued operations, and gains and losses on disposals are presented as gains and losses from discontinued operations. For discontinued operations presented in the current period, the Company restates the information originally presented as profit or loss from continuing operations as profit or loss from discontinued operations for the comparable accounting period in the current period's financial statements.

19. Long-term equity investments

Applicable Non-applicable

1. Joint control or significant influence criteria

Joint control is the contractually agreed sharing of control of an arrangement, and exists only when requiring the unanimous consent of the parties sharing control before making decisions about the relevant activities of the arrangement. The Company together with the other joint venture parties can jointly control over the investee and are entitled to the right of the net assets of the investee, as the investee is joint venture of the Company.

Significant influence refers to the power to participate in making decisions on the financial and operating policies of an enterprise, but not the power to control, or jointly control, the formulation of such policies with other parties. Where the Company can exercise significant influence over the investee, the investee is an associate of the Company.

2. Determination of initial investment cost

(1) Long-term equity investments formed through business combination of entities

For long-term equity investment in a subsidiary generated due to business combinations involving entities under common control, the share of the book value in the consolidated financial statements of the ultimate controlling party on the date of combinations shall be taken as the initial investment cost of the long-term equity investments. For difference between the initial cost of long-term equity investment and the book value of the consideration paid, adjustments shall be made to the equity premiums in the capital reserve. When the equity premiums in the capital reserve are not sufficient for write-down, the retained earnings shall be adjusted. Where control over the investee under common control is available due to additional investment or other reasons, for difference between the initial cost of long-term equity investment recognized in accordance with the above principles, and the sum of the book value of long-term equity investment prior to the combination and the book value of newly paid consideration for the acquisition of further shares on the date of combination, adjustments shall be made to equity premiums. When the equity premiums are not sufficient for write-down, the retained earnings shall be written down.

For long-term equity investment in a subsidiary generated due to business combinations involving entities not under common control, the cost of the combination recognized on the date of combination shall be taken as the initial investment cost of the long-term equity investments. In relation to imposing control over the investee not under common control as a result of additional investment and other

reasons, the initial investment shall be the sum of the book value of the equity investment originally held and the newly increased investment cost.

(2) Long-term equity investments acquired by means other than business combination

The initial cost of a long-term equity investment obtained by cash payment shall be the purchase costs actually paid.

The initial cost of investment of a long-term equity investment obtained by means of issuance of equity securities shall be the fair value of the equity securities issued.

3. Subsequent measurement and recognition of profit or loss

(1) Long-term equity investment calculated by cost method

Long-term equity investment in subsidiaries of the company is calculated by cost method, unless the investment meets the conditions for holding for sale. except for the actual consideration paid for the acquisition of investment or the declared but not yet distributed cash dividends or profits which are included in the consideration, investment gains are recognized as the Company' shares of the cash dividends or profits declared by the investee.

(2) Long-term equity investment accounted for by equity method

Long-term equity investments of associates and jointly controlled entities are calculated using equity method. Where the initial investment cost exceeds the investment, the difference between the share of the fair value of the investee's identifiable net assets shall be enjoyed and no adjustment shall be made to the initial investment cost of long-term equity investment; where the initial investment cost is less than the investment, the difference between the share of the fair value of the investee's identifiable net assets shall be enjoyed and be included in current profit or loss, and adjustments shall be made to the initial investment cost of long-term equity investment.

The Company recognizes the investment income and other comprehensive income according to the shares of net profit or loss and other comprehensive income realized by the investee which it shall be entitled or shared respectively, and simultaneously makes adjustment to the book value of long-term equity investments; the book value of long-term equity investment shall be reduced by attributable share of the profit or cash dividends for distribution declared by the investee; in relation to other changes of owner's equity except for net profits and losses, other comprehensive income and profit distributions of the investee (hereinafter referred to as "changes in other owners' equity"), the book value of long-term equity investments shall be adjusted and included in owner's equity.

When recognizing the amount of proportion of net profit or loss, other comprehensive income and other changes of owner's equity, in the investee which it entitles, fair value of the identifiable assets of the investee at the time when the investment is obtained shall be used as basis, and adjustment shall be made to the net profit, other comprehensive income and others of the investee in accordance with the accounting policies and accounting period of the Company.

The unrealized profit or loss resulting from internal transactions between the Company and its associate or joint venture shall be offset in portion to its equity interests, based on which investment income shall be recognized, except when the assets invested or sold constitute transaction. Any losses resulting from transactions, which are attributable to impairment of assets, shall be fully recognized.

The Company shall be liable for net loss incurred by the Company to the joint venture or associate, and shall write it down to zero with the book value of the long-term equity investment and other long-term equity which substantially constitute net investment in the joint venture or associate. Where a joint venture or associate later realizes net profits, the Company shall resume recognition of its share of income after the share of income has made up for the unrecognized share of loss.

(3) Disposal of long-term equity investments

For disposal of long-term equity investment, the difference between the book value and the consideration actually received shall be included in the current profit or loss.

For long-term equity investments accounted by partial equity disposal method, the remaining equity is still accounted by the equity method. Other comprehensive income recognized by the original equity method shall be carried forward in a corresponding proportion on the same basis as the direct disposal of related assets or liabilities by the investee. Changes in the interests of the owners are carried forward to the current profit and loss on a pro ratio basis.

When losing joint control or significant influence over the investee due to disposal of equity investment or other reasons, other comprehensive income of the original equity investment recognized accounted by equity method shall be treated using the same basis as the direct disposal of related assets

or liabilities by the investee upon the termination of the use of equity methods. Other changes of owner's equity shall be converted to the current profit or loss upon the termination of use of equity methods.

When losing the control over the investee due to partially disposal of equity investment and other reasons, the remaining equities after disposal shall be accounted for under equity method in preparation of individual financial statements provided that joint control or significant influence over the investee can be imposed, and shall be adjusted as if such remaining equities has been accounted for under the equity method since they are obtained. Other comprehensive income recognized prior to the acquisition of controls over the investee shall be carried over proportionally using the same basis as the direct disposal of related assets or liabilities by the investee. Other changes of owner's equity due to the use of equity method shall be carried over into the current profit or loss proportionally. Where the remaining equities after disposal cannot impose joint control or significant influence over the investee, it shall be recognized as financial asset, and the difference between fair value and the book value on the date of losing control shall be included in the current profit or loss. All the other comprehensive incomes and other changes of owners' equity recognized prior to the acquisition of controls over the investee shall be carried over.

When losing control over a subsidiary in step-by-step disposal of its equity interests through multiple transactions is recognized as a package deals, these transactions shall be in accounting treated as loss of control of a subsidiary in disposal of equity interests. The differences between price on each disposal prior to loss of control and the long-term equity investment book value of the disposed equity shall be recognized as other comprehensive income in individual financial statements, and included in the current profit or loss when the control is lost. Transactions not recognized as a package deal shall be accounted for separately.

20. Investment property

(1). In case of cost measurement:

Depreciation or amortization method

Investment property refers to the real estate held to generate rental income or capital appreciation, or both, including leased land use rights, land use rights held for transfer after appreciation, and leased buildings (including buildings that are leased after completion of self-construction or development activities and buildings in construction or development that are used for rental in the future).

Subsequent expenditures related to fixed assets shall be included in the cost of fixed assets when the relevant economic benefits are likely to flow in and the cost can be measured reliably; otherwise, it shall be included in the current profit and loss when occurred.

The Company adopts the cost mode to measure the existing investment property. Other subsequent expenditures shall be included in current profit or loss at the time of occurrence. Investment property measured at cost - buildings held for leasing shall adopt the same depreciation policy for fixed assets of the company, land use rights held for leasing shall adopt the same amortization policy for the intangible assets.

21. Fixed assets

(1). Conditions for recognition

Applicable Non-applicable

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and have a service life of more than one accounting year. Fixed asset is recognized when it meets the following conditions:

(1) It is probable that the economic benefits associated with the fixed asset will flow to the enterprise;

(2) Its cost can be reliably measured.

Fixed assets are initially measured at cost (with the influence of expected disposal costs taken into consideration).

Subsequent expenditures related to fixed assets shall be included in the cost of fixed assets when the relevant economic benefits are likely to flow in and the cost can be measured reliably; the book value of the replaced part is derecognized; other subsequent expenditures shall be included in current profit or loss at the time of occurrence.

(2).Methods for depreciation

√Applicable □Non-applicable

Category	Depreciation Method	Useful Lives of Depreciation	Residual Ratio	Annual Depreciation
Housing and building	Straight-line method	20	10%	4.50%
Machinery and equipment	Straight-line method	5-10	10%	18.00%-9.00%
Means of transportation	Straight-line method	5	10%	18.00%
Office equipment and others	Straight-line method	5	10%	18.00%
Buildings for commercial use	Straight-line method	Land use certificate indicates the remaining years but no longer than 40 years	10%	
PV engineering project	Straight-line method	20	10%	4.50%

22. Projects under construction

√Applicable □Non-applicable

Projects under construction is measured at the actual costs incurred. The actual cost includes construction costs, installation costs, borrowing costs that meet the capitalization conditions, and other necessary expenditures incurred before the construction in progress reaches its intended use status. Projects under construction reaching predetermined serviceable conditions shall be converted to fixed assets and begin counting for depreciation the following month. The criteria and point of time for carrying forward the Company's construction in progress to fixed assets are as follows:

Category	Criteria and time point for conversion to fixed assets
Construction works such as buildings	(1) The main construction works and ancillary works have been completed; (2) If the construction works have reached the state of intended use but the final account has not yet been finalized, the construction works shall be transferred to fixed assets at the estimated value based on the actual cost of the works from the date of reaching the state of intended use.
Installation of machinery and equipment, etc.	(1) Relevant equipment and other ancillary facilities have been installed; (2) the equipment can maintain normal and stable operation for a certain period of time after debugging; and (3) the equipment has been accepted by asset management personnel and users.

23. Borrowing costs

√Applicable □Non-applicable

1. Criteria for recognition of capitalized borrowing costs

For borrowing costs incurred by the Company that are directly attributable to the acquisition, construction or production of assets qualified for capitalization, the costs will be capitalized and included in the costs of the related assets. Other borrowing costs shall be recognized as expense in the period in which they are incurred and included in profit or loss for the current period.

Assets qualified for capitalization are assets (fixed assets, investment property, inventories, etc.) that necessarily take a substantial period of time for acquisition, construction or production to get ready for their intended use or sale.

2. Capitalization period of borrowing costs

The capitalization period shall refer to the period between the commencement and the cessation of capitalization of borrowing costs, excluding the period in which capitalization of borrowing costs is temporarily suspended.

Capitalization of borrowing costs begins when the following three conditions are fully satisfied:

(1) Expenditures for the assets (including cash paid, transferred non-currency assets or expenditure for holding debt liability for the acquisition, construction or production of assets qualified for capitalization) have been incurred;

(2) Borrowing costs have been incurred;

(3) Acquisition, construction or production that are necessary to enable the asset reach its intended usable or salable condition have commenced.

Capitalization of borrowing costs shall be suspended during periods in which the qualifying asset under acquisition and construction or production ready for the intended use or sale.

3. Suspension of capitalization period

Capitalization of borrowing costs shall be suspended during periods in which the acquisition, construction or production of a qualifying asset is interrupted abnormally, when the interruption is for a continuous period of more than 3 months; if the interruption is a necessary step for making the qualifying asset under acquisition and construction or production ready for the intended use or sale, the capitalization of the borrowing costs shall continue. The borrowing costs incurred during such period shall be recognized as profits and losses of the current period, borrowing costs continue to be capitalized until the acquisition and construction of the asset or the recommencement of production activities.

4. Calculation of capitalization rate and amount of borrowing costs

Specific borrowings for the acquisition, construction or production of assets qualified for capitalization, borrowing costs of the specific borrowings actually incurred in the current period minus the interest income earned on the unused borrowing loans as a deposit in the bank or as investment income earned from temporary investment will be used to determine the amount of borrowing costs for capitalization.

General borrowings for the acquisition, construction or production of assets qualified for capitalization, the to-be-capitalized amount of interests on the general borrowing shall be calculated and determined by multiplying the weighted average asset disbursement of the part of the accumulative asset disbursements minus the specifically borrowed loans by the capitalization rate of the general borrowing used. The capitalization rate shall be calculated and determined according to the weighted average interest rate of the general borrowing.

During the period of capitalization, the exchange balance on the principals and interests of special foreign currency borrowings shall be capitalized and shall be included in the cost of assets eligible for capitalization. The exchange balance on the principals and interests of foreign currency borrowings other than the special foreign currency borrowings shall be included in current profit or loss.

24. Biological assets

Applicable Non-applicable

25. Oil and gas assets

Applicable Non-applicable

26. Intangible assets

(1). Useful life and the basis for its determination, estimation status, amortization method or review procedure

Applicable Not applicable

1. Intangible assets are initially measured at cost upon acquisition

(1) Intangible assets are initially measured at cost upon acquisition

The costs of an externally purchased intangible asset include the purchase price, relevant taxes and expenses paid, and other expenditures directly attributable to putting the asset into condition for its intended use.

(2) Subsequent measurement

The service life of intangible assets shall be analyzed and judged upon acquisition.

As for intangible assets with a finite service life, they are amortized using the straight-line method over the term in which economic benefits are brought to the firm; If the term in which economic benefits are brought to the firm by an intangible asset cannot be estimated, the intangible asset shall be taken as an intangible asset with indefinite service life, and shall not be amortized.

2. Estimated useful lives for the intangible assets with finite service life

Item	Estimated useful lives	Amortization Method	Basis
Land use rights	38-50 years	Straight-line method	Land use certificate
Software	2-10 years	Straight-line method	Expected benefited period
Emission rights	5 years	Straight-line method	Emission permits

3. Basis for the judgment of intangible assets with uncertain service life and the procedure for reviewing their service life

As of December 31, 2023, the Company has no intangible assets with uncertain useful life.

(1). Scope of attribution of R&D expenditures and related accounting treatment

Applicable Not applicable

1. Scope of research and development expenditure

Expenditures incurred by the Company in the course of conducting research and development (R&D) include relevant employee remuneration for personnel engaged in R&D activities, consumable materials, relevant depreciation and amortization expenses and other related expenditures, and are summarized in the following manner:

Employee remuneration related to personnel engaged in research and development activities mainly refers to the employee remuneration related to personnel directly engaged in research and development activities as well as management personnel and direct service personnel closely related to research and development activities, consumable materials mainly refers to the relevant materials directly invested in research and development activities, and related depreciation and amortization expenses mainly refers to the depreciation or amortization of fixed assets or intangible assets used in research and development activities.

2. Specific criteria for the division of research phase and development phase

The expenses for internal research and development projects of the Company are divided into expenses in the research phase and expenses in the development phase.

Research phase: Scheduled innovative investigations and research activities to obtain and understand scientific or technological knowledge.

Development phase: Apply the research outcomes or other knowledge to a plan or design prior to a commercial production or use in order to produce new or essentially-improved materials, devices, products, etc.

3. Specific condition for capitalizing expenditure during the development phase

Expenses in the research phase are recorded into the profits and losses for the current period when they occur. Expenditure during the development phase that simultaneously satisfies the following conditions shall be recognized as intangible assets. Otherwise shall be included in current profit or loss:

(1) It is technically feasible to complete such intangible asset so that it will be available for use or for sale;

(2) There is intention to complete the intangible asset for use or sale;

(3) The intangible asset can produce economic benefits, including there is evidence that the products produced using the intangible asset has a market or the intangible asset itself has a market; if the intangible asset is for internal use, there is evidence that there exists usage for the intangible asset;

(4) There is sufficient support in terms of technology, financial resources and other resources in order to complete the development of the intangible asset, and there is capability to use or sell the intangible asset;

(5) The expenses attributable to the development stage of the intangible asset can be measured reliably.

The R&D expenditures incurred shall be included in current profit or loss if it is impossible to distinguish expenditure during the research phase and expenditure during the development phase.

27. Impairment of long-term assets

Applicable Non-applicable

Long-term assets, such as long-term equity investment, investment properties, fixed assets and construction in progress that measured at cost, right-of-use assets, and intangible assets with limited service life, are tested for impairment if there is any indication that an asset may be impaired on the balance sheet date. If the result of the impairment test indicates that the recoverable amount of the asset is less than its book value, a provision for impairment and an impairment loss are recognized for the amount by which the asset's book value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. Provision for asset impairment is determined and recognized on the individual asset basis. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a group of assets to which the asset belongs to is determined. A group of assets is the smallest group of assets that is able to generate cash inflows independently.

Goodwill formed due to business combination, intangible assets with uncertain service life and intangible assets that have not yet reached serviceable conditions, shall be tested for impairment at least at the end of each year, regardless of whether there is any indication of impairment.

When the Company carry out impairment test to goodwill, the Company shall, as of the purchasing day, allocate on a reasonable basis the book value of the goodwill formed by merger of enterprises to the relevant asset groups, or if there is a difficulty in allocation, to allocate it to the sets of asset groups. The relevant asset group or combination of asset groups is the asset group or combination of asset groups that can benefit from the synergies of business combination.

For the purpose of impairment test on the relevant asset groups or the sets of asset groups containing goodwill, if any evidence shows that the impairment of asset groups or sets of asset groups related to goodwill is possible, an impairment test will be made first on the asset groups or sets of asset groups not containing goodwill, thus calculating the recoverable amount and comparing it with the relevant book value so as to recognize the corresponding impairment loss. Asset group or combination of group assets containing goodwill are tested for impairment and the book value and recoverable amount shall be compared. If the recoverable amount is less than the book value, the amount of impairment loss shall be deducted and apportioned to the book value of goodwill in asset group or combination of asset groups, before deducting to the book value of all other assets proportionally based on the proportion of the book value of all assets other than goodwill in the asset group or combination of asset groups.

Once the above asset impairment loss is recognized, it will not be reversed in the subsequent accounting periods.

28. Long-term prepaid expenses

Applicable Non-applicable

Long-term prepaid expenses are expenses which have occurred but will benefit over 1 year and shall be amortized over the current period and subsequent periods.

The amortization period and amortization method for each expense is:

Item	Amortization Method	Amortization period
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Item	Amortization Method	Amortization period
Renovation cost	Straight-line method	5 years
Others	Straight-line method	3-5 years

29. Contract liabilities

Applicable Non-applicable

The Company shall show the contract assets or contract liabilities in the balance sheet in accordance with the relationship between the performance of the contract obligations and the Customer payment. The Company's obligation to transfer goods or provide services to customers for which consideration has been received or receivable are presented as contractual liabilities. Contract assets and contract liabilities under the same contract shall be shown on a net basis.

30. Employee remuneration

(1). Accountant arrangement method of short-term remuneration

Applicable Non-applicable

During the accounting period when the staff provides service, the Company will recognize the short-term remuneration actually incurred as liabilities, and the liabilities would be charged into current profits and loss or costs of assets.

The Company will pay social insurance and housing funds, and will make provision of trade union funds and staff education costs in accordance with the requirements. During the accounting period when the staff provides service, the Company will determine the relevant amount of employee benefits in accordance with the required provision basis and provision ratios.

The expenses on employee benefit incurred by the Company shall be included in the current profit or loss or related asset cost based on the actual amount when actually incurred, and the non-monetary benefit shall be measured at its fair value.

(2). Accounting treatment method of retirement benefit plan

Applicable Non-applicable

1. Defined contribution plan

The Company will pay basic pension insurance and unemployment insurance in accordance with the relevant provisions of the local government for the staff. During the accounting period when the staff provides service, the Company will calculate the amount payable in accordance with the local stipulated basis and proportions which will be recognized as liabilities, and the liabilities would be charged into current profits and loss or costs of assets.

2. Defined benefit plan

The welfare responsibilities generated from defined benefit scheme based on the formula determined by projected unit credit method would be vested to the service period of the staff and charged into current profits and loss or costs of assets.

The deficit or surplus formed by the present value of obligations of the defined benefit plan minus the fair value of the assets of the defined benefit plan is recognized as a net liability or net asset of the defined benefit plan. If there is a surplus in the defined benefit plan, the Company shall use the lower of the surplus of the defined benefit plan and the asset ceiling to measure the net assets of the defined benefit plan.

All defined benefit plan obligations, including obligations expected to be paid within twelve months after the end of the annual reporting period in which employees render services, are discounted at the market rate of return in respect of the national debts matching the term and currency of the defined benefit plan, or in respect of high-quality corporate bonds available on the active market on the balance sheet date.

The service cost incurred by the defined benefit plan and the net interest of the net liabilities or net assets of the defined benefit plan are included in the current profit and loss or the related asset cost; the changes in the net liabilities or net assets of the defined benefit plan are recorded in other comprehensive income, and it will not be reversed to profit or loss in the subsequent accounting period. When the original defined benefit plan is terminated, all that originally included in other comprehensive income will be carried forward to undistributed profit within the scope of equity.

At the settlement of the defined benefit plan, the gain or loss from the settlement is recognized by the difference between the present value of the obligation of the defined benefit plan and the settlement price determined on the settlement date.

(3).Accountant arrangement method of termination benefits

Applicable Non-applicable

Where the Company pays termination benefit to employees, the liabilities of employee remuneration generated by termination benefit shall be recognized at the earlier of the following date and included in the current profit or loss: when the company cannot unilaterally withdraw termination benefit provided by labor relationship termination plan or layoff proposal; when the Company recognizes costs or expenses related to a restructuring of the payment of termination benefits.

(4).Accountant arrangement method of other long-term employee benefits

Applicable Non-applicable

31. Estimated liabilities

Applicable Non-applicable

The obligations related to contingencies in the satisfaction of all of the following conditions will be recorded as estimated liabilities:

(1) The obligation is the current obligation undertaken by the company;

(2) The fulfillment of this obligation is likely to result in the outflow of economic benefits from the company;

(3) The amount of the obligation can be reliably measured.

Estimated liabilities are initially measured based on the best estimate of the expenditure required to fulfill the relevant current obligations.

On fixing the best estimate, certain factors such as risks, uncertainties and time value of money in connection with contingencies shall be considered in full aspects. If the time value of money has a significant impact, the best estimate is fixed after discounting the relevant future cash outflows.

If there is a continuous range of required expenditures, and the likelihood of occurrence of various outcomes within this range is the same, the best estimate shall be fixed at the median value within the range; in other circumstances, the best estimate shall be treated as:

- If a contingency involves one item, it shall be fixed according to the most likely amount.

- If a contingency involves more than one items, it shall be calculated and fixed according to various possible results and related probabilities.

If all or part of the expenditure required to pay off the estimated liability is expected to be compensated by a third party, the compensation amount shall be recognized as an asset separately when virtually confirmed that it can be received, and the compensation amount recognized must not exceed the book value of the estimated liability.

The company shall review the book value of estimated liabilities on the balance sheet date. If there is conclusive evidence that the book value cannot reflect the current best estimate, the book value shall be adjusted according to the current best estimate.

32. Share-based payment

Applicable Non-applicable

33. Preference shares, perpetual bonds and other financial instruments

Applicable Non-applicable

34. Revenue

(1).Disclosure of accounting policies used for revenue recognition and measurement by type of business

Applicable Non-applicable

1. Accounting policies for revenue recognition and measurement

The Company has fulfilled its contractual obligation to recognize income when the Customer obtains control over the relevant goods or services. Obtaining control over related goods or services means to be able to dominate the use of the goods or services and obtain virtually all economic benefits from it.

Where the Contract contains the performance of two or more obligations, the Company shall, on the commencement date of the Contract, apportion the transaction price to each individual performance obligation on the basis of the relative proportion of the individual selling price of the goods or service committed by each individual performance obligation. The Company shall measure its income on the basis of the transaction price apportioned to each individual performance obligation.

The transaction price refers to the amount of consideration the Company is expected to be entitled to receive for the transfer of goods or services to the Customer, excluding payments received on behalf of third parties and the amounts expected to be refunded to the Customer. The Company determines the transaction price in accordance with Contract terms and by taking into consideration its past practices. In determining the transaction price, it takes into consideration the impact of variable consideration, material financing elements in the Contract, non-cash consideration, consideration payable to customers and other factors. The Company determines the transaction price that includes the variable consideration at an amount not exceeding the amount of accumulated recognized income which is not likely to be materially reversed when the relevant uncertainty is eliminated. Where there is material financing components in the Contract, the Company shall determine the transaction price on the basis of the amount payable based on the assumption that the Customer pays in cash upon obtaining control over the goods or services, and shall amortize the difference between the transaction price and the Contract consideration by effective interest method during the Contract period.

It shall be deemed as fulfilling performance obligation within a certain period of time if one of the following conditions is satisfied. Otherwise, it shall be deemed as fulfilling performance obligation at a certain point in time:

- The Customer obtains and consumes the economic benefits arising from the Company's performance of obligations at the same time of that the Company perform its obligations.
- The Customer can control the goods under construction during the process that the Company perform its obligations.
- The product produced by the Company during the performance of its obligations is irreplaceable in use, and the Company shall be entitled to receive payment for the accumulated part of the performance completed so far during the whole Contract period.

For obligations performed within a certain period of time, the Company shall recognize income on the basis of the performance progress during that period, except when the performance progress cannot be reasonably determined. The Company will adopt output method or input method to determine the performance progress by taking the nature of the goods or services into consideration. Where the performance progress cannot be reasonably determined and the costs incurred are expected to be compensated, the Company shall recognize income on the basis of the costs incurred until the performance progress can be reasonably determined.

For obligations performed at a certain point of time, the Company recognizes income at the point when the Customer obtain control over relevant goods or services. The Company takes the following indications into consideration when determining whether the Customer has obtained control over relevant goods or services:

- The Company is entitled to collect payment in respect of the goods or services immediately, i.e. the Customer is obliged to make payment in respect of the goods or services immediately
- The Company has transferred legal ownership of the goods to the Customer, i.e. the Customer has legal ownership of the goods.

- The Company has physically transferred the goods to the Customer, i.e. the Customer has physically possessed the goods.
- The Company has transferred the principal risks and rewards in the ownership of the goods to the Customer, i.e. the Customer has obtained the principal risks and rewards in the ownership of the goods.
- The Customer has received the goods or services, etc.

The determination of the Company's status as either a principally liable person or an agent is made when entering into a transaction, depending on whether it exercises control over the goods or services before handing them over to the customer. If the Company has the ability to control the goods or services before transferring them to the customer, it is considered the principal and records revenue according to the total consideration received or receivable. On the other hand, if the Company lacks control over the goods or services before transferring them, it is classified as an agent and recognizes revenue based on the anticipated commissions or fees.

2. Disclosure of specific revenue recognition and measurement methods by business type

(1) Domestic company

1) Domestic sales

For sales to domestic carmakers, the goods received by customer and the notice of issuing an invoice is treated as the time point of revenue recognition. For domestic after-sales market sales, the time of delivery is treated as the time point of revenue recognition.

2) Overseas sales

For general trade sales, customs declaration and export are treated as the revenue confirmation time point. For the sales based on DDU and DDP as contained in the sales contract, the time of arrival at the destination and the acknowledgment of receipt by customer is treated as the time point of revenue recognition.

(2) Overseas company

The time of shipment and the acknowledgment of receipt by customer is treated as the time point of revenue recognition.

(2). Different business models adopted for similar businesses leading to differences in revenue recognition accounting policies

Applicable Non-applicable

35. Contract costs

Applicable Non-applicable

Contract costs include contract performance costs and contract acquisition costs.

The Company recognizes the costs incurred for performing the contract and that not fall within the scope of inventories, fixed assets or intangible assets as stipulated by related standards as an asset when the following conditions are met:

- The cost is directly related to a current or anticipated contract.
- The cost increases the Company's future resources to perform obligations.
- The cost is expected to be recovered

The Company regards the incremental cost incurred to acquire the contract and that are expected to be recovered as contract acquisition costs, and recognizes them as an asset.

Assets related to contract costs shall be amortized using the same basis as income recognition of goods or services related to the asset. However, the Company shall include the amount in current profit or loss if the amortization period of the contract acquisition cost is less than one year.

The Company shall draw an impairment provision for the excess part when the book value of an asset related to the contract cost is higher than the difference between the following two items, and recognize it as an impairment loss of the asset:

1. The remaining consideration expected to be obtained due to the transfer of goods or services related to the asset;
2. Estimated costs to be incurred for the transfer of goods or services related to the asset.

The Company shall reverse the impairment provision withdrawn and include it in current profit or loss if the impairment factors of the previous period change and cause the aforementioned difference higher than the book value of the asset. However, the book value of the asset after reverse shall not

exceed the book value of the asset on the reverse date under the assumption that no provision for the impairment is withdrawn.

36. Government subsidies

Applicable Non-applicable

1. Type

Government grants are monetary assets and non-monetary assets acquired by the Company from the government free of charge. Government grants are classified into government grants related to assets and government grants related to revenue.

Government grants related to assets refer to government grants acquired by the Company for the purpose of purchasing or constructing or otherwise forming long-term assets. Government grants related to revenue refer to the government grants other than those related to assets.

Government grants are classified as assets-related under the following criteria: government grants obtained for purchase and construction or other forms of long-term assets are defined as government grants related to assets;

Government grants are classified as income-related under the following criteria government grants other than assets-related government grants are defined as income-related government grants;

If the government documents have not yet specified the intended subjects of grants, the Company will classify the government grants as asset-related or income-related according to the following criteria:

(1) If the government document specifies a item applicable to the grants, it shall be divided according to the relative proportion of the expenditure amount that will form the asset and the expenditure amount included in the expense in the budget of the specific item, and the division ratio shall be rechecked among each balance sheet date and subject to a if necessary;

(2) The government document only makes a general statement, and no specific item is specified, it is recorded as the income-related government grants.

2. Confirmation of time point

Government subsidies are confirmed when the company can meet its attached conditions and can be received.

3. Accounting treatment

Government grants related to assets shall write off the book value of relevant assets or be recognized as deferred income. When recognized as deferred income, the government grant related to assets will be period by period credited to the profits and losses of the current period in a reasonable and systematic manner within the service life of relevant assets (those related to the Company's daily activities shall be recognized as other income; those unrelated to the Company's daily activities shall be recognized as non-operating income).

The revenue-related government grants shall be recognized as deferred income if they are used to compensate relevant expenses or losses in subsequent periods, and they shall be included in profit and loss of the current period (those related to Company's routine activities shall be included in other income; those unrelated to the Company's routine activities shall be included in non-operating income) or used to offset relevant expenses or losses during the recognition of related expenses or losses; the grants used to compensate related expenses or losses incurred shall be included in profit and loss of the current period (those related to Company's routine activities shall be included in other income; those unrelated to the Company's routine activities shall be included in non-operating income) or used to offset relevant expenses or losses.

37. Deferred income tax assets/deferred income tax liabilities

Applicable Non-applicable

Income tax includes current income tax and deferred income tax. The Company will include current income tax and deferred income tax in the current profit or loss, except for income tax arising from business combination and transaction or event directly included in the owners' equity (including other comprehensive income).

Deferred income tax assets and deferred income tax liabilities shall be calculated and recognized on the basis of the difference (temporary difference) between the tax basis of the assets and liabilities and their book value.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized. For deductible losses and tax credits that can be reversed in the future period, deferred tax assets shall be recognized to the extent that it is probable that taxable profit will be available in the future to offset the deductible losses and tax credits.

Save as the exceptions, deferred income tax liabilities shall be recognized for the taxable temporary difference.

Special circumstances in which deferred income tax assets or deferred income tax liabilities are not recognized include:

- Initial recognition of goodwill;
- Transaction or event that is not a business combination and would not affect accounting profit and taxable income (or deductible loss) at the time of occurrence.

For taxable temporary differences related to investments in subsidiaries, associates and joint ventures, deferred income tax liability is recognized, unless the Company can control the timing of reversal of such temporary differences and such temporary differences are not likely to be reversed in the foreseeable future. For deductible temporary differences related to the investments of subsidiaries, associates and joint ventures, deferred tax asset is recognized when the temporary differences are likely to be reversed in the foreseeable future and the taxable income amount used to offset the deductible temporary differences is likely to be obtained in the future.

Deferred tax assets and deferred tax liabilities on the balance sheet are evaluated based on the anticipated tax rates that will be applicable during the period when the associated assets are recuperated or the associated liabilities are resolved, in accordance with the prevailing tax regulations.

On the balance sheet date, the Company reviews the book value of the deferred income tax assets. The book value of the deferred income tax asset will be written down if sufficient taxable income is not likely to be obtained to offset the benefit of the deferred income tax asset in the future period. The write-down amount will be reversed when sufficient taxable income is likely to be obtained.

After granted the legal rights of net settlement and with the intention to use net settlement or obtain assets and repay debt at the same time, the net amount after offsetting its current income tax assets and current income tax liabilities shall be recorded.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities shall be, as stipulated by tax law, measured by the applicable tax rate of the period of expected recovery of the relevant assets or settlement of the relevant liabilities.

- The taxpayer has the legal right to settle the current income tax assets and current income tax liabilities on a net basis;
- Deferred income tax assets and deferred tax liabilities are related to the income tax to be paid by the same entity liable to pay tax to the same tax collection and management authority or related to different entities liable to pay tax. The relevant entity liable to pay tax is intended to apply net settlement of current income tax assets and liabilities or, at the same time, obtain assets and repay debt in every future period that deferred income tax assets and liabilities with importance would be reversed.

38. Lease

Applicable Non-applicable

Judgemental basis and accounting treatment of short-term leases and leases of low-value assets as a simplified treatment for lessee

Applicable Non-applicable

(1) Right-of-use assets

On the start date of the lease term, the Company recognizes the right-of-use asset for leases other than short-term leases and low-value asset leases. Right-of-use assets are initially measured at cost, which includes:

- The initial measurement amount of the lease liability;
- For lease payments paid on or before the start of the lease term, if there is a lease incentive, the amount of the lease incentive already enjoyed is deducted;
- Initial direct expenses incurred by the Company;

- The Company's estimated cost for dismantling and removing the leased assets, restoring the site where the leased assets are located, or restoring the leased assets to the state as set out in the lease terms and conditions, except for the costs incurred for the production of inventory.

The Company subsequently uses the straight-line method to depreciate the right-of-use assets. If it can be reasonably determined that the ownership of the leased asset will be obtained at the end of the lease term, the Company shall depreciate the leased asset over the remaining useful life; otherwise, the leased asset will be depreciated over the lease term or the remaining useful life of the leased asset, whichever is shorter.

The Company determines whether the right-of-use asset has been impaired under the principles as set out in "Note V. 27. Long-term asset impairment", and performs accounting treatment for the identified impairment loss.

(2) Lease liabilities

On the commencement of the lease term, the Company recognizes lease liabilities for leases other than short-term leases and leases of low-value assets. Lease liabilities are initially measured based on the present value of the unpaid lease payments. Lease payments include:

- Fixed payment (including the actual fixed payment), if there is a lease incentive, the relevant amount of the lease incentive will be deducted;
- Variable lease payments that depend on an index or rate;
- The amount expected to be paid based on the residual value of the guarantee provided by the company;
- The exercise price of the purchase option, provided that the Company reasonably determines that it will exercise the option;
- The amount to be paid to exercise the option to terminate the lease, provided that the lease term reflects that the company will exercise the option to terminate the lease.

The Company takes the interest rate implicit in the lease as the discount rate, but if the interest rate implicit in the lease cannot be reasonably determined, the company's incremental borrowing interest rate is used as the discount rate.

The Company calculates the interest expense of the lease liability during each period of the lease term according to a fixed periodic interest rate, and includes it in the current profit and loss or the cost of related assets.

Variable lease payments that are not included in the measurement of lease liabilities are included in the current profit and loss or the cost of related assets when they actually occur.

After the commencement of the lease term, in any of the following circumstances, the Company re-measures the lease liability and adjusts the corresponding right-of-use asset. If the book value of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, it will The difference is included in the current profit and loss:

- When the evaluation results of the purchase option, the renewal option or the termination option change, or the actual exercise of the aforementioned option is inconsistent with the original evaluation result, the company will discount the lease payment after the change and the revised discount The present value of the rate calculation remeasures the lease liability;
- When the actual fixed payment changes, the expected payable amount of the guarantee residual value changes, or the index or ratio used to determine the lease payment changes, the company calculates the present value based on the changed lease payment and the original discount rate

Remeasure the lease liability. However, if changes in lease payments originate from changes in floating interest rates, the revised discount rate is used to calculate the present value.

(3) Short-term leases and low-value asset leases

The Company elects not to recognize right-of-use assets and lease liabilities for short-term leases and low-value asset leases, and calculates the relevant lease payments in the current profit and loss or related asset costs on a straight-line basis in each period of the lease term. Short-term lease refers to a lease that does not include purchase options for a lease period not exceeding 12 months at the beginning of the lease period. Low-value asset leasing refers to a lease with a lower value when a single leased asset is a new asset. If the Company subleases or expects to sublease the leased assets, the original lease is not a low-value asset lease.

(4) Lease change

If the lease is changed and the following conditions are met at the same time, the company shall treat the lease change as a separate lease for accounting treatment:

- The lease change expands the scope of the lease by adding one or more use rights to leased assets;
- The increased consideration is equivalent to the amount of the individual price of the expanded part of the lease scope adjusted according to the contract conditions.

If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Company reapportions the consideration of the contract after the change, re-determines the lease term, and calculates the current lease payment based on the lease payment after the change and the revised discount rate. The value of the lease liability is remeasured.

If the lease change causes the scope of the lease to be reduced or the lease term is shortened, the Company will correspondingly reduce the book value of the right-of-use asset, and the relevant gains or losses from the partial or complete termination of the lease are included in the current profit and loss. If other lease changes cause the lease liability to be remeasured, the company adjusts the book value of the right-of-use asset accordingly.

Criteria for classification and accounting treatment of leases as lessors

Applicable Non-applicable

On the commencement date of the lease, the Company divides the lease into financial lease and operating lease. Finance lease refers to a lease in which almost all the risks and rewards related to the ownership of the leased asset are transferred regardless of whether the ownership is ultimately transferred. Operating leases refer to leases other than financial leases. When the Company acts as a sublease lessor, it classifies subleases based on the right-of-use assets generated from the original lease.

(1) Accounting treatment of operating leases

The lease receipts of operating leases are recognized as rental income in each period of the lease term according to the straight-line method. The Company capitalizes the initial direct costs incurred related to operating leases, and allocates them to the current profit and loss on the same basis as the confirmation of rental income during the lease term. Variable lease payments that are not included in the lease receipts are included in the current profit and loss when they actually occur. If an operating lease is

changed, the company will account for it as a new lease from the effective date of the change, and the amount of advance receipts or lease receivables related to the lease before the change shall be deemed as the receipts of the new lease.

(2) Accounting treatment of financial leasing

On the commencement date of the lease, the Company recognizes the financial lease receivables for the financial lease and terminates the recognition of the financial lease assets. When the Company initially measures the financial lease receivables, the net lease investment is taken as the entry value of the financial lease receivables. The net lease investment is the sum of the unguaranteed residual value and the present value of the lease payment that has not been received at the beginning of the lease term, discounted at the interest rate implicit in the lease.

The Company calculates and recognizes the interest income for each period of the lease term based on a fixed periodic interest rate. The derecognition and impairment of financial lease receivables shall be accounted for in accordance with this Note "III. (X). Financial Instruments".

Variable lease payments that are not included in the measurement of the net lease investment are included in the current profit and loss when they actually occur.

If a financial lease is changed and the following conditions are met at the same time, the Company shall treat the change as a separate lease for accounting treatment:

- The change expands the scope of the lease by adding one or more use rights to leased assets;
- The increased consideration is equivalent to the amount of the individual price of the expanded part of the lease scope adjusted according to the contract conditions.

If the change of the financial lease is not accounted for as a separate lease, the company shall deal with the changed lease in the following situations:

- If the change takes effect on the lease start date, the lease will be classified as an operating lease, and the Company will start accounting for it as a new lease from the lease change effective date, and use the net lease investment before the lease change effective date as The book value of the leased asset;
- If the change takes effect on the lease start date, the lease will be classified as a financial lease, and the company will conduct accounting treatment in accordance with the policy of this note "V. (11). Financial Instruments" on the modification or renegotiation of the contract.

39. Other significant accounting policies and accounting estimates

Applicable Non-applicable

40. Changes in significant accounting policies and accounting estimates

(1). Changes in significant accounting policies

Applicable Non-applicable

(1) Application of the "Accounting Standards for Business Enterprises No. 16" The provision of "Accounting for Deferred Taxes on Assets and Liabilities Arising from Individual Transactions that are not Subject to the Initial Recognition Exemption"

On 30 November 2022, the Ministry of Finance released the "Accounting Standards for Business Enterprises Interpretation No. 16" (Cai Kuai [2022] No. 31, hereinafter referred to as "Interpretation No.

16"), the provision of "Accounting for Deferred Taxes on Assets and Liabilities Arising from Individual Transactions that are not Subject to the Initial Recognition Exemption" took into effect from January 1, 2023,

Interpretation No. 16 sets out that for individual transactions that are not business combinations and do not impact accounting profit or taxable income, the exemption from recognizing deferred income tax liabilities and assets upon initial recognition does not apply. This includes transactions where the initial recognition of assets and liabilities leads to the creation of taxable temporary differences and deductible temporary differences of equal amount. Examples of such transactions include lease agreements where the lessee initially recognizes a lease liability on the lease term's commencement date and includes it in the right of use assets, as well as transactions where an estimated liability is recognized and included in the cost of relevant assets due to the presence of an abandonment obligation for fixed assets. In these cases, enterprises must recognize the corresponding deferred tax liabilities and assets in accordance with the relevant provisions of "Accounting Standards for Business Enterprises Interpretation No. 18-Income Taxes" and other applicable regulations at the time the transaction occurs.

If a taxable temporary difference and a deductible temporary difference arises from a single transaction to which the provision applies that occurs between the beginning of the earliest period for which the financial statements are presented for the first time and the date of its application, and from a lease liability and right-of-use asset recognized at the beginning of the earliest period for which the financial statements are presented as a result of a single transaction to which the provision applies and from the recognition of a projected liability related to an abandonment obligation and the corresponding related asset, the enterprise shall make adjustments in accordance with the provision. companies should make adjustments in accordance with this provision.

The Company implemented this provision from January 1, 2023, and the main effects of the implementation of this provision are set out below:

Unit: yuan

Affected Statement Items	Amount of Impact on Balance as at January 1, 2022	
	Consolidated	Parent Company
Deferred income tax assets	384,782.84	
Deferred tax liabilities	140,518.31	
Undistributed Profit	244,264.53	

Unit: yuan

Affected Statement Items	Consolidated		Parent Company	
	2023.12.31	2022.12.31	2023.12.31	2022.12.31
	/2023	/2022	/2023	/2022
Deferred income tax assets	1,581,744.79	419,395.42		
Deferred tax liabilities	362,733.76	98,215.10		
Undistributed Profit	1,219,011.03	321,180.32		
Income tax expense	-897,830.71	-76,915.79		

(2) Application of "Accounting Standards for Business Enterprises Interpretation No. 17" The provision of "Accounting for Sale and Leaseback Transactions".

On October 25, 2023, the Ministry of Finance released the "Accounting Standards for Business Enterprises Interpretation No. 17" (Cai Kuai [2023] No. 21, hereinafter referred to as "Interpretation No. 17"), which will be effective as of January 1, 2024. The "Accounting for Sale and Leaseback Transactions" provision allows enterprises to implement it earlier than the year in which it is issued.

Interpretation No. 17 stipulates that when a lessee subsequently measures a lease liability arising from a sale and leaseback, the lessee shall not determine the lease payments or change the lease

payments in a manner that would cause the lessee to recognize a gain or loss related to the right to use the leased property. Upon first-time implementation of this provision, companies should retrospectively adjust for sale and leaseback transactions that occur after the date of initial application of "Accounting Standards for Business Enterprises Interpretation No. 21-Lease"

The Company implemented this provision earlier from 2023, and the application of this provision did not have a material impact on the Company's financial statements.

(2). Changes in significant accounting estimates

Applicable Non-applicable

(3). From 2022 onwards, the initial implementation of new accounting standards or standard interpretations involves adjustments to the financial statements at the beginning of the first implementation year

Applicable Non-applicable

41. Others

Applicable Non-applicable

VI. Taxes

1. Major categories of taxes and tax rates

Main categories of taxes and tax rates

Applicable Non-applicable

Tax Type	Taxation basis	Tax rate
VAT	According to the provisions of the tax law, the sales tax shall be calculated on the basis of the income by selling goods and taxable services. After deducting the input tax that is allowed to be deducted from the sales tax in the current period, the difference shall be the value added tax	13%、9%、6% (Note 1)
Urban Maintenance and Construction Tax	Calculated based on the actual VAT paid	7%、5% (Note2)
Education Surcharges	Calculated based on the actual VAT paid	3%
Local Education Surcharges	Calculated based on the actual VAT paid	2%
Enterprise income tax	Calculated based on the taxable income	34%、30%、28%、27%、26.5%、25%、24%、20.6%、19%、16.5%、15%

Note 1: The sales of goods are subject to VAT at 13% of taxable income, technology development services are subject to VAT at 6% of taxable income, and real estate leasing is subject to VAT at 9% of taxable income.

Note 2: If there are taxable entities applicable to different corporate city maintenance and construction tax rates, make a disclosure of statement:

Name of Taxpayer	Urban Maintenance and Construction Tax Rate (%)

Tuopu Automobile Electronics	5
Tuopu Thermal Management	5
Zhejiang Towin	5
Skateboard Chassis	5
Taizhou Tuopu	5
Sichuan Tuopu	5
Ningbo Qianhui	5
Shanghai Towin	5
Anhui Tuopu	5
Henan Tuopu	5
Tuopu Photovoltaic Technology (Hangzhou Bay)	5
Tuopu Photovoltaic Technology (Jinhua)	5
Tuopu Photovoltaic Technology (Linshui)	5

If there are taxpayers applicable to different corporate local education surcharge rates, make a disclosure of the description

Applicable Non-applicable

Name of Taxpayer	Income Tax Rate (%)
The Company	15
Tuopu Automobile Electronics	15
Tuopu Thermal Management	15
Zhejiang Towin	15
Suining Tuopu	15
Tuopu Chassis	15
Hunan Tuopu	15
Xi'an Tuopu	15
Sichuan Tuopu	15
Liuzhou Tuopu	15
Baoji Tuopu	15
Ningbo Qianhui	15
Chongqing Tuopu	15
Tuopu North America Limited	26.50
Tuopu North America USA Limited, INC	27
Tuopu USA, LLC	28
Tuopu International	16.50
Tuopu Poland	19
Tuopu Sweden	20.60
Tuopu Malaysia	24
TUOPU DO BRASIL	34
Tuopu Mexico	30
Other companies	25

2. Preferential tax rate

Applicable Non-applicable

1. Under the provisions of the “Administrative measures for the accreditation of hi-tech enterprises” (Guo Ke Fa Huo [2016] No. 32) and the “Guidelines for the accreditation management of hi-tech enterprises” (Guo Ke Fa Huo [2016] No.195), Ningbo Science and Technology Bureau, Ningbo Finance Bureau, and Ningbo Tax Service, SAT issued the certificate of hi-tech enterprise (No. GR202133100574). As set out in the certificate, the Company was accredited as a hi-tech enterprise and this accreditation is valid for 3 years. Within this period of validity, the preferential tax rate for corporate income tax is 15%, which is effective from 2021 to 2023 The corporate income tax rate for 2023 is 15%

2. Under the provisions of the “Administrative measures for the accreditation of hi-tech enterprises” (Guo Ke Fa Huo [2016] No. 32) and the “Guidelines for the accreditation management of hi-tech enterprises” (Guo Ke Fa Huo [2016] No.195), Ningbo Science and Technology Bureau, Ningbo Finance Bureau, and Ningbo Tax Service, SAT issued the certificate of hi-tech enterprise (No. GR202233100803). As set out in the certificate, Tuopu Automotive Electronics was accredited as a hi-tech enterprise and this accreditation is valid for 3 years. Within this period of validity, the preferential tax rate for corporate income tax is 15%, which is effective from 20222 to 2024. The corporate income tax rate applicable to Tuopu Automotive Electronics for 2023 is 15%.

3. Under the provisions of the “Administrative measures for the accreditation of hi-tech enterprises” (Guo Ke Fa Huo [2016] No. 32) and the “Guidelines for the accreditation management of hi-tech enterprises” (Guo Ke Fa Huo [2016] No.195), Ningbo Science and Technology Bureau, Ningbo Finance Bureau, and Ningbo Tax Service, SAT issued the certificate of hi-tech enterprise (No. GR202333103290). As set out in the certificate, Zehjiang Towin was accredited as a hi-tech enterprise and this accreditation is valid for 3 years. Within this period of validity, the preferential tax rate for corporate income tax is 15%, which is effective from 20222 to 2024. The corporate income tax rate applicable to Tuopu Thermal Management for 2023 is 15%

4. Under the provisions of the “Administrative measures for the accreditation of hi-tech enterprises” (Guo Ke Fa Huo [2016] No. 32) and the “Guidelines for the accreditation management of hi-tech enterprises” (Guo Ke Fa Huo [2016] No.195), Ningbo Science and Technology Bureau, Ningbo Finance Bureau, and Ningbo Tax Service, SAT issued the certificate of hi-tech enterprise (No. GR202233009476). As set out in the certificate, Zhejiang Towin was accredited as a hi-tech enterprise and this accreditation is valid for 3 years. Within this period of validity, the preferential tax rate for corporate income tax is 15%, which is effective from 20222 to 2024. The corporate income tax rate applicable to Zhejiang Towin for 2023 is 15%.

5. Under the provisions of the “Circular on the Continuation of the Enterprise Income Tax Policy for the Western Development Strategy” (No. 23 [2020] Circular of the Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission” and “Catalogue of Encouraged Industries in Western China”, the main operations of Sichuan Maigao were accredited as the state encouraged industry by Sichuan Department of Economic and Information, the preferential tax rate for corporate income tax is 15%, which is effective from 1 January 2021 to 31 December 2030. The corporate income tax rate applicable to Suining Tuopu for 2023 is 15%.

6. Under the provisions of the “Administrative measures for the accreditation of hi-tech enterprises” (Guo Ke Fa Huo [2016] No. 32) and the “Guidelines for the accreditation management of hi-tech enterprises” (Guo Ke Fa Huo [2016] No.195), Ningbo Science and Technology Bureau, Ningbo Finance Bureau, and Ningbo Tax Service, SAT issued the certificate of hi-tech enterprise (No. GR202333100609). As set out in the certificate, Zhejiang Towin was accredited as a hi-tech enterprise and this accreditation is valid for 3 years. Within this period of validity, the preferential tax rate for corporate income tax is 15%, which is effective from 20222 to 2024. The corporate income tax rate applicable to Tuopu Chassis for 2023 is 15%.

7. Under the provisions of the “Administrative measures for the accreditation of hi-tech enterprises” (Guo Ke Fa Huo [2016] No. 32) and the “Guidelines for the accreditation management of hi-tech enterprises” (Guo Ke Fa Huo [2016] No.195), Hunan Science and Technology Bureau, Hunan Department of Finance, and Hunan Tax Service, SAT issued the certificate of hi-tech enterprise (No. GR202343003469). As set out in the certificate, Zhejiang Towin was accredited as a hi-tech enterprise and this accreditation is valid for 3 years. Within this period of validity, the preferential tax rate for corporate income tax is 15%, which is effective from 20222 to 2024. The corporate income tax rate applicable to Hunan Tuopu for 2023 is 15%.

8. Under the provisions of the “Circular on the Continuation of the Enterprise Income Tax Policy for the Western Development Strategy” (No. 23 [2020] Circular of the Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission” and “Catalogue of Encouraged Industries in Western China”, any enterprise engaged in an encouraged industry in Western China will pay corporate income tax at 15% from 1 January 2021 to 31 December 2030. The corporate income tax rate applicable to Xi’an Tuopu for 2023 is 15%.

9. Under the provisions of the “Circular on the Continuation of the Enterprise Income Tax Policy for the Western Development Strategy” (No. 23 [2020] Circular of the Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission” and “Catalogue of Encouraged Industries in Western China”, any enterprise engaged in an encouraged industry in Western

China will pay corporate income tax at 15% from 1 January 2021 to 31 December 2030. The corporate income tax rate applicable to Sichuan Tuopu for 2023 is 15%.

10. Under the provisions of the “Circular on the Continuation of the Enterprise Income Tax Policy for the Western Development Strategy” (No. 23 [2020] Circular of the Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission” and “Catalogue of Encouraged Industries in Western China”, any enterprise engaged in an encouraged industry in Western China will pay corporate income tax at 15% from 1 January 2021 to 31 December 2030. The corporate income tax rate applicable to Liuzhou Tuopu for 2023 is 15%.

11. Under the provisions of the “Circular on the Continuation of the Enterprise Income Tax Policy for the Western Development Strategy” (No. 23 [2020] Circular of the Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission” and “Catalogue of Encouraged Industries in Western China”, any enterprise engaged in an encouraged industry in Western China will pay corporate income tax at 15% from 1 January 2021 to 31 December 2030. The corporate income tax rate applicable to Baoji Tuopu for 2023 is 15%.

12. Under the provisions of the “Administrative measures for the accreditation of hi-tech enterprises” (Guo Ke Fa Huo [2016] No. 32) and the “Guidelines for the accreditation management of hi-tech enterprises” (Guo Ke Fa Huo [2016] No.195), Ningbo Science and Technology Bureau, Ningbo Finance Bureau, and Ningbo Tax Service, SAT issued the certificate of hi-tech enterprise (No. GR202333100329). As set out in the certificate, Ningbo Qianhui was accredited as a hi-tech enterprise and this accreditation is valid for 3 years. Within this period of validity, the preferential tax rate for corporate income tax is 15%, which is effective from 2023 to 2025. The corporate income tax rate applicable to Ningbo Qianhui for 2023 is 15%.

13. Under the provisions of the “Circular on the Continuation of the Enterprise Income Tax Policy for the Western Development Strategy” (No. 23 [2020] Circular of the Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission” and “Catalogue of Encouraged Industries in Western China”, any enterprise engaged in an encouraged industry in Western China will pay corporate income tax at 15% from 1 January 2021 to 31 December 2030. The corporate income tax rate applicable to Chongqing Tuopu for 2023 is 15%.

14. According to the " The Law of the People’s Republic of China on Enterprise Income Tax" and applicable implementation regulations, the income from investment and operation of the state-sponsored public infrastructure projects shall be exempted for corporate income tax from the first to the third year, and paid in half from the fourth to the sixth year, which commences from the taxable year of the first sum of production and operation income. Tuopu Photovoltaic Technology (Beilun) was entitled to the three-year tax exemption and three-year half tax payment policy from 2022 onwards.

15. According to the " The Law of the People’s Republic of China on Enterprise Income Tax" and applicable implementation regulations, the income from investment and operation of the state-sponsored public infrastructure projects shall be exempted for corporate income tax from the first to the third year, and paid in half from the fourth to the sixth year, which commences from the taxable year of the first sum of production and operation income. Tuopu Photovoltaic Technology (Hangzhou Bay) was entitled to the three-year tax exemption and three-year half tax payment policy from 2022 onwards.

16. According to the " The Law of the People’s Republic of China on Enterprise Income Tax" and applicable implementation regulations, the income from investment and operation of the state-sponsored public infrastructure projects shall be exempted for corporate income tax from the first to the third year, and paid in half from the fourth to the sixth year, which commences from the taxable year of the first sum of production and operation income. Tuopu Photovoltaic Technology (Pinghu) was entitled to the three-year tax exemption and three-year half tax payment policy from 2022 onwards.

17. According to the " The Law of the People’s Republic of China on Enterprise Income Tax" and applicable implementation regulations, the income from investment and operation of the state-sponsored public infrastructure projects shall be exempted for corporate income tax from the first to the third year, and paid in half from the fourth to the sixth year, which commences from the taxable year of the first sum of production and operation income. Tuopu Photovoltaic Technology (Taizhou) was entitled to the three-year tax exemption and three-year half tax payment policy from 2023 onwards.

18. According to the " The Law of the People’s Republic of China on Enterprise Income Tax" and applicable implementation regulations, the income from investment and operation of the state-sponsored public infrastructure projects shall be exempted for corporate income tax from the first to the third year, and paid in half from the fourth to the sixth year, which commences from the taxable year of the first

sum of production and operation income. Tuopu Photovoltaic Technology (Ningbo Yinzhou) was entitled to the three-year tax exemption and three-year half tax payment policy from 2023 onwards.

19. According to the "The Law of the People's Republic of China on Enterprise Income Tax" and applicable implementation regulations, the income from investment and operation of the state-sponsored public infrastructure projects shall be exempted for corporate income tax from the first to the third year, and paid in half from the fourth to the sixth year, which commences from the taxable year of the first sum of production and operation income. Tuopu Photovoltaic Technology (Xiangtan) was entitled to the three-year tax exemption and three-year half tax payment policy from 2022 onwards.

20. In accordance with the relevant regulations outlined in the "Announcement on VAT Credit Policy for Advanced Manufacturing Enterprises" (Announcement No. 43 of the Ministry of Finance and the State Administration of Taxation of the People's Republic of China of 2023), advanced manufacturing enterprises have the privilege to deduct 5% of the creditable input tax amount for the current period from the payable value-added tax ("VAT") between January 1, 2023, and December 31, 2027. The Company, Ningbo Tuopu Automobile Electronics, Zhejiang Towin, and Ningbo Qianhui, are eligible for this VAT addition and deduction policy.

21. According to the provisions outlined in the "Announcement on Tax Policies Related to Further Supporting Entrepreneurship and Employment of Key Groups" (Announcement No. 15 of 2023 by the Ministry of Finance, the General Administration of Taxation, the Ministry of Human Resources and Social Security, and the Ministry of Agriculture and Rural Development), enterprises that hire individuals who have lifted themselves out of poverty and those who have been unemployed for over six months at public employment service institutions under the human resources and social security department will receive a flat-rate sequential deduction of VAT for a three-year period. This deduction will be based on the number of individuals recruited, provided they hold the necessary certificates, have signed a labor contract lasting more than one year, and have paid social insurance premiums as required by law. This tax incentive will apply from January 1, 2023, to December 31, 2027. The Company, Ningbo Tuopu Automobile Electronics, and Ningbo Qianhui are eligible for these tax benefits.

22. According to the relevant provisions of the "Announcement of the Ministry of Finance and the State Administration of Taxation on Clarifying the Policies on Reduction and Exemption of Value-added Tax for Small-scale Taxpayers of Value-added Tax" (Announcement No. 1 of the Ministry of Finance and the State Administration of Taxation of 2023), from 1 January 2023 to 31 December 2023, taxpayers of the production service industry are allowed to deduct tax payable by adding 5% to the amount of creditable input tax of the current period. Shanghai Towin enjoys the above VAT credit policy.

3. Others

Applicable Non-applicable

VII. Notes to the Items in the Consolidated Financial Statement

1. Cash and bank balances

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the End of the Period	Balance at the Beginning of the Period
Cash on Hand	18,810.59	11,944.28
Bank Balance	2,313,919,121.92	2,410,200,609.00
Other Cash and Bank Balances	541,429,058.76	385,319,277.15
Deposits in finance company		
Total	2,855,366,991.27	2,795,531,830.43
Including: Total Amount Deposited in Overseas Banks	228,658,843.26	258,304,097.57

Other notes

Schedule of the cash and bank balances restricted for use:

Unit: Yuan Currency: RMB

Item	Balance at the End of the Period	Balance at the Beginning of the Period
Bank acceptance deposit	535,150,594.14	372,126,161.67
L/C Guarantee deposits		4,672,875.48
Guarantee and security deposit	6,277,854.73	8,520,240.00
Foreign exchange settlement deposit	609.89	
Total	541,429,058.76	385,319,277.15

2. Trading Financial Assets√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the End of the Period	Balance at the Beginning of the Period	Designated reason and basis
Financial assets that are measured at fair value and whose changes are included in the current profit and loss	300,872,066.52	954,888.48	/
Including:			
Investment in debt instruments			/
Investment in equity instruments	872,066.52	954,888.48	/
Derivative Financial Assets			/
Short-term financial products	300,000,000.00		/
Financial assets that are designated to be measured at fair value and whose changes are included in the current profit and loss			
Including:			
Total	300,872,066.52	954,888.48	/

Other Notes

Applicable Non-applicable**3. Derivative Financial Assets**Applicable Non-applicable**4. Notes Receivable**

(1) Notes receivable presented by category

√Applicable Non-applicable

Unit: Yuan Currency: RM

Item	Balance at the End of the Period	Balance at the Beginning of the Period
Bank Acceptance Notes	496,868,790.84	385,818,798.23
Commercial Acceptance Notes	57,161,817.04	24,983,165.85
Total	554,030,607.88	410,801,964.08

(2). Notes receivable pledged by the Company at the end of the period

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Pledged amount by the end of period
Bank Acceptance Notes	445,995,139.27
Commercial Acceptance Notes	36,584,945.90
Total	482,580,085.17

(3). Notes receivable that the Company has endorsed or discounted at the end of the period and that have not yet expired on the balance sheet date

Applicable Non-applicable

(4). Disclosure by provision for bad debts

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Category	Balance at the End of the Period					Balance at the Beginning of the Period				
	Book Balance		Bad Debt Provision		Book Value	Book Balance		Bad Debt Provision		Book Value
	Amount	Percentage (%)	Amount	Accrued Proportion (%)		Amount	Percentage (%)	Amount	Accrued Proportion (%)	
Bad debt provision accrued based on single item										
Including:										
Bad debt provision accrued based on portfolios	557,039,124.5 ₇	100.00	3,008,516.6 ₉	0.54	554,030,607.8 ₈	412,116,867.5 ₅	100.00	1,314,903.4 ₇	0.32	410,801,964.0 ₈
Including:										
Portfolio: bank acceptance notes	496,868,790.8 ₄	89.20			496,868,790.8 ₄	385,818,798.2 ₃	93.62			385,818,798.2 ₃
Portfolio 2: commercial acceptance notes	60,170,333.73	10.80	3,008,516.6 ₉	5.00	57,161,817.04	26,298,069.32	6.38	1,314,903.4 ₇	5.00	24,983,165.85

Total	557,039,124.5 7	/	3,008,516.6 9	/	554,030,607.8 8	412,116,867.5 5	/	1,314,903.4 7	/	410,801,964.0 8
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Bad debt provision accrued based on single item

Applicable Non-applicable

Bad debt provision accrued based on portfolio:

Applicable Non-applicable

Unit: Yuan Currency: RMB

Name	Balance at the End of the Period		
	Notes receivable	Bad Debt Provision	Accrued Proportion (%)
Portfolio 1: bank acceptance notes	496,868,790.84		
Portfolio 2: commercial acceptance notes	60,170,333.73	3,008,516.69	5.00
Total	557,039,124.57	3,008,516.69	

Notes to bad debt provision accrued based on portfolio

Applicable Non-applicable

Provision for bad debts based on general model of expected credit losses

Applicable Non-applicable

Notes to significant changes in the carrying amount of notes receivable for which a change in the allowance for losses occurred during the period:

Applicable Non-applicable

(5). Bad debt provision

Applicable Non-applicable

Unit: Yuan Currency: RMB

Category	Balance at the Beginning of the Period	Amount Changed in the Current Period				Balance at the End of the Period
		Provision	Withdrawal or Reversal	Write-off	Other Changes	
Portfolio 1: bank acceptance notes						
Portfolio 2: commercial acceptance notes	1,314,903.47	1,693,613.22				3,008,516.69
Total	1,314,903.47	1,693,613.22				3,008,516.69

Significant withdrawal or reversal amount of provision for bad debts in the current period:

Applicable Non-applicable

(6). Accounts receivable actually written off in the current period

Applicable Non-applicable

Particulars about significant accounts receivable written off:

Applicable Non-applicable

Note on write-off of notes receivable:

Applicable Non-applicable

Other notes

Applicable Non-applicable

5. Accounts receivable

(1). Disclosure by aging

Applicable Non-applicable

Unit: Yuan Currency: RMB

Aging	Book Balance at the End of the Period	Book Balance at the Beginning of the Period
Within 1 year		
Including: sub-item within 1 year		
Within 1 year	5,358,563,151.03	4,551,006,545.30
Subtotal within 1 year	5,358,563,151.03	4,551,006,545.30
1 to 2 years	59,317,771.10	16,692,451.22
2 to 3 years	6,568,262.84	9,718,986.45
Over 3 years	10,026,871.15	5,860,460.91
3 to 4 years		
4 to 5 years		
Over 5 years	14,810,992.23	12,507,717.03
Total	5,449,287,048.35	4,595,786,160.91

(2). Disclosure by provision method for bad debts

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Category	Balance at the End of the Period					Balance at the Beginning of the Period				
	Book Balance		Bad Debt Provision		Book Value	Book Balance		Bad Debt Provision		Book Value
	Amount	(%) Percentage (%)	Amount	Accrued Proportion (%)		Amount	Percentage (%)	Amount	Accrued Proportion (%)	
Bad debt provision accrued based on single item	166,439,402.18	3.05	166,439,402.18	100.00						
Including:										
Bad debt provision accrued based on portfolio	5,282,847,646.17	96.95	276,132,484.50	5.23	5,006,715,161.67	4,588,249,854.79	99.84	240,788,867.03	5.25	4,347,460,987.76
Including:										
Bad debt provision accrued based on aging groups	5,282,847,646.17	96.95	276,132,484.50	5.23	5,006,715,161.67	4,588,249,854.79	99.84	240,788,867.03	5.25	4,347,460,987.76

Total	5,449,287,048.3 5	/	442,571,886.6 8	/	5,006,715,161.6 7	4,595,786,160.9 1	/	248,325,173.1 5	/	4,347,460,987.7 6
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Provision for bad debt based on single item:

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Name	Balance at the End of the Period			
	Book Balance	Bad Debt Provision	Accrued Proportion (%)	Reason for Accrual
Human Horizons (Shandong) Technology Co., Ltd.	117,815,838.01	117,815,838.01	100.00	Expected to be unrecoverable
Wilmaster New Energy Auto Parts (Wenzhou) Co., Ltd.	14,768,198.95	14,768,198.95	100.00	Expected to be unrecoverable
VM Motor Purchasing (Shanghai) Co., Ltd.	11,687,740.70	11,687,740.70	100.00	Expected to be unrecoverable
Human Horizons (Jiangsu) Technology Co., Ltd.	5,784,653.68	5,784,653.68	100.00	Expected to be unrecoverable
Chongqing Hyosow Parts Co., Ltd.	4,682,782.60	4,682,782.60	100.00	Expected to be unrecoverable
Henan Dongqi Chenfei Rubber and Plastic Co., Ltd.	2,438,745.39	2,438,745.39	100.00	Expected to be unrecoverable
Jiangling Holdings Co., Ltd.	1,602,562.00	1,602,562.00	100.00	Expected to be unrecoverable
Beijing Borgward Motor Co., Ltd.	1,449,066.88	1,449,066.88	100.00	Expected to be unrecoverable
GAC Fiat Chrysler Co., Ltd. Guangzhou Branch	1,415,371.81	1,415,371.81	100.00	Expected to be unrecoverable
VM Motor Technology (Sichuan) Co., Ltd.	1,365,699.92	1,365,699.92	100.00	Expected to be unrecoverable
Hafei Motor Co., Ltd.	958,585.20	958,585.20	100.00	Expected to be unrecoverable
VM Motor Technology(Hengyang) Co., Ltd.	922,148.75	922,148.75	100.00	Expected to be unrecoverable
GAC Fiat Chrysler Co., Ltd.	902,816.58	902,816.58	100.00	Expected to be unrecoverable
Zhejiang Green Field Motor Co., Ltd.	408,702.32	408,702.32	100.00	Expected to be unrecoverable
VM Motor Sales (Shanghai) Co., Ltd.	236,489.39	236,489.39	100.00	Expected to be unrecoverable
Total	166,439,402.18	166,439,402.18	100.00	/

Notes to bad debt provision accrued based on single item:

□Applicable √Non-applicable

Bad debt provision accrued based on portfolios:

√Applicable □Non-applicable

Accrued items based on combinations: Accrued items based on aging group

Unit: Yuan Currency: RMB

Name	Balance at the End of the Period		
	Accounts Receivable	Bad Debt Provision	Accrued Proportion(%)

Within 1 year (including 1 year)	5,234,962,659.34	261,748,132.98	5.00
1-2 years (including 2 years)	32,496,204.56	3,249,620.46	10.00
2-3 years (including 3 years)	2,091,363.28	627,408.98	30.00
3-5 years (including 5 years)	6,975,242.27	4,185,145.36	60.00
Over 5 years	6,322,176.72	6,322,176.72	100.00
Total	5,282,847,646.17	276,132,484.50	

Recognition criteria for and notes to bad debt provision by portfolios:

Applicable Non-applicable

Provision for bad debts based on general model of expected credit losses

Applicable Non-applicable

Note to significant changes in the carrying amount of accounts receivable for which changes in the allowance for losses occurred during the period:

Applicable Non-applicable

(3). Bad debt provision

Applicable Non-applicable

Unit: Yuan Currency: RMB

Category	Balance at the Beginning of the Period	Amount Changed in the Current Period				Balance at the End of the Period
		Provision	Withdrawal or Reversal	Write-off	Other Changes	
Bad debt provision accrued based on single item	7,536,306.12	158,903,096.06				166,439,402.18
Bad debt provision accrued based on portfolios	240,788,867.03	35,344,284.77		667.30		276,132,484.50
Total	248,325,173.15	194,247,380.83		667.30		442,571,886.68

Significant withdrawal or reversal amount of provision for bad debts in the current period:

Applicable Non-applicable

(4). Accounts receivable actually written off in the current period

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount written off
Accounts receivable written off	667.30

Particulars about significant accounts receivable written off

Applicable Non-applicable

Notes to accounts receivable written off:

Applicable Non-applicable

(5). Accounts receivable of the top five closing balances collected by debtors

Applicable Non-applicable

Unit: Yuan Currency: RMB

Name of Entity	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Percentage of total ending balance of accounts receivable and contract assets (%)	Ending balance of provision for bad debts
No.1	1,435,822,042.99		1,435,822,042.99	26.35	71,791,102.15
No.2	478,843,179.79		478,843,179.79	8.79	23,942,158.99
No.3	278,178,029.69		278,178,029.69	5.10	13,908,901.48
No.4	214,549,841.68		214,549,841.68	3.94	10,727,492.08
No.5	197,498,985.12		197,498,985.12	3.62	9,874,949.26
Total	2,604,892,079.27		2,604,892,079.27	47.80	130,244,603.96

Other notes:

Applicable Non-applicable

6. Contract assets

(1). Status of contract assets

Applicable Not Applicable

(2). Amounts and reasons for significant changes in book value during the reporting period

Applicable Not applicable

(3). Disclosure by provision for bad debt

Applicable Not applicable

Provision for bad debts is made on a single item basis:

Applicable Not applicable

Note to bad debt provisioning by individual item:

Applicable Not applicable

Provision for bad debts by portfolio:

Applicable Not applicable

Provision for bad debts based on general model of expected credit losses.

Applicable Not applicable

Note to significant changes in the carrying amount of contract assets for which a change in the allowance for losses has occurred during the period:

Applicable Not Applicable

(4). Provision for bad debts on contract assets for the current period

Applicable Not applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

Applicable Not applicable

(5). Contract assets actually written off during the period

Applicable Not applicable

Of which significant contract assets written off

Applicable Not applicable

Description of contract assets written off:

Applicable Not applicable

Other notes:

Applicable Not Applicable

7. Receivables financing

(1). Presentation of receivables financing classifications

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Balance at the End of the Period	Balance at the Beginning of the Period
Notes receivable	1,039,933,314.87	1,157,514,623.70
Accounts receivable		
Total	1,039,933,314.87	1,157,514,623.70

(2). Receivable financing pledged by the company at the end of the period

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount pledged at the end of the period
Bank Acceptance Notes	438,059,635.51
Commercial Acceptance Notes	
Total	438,059,635.51

(3). The Company's receivable financing that has been endorsed or discounted and is not due on the balance sheet date at the end of the period,

Applicable Not Applicable

Unit: Yuan Currency: RMB

Total	Amounts derecognized at the end of the period	Amounts not derecognized at the end of the period
Bank Acceptance Notes	371,123,760.82	
Commercial Acceptance Notes		
Total	371,123,760.82	

(4). Disclosure by provision for bad debts

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Category	Balance at the End of the Period					Balance at the Beginning of the Period				
	Book Balance		Bad Debt Provision		Book Value	Book Balance		Bad Debt Provision		Book Value
	Amount	(%) Percentage (%)	Amount	Accrued Proportion (%)		Amount	Percentage (%)	Amount	Accrued Proportion (%)	
Bad debt provision accrued based on single item										
Including:										
Bad debt provision accrued based on portfolios	1,040,142,093.70	100.00	208,778.83	0.02	1,039,933,314.87	1,158,889,551.78	100.00	1,374,928.08	0.12	1,157,514,623.70
Including										
Portfolio 1: bank acceptance notes	1,035,966,517.17	99.60			1,035,966,517.17	1,131,400,990.15	97.63			1,131,400,990.15
Portfolio 2: commercial acceptance notes	4,175,576.53	0.40	208,778.83	5.00	3,966,797.70	27,488,561.63	2.37	1,374,928.08	5.00	26,113,633.55
Total	1,040,142,093.70	/	208,778.83	/	1,039,933,314.87	1,158,889,551.78	/	1,374,928.08	/	1,157,514,623.70

Provision for bad debts is made on an individual basis:

Applicable Not Applicable

Explanation of provision for bad debts by individual item:

Applicable Not applicable

Provision for bad debts by portfolio:

Applicable Not applicable

Provision for bad debts based on general model of expected credit losses.

Applicable Not applicable

Note to significant changes in the carrying amount of receivables financing for which changes in the allowance for losses occurred during the period:

Applicable Not Applicable

(5). Provision for bad debts

Applicable Not applicable

Unit: Yuan Currency: RMB

Category	Balance at the Beginning of the Period	Amount Changed in the Current Period				Balance at the End of the Period
		Provision	Withdrawal or Reversal	Write-off	Other Changes	
Bad debt provision accrued based on single item						
Bad debt provision accrued based on combinations	1,374,928.08		1,166,149.25			208,778.83
Total	1,374,928.08		1,166,149.25			208,778.83

Of which the amount of bad debt provision recovered or reversed during the period is significant:

Applicable Not applicable

(6). Receivables financing actually written off during the period

Applicable Not applicable

Of which significant write-offs of receivables financing:

Applicable Not applicable

Note to write-offs:

Applicable Not applicable

(7). Changes in receivables financing increase or decrease during the period and changes in fair value:

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Balance at the End of Previous Year	Increase in the Current Period	Derecognition in the Current Period	Other Changes	Balance at the End of the Period

Bank Acceptance Notes	1,131,400,990.15	2,748,932,339.04	2,844,366,812.02		1,035,966,517.17
Commercial Acceptance Notes	26,113,633.55	10,104,890.59	33,417,875.69	1,166,149.25	3,966,797.70
Total	1,157,514,623.70	2,759,037,229.63	2,877,784,687.71	1,166,149.25	1,039,933,314.87

(8). Other notes:

Applicable Not applicable

8. Prepayments

(1). Presentation of prepayments by age

Applicable Non-applicable

Unit: Yuan Currency: RMB

Age	Balance at the End of the Period		Balance at the Start of the Period	
	Amount	Percentage(%)	Amount	Percentage(%)
Within 1 year	111,225,475.06	95.54	113,208,636.79	96.65
1-2 years	2,307,879.19	1.98	2,274,534.64	1.94
2-3 years	1,248,987.46	1.08	856,296.82	0.73
Over 3 years	1,631,882.03	1.40	795,117.14	0.68
Total	116,414,223.74	100.00	117,134,585.39	100.00

(2). Particulars of prepayments of the top five closing balances by prepayment parties

Applicable Non-applicable

Name of Entity	Balance at the end of the period	Proportion in total balance of prepayments at the end of the period
Ningbo Hangzhou Bay China Resources Gas Co., Ltd.	7,150,196.61	6.14
State Grid Zhejiang Electric Power Co., Ltd. Ningbo Power Supply Company	4,324,789.73	3.72
Ningbo Gelite Supply Chain Management Co., Ltd.	3,039,659.95	2.61
SRI TRANG INTERNATIONAL PTE .LTD	1,948,019.55	1.67
Groz-Beckert Trading (Shenzhen) Co. Ltd.	1,695,964.50	1.46
Total	18,158,630.34	15.60

Other notes

Applicable Non-applicable

9. Other receivables

Presentation of items

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
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Interest receivable		
Dividend receivable		
Other Receivables	89,762,378.31	140,748,361.64
Total	89,762,378.31	140,748,361.64

Other Notes:

Applicable Non-applicable

Interest receivable

(1). Classification of interest receivable

Applicable Not applicable

(2). Significant overdue interest

Applicable Not applicable

(3). Disclosure by bad debt accrual method

Applicable Not applicable

Provision for bad debts is made on a single item basis:

Applicable Not applicable

Note to bad debt provisioning by individual item:

Applicable Not applicable

Provision for bad debts by portfolio:

Applicable Not applicable

(4). Provision for bad debts based on general model of expected credit losses.

Applicable Not applicable

Note to significant changes in the carrying amount of interest receivable for which changes in the allowance for losses occurred during the period:

Applicable Not applicable

(5). Provision for bad debts

Applicable Not applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

Applicable Not applicable

(6). Actual write-off of interest receivable during the period

Applicable Not applicable

Of which significant write-off of interest receivable

Applicable Not applicable

Note to write-offs:

Applicable Not applicable

Other notes:

Applicable Not applicable

Dividends receivable

(1). Dividends receivable

Applicable Not applicable

(2). Significant dividends receivable with an age of more than 1 year

Applicable Not applicable

(3). Disclosure by bad debt accrual method

Applicable Not applicable

Provision for bad debts is made on a single item basis:

Applicable Not applicable

Note to bad debt provision by individual item:

Applicable Not applicable

Provision for bad debts by portfolios:

Applicable Not applicable

(4). Provision for bad debts based on the general model of expected credit losses

Applicable Not applicable

Note to significant changes in the carrying amount of dividends receivable for which changes in the allowance for losses occurred during the period:

Applicable Not applicable

(5). Provision for bad debt

Applicable Not applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

Applicable Not applicable

(6). Dividends receivable actually written off during the period

Applicable Not applicable

Dividends receivable written off of which the amount is significant:

Applicable Not applicable

Note to write-offs:

Applicable Not applicable

Other notes:

Applicable Not applicable

Other receivables

(7). Disclosure by age

Applicable Not applicable

Unit: Yuan Currency: RMB

Age	Book Balance at the End of the Period	Book Balance at the Beginning of the Period
Within 1 year		

Including: sub-item within 1 year		
Within 1 year	50,731,522.57	119,744,672.53
Subtotal within 1 year	50,731,522.57	119,744,672.53
1 to 2 years	35,362,927.22	26,904,374.34
2 to 3 years	11,647,415.88	3,409,500.48
Over 3 years	3,969,015.68	975,838.75
3 to 4 years		
4 to 5 years		
Over 5 years	988,401.00	734,660.00
Total	102,699,282.35	151,769,046.10

(8). Categorized by nature of funds√Applicable Non-applicable

Unit: Yuan Currency: RMB

Nature of Funds	Book balance at the end of the period	Book balance at the beginning of the period
Petty cash funds	6,027,386.91	1,661,465.71
Security deposits	73,765,967.01	133,075,160.14
Others	22,905,928.43	17,032,420.25
Total	102,699,282.35	151,769,046.10

(9). Particulars of bad debt provision√Applicable Non-applicable

Unit: Yuan Currency: RMB

Bad debt provision	Phase 1	Phase 2	Phase 3	Total
	Expected credit loss in the next 12 months	Expected credit loss throughout the duration (no credit impairment occurred)	Expected credit loss throughout the duration (credit impairment has occurred)	
Balance on January 1, 2023	11,020,684.46			11,020,684.46
Balance of the current period on January 1, 2023				
--Transfer to Phase 2				
--Transfer to Phase 3				
--Transfer to Phase 2				
--Transfer to Phase 1				
Provision made in the current period	1,916,219.58			1,916,219.58
Reversal in the current period				
Write-off in the current period				
Write-off in the current period				
Other changes				

Balance on December 31, 2023	12,936,904.04			12,936,904.04
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Notes to significant changes in the book balance of other receivables that have changed in the current period:

Applicable Non-applicable

Amount of bad debt provision in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly:

Applicable Non-applicable

(10). Particulars of bad debt provision

Applicable Non-applicable

Unit: Yuan Currency: RMB

Category	Balance at the Beginning of the Period	Amount Changed in the Current Period				Balance at the End of the Period
		Provision	Withdrawal or Reversal	Write-off	Other Changes	
Accounts receivable with bad debt accrued based on aging portfolio	11,020,684.46	1,916,219.58				12,936,904.04
Total	11,020,684.46	1,916,219.58				12,936,904.04

Bad debt provision in the current period with significant amount of withdrawal or reversal:

Applicable Non-applicable

(11). Particulars of other receivables actually written off in the current period

Applicable Non-applicable

Particulars about significant other receivables written off:

Applicable Non-applicable

Note to other receivables written off:

Applicable Non-applicable

(12). Particulars of other receivables of the top five closing balances collected by debtors

Applicable Non-applicable

Unit: Yuan Currency: RMB

Name of Unit	Nature of funds	Balance at the end of the period	Aging	Proportion in total other receivables at the end of the period (%)	Balance of bad debt provision at the end of the period

Development and Management Administration Committee of Ningbo Hangzhou Bay New Area	35,274,298.00	34.35	Deposits and guarantees	Note	7,119,833.30
Avalon Risk Management Insurance Ag	16,290,210.00	15.86	Deposits and guarantees	Within 1 year	814,510.50
DGE-RE 7R IMMOBILIEN UNTERNEHMERGESELLSCHAFT	7,872,923.60	7.67	Deposits and guarantees	1-2 years	787,292.36
Ningbo Youli Haixin Machinery Co., Ltd.	7,224,000.00	7.03	Other	Within 1 year	361,200.00
BANCO ACTINVER,S.A.	3,101,398.17	3.02	Deposits and guarantees	Within 1 year	155,069.91
Total	69,762,829.77	67.93	/	/	9,237,906.07

Note: The amount within 1 year is RMB 22,384,400.00, the amount due within 1-2 years is RMB 9,508,485.00, and the amount due within 2-3 years is RMB 3,381,413.00.

(13). Presented in other receivables due to centralized management of funds

Applicable Non-applicable

Other notes:

Applicable Non-applicable

10. Inventories

(1). Category of inventories

√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the End of the Period			Balance at the Start of the Period		
	Book Balance	Inventory depreciation provision or contract performance cost impairment provision	Book Value	Book Balance	Inventory depreciation provision or contract performance cost impairment provision	Book Value
Raw materials	417,047,432.46	3,749,418.34	413,298,014.12	486,063,273.70	4,025,995.05	482,037,278.65
WIPs	873,843,603.34	6,041,797.88	867,801,805.46	712,904,558.22	3,652,026.92	709,252,531.30
Finished goods	1,274,079,073.65	50,752,108.46	1,223,326,965.19	1,378,642,132.29	32,884,953.85	1,345,757,178.44
Revolving materials	28,925,666.14		28,925,666.14	46,509,211.87		46,509,211.87
Consumptive biological assets						
Contract performance cost						
Delivered goods	772,568,717.76	61,079,363.56	711,489,354.20	709,066,282.35	36,761,566.95	672,304,715.40
Total	3,366,464,493.35	121,622,688.24	3,244,841,805.11	3,333,185,458.43	77,324,542.77	3,255,860,915.66

(2). Inventory depreciation provision and contract performance cost impairment provision

√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the Start of the Period	Increase in the Current Period		Decrease in the Current Period		Balance at the End of the Period
		Accrued	Others	Reversal or Write-off	Others	
Raw materials	4,025,995.05	1,926,852.97		2,203,429.68		3,749,418.34
WIPs	3,652,026.92	3,608,388.08		1,218,617.12		6,041,797.88
Finished goods	32,884,953.85	34,096,128.82		16,228,974.21		50,752,108.46

Revolving materials					
Consumptive biological assets					
Contract performance cost					
Delivered goods	36,761,566.95	25,770,906.87		1,453,110.26	61,079,363.56
Total	77,324,542.77	65,402,276.74		21,104,131.27	121,622,688.24

Reasons for reversal or write-off of provision for decline in value of inventories during the period

Applicable Not applicable

After the provision for decline in value of inventories has been made, if the factors affecting the previous write-down of the value of inventories have disappeared, resulting in the net realizable value of inventories being higher than the book value, the provision for decline in value of inventories will be reversed to the extent of the amount of provision for decline in value of inventories originally made, and the reversal will be recognized in the gain or loss of the current period

Provision for decline in value of inventories by portfolio

Applicable Not applicable

Unit: Yuan Currency: RMB

Name of the portfolio	End of the period			Beginning of the period		
	Book balance	Falling price reserves	Accrual proportion of falling price reserves (%)	Book balance	Falling price reserves	Accrual proportion of falling price reserves (%)
Within 1 year	3,166,420,501.17	22,425,432.86	0.71	3,159,665,420.20	4,089,698.17	0.13
Over 1 year	200,043,992.18	99,197,255.38	49.59	173,520,038.23	73,234,844.60	42.21
Total	3,366,464,493.35	121,622,688.24		3,333,185,458.43	77,324,542.77	

Provisioning criteria for provision for decline in value of inventories by portfolio

Applicable Not applicable

For inventories with an age of more than one year and corresponding to the relevant models that have ceased production, the net realizable value is zero; for other inventories, the net realizable value is the estimated selling price less estimated selling expenses and related taxes.

(3). Notes to the balance at the end of the inventory period with the capitalized amount of borrowing costs

Applicable Non-applicable

(4). Notes to the amortized amount in the current period of contract performance cost

Applicable Non-applicable

Other Notes

Applicable Non-applicable

11. Held-for-sale assets

Applicable Non-applicable

12. Non-current assets due within one year

Applicable Non-applicable

Debt investments maturing within one year

Applicable Non-applicable

Other debt investments due within one year

Applicable Non-applicable

13. Other current assets

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the End of the Period	Balance at the Beginning of the Period
Contract acquisition cost		
Return cost receivable		
VAT input tax to be deducted	274,192,305.55	201,427,014.58
Advance payment of corporate income tax	9,730,304.44	7,060,542.43
Advance payment of other taxes	2,249.26	10,207.17
Total	283,924,859.25	208,497,764.18

14. Debt investments

(1). Particulars of debt investments

Applicable Not applicable

Changes in provision for impairment of debt investments during the period

Applicable Not applicable

(2). Significant debt investments at the end of the period

Applicable Not applicable

(3). Provision for impairment

Applicable Not applicable

Note to significant changes in the carrying amount of debt investments for which changes in provision for losses occurred during the period:

Applicable Not applicable

Amount of provision for impairment for the current period and the basis adopted for assessing whether there is a significant increase in the credit risk of financial instruments:

Applicable Not applicable

(4). Actual write-off of debt investments during the period

Applicable Not applicable

Particulars on write-off of significant debt investments

Applicable Not applicable

Note to write-off of debt investments:

Applicable Not applicable

Other notes

Applicable Not applicable

15. Other debt investments

(1). Other debt investments

Applicable Not applicable

Changes in provision for impairment of other debt investments during the period

Applicable Not applicable

(2). Significant other debt investments at the end of the period

Applicable Not applicable

(3). Provision for impairment

Applicable Not applicable

Note to significant changes in the carrying amount of other debt investments for which changes in provision for losses occurred during the period:

Applicable Not applicable

Amount of provision for impairment for the current period and the basis adopted for assessing whether there is a significant increase in the credit risk of the financial instruments:

Applicable Not applicable

(4). Other debt investments actually written off during the period

Applicable Not applicable

Write-off of significant other debt investments during the period

Applicable Not applicable

Note to write-off of other debt investments:

Applicable Not applicable

Other notes:

Applicable Not applicable

16. Long-term receivables

(1). Long-term receivables

Applicable Not applicable

(2). Disclosure by bad debt accrual

Applicable Not applicable

Provision for bad debts is made on a single item basis:

Applicable Not applicable

Note to bad debt provisioning on a single item basis:

Applicable Not applicable

Provision for bad debts by portfolio:

Applicable Not applicable

(3). Provision for bad debts based on general model of expected credit losses

Applicable Not applicable

Note to significant changes in the carrying amount of long-term receivables for which changes in the allowance for losses occurred during the period:

Applicable Not applicable

Amount of provision for bad debts for the current period and the basis adopted for assessing whether there is a significant increase in the credit risk of financial instruments

Applicable Not applicable

(4). Provision for bad debts

Applicable Not applicable

Of which the amount of bad debt provision recovery or reversal for the current period is significant:

Applicable Not applicable

(5). Long-term receivables actually written off during the period

Applicable Not applicable

Of which significant long-term receivables written off

Applicable Not applicable

Note to long-term receivables written off:

Applicable Not applicable

Other notes

Applicable Not applicable

17. Long-term equity investments

(1). Particulars on long-term equity investments

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Invested Entity	Balance at the Beginning of the Period	Decrease/Increase in the current period								Balance at the End of the Period	Balance of impairment provision at the end of the period	
		Investment Increased	Investment Decreased	Investment profit and loss recognized under the equity method	Adjustment on other comprehensive income	Other changes in equity	Cash dividends or profit declared to distribute	Provision for impairment accrued	Others			
I. Joint ventures												
Tuopu Electrical Appliances Co., Ltd.	62,798,436.88			36,310,651.82							99,109,088.70	
Ningbo Borgers Tuopu Automobile Parts Co., Ltd.	78,906,289.33			-38,373,930.57							40,532,358.76	
Subtotal	141,704,726.21			-2,063,278.75							139,641,447.46	
II. Affiliates												
Subtotal												
Total	141,704,726.21			-2,063,278.75							139,641,447.46	

(2). Particulars on impairment test of long-term equity investments

Applicable Non-applicable

Other notes

As of December 31, 2023, there was no indication of impairment for the Company's foreign investment in joint ventures and therefore no impairment test was performed.

18. Other equity instrument investments

(1). Particulars of other equity instrument investments

Applicable Non-applicable

(2). Note to the existence of derecognition during the period

Applicable Non-applicable

Other notes

Applicable Non-applicable

19. Other non-current financial assets

Other notes

Applicable Non-applicable

Other notes:

Other notes

Applicable Non-applicable

20. Investment property

Measurement options of investment property

(1). Investment properties measured by cost method

Unit: Yuan Currency: RMB

Item	Buildings and constructions	Land use rights	Projects under Construction	Total
I. Original book value				
1. Balance at the beginning of the period	44,143,733.52	6,689,012.00		50,832,745.52
2. Increased in the Current Period				
(1) Purchase				
(2) Transfer-in of Inventory\Fixed assets\Construction in progress				
(3) Increase from business combination				
3. Decreased in the Current Period				
(1) Disposal				
(2) Other Transfer-out				
4. Balance at the end of the period	44,143,733.52	6,689,012.00		50,832,745.52
II. Accumulated Depreciation and Amortization				
1. Balance at the	22,904,353.97	2,802,295.70		25,706,649.67

beginning of the period				
2. Increased in the Current Period	1,986,468.01	160,536.29		2,147,004.30
(1) Accrual or Amortization	1,986,468.01	160,536.29		2,147,004.30
3. Decreased in the Current Period				
(1) Disposal				
(2) Other transfer-out				
4. Balance at the end of the period	24,890,821.98	2,962,831.99		27,853,653.97
III. Provision for Impairment				
1. Balance at the beginning of the period				
2. Increased in the Current Period				
(1) Accrual				
3. Decreased in the Current Period				
(1) Disposal				
(2) Other Transfer-out				
4. Balance at the end of the period				
IV. Book value				
1. Book value at the end of the period	19,252,911.54	3,726,180.01		22,979,091.55
2. Book value at the beginning of the period	21,239,379.55	3,886,716.30		25,126,095.85

(2). Particulars of investment property without the property right certificate granted

Applicable Non-applicable

(3). Impairment test of investment properties using the cost measurement model

Applicable Non-applicable

Other notes

Applicable Non-applicable

21. Fixed assets

Presentation of items

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Fixed assets	11,518,327,615.38	8,725,700,134.49
Disposal of fixed assets		
Total	11,518,327,615.38	8,725,700,134.49

Other notes:

Applicable Non-applicable

Fixed assets

(1). Particulars on fixed assets

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Houses and buildings	Means of transportation	Machinery and equipment	Office equipment and others	Buildings for commercial use	photovoltaic engineering projects	Total
I. Original book value:							
1. Balance at the beginning of the period	3,576,276,434.71	7,859,772,115.22	38,821,675.76	266,418,957.56	68,200,328.83	98,039,292.65	11,907,528,804.73
2. Increased in the Current Period	1,016,727,604.79	2,810,758,093.21	6,751,449.68	30,166,407.09		46,799,153.35	3,911,202,708.12
(1) Purchase	76,995,896.62	680,008,431.78	6,751,449.68	20,660,911.42			784,416,689.50
(2) Transfer-in of project under construction	939,731,708.17	2,130,749,661.43		9,505,495.67		46,799,153.35	3,126,786,018.62
(3) Increase from business combination							
3. Decreased amount in the Current Period	790,620.82	45,443,987.55	3,640,830.12	6,339,344.59			56,214,783.08
(1) Disposal or scrapping	790,620.82	45,443,987.55	3,640,830.12	6,339,344.59			56,214,783.08
4. Balance at the end of the period	4,592,213,418.68	10,625,086,220.88	41,932,295.32	290,246,020.06	68,200,328.83	144,838,446.00	15,762,516,729.77
II. Accumulated Depreciation							
1. Balance at the beginning of the period	578,379,672.71	2,439,239,381.54	22,787,592.26	134,633,520.83	5,496,346.50	1,292,156.40	3,181,828,670.24
2. Increased in the Current Period	175,792,046.78	888,208,915.78	4,672,234.99	27,169,611.57	1,533,864.14	4,799,003.52	1,102,175,676.78
(1) Accrual	175,792,046.78	888,208,915.78	4,672,234.99	27,169,611.57	1,533,864.14	4,799,003.52	1,102,175,676.78

3. Decreased amount in the Current Period	238,856.38	31,341,579.84	3,085,314.46	5,149,481.95			39,815,232.63
(1) Disposal or scrapping	238,856.38	31,341,579.84	3,085,314.46	5,149,481.95			39,815,232.63
4. Balance at the end of the period	753,932,863.11	3,296,106,717.48	24,374,512.79	156,653,650.45	7,030,210.64	6,091,159.92	4,244,189,114.39
III. Provision for Impairment							
1. Balance at the beginning of the period							
2. Increased in the Current Period							
(1) Accrual							
3. Decreased in the Current Period							
(1) Disposal or scrapping							
4. Balance at the end of the period							
IV. Book value							
1. Book value at the end of the period	3,838,280,555.57	7,328,979,503.40	17,557,782.53	133,592,369.61	61,170,118.19	138,747,286.08	11,518,327,615.38
2. Book value at the beginning of the period	2,997,896,762.00	5,420,532,733.68	16,034,083.50	131,785,436.73	62,703,982.33	96,747,136.25	8,725,700,134.49

(2). Particulars of temporarily idle fixed assets

Applicable Non-applicable

(3). Particulars of fixed assets rented under financial leasing

Applicable Non-applicable

(4). Particulars of fixed assets without property right certificate granted

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Book Value	Reason for non-granted property right certificate
Houses and buildings	933,895,912.66	Pending

(5). Impairment test of fixed assets

Applicable Non-applicable

Other notes:

Applicable Non-applicable

Disposal of fixed assets

Applicable Non-applicable

22. Project under construction

Presentation of items

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the End of the Period	Balance at the Beginning of the Period
Project under construction	2,999,617,867.21	3,553,833,187.91
Construction supplies and materials		
Total	2,999,617,867.21	3,553,833,187.91

Other notes:

Applicable Non-applicable

Project under construction

(1). Particulars on project under construction

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period			Balance at the beginning of the period		
	Book Balance	Provision for decline in value	Book value	Book Balance	Provision for decline in value	Book value
Equipment and software installation project	2,243,955,143.40		2,243,955,143.40	2,367,324,618.54		2,367,324,618.54
Tools under fabrication	123,931,701.82		123,931,701.82	137,404,271.66		137,404,271.66
Parent company project	219,377.88		219,377.88	7,852,391.90		7,852,391.90
Tuopu EV Project	452,283.19		452,283.19	417,137,085.85		417,137,085.85
Tuopu Chassis Project				5,029,993.09		5,029,993.09
Skateboard Chassis Project	55,006,264.64		55,006,264.64	427,307,484.97		427,307,484.97
Wuhan Tuopu Project				67,924.53		67,924.53
Ningbo Qianhui Project	834,597.60		834,597.60	1,137,867.18		1,137,867.18
Chongqing Tuopu Project				375,000.00		375,000.00
USHONE TECHNOLOGY Project	97,650,602.44		97,650,602.44	4,237,442.87		4,237,442.87
Tuopu Poland Project	45,903,374.46		45,903,374.46	139,934,661.06		139,934,661.06
Chongqing Chassis Project	108,989,892.40		108,989,892.40	32,549,117.36		32,549,117.36
Tuopu Photovoltaic Technology (Beilun) Project				10,637,655.77		10,637,655.77
Tuopu Photovoltaic Technology (Hangzhou Bay) Project	106,205,202.98		106,205,202.98	2,446,905.90		2,446,905.90
Tuopu Photovoltaic Technology (Taizhou) Project	2,434,216.41		2,434,216.41			
Tuopu Photovoltaic Technology (Jinhua) Project	6,413,011.85		6,413,011.85			
Tuopu Photovoltaic Technology (Ningbo Yinzhou) Project	29,159,790.00		29,159,790.00			

Tuopu Technology Project	Photovoltaic (Xiangtan)	19,784,124.40		19,784,124.40			
Tuopu Technology Project	Photovoltaic (Wuhan)	7,450,367.54		7,450,367.54			
Taizhou Tuopu Project		760,550.45		760,550.45	390,767.23		390,767.23
Xi'an Tuopu Project		8,614,686.36		8,614,686.36			
Huzhou Tuopu Project		32,669,447.24		32,669,447.24			
Anhui Tuopu Project		100,655,085.19		100,655,085.19			
Tuopu Mexico Project		8,528,146.96		8,528,146.96			
Total		2,999,617,867.21		2,999,617,867.21	3,553,833,187.91		3,553,833,187.91

(2). Changes in significant construction in progress during the current period

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Budget	Balance at the Start of the Period	Increased in the current period	Transfer amounts of fixed assets in this period	Other amounts decreased in current period	Balance at the End of the Period	Project accumulative investment as a percentage of the budget (%)	Project progress	Accumulated capitalized interest amount	Including: capitalized interest amount in the current period	Capitalization rate of the interest in the current period (%)	Capital Source
Equipment and software installation project		2,367,324,618.54	1,818,208,659.90	1,885,500,666.65	56,077,468.39	2,243,955,143.40		Under construction				Self-funded or raised
Tools under fabrication	1,300,000,000.00	417,137,085.85	1,995,583.63	418,059,249.03	621,137.26	452,283.19	95.44	Under construction				Self-funded or raised

Tuopu Chassis Project	300,000,000.00	5,029,993.09	17,787,986.64	22,817,979.73			91.09	Completed				Self-funded or raised
Skateboard Chassis Project	1,250,000,000.00	427,307,484.97	129,429,090.93	496,572,770.95	5,157,540.31	55,006,264.64	44.53	Under construction				Self-funded or raised
USHONE TECHNOLOGY Project	250,000,000.00	4,237,442.87	93,413,159.57			97,650,602.44	39.06	Under construction				Self-funded or raised
Tuopu Poland Project	250,000,000.00	139,934,661.06	74,718,671.56	168,749,958.16		45,903,374.46	85.86	Under construction				Self-funded or raised
Chongqing Chassis Project	220,000,000.00	32,549,117.36	76,440,775.04			108,989,892.40	49.54	Under construction				Self-funded or raised
Tuopu Photovoltaic Technology (Hangzhou Bay) Project	230,000,000.00	2,446,905.90	107,954,382.98	4,196,085.90		106,205,202.98	72.90	Under construction				Self-funded or raised
Xi'an Tuopu Project	130,000,000.00		8,614,686.36			8,614,686.36	6.63	Under construction				Self-funded or raised
Huazhou Tuopu Project	150,000,000.00		32,669,447.24			32,669,447.24	21.78	Under construction				Self-funded or raised
Anhui Tuopu Project	200,000,000.00		100,655,085.19			100,655,085.19	50.33	Under construction				Self-funded or raised
Total		3,395,967,309.64	2,461,887,529.04	2,995,896,710.42	61,856,145.96	2,800,101,982.30	/	/			/	/

(3). Provision for impairment of construction in progress in the current period

Applicable Non-applicable

(4). Particulars of construction materials and supplies

Applicable Non-applicable

Other notes

Applicable Non-applicable

Construction materials and supplies

(1). Particulars on construction materials and supplies

Applicable Non-applicable

23. Productive biological assets

(1). Productive biological assets measured at cost

Applicable Non-applicable

(2). Impairment test of productive biological assets using the cost measurement

Applicable Non-applicable

(3). Productive biological assets measured at fair value

Applicable Non-applicable

Other notes

Applicable Non-applicable

24. Oil and gas assets

(1) Particulars on oil and gas assets

Applicable Non-applicable

(2) Impairment test of oil and gas assets

Applicable Non-applicable

25. Right-of-use assets

(1) Particulars on right-of-use assets

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Houses and buildings	Total
I. Original book value		
1. Balance at the beginning of the period	117,838,594.48	117,838,594.48
2. Increased in the Current Period	294,506,856.56	294,506,856.56
(1)New leases	291,710,136.69	291,710,136.69
(2) Other	2,796,719.87	2,796,719.87
3.Decreased in the Current Period	16,735,924.78	16,735,924.78
(1)Disposal	16,735,924.78	16,735,924.78

4. Balance at the end of the period	395,609,526.26	395,609,526.26
II. Accumulated amortization		
1. Balance at the beginning of the period	28,755,170.81	28,755,170.81
2. Increased in the Current Period	38,708,393.33	38,708,393.33
(1) Accrual	38,201,180.13	38,201,180.13
(2) Other	507,213.20	507,213.20
3. Decreased in the Current Period	12,477,259.90	12,477,259.90
(1) Disposal	12,477,259.90	12,477,259.90
(2) Other		
4. Balance at the end of the period	54,986,304.24	54,986,304.24
III. Provision for Impairment		
1. Balance at the beginning of the period		
2. Increased in the Current Period		
(1) Accrual		
3. Decreased amount in the Current Period		
(1) Disposal		
4. Balance at the end of the period		
IV. Book value		
1. Book value at the end of the period	340,623,222.02	340,623,222.02
2. Book value at the beginning of the period	89,083,423.67	89,083,423.67

(2) Impairment test of right-of-use assets

Applicable Non-applicable

Other notes:

26. Intangible assets

(1). Particulars on intangible assets

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Land use rights	Patent rights	Non-patented technologies	Softwares	Emission rights	Total
I. Original book value						
1. Opening Balance	1,254,085,188.75			123,985,868.48	1,548,222.50	1,379,619,279.73
2. Increased in the Current Period	171,057,603.26			32,631,556.04	52,657.01	203,741,816.31
(1) Purchase	171,057,603.26			32,631,556.04	52,657.01	203,741,816.31
(2) Internal research and development						
(3) Acquisition						
3. Decreased amount in the Current Period						
(1) Disposal						
4. Balance at the end of the period	1,425,142,792.01			156,617,424.52	1,600,879.51	1,583,361,096.04
II. Accumulated amortization						
1. Balance at the beginning of the period	104,234,540.05			46,307,963.71	1,353,191.38	151,895,695.14
2. Increased in the Current Period	26,370,673.24			14,756,104.59	197,420.58	41,324,198.41
(1) Accrual	26,370,673.24			14,756,104.59	197,420.58	41,324,198.41
(2) Increase due to business combination						
(1) Disposal						
4. Balance at the end of the	130,605,213.29			61,064,068.30	1,550,611.96	193,219,893.55

period						
III. Provision for Impairment						
1. Balance at the beginning of the period						
2. Increased in the Current Period						
(1) Accrual						
3. Decreased in the Current Period						
(1) Disposal						
4. Balance at the end of the period						
IV. Book value						
1. Book value at the end of the period	1,294,537,578.72			95,553,356.22	50,267.55	1,390,141,202.49
2. Book value at the beginning of the period	1,149,850,648.70			77,677,904.77	195,031.12	1,227,723,584.59

The proportion of intangible assets formed through in-house research and development to the balance of intangible assets at the end of the period was 0

(2). Particulars of land use rights without property right certificate granted

Applicable Non-applicable

(3) Impairment test of intangible assets

Applicable Non-applicable

Other notes:

Applicable Non-applicable

28. Goodwill

(1). Original value of goodwill

Applicable Non-applicable

Unit: Yuan Currency: RMB

Name of invested entity or matter forming goodwill	Balance at the beginning of the period	Increased in the current period		Decreased in the current period		Balance at the end of the period
		Generated from business combination	Other	Disposal	Other	
Zhejiang Towin, Suining Tuopu	279,645,980.89					279,645,980.89
Tuopu North America Limited	1,080,371.29					1,080,371.29
Ningbo Qianhui	6,058,537.77					6,058,537.77
Chongqing Tuopu	565,010.88					565,010.88
Total	287,349,900.83					287,349,900.83

(2). Provision of impairment in goodwill

Applicable Non-applicable

Unit: Yuan Currency: RMB

Name of invested entity or matter forming goodwill	Balance at the beginning of the period	Increased in the current period		Decreased in the current period		Balance at the end of the period
		Accrual	Other	Disposal	Other	
Zhejiang Towin, Suining Tuopu	78,108,305.34					78,108,305.34
Tuopu North America Limited						
Ningbo Qianhui		6,058,537.77				6,058,537.77
Chongqing Tuopu						
Total	78,108,305.34	6,058,537.77				84,166,843.11

(3). Information about the asset group or combination of asset groups where the goodwill is a part

Applicable Non-applicable

Name	Composition and basis of the asset	Operating segment and basis	Whether consistent with previous years
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	group or portfolio to which it belongs		
Asset portfolio of Zhejiang Towin, Suining Tuopu Chassis	Long-term operating assets of Zhejiang Towin and Suining Tuopu, as well as the goodwill allocated to this asset group, based upon the smallest combination of assets capable of generating independent cash flows.	The operating segments are Zhejiang Towin and Suining Tuopu, based upon the internal organizational structure	Yes
Asset portfolio of Tuopu North America Limited	Long-term operating assets of Tuopu North America Limited, as well as the goodwill allocated to this asset group, based upon the smallest combination of assets capable of generating independent cash flows.	The operating segments are Tuopu North America Limited, based upon the internal organizational structure	Yes
Asset portfolio of Ningbo Qianhui	Long-term operating assets of Ningbo Qianhui, as well as the goodwill allocated to this asset group, based upon the smallest combination of assets capable of generating independent cash flows.	The operating segments are Ningbo Qianhui, based upon the internal organizational structure	Yes
Asset portfolio of Chongqing Tuopu	Long-term operating assets of Chongqing Tuopu (including its wholly-owned subsidiary Hangzhou Tuopu), as well as the goodwill allocated to this asset group, based upon the smallest combination of assets capable of generating independent cash flows.	The operating segments are Chongqing Tuopu (including its wholly-owned subsidiary Hangzhou Tuopu), based upon the internal organizational structure	Yes

Change in asset group or combination of asset groups

Applicable Not applicable

Other notes

Applicable Not applicable

(4). Specific determination of recoverable amount

Determination of recoverable amount as the net fair value less disposal costs

Applicable Not applicable

Determination of present value of recoverable amount as estimated future cash flows

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Book value	Recoverable amount	Impairment amount	Length of years in the forecast period	Key parameters in the forecast period (growth rates, profit margins, etc.)	Basis for determining the parameters in the forecast period	Key parameters in the stabilization period (growth rates, profit margins, discount rates, etc.)	Determination basis for key parameters in the stabilization period
Asset portfolio of Zhejiang Towin, Suining Tuopu chassis business	573,860,766.26	585,000,000.00		5	CAGR of 7.29% in operating income from 2024 to 2028, average gross margin of 15.99%, and pre-tax discount rate of 13.01%	Key parameters are determined based on the macroeconomic situation, industry development trends, historical annual operating conditions and future development plans of the enterprise	Operating income growth rate of 0%, gross margin of 16.61% and pre-tax discount rate of 13.01% for the stabilization period	Key parameters are determined based on the macroeconomic situation, industry development trends, historical annual operating conditions and future development plans of the enterprise
Asset portfolio of Tuopu North	5,658,193.97	10,815,850.02		5	CAGR of 1.97% in operating	Key parameters are determined	Operating income growth	Key parameters are determined

America Limited					income from 2024 to 2028, average gross margin of 9.96%, and pre-tax discount rate of 15.05%	based on the macroeconomic situation, industry development trends, historical annual operating conditions and future development plans of the enterprise	rate of 0%, gross margin of 9.96% and pre-tax discount rate of 15.05% for the stabilization period	based on the macroeconomic situation, industry development trends, historical annual operating conditions and future development plans of the enterprise
Asset portfolio of Ningbo Qianhui	31,754,444.99	18,061,268.78	6,058,537.77	5	CAGR of 7.99% in operating income from 2024 to 2028, average gross margin of 22.70%, and pre-tax discount rate of 13.01%	Key parameters are determined based on the macroeconomic situation, industry development trends, historical annual operating conditions and future development plans of the enterprise	Operating income growth rate of 0%, gross margin of 23.00% and pre-tax discount rate of 13.01% for the stabilization period	Key parameters are determined based on the macroeconomic situation, industry development trends, historical annual operating conditions and future development plans of the enterprise
Asset portfolio of Chongqing Tuopu	27,647,335.87	55,904,546.35		5	CAGR of 5.00% in operating income from 2024 to 2028, average gross margin of 4.63%, and	Key parameters are determined based on the macroeconomic situation, industry	Operating income growth rate of 0%, gross margin of 4.63% and pre-tax discount rate of	Key parameters are determined based on the macroeconomic situation, industry

					pre-tax discount rate of 13.01%	development trends, historical annual operating conditions and future development plans of the enterprise	13.01% for the stabilization period	development trends, historical annual operating conditions and future development plans of the enterprise
Total	638,920,741.09	669,781,665.15	6,058,537.77	/	/	/	/	/

Reasons for differences between the foregoing information and information used in impairment tests in previous years or external information that is clearly inconsistent with the information

Applicable Not applicable

Reasons for differences between the information used in the Company's impairment tests in previous years and the actual situation in the current year that are obviously inconsistent

Applicable Not applicable

(5). Performance commitments and corresponding goodwill impairment

Performance commitments existed at the time of the formation of goodwill and the reporting period or the previous period of the reporting period was within the performance commitment period.

Applicable Not applicable

Other notes

Applicable Not applicable

29. Long-term prepaid expenses

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increased in the current period	Prepaid Expenses in This Period	Other Amounts Decreased	Balance at the End of the Period
Renovation cost, etc.	64,484,088.01	20,811,318.65	23,845,202.58	3,916,400.18	57,533,803.90
Other	93,089,594.60	75,464,980.85	55,230,255.48	1,759,594.08	111,564,725.89
Total	157,573,682.61	96,276,299.50	79,075,458.06	5,675,994.26	169,098,529.79

30. Deferred income tax assets/deferred income tax liabilities

(1). Deferred income tax assets that are not written off

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period		Balance at the beginning of the period	
	Taxable temporary difference	Deferred Income Tax Liabilities	Taxable temporary difference	Deferred Income Tax Liabilities
Provision for impairment of assets	580,348,774.48	132,000,760.12	339,360,231.93	77,287,878.06
Unrealized profits from internal transactions	152,661,213.35	37,356,680.93	194,893,974.99	49,508,868.97
Deductible loss				
Deferred income	424,223,057.18	73,625,068.41	367,153,765.44	64,717,907.95
Transactional financial assets	383,273.84	57,491.08	300,451.88	45,067.78
Lease liabilities	344,361,800.01	93,729,723.27	90,535,026.04	19,791,603.26
Total	1,501,978,118.86	336,769,723.81	992,243,450.28	211,351,326.02

(2). Deferred income tax liabilities that are not written off

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period		Balance at the beginning of the period	
	Taxable temporary difference	Deferred Income Tax Liabilities	Taxable temporary difference	Deferred Income Tax Liabilities
Assessed appreciation of assets from business combination of the companies not under the same control	36,815,532.32	9,203,883.08	40,130,786.36	10,032,696.59
Changes in the fair value of other equity instrument investments				
Changes in the fair value of other debt investments				
Accelerated depreciation of fixed assets	611,948,559.17	91,792,283.87	554,388,471.47	83,158,270.72
Temporary differences in convertible bonds	52,409,376.44	7,861,406.47	131,560,999.24	19,734,149.89
Right-of-use assets	340,623,222.02	92,510,712.25	89,083,423.67	19,470,422.94
Total	1,041,796,689.95	201,368,285.67	815,163,680.74	132,395,540.14

(3). Deferred income tax assets or liabilities presented by net amount after offset

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount of deferred tax assets and liabilities offset at end of period	Ending balance of deferred tax assets or liabilities after offsetting	Amount of deferred tax assets and liabilities offset at beginning of period	Beginning balance of deferred tax assets or liabilities after offsetting
Deferred income tax assets	134,530,264.99	202,239,458.82	19,372,207.84	191,979,118.18
Deferred income tax liabilities	134,530,264.99	66,838,020.68	19,372,207.84	113,023,332.30

(4). Particulars on unrecognized deferred income tax asset

Applicable Non-applicable

(5). Deductible losses of unrecognized deferred income tax assets will expire in the following years

Applicable Non-applicable

Other notes:

Applicable Non-applicable**31. Other non-current assets**Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period			Balance at the beginning of the period		
	Book	Provision	Book value	Book balance	Provision	Book value

	balance	for decline in value			for decline in value	
Contract acquisition cost						
Contract performance cost						
Return cost receivable						
Contract assets						
Prepayments or construction equipment				61,590,000.00		61,590,000.00
Contract acquisition cost	292,058,305.82		292,058,305.82	692,488,748.57		692,488,748.57
Total	292,058,305.82		292,058,305.82	754,078,748.57		754,078,748.57

31. Assets with restricted ownership or right to use

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	End of period				Beginning of period			
	Book balance	Book value	Type of restriction	Condition of restriction	Book balance	Book value	Type of restriction	Condition of restriction
Bank and cash	541,429,058.76	541,429,058.76	Other	Security deposit	385,319,277.15	385,319,277.15	Other	Security deposit
Notes Receivable	482,580,085.17	480,750,837.88	Pledge	Pledge	346,311,612.00	345,484,236.24	Pledge	Pledge
Inventories								
Fixed assets	964,846,332.80	664,318,107.19	Mortgage	Mortgage	1,909,238,304.38	1,512,868,733.96	Mortgage	Mortgage
Intangible assets	215,968,916.82	167,242,044.27	Mortgage	Mortgage	303,097,691.82	250,416,605.54	Mortgage	Mortgage
Investment properties	24,529,646.86	8,501,803.54	Mortgage	Mortgage				
Receivables financing	438,059,635.51	438,059,635.51	Pledge	Pledge	1,044,064,293.97	1,042,989,709.79	Pledge	Pledge
Total	2,667,413,675.92	2,300,301,487.15	/	/	3,988,031,179.32	3,537,078,562.68	/	/

32. Short-term loans

(1). Category of short-term loans

√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Pledge loan		
Mortgage loan		
Guaranteed loan		
Credit loan	999,000,000.00	1,131,827,400.00
Unmatured interest	798,705.09	709,357.84
Total	999,798,705.09	1,132,536,757.84

(2). Short-term loans that have been late for repayment

Applicable Non-applicable

Significant short-term loans that have been late for repayment:

Applicable Non-applicable

Other notes

Applicable Non-applicable**33. Transactional financial liabilities**Applicable Non-applicable

Other notes:

Applicable Non-applicable**34. Derivative financial liabilities**Applicable Non-applicable**35. Notes payable**

(1). Presentation of notes payable

√Applicable Non-applicable

Unit: Yuan Currency: RMB

Category	Balance at the end of the period	Balance at the beginning of the period
Commercial acceptance notes		
Bank acceptance notes	2,855,691,274.58	2,986,683,115.16
Total	2,855,691,274.58	2,986,683,115.16

36. Accounts payable

(1). Presentation of accounts payable

√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period

Within 1 year (including 1 year)	5,220,972,897.01	4,740,966,651.23
1-2 years (including 2 years)	156,534,365.52	70,949,315.73
2-3 years (including 3 years)	16,867,130.16	6,775,739.34
Over 3 years	12,663,168.61	9,544,712.11
Total	5,407,037,561.30	4,828,236,418.41

(2). Important accounts payable aged over 1 year

Applicable Non-applicable

Other notes

Applicable Non-applicable

37. Advance receipts

(1). Presentation of advance receipts

Applicable Non-applicable

(2). Important accounts payable aged over 1 year

Applicable Non-applicable

(3). Amounts and reasons for significant changes in book value during the reporting period

Applicable Non-applicable

Other notes

Applicable Non-applicable

38. Contract liabilities

(1). Particulars on contract liabilities

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Within 1 year (including 1 year)	11,579,301.98	12,611,863.68
1-2 years (including 2 years)	1,010,852.47	2,297,107.82
2-3 years (including 3 years)	1,199,952.64	371,856.86
Over 3 years	6,300,170.64	6,772,283.71
Total	20,090,277.73	22,053,112.07

(2). Significant contractual liabilities aged over 1 year

Applicable Non-applicable

(3). Amount and reason for significant change in the book value during the reporting period

Applicable Non-applicable

Other notes:

Applicable Non-applicable

39. Payroll payable

(1). Presentation of payroll payable

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the Beginning of the Period	Increased in the current period	Decreased in the current period	Balance at the End of the Period
I . Short-term remuneration	267,754,276.65	2,280,161,246.89	2,205,283,837.85	342,631,685.69
II. Demission benefits - defined contribution scheme	944,687.12	147,863,114.43	137,940,007.76	10,867,793.79
III. Dismissal benefits				
IV. Other benefits due within 1 year				
Total	268,698,963.77	2,428,024,361.32	2,343,223,845.61	353,499,479.48

(2). Presentation of short-term remuneration

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the Beginning of the Period	Increased in the current period	Decreased in the current period	Balance at the End of the Period
1. Wages or salaries, bonuses, allowances and subsidies	264,803,873.26	1,992,049,916.70	1,937,841,168.91	319,012,621.05
2. Staff welfare	18,097.01	151,284,931.29	132,396,608.32	18,906,419.98
3. Social insurance contributions	580,088.31	51,162,947.58	49,734,150.91	2,008,884.98
Including: medical insurance premium	489,297.07	45,543,748.06	44,335,882.48	1,697,162.65
Work injury insurance premium	49,608.84	5,043,594.25	4,814,570.95	278,632.14
Birth insurance premium	41,182.40	575,605.27	583,697.48	33,090.19
4. Housing funds	368,319.00	70,901,297.68	70,953,699.18	315,917.50
5. Labor union and education funds	1,983,899.07	14,762,153.64	14,358,210.53	2,387,842.18
6. Short-term				

paid absences				
7. Short-term profit sharing plan				
Total	267,754,276.65	2,280,161,246.89	2,205,283,837.85	342,631,685.69

(3). Presentation of defined contribution plan

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increased in the current period	Decreased in the current period	Balance at the end of the period
1. Basic pension insurance premium	916,376.88	141,994,183.24	132,357,475.89	10,553,084.23
2. Unemployment insurance premium	28,310.24	5,868,931.19	5,582,531.87	314,709.56
3. Corporate annuity payment				
Total	944,687.12	147,863,114.43	137,940,007.76	10,867,793.79

Other notes:

□Applicable √Non-applicable

40. Taxes payable

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
VAT	52,358,919.15	25,962,529.83
Enterprise Income Tax	128,229,994.26	88,955,249.29
Individual income tax	3,088,818.10	3,141,041.76
Urban Maintenance and Construction Tax	3,514,290.88	1,742,456.18
Education surcharges	1,679,260.68	760,938.23
Local education surcharges	1,118,994.07	526,879.13
Property tax	34,568,143.81	23,160,515.09
Land use tax	21,857,255.01	15,948,536.03
Environmental protection tax	777.38	1,103.54
Disabled security fund	17,783,858.89	3,657,058.18
Special funds for water conservancy construction	80,953.70	37,410.48
Stamp duty	6,875,496.68	6,333,004.12
Total	271,156,762.61	170,226,721.86

41. Other payables

(1). Presentation of items

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the	Balance at the beginning of the
------	---------------------------	---------------------------------

	period	period
Interest Payable		2,342,465.75
Dividends Payable		
Other payables	24,690,743.41	20,387,402.13
Total	24,690,743.41	22,729,867.88

Other Notes:

Applicable Non-applicable

(2). Interest payable

Presentation by category

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Interest on long-term loans with interest paid in installments		
Corporate bond interest		2,342,465.75
Interest payable on short-term loans		
Interest on preferred stock/perpetual bond classified as financial liabilities		
Total		2,342,465.75

Significant information about overdue but unpaid interest:

Applicable Non-applicable

Other Notes:

Applicable Non-applicable

(3). Dividends payable

Presentation by category

Applicable Non-applicable

(4). Other payables

Other payables presented by nature of funds

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Security deposits	16,792,416.42	10,412,715.65
Others	7,898,326.99	9,974,686.48
Total	24,690,743.41	20,387,402.13

Significant other payables aged over 1 year or overdue

Applicable Non-applicable

Other notes:

Applicable Non-applicable

42. Held-for-sale liabilities

Applicable Non-applicable

43. Non-current liabilities due within 1 year

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Long-term loans due within 1 year	1,239,252,506.51	
Bonds payable due within 1 year	4,684,254.27	
Long-term payables due within 1 year		
Lease liabilities due within 1 year	46,283,264.41	23,450,209.53
Total	1,290,220,025.19	23,450,209.53

44. Other current liabilities

Particulars on other current liabilities

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Short-term bonds payable		
Return payment payable		
Prepaid and deferred output tax	1,690,671.66	1,637,162.58
Borrowings from financial leasing company		164,399,011.59
Total	1,690,671.66	166,036,174.17

Changes in short-term bonds payable:

Applicable Non-applicable

Other Notes:

Applicable Non-applicable

45. Long-term loans

(1). Category of long-term loans

√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Pledge loans		
Mortgage loans	1,539,000,000.00	2,485,000,000.00
Guaranteed loans		
Credit loans	2,203,206,364.26	340,000,000.00
Outstanding interest payable	3,170,099.51	
Less: Long-term loans due within one year	-1,239,252,506.51	
Total	2,506,123,957.26	2,825,000,000.00

Other notes:

Applicable Non-applicable**46. Bonds payable**

(1). Bonds payable

√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Convertible corporate bonds	2,441,013,483.64	2,359,754,108.05
Less: Bonds payable due within one year	-4,684,254.27	-2,342,465.75
Total	2,436,329,229.37	2,357,411,642.30

(2). Changes in bonds payable: (other than preferred stocks, perpetual bonds and other financial instruments classified as financial liabilities)

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Bond name	Face value	Stated interest rate (%)	Issue date	Bond duration	Issue price	Opening balance	Current issues	Interest accrued at par value	Amortized at premium/discount price	Current repayment	Current converted shares	Closing balance	Default or not
Tuopu Convertible Bond	100.00	Note	2022/7/14	6 years	2,500,000,000.00	2,359,754,108.05		7,341,788.51	79,145,587.07	4,999,999.99	228,000.00	2,441,013,483.64	No
Less: Bonds payable due within one year						-2,342,465.75		-7,341,788.51		-4,999,999.99		-4,684,254.27	No
Total	/	/	/	/	2,500,000,000.00	2,357,411,642.30			79,145,587.07		228,000.00	2,436,329,229.37	/

Please be informed that the stated interest rates for the Company's public offering of convertible bonds are as follows: 0.2% in the first year, 0.4% in the second year, 0.6% in the third year, 1.5% in the fourth year, 1.8% in the fifth year, and 2.0% in the sixth year. After the convertible bonds expire, the Company will redeem all unconverted bonds from investors within five trading days at a price of 110% of the bonds' par value, including the last annual interest.

Note to the bonds payable: the public offering of convertible corporate bonds by the Company was approved during the Fourteenth Meeting of the Fourth Session of the Board of Directors held on November 18, 2021, and the Second Extraordinary Shareholders' General Meeting of 2021 held on December 6, 2021. On April 29, 2022, the China Securities Regulatory Commission (CSRC) granted the "Approval of the Public Offering of Convertible Corporate Bonds by Ningbo Tuopu Group Company Limited" (CSRC License [2022] No. 830). This approval allows the Company to issue convertible corporate bonds with a total nominal value of RMB 2.5 billion to the public for a term of 6 years.

(3). Note to convertible corporate bond

√Applicable Non-applicable

Item	Condition for conversion of shares	Date of conversion of shares
Tuopu Convertible Bond	In accordance with the relevant provisions stated in the "Prospectus for Public Offering of Convertible Bonds of Ningbo Tuopu Group Co., Ltd", the "Tuopu Convertible Bonds" have been eligible for conversion into shares of the Company since January 20, 2023. The initial conversion price of the Company was set at RMB 71.38 per share. However, as per the "Announcement of Ningbo Top Group Co., Ltd. on Adjustment of Conversion Price of Convertible Bonds due to Profit Distribution for the Year of 2022" issued on July 10, 2023, the conversion price was revised to RMB 70.92 per share. The adjustment came into effect on July 17, 2023.	As of December 31, 2023, a total of 3,201 shares were obtained through the conversion of "Tuopu Convertible Bonds." Specifically, from January 20, 2023, to December 31, 2023, a total of 2,280 "Tuopu Convertible Bonds" were converted into 3,201 shares.

Accounting treatment and judgmental basis for transfer of equity

Applicable Not applicable

(4). Notes to other financial instruments classified as financial liabilities

General particulars of other financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Applicable Non-applicable

Changes in financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Applicable Non-applicable

Notes to the basis for classification of other financial instruments as financial liabilities:

Applicable Non-applicable

Other notes:

Applicable Non-applicable

47. Lease liabilities√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Lease liabilities	344,361,800.01	90,535,026.04
Less: Lease liabilities due within one year	-46,283,264.40	-23,450,209.53
Total	298,078,535.61	67,084,816.51

48. Long-term payables

Presentation of items

Applicable Non-applicable

Other Notes:

Applicable Non-applicable

Long-term payables

(1). Long-term payables presented by the nature of payments

Applicable Non-applicable

Special payables

(2). Special payables presented by the nature of payments

Applicable Non-applicable**49. Long-term payroll payable**Applicable Non-applicable**50. Estimated liabilities**Applicable Non-applicable**51. Deferred income**

Deferred income

√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increased in the period	Decreased in the period	Balance at the end of the period	Reason
Government grants	367,153,765.44	92,485,100.00	35,415,808.26	424,223,057.18	
Total	367,153,765.44	92,485,100.00	35,415,808.26	424,223,057.18	/

Other notes:

Applicable Non-applicable

52. Other non-current liabilities

□Applicable √Non-applicable

53. Equity

□Applicable √Non-applicable

Unit: Yuan Currency: RMB

	Balance at the beginning of the period	Increased or decreased amount in this period (+/-)					Balance at the end of the period
		New issue	Bonus issue	Shares converted from capital reserves	Others	Subtotal	
Total shares	1,102,046,572.00				3,201.00	3,201.00	1,102,049,773.00

Other notes:

During the period from January 20, 2023, to December 31, 2023, the Company executed the conversion of 3,201 shares of "Tuopu Convertible Bonds", resulting in an increase in registered capital (share capital) by RMB 3,201.00. Following this adjustment, the registered capital amounted to RMB 1,102,049,773.00, while the share capital stood at RMB 1,102,049,773.00.

54. Other equity instruments

(1). Basic information of other financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Applicable Non-applicable

(2). Changes in financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Applicable Non-applicable

Unit: Yuan Currency: RMB

Outstanding financial instruments	As at the end of last year		Increase in this period		Decrease in this period		As at the end of this period	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
Equity value of convertible bonds	25,000,000	143,214,233.30			2,280	13,061.14	24,997,720	143,201,172.16
Total	25,000,000	143,214,233.30			2,280	13,061.14	24,997,720	143,201,172.16

Changes in other equity instruments during the current period, the reason for the changes, and the basis for related accounting treatments:

Applicable Non-applicable

During the period, a total of 2,280 "Tuopu Convertible Bonds" were converted into 3,201 shares, and the equity value of the Company's convertible bonds was reduced by RMB 13,061.14.

Other notes:

Applicable Non-applicable

55. Capital reserve√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increased in the period	Decreased in the period	Balance at the end of the period
Capital premium (equity premium)	5,340,788,538.03	230,654.61		5,341,019,192.64
Other capital reserves	10,348.78			10,348.78
Total	5,340,798,886.81	230,654.61		5,341,029,541.42

Other notes, including the changes during the period and the reasons for such changes:

From January 20, 2023 to December 31, 2023, the Company converted 3,201 shares of Tuopu Convertible Bonds, increasing the Company's registered capital (share capital) by RMB3,201.00 and capital surplus by RMB 230,654.61. The Company has also increased its capital surplus by RMB 230,654.61, which is the same as that of Tuopu Convertible Bonds.

56. Treasury bondsApplicable Non-applicable

57. Other comprehensive income

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Amount incurred in the current period						Balance at the end of the period
		Amount incurred before income tax in the current period	Less: recorded into other comprehensive incomes in previous period and transferred to P/L in current period	Less: Recorded into other comprehensive incomes in previous period and transferred to retained income in current period	Less: Income Tax Expense	Attributable to the Company after tax	Attributable to the minority shareholders after tax	
1. Other comprehensive income that cannot be reclassified into profit and loss								
Including: re-measurement of changes in defined benefit plans								
Other comprehensive income that cannot be transferred to profit and loss under the equity method								

Changes in the fair value of other equity instrument investments								
Changes in fair value of the enterprise's own credit risk								
2. Other comprehensive income that will be reclassified into profit and loss	-21,343,831.86	14,088,956.94				14,064,400.47	24,556.47	-7,279,431.39
Including: other comprehensive income that can be transferred to profit or loss under the equity method								
Changes in the fair value of other debt investments								
Amount of financial assets reclassified and included in other comprehensive income								
Provision for impairment								

of other debt investment								
Cash flow hedge reserves								
Translation difference of foreign currency financial statements	-21,343,831.86	14,088,956.94				14,064,400.47	24,556.47	-7,279,431.39
Total	-21,343,831.86	14,088,956.94				14,064,400.47	24,556.47	-7,279,431.39

58. Special reserves

□Applicable √Non-applicable

59. Surplus reserves

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increased in the current period	Decreased in the current period	Balance at the end of the period
Statutory surplus reserve	631,484,906.94	75,459,088.04		706,943,994.98
Discretionary surplus reserve				
Reserve fund				
Business development fund				
Others				
Total	631,484,906.94	75,459,088.04		706,943,994.98

Notes to the surplus reserve, including the changes in the current period and the reason for such changes:

The statutory surplus reserve at RMB 75,459,088.04 shall be withdrawn at 10% of the parent company's net profit in 2023.

60. Undistributed profit

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Current period	Previous period
Undistributed Profit before Adjustment at the End of Previous Period	4,933,499,753.42	3,627,335,428.68
Adjust the total undistributed profits at the start of the period (increase +, decrease -)		
Undistributed Profit after Adjustment at the Start of the Period	4,933,499,753.42	3,627,335,428.68
Add: net profit attributable to parent company's owner in current period	2,150,642,258.47	1,700,208,711.12
Less: withdrawal of statutory surplus reserve	75,459,088.04	87,675,439.36
Withdrawal of discretionary surplus reserve		
Withdrawal of general risk reserve		
Ordinary stock dividend payable	510,248,373.09	306,368,947.02
Ordinary stock dividends converted into equity		
Undistributed profit at the end of the period	6,498,434,550.76	4,933,499,753.42

Adjust the particulars of undistributed profit at the beginning of the period:

1. Due to the retrospective adjustments made in accordance with the "Accounting Standards for Business Enterprises" and its related new regulations, the unappropriated profit at the beginning of the

period was affected by RMB 321,180.32. The Company has made retrospective adjustments in accordance with the relevant provisions of "Accounting Standards for Business Enterprises Interpretation No. 16".

2. The impact of changes in accounting policies on undistributed profit at the beginning of the period is RMB 0.

3. The impact of the correction of major accounting errors on undistributed profit at the beginning of the period is RMB 0.

4. The impact of change in the scope of business combination as a result of the same control on undistributed profit at the beginning of the period is RMB 0.

5. The gross impact of other adjustments on the undistributed profit at the beginning of the period is RMB 0.

61. Operating income and operating cost

(1). Particulars on operating income and operating cost

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period		Amount incurred in previous period	
	Income	Cost	Income	Cost
Main operation	18,728,035,198.12	14,616,118,265.90	15,339,542,129.67	12,121,627,184.28
Other operations	972,525,231.88	546,999,634.45	653,279,547.83	414,372,529.24
Total	19,700,560,430.00	15,163,117,900.35	15,992,821,677.50	12,535,999,713.52

(2). Information about the breakdown of operating income and cost

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Category of contracts	Total	
	Operating income	Operating cost
Product types		
Vibration Control System	4,299,080,180.82	3,256,222,215.87
Interior & Exterior System	6,576,507,664.35	5,262,936,727.88
Chassis System	6,122,224,689.00	4,700,439,675.72
Mechatronic System	180,632,502.96	141,112,972.76
Thermal Management System	1,547,735,833.31	1,255,058,987.23
Electric Drive System	1,854,327.68	347,686.44
Total	18,728,035,198.12	14,616,118,265.90
By operation areas		
Domestic sales	12,955,128,525.30	10,200,604,729.47
Overseas sales	5,772,906,672.82	4,415,513,536.43
Total	18,728,035,198.12	14,616,118,265.90
By time of transfer of products		
Confirmed at a certain time point	18,728,035,198.12	14,616,118,265.90
Confirmed at a certain time point		
Total	18,728,035,198.12	14,616,118,265.90

Other notes

□Applicable √Non-applicable

(3). Note to performance obligations

□Applicable √Non-applicable

(4). Note to allocation to remaining performance

□Applicable √Non-applicable

(5). Note to significant contract changes or significant transaction price

□Applicable √Non-applicable

62. Taxes and surcharges

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Consumption tax	33,674,216.50	19,335,713.64
Education Surcharges	15,951,422.42	8,436,734.19
Local education surcharges	10,614,181.48	5,644,006.80
Property tax	39,520,270.52	27,651,170.58
Land use tax	25,532,242.93	17,995,826.92
Vehicle and vessel use tax	19,285.16	24,550.17
Stamp duty	22,729,272.65	15,190,093.92
Environmental protection tax	7,914.54	8,906.26
Others	75,010.72	2,018.37
Total	148,123,816.92	94,289,020.85

63. Sales expense

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Service expense	122,533,968.05	109,899,256.12
Payroll	55,699,998.09	44,657,755.33
Business hospitality expense	41,870,231.40	37,010,223.15
Repair cost	26,241,811.67	18,444,298.23
Travel expense	5,328,604.99	2,995,309.53
Packaging fee	210,649.13	220,060.23
Vehicle cost	2,456,824.51	2,361,808.37
Exhibition fee	752,868.44	77,449.04
Others	3,729,680.56	4,574,078.99
Total	258,824,636.84	220,240,238.99

64. Overhead expense

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Payroll	310,681,254.28	262,599,790.51
Depreciation expense	42,089,545.63	36,837,913.40
Business hospitality expense	8,526,971.38	6,018,073.32
Vehicle cost	5,991,706.83	4,626,622.25
Travel expenses	9,468,340.36	3,518,859.88
Amortization of intangible assets	29,190,411.33	23,450,973.42
Office expenses	9,517,734.62	7,984,646.86
Insurance premiums	10,000,339.47	8,499,492.06
Intermediary fee	5,512,275.13	3,514,560.93
Utility bills	10,458,759.15	5,676,985.16
Service charge	26,593,680.37	24,108,615.53
Rent	2,353,157.71	1,939,293.38
Employment guarantee fund for persons with disabilities	27,513,010.27	4,249,596.74

Others	45,823,554.51	30,255,341.50
Total	543,720,741.04	423,280,764.94

65. R&D expense√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Material expense	338,641,778.29	245,683,306.81
Payroll	437,826,195.71	336,559,416.53
Depreciation and amortization	92,867,868.03	71,219,137.09
Transportation and storage fee	9,249,204.84	6,393,329.67
Energy consumption fee	44,992,055.69	42,712,061.81
Travel expense	14,468,560.48	8,486,077.87
Trial production expense	14,588,042.57	12,516,062.79
Others	33,769,299.78	27,149,195.52
Total	986,403,005.39	750,718,588.09

66. Financial expense√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Interest expense	228,089,328.18	135,057,511.74
Interest income	-46,324,974.29	-35,832,053.75
Gain and loss from exchange	-100,387,968.50	-116,353,244.34
Handling charge	4,372,151.62	5,124,497.84
Total	85,748,537.01	-12,003,288.51

67. Other income√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Government Subsidies	154,398,450.86	62,111,199.70
Handling fee for withholding personal income tax	511,517.31	383,299.22
VAT input tax credit	58,810,611.95	
Direct VAT credit for employment of key persons	5,558,150.00	
Total	219,278,730.12	62,494,498.92

68. Investment income√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Long-term equity investment income calculated by the equity method	-2,063,278.75	28,254,053.75

Investment income from disposal of long-term equity investments		
Investment income of trading financial assets during the holding period		
Dividend income from other equity instrument investments during the holding period		
Interest income from debt investment during the holding period		
Interest income from other debt investments during the holding period		
Investment income from disposal of trading financial assets		
Investment income from the disposal of other equity instrument investments		
Investment income from disposal of debt investment		
Investment income from the disposal of other debt investments		
Income from debt restructuring		
Investment income from financial management products	6,032,297.53	10,877,828.03
Total	3,969,018.78	39,131,881.78

69. Net exposure hedging income

Applicable Non-applicable

70. Gains from changes in fair value

Applicable Non-applicable

Unit: Yuan Currency: RMB

Sources of income from changes in fair value	Amount incurred in the current period	Amount incurred in previous period
Transactional financial assets	-82,821.96	-552,958.38
Including: income from changes in fair value generated by derivative financial instruments		
Transactional financial liabilities		
Investment real estate measured at fair value		
Total	-82,821.96	-552,958.38

71. Credit impairment loss

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Bad debt loss on accounts receivable	1,693,613.22	-321,131.09
Bad debt loss on accounts receivable	194,247,380.83	64,588,458.14
Bad debt loss on other receivables	1,916,219.58	7,335,634.26
Impairment loss of debt investment		

Impairment loss of other debt investment		
Bad debt loss of long-term receivables		
Impairment loss of contract assets		
Impairment loss on receivables financing	-1,166,149.25	-298,943.42
Total	196,691,064.38	71,304,017.89

72. Asset impairment loss√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
1. Loss of bad debts		
2. Loss of inventory falling price and loss of contract performance cost impairment	65,402,276.74	32,291,487.20
3. Long-term equity investment impairment losses		
4. Impairment loss of investment real estate		
5. Impairment loss of fixed assets		
6. Impairment loss of construction materials		
7. Impairment loss of construction in progress		
8. Impairment loss of productive biological assets		
9. Impairment losses of oil and gas assets		
10. Intangible assets impairment loss		
11. Goodwill impairment loss	6,058,537.77	
12. Others		
Total	71,460,814.51	32,291,487.20

73. Income from disposal of assets√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Income from disposal of assets	6,635,932.50	-24,682.27
Total	6,635,932.50	-24,682.27

74. Non-operating income

Particulars about non-operating income

√Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the	Amount incurred in	Amount included in the
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	current period	previous period	current non-recurring profit and loss
Total gains from disposal of non-current assets	338,485.87	749,282.01	338,485.87
Including: gains from disposal of fixed assets	338,485.87	749,282.01	338,485.87
Gains from disposal of intangible assets			
Gains from non-monetary asset exchange			
Capital from donation			
Government grants			
Compensation income	2,443,361.20	729,390.86	2,443,361.20
Other	1,321,088.66	4,701,351.31	1,321,088.66
Total	4,102,935.73	6,180,024.18	4,102,935.73

Other Notes:

Applicable Non-applicable

75. Non-operating expenses

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period	Amount included in the current non-recurring profit and loss
Total loss from disposal of non-current assets	15,170,562.74	8,884,926.44	15,170,562.74
Including: Loss on disposal of fixed assets	15,170,562.74	8,884,926.44	15,170,562.74
Loss on disposal of intangible assets			
Loss from exchange of non-monetary assets			
External donation	1,300,000.00	51,000.00	1,300,000.00
Special funds for water conservancy construction	687,538.30	324,716.86	
Loss from debt restructuring	925,883.37	14,757,494.23	925,883.37
Others	18,083,984.41	24,018,137.53	17,396,446.11

76. Income tax expense

(1). Schedule of income tax expense

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Income tax expense in the current period	368,716,865.91	305,365,099.70
Deferred income tax expense	-56,443,347.35	-44,496,977.42
Total	312,273,518.56	260,868,122.28

(2). Adjustment process of accounting profit and income tax expense

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period
Total profits	2,462,289,724.32
Income tax expense calculated at the statutory/applicable tax rate	369,343,458.65
Impact of different tax rates applied to subsidiaries	29,308,190.50
Adjusted impact of income tax in prior periods	-390,818.02
Impact of non-taxable income	86,413.84
Impact of non-deductible costs, expenses and losses	10,265,862.14
Impact of using deductible losses of deferred income tax assets that have not been recognized in the previous period	-28,651,505.17
Impact of deductible temporary differences or deductible losses on unrecognized deferred income tax assets in the current period	54,986,997.52
Changes in deferred tax assets/liabilities at the beginning of the period due to tax rate adjustments	3,795,472.82
Impact of additional tax deductions for enterprise research and development	-126,427,743.52
Impact of equipment one-time deduction	-42,810.20
Income tax expense	312,273,518.56

Other Notes:

□Applicable √Non-applicable

77. Other comprehensive income

√Applicable □Non-applicable

Details are available in "Note VII. 57. Other comprehensive income"

78. Cash flow statement items

(1). Other cash received related to operating activities

Other cash received related to operating activities

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Receipt of temporary loans	54,539,013.01	17,322,977.96
Interest income	46,324,974.29	35,832,053.75
Government grants	211,467,742.60	159,935,457.62

Income from compensation and fines	1,537,317.97	680,464.56
Others	2,426,444.35	5,291,280.11
Total	316,295,492.22	219,062,234.00

Other cash paid related to operating activities

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Payment of temporary loans	49,196,820.10	59,433,238.23
Business hospitality expense	50,397,202.78	43,400,088.07
Repair cost	27,757,399.48	19,609,483.12
R&D spending	453,253,590.22	341,281,543.93
Travel expense	14,796,945.35	14,930,153.21
Insurance premium	9,845,564.79	9,054,995.28
Office expense	9,716,706.76	11,128,840.34
Vehicle expense	8,448,531.34	8,809,652.39
Service charge	149,127,648.42	134,005,493.67
Intermediary fee	5,512,275.13	3,784,601.20
Packaging fee	210,649.13	220,060.23
Utility bill	10,458,759.15	40,454,623.07
Rent	2,650,354.01	2,141,668.28
Employment guarantee fund for persons with disabilities	27,441,660.24	4,249,596.74
Others	28,973,465.75	7,593,844.55
Total	847,787,572.65	700,097,882.31

(2). Other cash received related to investment activities

Cash received related to important investing activities

Applicable Non-applicable

Cash paid related to important investment activities

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Cash paid for acquisition of property, plant and equipment, intangible assets and other long-term assets	3,176,917,076.36	5,425,571,755.88
Total	3,176,917,076.36	5,425,571,755.88

Other cash paid related to investment activities

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Impact of business combination with Chongqing Tuopu not under the same control		16,909,763.45
Performance bond recovered	40,915,600.00	

Total	40,915,600.00	16,909,763.45
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Other cash paid relating to investing activities

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Performance bond paid		63,300,000.00
Total		63,300,000.00

(3). Cash relating to financing activities

Other cash received relating to financing activities

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Loans received from finance leasing companies		169,600,000.00
Total		169,600,000.00

Other cash paid in relation to financing activities

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Cash paid for lease liabilities	43,014,990.85	27,372,300.13
Repayment of loans from finance leasing companies	164,399,011.59	371,010,679.72
Fractional share for conversion of convertible bonds	180.08	
Total	207,414,182.52	398,382,979.85

Changes in liabilities arising from financing activities

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increase in current period		Decrease in current period		Balance at the end of the period
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term loans	1,132,536,757.84	999,000,000.00	29,162,880.44	1,160,900,933.19		999,798,705.09
Other payables - dividends payable			510,248,373.09	510,248,373.09		
Other current liabilities	164,399,011.59		228,177.80	164,627,189.39		
Long-term loans (including those due within one year)	2,825,000,000.00	2,566,013,356.11	107,013,155.31	1,752,650,047.65		3,745,376,463.77
Bonds payable (including those due within one year)	2,357,411,642.30		84,145,587.06	4,999,999.99	228,000.00	2,436,329,229.37
Lease liabilities (including those due within one year)	90,535,026.04		296,916,764.82	43,014,990.85	75,000.00	344,361,800.01
Total	6,569,882,437.77	3,565,013,356.11	1,027,714,938.52	3,636,441,534.16	303,000.00	7,525,866,198.24

(4). Note to cash flows presented on a net basis

Applicable Not applicable

(5). Significant activities and financial effects that do not involve current cash receipts and disbursements but affect the enterprise's financial position or may affect the enterprise's cash flows in the future

Applicable Not applicable

79. Additional information on cash flow statement

(1). Additional information on cash flow statement

Applicable Non-applicable

Unit: Yuan Currency: RMB

Additional Information	Amount in the current period	Amount in previous period
1. Reconciliation of net profit to cash flows from operational activities:		
Net Profit	2,150,016,205.76	1,699,043,638.95
Add: provision for impairment of assets	71,460,814.51	32,291,487.20
Credit impairment provision	196,691,064.38	71,304,017.89
Depreciation of fixed assets, oil and gas assets, productive biological assets	1,104,162,144.79	749,296,426.36
Depreciation of right-of-use assets	38,201,180.13	25,778,438.79
Amortization of Intangible Assets	41,484,734.70	32,023,102.50
Amortization of long-term prepaid expenses	79,075,458.06	53,816,970.79
Losses on disposal of fixed assets, intangible assets and other long-term assets (income as in "-")	-6,635,932.50	24,682.27
Losses on scrapping of fixed assets (income as in "-")	14,832,076.87	8,135,644.43
Losses on fair value changes (income as in "-")	82,821.96	552,958.38
Financial expenses (income as in "-")	139,711,286.08	18,295,707.31
Losses on investment (income as in "-")	-3,969,018.78	-39,131,881.78
Decrease on deferred income tax assets (increase as in "-")	-10,260,340.64	-56,357,019.79
Increase on deferred income tax liabilities (decrease as in "-")	-46,185,311.62	11,860,042.37
Decrease on inventories (increase as in "-")	-54,383,166.19	-982,835,107.50
Decrease on operational receivables (increase as in "-")	-1,306,230,020.30	-1,370,975,787.03
Increase on operational payables (decrease as in "-")	957,575,279.53	2,030,896,767.26
Others		
Net cash flow generated by operating activities	3,365,629,276.74	2,284,020,088.40
2. Major investing and financing activities not involving cash receipts and payment:		
Conversion of debt into capital		
Convertible corporate bonds due within one year	4,684,254.27	
Fixed assets under financing lease	294,506,856.56	56,073,469.30

3. Net changes in cash and cash equivalents:		
Closing balance of cash	2,313,937,932.51	2,410,212,553.28
Less: opening balance of cash	2,410,212,553.28	935,672,390.98
Add: closing balance of cash equivalents		
Less: opening balance of cash equivalents		
Net additions to balance of equivalents	-96,274,620.77	1,474,540,162.30

(2). Net cash receipts from disposal of subsidiaries in this period

Applicable Not applicable

(3). Net cash received from disposal of subsidiaries in the current period

Applicable Not applicable

(4). Composition of cash and cash equivalents

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
1. Cash	2,313,937,932.51	2,410,212,553.28
Including: cash on hand	18,810.59	11,944.28
Bank deposits that can be used for payment at any time	2,313,919,121.92	2,410,200,609.00
Other currency funds that can be used for payment at any time		
Deposits in the central bank that can be used for payment		
Deposits in Other Financial Institutions		
Call loans from Other Financial Institutions		
2. Cash equivalents		
Including: bond investments due within three months		
3. Balance of cash and cash equivalents at the end of the period	2,313,937,932.51	2,410,212,553.28
Including: cash and cash equivalents that are restricted for us by the parent company or subsidiary within the group		

(5). Condition of restricted scope of use but still presented as cash and cash equivalents

Applicable Not applicable

(6). Cash and bank balances not classified as cash and cash equivalents

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount in current	Amount in prior	Reason
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	period	period	
Bank acceptance deposit	535,150,594.14	372,126,161.67	Restricted for use
Exchange settlement deposit	609.89		Restricted for use
Guarantee deposit	6,277,854.73	8,520,240.00	Restricted for use
Letter of credit deposit		4,672,875.48	Restricted for use
Total	541,429,058.76	385,319,277.15	/

Other notes:

Applicable Not applicable

80. Notes to items in the statement of changes in owners' equity

State the name of the item "others" adjusting the balance at the end of previous year and the amount of adjustment:

Applicable Non-applicable

81. Assets with restricted ownership or use rights

(1). Assets with restricted ownership or use rights

Applicable Non-applicable

Unit: yuan

Item	Foreign currency balance at the end of the period	Converted exchange rate	Balance converted to RMB at the end of the period
Cash and bank balances			452,003,500.30
Including: USD	38,526,431.64	7.0827	272,871,157.38
EUR	763,251.53	7.8592	5,998,546.42
HKD	3,267,776.14	0.9062	2,961,258.74
CAD	11,504,169.15	5.3673	61,746,327.08
BRL	5,845,494.65	1.4606	8,537,929.49
MYR	8,040,912.44	1.5415	12,395,066.53
SEK	279,964.35	0.7110	199,054.65
PLN	37,942,484.16	1.8107	68,702,456.07
MXN	44,462,059.97	0.4181	18,591,703.94
Accounts receivable			942,393,456.06
Including: USD	74,894,567.83	7.0827	530,455,755.57
EUR	9,088,210.21	7.8592	71,426,061.68
CAD	27,975,155.05	5.3673	150,151,049.70
BRL	18,155,864.94	1.4606	26,518,456.33
MYR	4,387,748.15	1.5415	6,763,713.77
PLN	86,730,478.07	1.8107	157,042,876.64
GBP	3,931.20	9.0411	35,542.37
Other Receivables			31,031,457.09
Including: USD	2,477,761.16	7.0827	17,549,238.97
SEK	431,119.61	0.7110	306,526.04
PLN	4,392,295.67	1.8107	7,953,129.77
MXN	12,489,757.77	0.4181	5,222,562.31
Accounts payable			176,454,826.16
Including: USD	8,818,137.55	7.0827	62,456,222.83
EUR	1,334,053.56	7.8592	10,484,593.74
CAD	12,884,978.13	5.3673	69,157,543.12
BRL	974,128.56	1.4606	1,422,812.17

MYR	1,161,814.84	1.5415	1,790,937.58
SEK	779,077.83	0.7110	553,924.34
PLN	14,922,446.57	1.8107	27,020,074.00
MXN	8,534,590.01	0.4181	3,568,718.38
Other Payables			984,360.45
Including: USD	78,436.46	7.0827	555,541.92
MYR	38,990.74	1.5415	60,104.23
SEK	518,585.51	0.7110	368,714.30

- (2). Notes to overseas business entities, overseas business locations, functional currency and the basis for selection in respect of important overseas business entities should be disclosed; if there is a change in the functional currency, the reason for the change should be further disclosed.

Applicable Non-applicable

The Company has nine subsidiaries outside of China, i.e.: Tuopu North America Limited, currently operating in Canada and with Canadian dollars as the functional currency; Tuopu North America USA Limited, INC, currently operating in the United States and with U.S. dollars as the functional currency; TUOPU DO BRASIL, currently operating in Brasil and with Brazilian Real as the functional currency; Tuopu Sweden, currently operating in Sweden and with Swedish krona as the functional currency; Tuopu International, currently operating in Hong Kong and with Hong Kong dollar as the functional currency; TUOPU (MALAYSIA) SDN.BHD., currently operating in Malaysia and with Ringgit as the functional currency; Tuopu USA, LLC, currently operating in the United States and with U.S. dollars as the functional currency; Tuopu Poland sp.z.o.o, currently operating in Poland and with PLN as the functional currency. Tuopu Mexico, currently operating in Mexico and with Mexican peso as the functional currency.

82. Lease

- (1) As lessee

Applicable Not applicable

Variable lease payments not included in the measurement of lease liabilities

Applicable Not applicable

Lease payments for short-term leases or low-value assets with simplified treatment

Applicable Not applicable

Sale and leaseback transactions and basis of judgment

Applicable Not applicable

Total cash outflow related to lease 43,014,990.85(Unit: Yuan Currency: RMB)

- (2) As lessor

Operating lease as lessor

Applicable Not applicable

		Unit: Yuan Currency: RMB
Item	Lease income	of which: Income related to variable lease payments not included in lease receipts
Income from operating leases	1,391,381.60	
Total	1,391,381.60	

Finance lease as lessor

Applicable Not applicable

Reconciliation of undiscounted lease receipts to net investment in leases

Applicable Not applicable

Undiscounted lease receipts for the next five years

Applicable Not applicable

(3) Recognition of gain or loss on sales under finance leases as a manufacturer or distributor

Applicable Not applicable

83. Others

Applicable Not applicable

VIII. R&D expense

(1). Presentation by nature of expense

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Material expense	338,641,778.29	245,683,306.81
Payroll	437,826,195.71	336,559,416.53
Depreciation and amortization	92,867,868.03	71,219,137.09
Transportation and storage fee	9,249,204.84	6,393,329.67
Energy consumption fee	44,992,055.69	42,712,061.81
Travel expense	14,468,560.48	8,486,077.87
Trial production expense	14,588,042.57	12,516,062.79
Others	33,769,299.78	27,149,195.52
Total	986,403,005.39	750,718,588.09
Of which: Expensed R&D expenditure	986,403,005.39	750,718,588.09
Capitalized R&D expenditure		

(2). Development expenditure on R&D projects eligible for capitalization

Applicable Not applicable

Major capitalized R&D projects

Applicable Not applicable

Provision for impairment of development expenditures

Applicable Not applicable

(3). Major outsourced research and development projects in progress

Applicable Not applicable

IX. Changes in the scope of consolidation

1. Business combination not under common control

Applicable Non-applicable

2. Business combination under common control

Applicable Non-applicable

3. Counter purchase

Applicable Non-applicable

4. Disposal of subsidiaries

Whether there is any transactions or events during the period in which control of subsidiaries is lost

Applicable Non-applicable

Other notes:

Applicable Non-applicable

Whether there is a step-by-step disposal of investments in subsidiaries through multiple transactions and loss of control during the period

Applicable Non-applicable

Other notes:

Applicable Non-applicable

5. Changes in the scope of consolidation due to other reasons

Account for the changes in the scope of consolidation as a result of other reasons (for example, new establishments of subsidiaries, liquidation of subsidiaries) and relevant circumstances:

Applicable Non-applicable

In this period, the Company established Henan Tuopu Automobile Parts Co., Ltd, Jinan Tuopu Automobile Parts Co., Ltd, Tuopu Photovoltaic Technology (Ningbo Yinzhou) Co., Ltd, Tuopu Photovoltaic Power Generation Technology (Xiangtan) Co., Ltd, Tuopu Photovoltaic Power Generation (Wuhan) Co. Ltd., Liuzhou Tuopu Photovoltaic Technology Co., Ltd. and Tuopu Intelligent Photovoltaic Technology (Shenyang) Co., Ltd. The above subsidiaries are included in the scope of consolidation from the date of establishment.

6. Others

Applicable Non-applicable

X. Equity in Other Entities**1. Equity in Subsidiaries**

(1). Composition of the group

√Applicable □Non-applicable

Unit: yuan Currency: RMB

Name of Subsidiary	Principal Business Site	Registered Capital	Registered Address	Nature of Business	Percentage of Shares (%)		Method of Acquisition
					Direct	Indirect	
Tuopu Automobile Electronics	Ningbo	RMB 2,500 million	Ningbo	Manufacturing	100.00		Establishment
Tuopu Thermal Management	Ningbo	RMB 4,500 million	Ningbo	Manufacturing	100.00		Establishment
Tuopu Imp&Exp	Ningbo	RMB 200 million	Ningbo	Trading	100.00		Business combination under common control
Tuopu Automobile Parts	Ningbo	RMB 200 million	Ningbo	Trading	100.00		Business combination under common control
TUOPU VIBRO-ACOUSTICS	Ningbo	RMB 200 million	Ningbo	Trading	100.00		Business combination under common control
Zhejiang Towin	Jinhua	RMB 180 million	Jinhua	Manufacturing	100.00		Business combination not under common control
Suining Tuopu	Suining	RMB 150 million	Suining	Manufacturing	100.00		Business combination not under common control
USHONE ELECTRONIC CHASSIS	Ningbo	RMB 50 million	Ningbo	Trading	100.00		Establishment
Tuopu Chassis	Ningbo	RMB 600 million	Ningbo	Manufacturing	100.00		Establishment
Hunan Tuopu	Xiangtan	RMB 800 million	Xiangtan	Manufacturing	100.00		Establishment
Skateboard Chassis	Ningbo	RMB 2,000 million	Ningbo	Manufacturing	100.00		Establishment
Taizhou Tuopu	Taizhou	RMB	Taizhou	Manufacturing	100.00		Establishment

		100 million		ng	0		nt
SHANGHAI TUOPUYALE	Shanghai	RMB 50 million	Shanghai	Manufacturing	100.00		Establishment
Pinghu Tuopu	Jiaxing	RMB 208 million	Jiaxing	Manufacturing	100.00		Establishment
Tuopu North America Limited	Canada	CAD 10,000	Canada	Trading		51.00	Business combination not under common control
Tuopu USA, LLC	USA	USD 5 million	USA	Trading	100.00		Establishment
Tuopu Poland	Poland	PLN 10 million	Poland	Manufacturing	100.00		Establishment
Xi'an Tuopu	Xi'an	RMB 200 million	Xi'an	Manufacturing	100.00		Establishment
Wuhan Tuopu	Wuhan	RMB 150 million	Wuhan	Manufacturing	100.00		Establishment
Sichuan Tuopu	Linshui	RMB 20 million	Linshui	Manufacturing	100.00		Establishment
Liuzhou Tuopu	Liuzhou	RMB 100 million	Liuzhou	Manufacturing	100.00		Business combination under common control
Huzhou Tuopu	Huzhou	RMB 350 million	Huzhou	Manufacturing	100.00		Establishment
Baoji Tuopu	Baoji	RMB 50 million	Baoji	Manufacturing	100.00		Establishment
Yantai Tuopu	Yantai	RMB 62.80 million	Yantai	Manufacturing	100.00		Business combination under common control
Ningbo Qianhui	Ningbo	USD 3.7551 million	Ningbo	Manufacturing		51.00	Business combination not under common control
Shenyang Tuopu	Shenyang	RMB 10 million	Shenyang	Manufacturing	100.00		Establishment
Jinzhong Tuopu	Jinzhong	RMB 8 million	Jinzhong	Manufacturing	100.00		Establishment
Chongqing Tuopu	Chongqing	RMB 14.6422 million	Chongqing	Manufacturing	100.00		Business combination not under common control
Hangzhou Tuopu	Hangzhou	RMB 3 million	Hangzhou	Manufacturing		100.00	Business combination not under

							common control
Shanghai Towin	Shanghai	RMB 10 million	Shanghai	R&D	100.00		Establishment
Shenzhen Towin	Shenzhen	RMB 20 million	Shenzhen	R&D	100.00		Establishment
Ushone E-commerce	Ningbo	RMB 100 million	Ningbo	Service	100.00		Establishment
Ushone Technology	Ningbo	RMB 50 million	Ningbo	Manufacturing	100.00		Establishment
Tuopu Investment	Ningbo	RMB 200 million	Ningbo	Investment	100.00		Establishment
Tuopu International	Hong Kong	RMB 33 million	Hong Kong	Investment	100.00		Establishment
Tuopu Industrial Automation	Ningbo	RMB 20 million	Ningbo	Manufacturing	100.00		Establishment
Tuopu North America USA Limited, INC	USA	USD 10	USA	Service		51.00	Establishment
Tuopu Sweden	Sweden	SEK 50,000	Sweden	R&D		100.00	Establishment
TUOPU DO BRASIL	Brazil	BRL 80.8095 million	Brazil	Manufacturing	99.96	0.04	Establishment
Tuopu Malaysia	Malaysia	MYR 2.50 million	Malaysia	Manufacturing		100.00	Establishment
Chongqing Chassis	Chongqing	RMB 500 million	Chongqing	Manufacturing	100.00		Establishment
Anhui Tuopu	Huainan	RMB 600 million	Huainan	Manufacturing	100.00		Establishment
Tuopu Mexico	Mexico	MXN 245.5979 million	Mexico	Manufacturing	99.00	1.00	Establishment
Tuopu Photovoltaic Technology (Ningbo Beilun)	Ningbo	RMB 50 million	Ningbo	Power generation service		100.00	Establishment
Tuopu Photovoltaic Technology (Hangzhou Bay)	Ningbo	RMB 100 million	Ningbo	Power generation service		100.00	Establishment
Tuopu Photovoltaic Technology (Pinghu)	Jiaxing	RMB 50 million	Jiaxing	Power generation service		100.00	Establishment
Tuopu Photovoltaic Technology (Taizhou)	Taizhou	RMB 20 million	Taizhou	Power generation service		100.00	Establishment
Tuopu Photovoltaic Technology (Jinhua)	Jinhua	RMB 10 million	Jinhua	Power generation service		100.00	Establishment
Henan Tuopu	Kaifeng	RMB 50 million	Kaifeng	Manufacturing	100.00		Establishment
Jinan Tuopu	Jinan	RMB 50	Jinan	Manufacturing	100.00		Establishment

		million		ng	0		nt
Tuopu Photovoltaic Technology (Ningbo Yinzhou)	Ningbo	RMB 50 million	Ningbo	Power generation service		100.00	Establishment
Tuopu Photovoltaic Technology (Xiangtan)	Xiangtan	RMB 50 million	Xiangtan	Power generation service		100.00	Establishment
Tuopu Photovoltaic Technology (Wuhan)	Wuhan	RMB 30 million	Wuhan	Power generation service		100.00	Establishment
Tuopu Photovoltaic Technology (Linshui)	Guang'an	RMB 20 million	Guang'an	Power generation service		100.00	Establishment
Tuopu Photovoltaic Technology (Suining)	Suining	RMB 10 million	Suining	Power generation service		100.00	Establishment
Tuopu Photovoltaic Technology (Liuzhou)	Liuzhou	RMB 10 million	Liuzhou	Power generation service		100.00	Establishment
Tuopu Photovoltaic Technology (Shenyang)	Shenyang	RMB 10 million	Shenyang	Power generation service		100.00	Establishment

(2). Important non-wholly owned subsidiaries

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Name of Subsidiary	Percentage of shares held by minority shareholders	Profit and loss attributable to minority shareholders in the current period	Dividends declared to minority shareholders in the current period	Balance of minority shareholders' equity at the end of the period
Tuopu North America Limited	49.00%	412,858.66		-2,010,442.48

Notes to the percentage of shares held by minority shareholder that is different from the percentage of voting rights:

□Applicable √Non-applicable

Other Notes:

□Applicable √Non-applicable

(3). Main financial information of important non-wholly-owned subsidiaries

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Name of subsidiary	Balance at the end of the period						Balance at the beginning of the period					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total Liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total Liabilities
Tuopu North America Limited	56,444,244.57	8,948,741.10	65,392,985.67	69,495,929.50		69,495,929.50	48,339,700.01	7,345,809.44	55,685,509.45	60,620,487.68		60,620,487.68

Name of Subsidiary	Amount incurred in the current period				Amount incurred in previous period			
	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities
Tuopu North America Limited	1,294,050,339.17	792,453.45	842,568.70	-27,591,777.20	1,141,666,139.42	-1,217,824.96	-1,153,216.85	65,671,076.97

(4). Significant restrictions on the use of group assets and the settlement of group debts

Applicable Non-applicable

(5). Financial support or other support provided to structured entities included in the scope of consolidated financial statements

Applicable Non-applicable

Other notes:

Applicable Non-applicable

2. Transactions leading to a change in the share of owner's equity in the subsidiary and the control over the subsidiary remains

Applicable Non-applicable

3. Rights and interests in joint ventures or associates

Applicable Non-applicable

(1). Important joint ventures or associates

Applicable Non-applicable

Name of joint venture or associate	Principal Business Site	Registered Address	Business Nature	Percentage of Shares Held (%)		Accounting treatment of investment in joint ventures or associate
				Direct	Indirect	
Tuopu Electrical Appliances Co., Ltd. (Note)	Ningbo	Ningbo	Manufacturing	50.00		Equity method
Ningbo Borgers Tuopu Automobile Parts Co., Ltd. (Note)	Ningbo	Ningbo	Manufacturing	50.00		Equity method

Note: Tuopu Electrical Appliances Co., Ltd. is hereinafter referred to as "Tuopu Electrical Appliances", and Ningbo Borgers Tuopu Automobile Parts Co., Ltd. is hereinafter referred to as "Ningbo Borgers".

(2). Main financial information of important joint ventures

Applicable Non-applicable

Unit: Yuan Currency: RMB

	Balance at the end of the period/Amount incurred in the current period		Balance at the beginning of the period/Amount incurred in previous period	
	Tuopu Electrical Appliances	Ningbo Borgers	Tuopu Electrical Appliances	Ningbo Borgers

Current assets	281,521,077.93	111,847,522.79	160,604,921.41	185,211,624.66
Including: cash and cash equivalents	36,912,035.93	33,127,169.91	12,241,321.35	45,252,338.77
Non-current assets	46,509,479.21	35,249,871.12	43,592,797.78	40,921,651.51
Total assets	328,030,557.14	147,097,393.91	204,197,719.19	226,133,276.17
Current liabilities	129,151,221.33	63,965,737.85	77,803,746.81	66,416,544.65
Non-current liabilities	531,850.99		646,750.15	
Total liabilities	129,683,072.32	63,965,737.85	78,450,496.96	66,416,544.65
Minority shareholders' equity				
Equity attributable to shareholders of the parent company	198,347,484.82	83,131,656.06	125,747,222.23	159,716,731.52
Share of net assets calculated at the percentage of shares held	99,173,742.41	41,565,828.03	62,873,611.12	79,858,365.76
Adjusted events	-64,653.71	-1,033,469.27	-75,174.24	-952,076.43
--Goodwill				
--Unrealized profits from internal transactions	-64,653.71	-1,033,469.27	-75,174.24	-952,076.43
-Others				
Book value of equity investment in joint ventures	99,109,088.70	40,532,358.76	62,798,436.88	78,906,289.33
Fair value of equity investment in joint ventures with public offers				
Operating income	342,066,211.10	353,275,136.16	193,715,812.72	408,697,293.33
Financial expenses	10,956.57	-730,525.01	-795,054.11	-552,571.37
Income tax expense	10,395,145.73	703,089.85	2,419,094.20	3,074,687.92
Net profit	72,600,262.59	-76,585,075.46	26,213,059.76	31,217,529.23
Net profit from discontinued operations				
Other comprehensive income				
Total comprehensive income	72,600,262.59	-76,585,075.46	26,213,059.76	31,217,529.23
Dividends received from joint ventures in this year				9,000,000.00

(3). Main financial information of important associates

Applicable Non-applicable

(4). Summary of financial information of unimportant joint ventures and associates

Applicable Non-applicable

(5). Note to significant restrictions on the ability of joint ventures or associates to transfer funds to the Company

Applicable Non-applicable

(6). Excess losses suffered by joint ventures or associates

Applicable Non-applicable

(7). Unconfirmed commitments related to joint venture investment

Applicable Non-applicable

(8). Contingent liabilities related to investment in joint ventures or associates

Applicable Non-applicable

4. Important joint operations

Applicable Non-applicable

5. Equity in structured entities not included in the scope of consolidated financial statements

Note to structured entities not included in the scope of the consolidated financial statements:

Applicable Non-applicable

6. Others

Applicable Non-applicable

XI. Government subsidies

1. Government grants recognized at the end of the reporting period based on amounts receivable

Applicable Not applicable

Reasons for failing to receive government grants in the estimated amount at the estimated point in time

Applicable Not applicable

2. Liability items involving government grants

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Financial statement items	Opening balance	Amount of new grants during the period	Amount included in non-operating income during the period	Transferred to other income during the period	Other changes during the period	Closing balance	Asset/income related
Automobile composite fiber production project	241,666.75			100,000.00		141,666.75	Asset related
Production and application technology transformation project of lightweight materials for vehicles	2,625,000.00			875,000.00		1,750,000.00	Asset related
Technological transformation project of high-performance Vibration Control system	5,281,393.48			660,174.18		4,621,219.30	Asset related
Production line transformation project of high-performance Vibration Control system for cars	1,653,714.00			551,238.00		1,102,476.00	Asset related
Digital workshop project with an annual capacity of	3,242,317.22			405,289.65		2,837,027.57	Asset related

120,000 sets of intelligent brake systems							
Machine substitution for human project with an annual capacity of 700,000 sets of Vibration Control products	1,298,000.00			472,000.00		826,000.00	Asset related
Technological transformation project of high-performance Vibration Control system for automobiles	5,347,566.55			891,261.08		4,456,305.47	Asset related
Technological Transformation Project of Automobile Interior and Exterior Trim Parts	5,246,833.16			815,466.48		4,431,366.68	Asset related
Technological Transformation Project of Automobile Lightweight Parts Production Line	5,491,538.67			915,256.45		4,576,282.22	Asset related
Technological Improvement Project for Automobile	9,196,355.25			875,375.14		8,320,980.11	Asset related

Lightweight Chassis Components							
Technological transformation project of automobile lightweight chassis system production line	865,297.36			664,181.16		201,116.20	Asset related
Technological Transformation Project of Automobile Lightweight Control Arms	5,252,250.80			1,420,601.92		3,831,648.88	Asset related
Technological transformation project of lightweight auto parts	5,313,449.27			108,162.16		5,205,287.11	Asset related
Tuopu Intelligent Automotive Electronics Industrial Park Project	22,748,809.60			1,081,924.14		21,666,885.46	Asset related
Digitalization Workshop Project of Thermal Management System for New Energy Vehicles with Annual Capacity of 250,000 Sets	18,461,538.47			2,051,282.05		16,410,256.42	Asset related

Technology Transformation Project for New Energy Vehicle Chassis Key Parts	7,077,729.31	7,960,000.00		1,443,211.99		13,594,517.32	Asset related
New Energy Vehicle Intelligent Brake System Digitalization Workshop		6,489,100.00		55,940.52		6,433,159.48	Asset related
New Energy Vehicle Electronic Chassis Critical Components Technological Transformation Project		17,936,000.00		1,216,973.91		16,719,026.09	Asset related
Technological transformation project for the production line of automotive lightweight alloy parts with an annual capacity of 300,000 sets	6,790,289.63			1,000,000.20		5,790,289.43	Asset related
Technological Transformation Project of Automobile High-Performance Vibration Control System	4,488,727.80			573,207.60		3,915,520.20	Asset related

Land leveling subsidies	7,468,401.22			154,582.32		7,313,818.90	Asset related
Automotive Parts Production and Industrial Automation Project	71,166,861.65			4,500,000.00		66,666,861.65	Asset related
Automobile Lightweight Steering System Technological Transformation Project	18,411,199.97			1,990,400.04		16,420,799.93	Asset related
2022 Automobile Chassis Vibration Control System Technological Transformation Project	9,341,666.66	10,500,000.00		1,912,500.04		17,929,166.62	Asset related
Automobile High Performance Shock Absorption System Production Project with an Annual Capacity of 2 Million Sets	5,579,166.64			650,000.02		4,929,166.62	Asset related
Technological Transformation Project for Automotive NVH Interior Trim Parts	2,479,810.78			288,910.02		2,190,900.76	Asset related
Technological Transformation	5,579,166.65			650,000.02		4,929,166.63	Asset related

Project for Automotive Lightweight Components							
Automotive Lightweight Components Technological Transformation Project with an Annual Capacity of 3 million sets	5,579,166.65			650,000.02		4,929,166.63	Asset related
District-level Technological Transformation Project for New Energy Vehicle Front and Rear Axle Assembly	1,883,333.31			200,000.04		1,683,333.27	Asset related
District-level Technological Transformation Project for Lightweight Steering System	1,883,333.31			200,000.03		1,683,333.28	Asset related
District-level Technological Transformation Subsidies for Automobile Chassis Vibration Control System	1,883,333.31			200,000.04		1,683,333.27	Asset related
Technological Transformation Project for New	17,666,666.63			2,000,000.04		15,666,666.59	Asset related

Energy Vehicle Front and Rear Axle Assembly							
2023 Technological Transformation Subsidies for Automotive Control Arm Project		4,000,000.00		233,333.31		3,766,666.69	Asset related
2023 lightweight subframe digitalization workshop		5,100,000.00		170,000.00		4,930,000.00	Asset related
Pinghu Tuopu Auto Parts Production Project	11,141,900.00			795,850.00		10,346,050.00	Asset related
Relocation Project for Automotive Interior Trim Parts with an Annual Capacity of 300,000 sets	552,968.98			110,593.80		442,375.18	Asset related
Technological Transformation Project for Lightweight Suspension System with an Annual Capacity of 350,000 sets	5,188,000.00					5,188,000.00	Asset related
Technological Transformation Project for New	5,600,000.00					5,600,000.00	Asset related

Energy Vehicle Battery Holder with an Annual Capacity 200,000 sets							
Hunan Xiangtan Auto Parts Industrial Base Project	13,379,433.26	1,600,000.00		753,423.59		14,226,009.67	Asset related
Tuopu Chassis Auto Parts Industrial Base Project	15,727,824.89			329,378.52		15,398,446.37	Asset related
Technological Transformation Project for Lightweight Automobile Chassis System Production Line with an Annual Capacity of 100,000 Sets	4,002,391.70			438,669.96		3,563,721.74	Asset related
Related Auto Parts Production Line Project with an Annual Capacity of 300,000 sets	487,945.66			86,798.28		401,147.38	Asset related
Automobile Chassis Components Project with an Annual Capacity of 500,000 sets	4,301,229.05			103,229.50		4,197,999.55	Asset related

Production Line Project for Passenger Car Chassis Suspension Related Parts with an Annual Capacity of 500,000 sets	1,724,857.60			326,052.96		1,398,804.64	Asset related
Technological transformation project for automobile suspension chassis production line with an annual capacity of 500,000 sets	2,751,629.96			412,001.76		2,339,628.20	Asset related
Technological transformation project for automobile front and rear axle production line with an annual capacity of 200,000 sets	787,380.56			378,110.76		409,269.80	Asset related
Technological transformation project for automobile suspension chassis production line with an annual capacity of	1,107,707.38			289,187.22		818,520.16	Asset related

300,000 sets							
Automobile Fabric Production Line Project	2,620,744.49			533,032.78		2,087,711.71	Asset related
Intelligent Factory Construction Project for Automobile Interior Trim Parts with an annual capacity of 2 million sets	485,833.31			110,000.00		375,833.31	Asset related
Technological transformation project for Auto Roof and Carpet Assembly Series Interior Trim Parts with an annual capacity of 1.6 million sets	660,000.00			165,000.00		495,000.00	Asset related
Liudong New Area Auto Parts Production Project	1,193,953.49			84,279.07		1,109,674.42	Asset related
Factory Outdoor Supporting Engineering Project	5,700,936.62			393,046.46		5,307,890.16	Asset related
Shenyang Tuopu Auto Parts Base Project	194,444.39					194,444.39	Asset related
Production Base Project for Tuopu New Energy	30,000,000.00	27,600,000.00				57,600,000.00	Asset related

Vehicles Lightweight Chassis System and Interior Vibration Control Trim Parts System							
Subsidies for the Second Batch of Intelligent Manufacturing Projects in Beilun District in 2023 by Beilun District Economy and Information Bureau		5,300,000.00		80,033.58		5,219,966.42	Asset related
Tuopu Anhui land subsidies		6,000,000.00		50,847.45		5,949,152.55	Asset related
Total	367,153,765.44	92,485,100.00		35,415,808.27		424,223,057.17	/

3. Government grants recognized in profit or loss for the period

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Type	Amount in current period	Amount in prior period
Asset related	35,415,808.26	29,105,821.08
Income related	118,982,642.60	33,388,677.84
Total	154,398,450.86	62,494,498.92

Other notes:

Government grants related to assets

Unit: Yuan Currency: RMB

Items presented in the balance sheet	Amounts of government grants	Amounts included in profit or loss for the period or offset against related cost and expense losses		Items included in profit or loss for the period or offset against related cost and expense losses
		Amount in current period	Amount in prior period	
Automobile composite fiber production project	1,000,000.00	100,000.00	99,999.96	Asset related
Production and application technology transformation project of lightweight materials for vehicles	7,000,000.00	875,000.00	875,000.00	Asset related
Technological transformation project of high-performance Vibration Control system	5,910,700.00	660,174.18	456,926.52	Asset related
Production line transformation project of high-performance Vibration Control system for cars	4,409,904.00	551,238.00	551,238.00	Asset related
Digital workshop project with an annual capacity of 120,000 sets of intelligent brake systems	4,041,000.00	405,289.65	405,289.68	Asset related
Machine substitution for human project with an annual capacity of 700,000 sets of Vibration Control products	4,720,000.00	472,000.00	472,000.00	Asset related
Technological transformation project of high-performance Vibration Control	8,250,992.00	891,261.08	891,261.09	Asset related

Items presented in the balance sheet	Amounts of government grants	Amounts included in profit or loss for the period or offset against related cost and expense losses		Items included in profit or loss for the period or offset against related cost and expense losses
		Amount in current period	Amount in prior period	
system for automobiles				
Technological Transformation Project of Automobile Interior and Exterior Trim Parts	7,794,112.00	815,466.48	815,466.48	Asset related
Technological Transformation Project of Automobile Lightweight Parts Production Line	8,443,472.00	915,256.45	915,256.45	Asset related
Technological Improvement Project for Automobile Lightweight Chassis Components	10,458,600.00	875,375.14	1,081,924.08	Asset related
Technological transformation project of automobile lightweight chassis system production line	1,000,500.00	664,181.16	108,162.12	Asset related
Technological Transformation Project of Automobile Lightweight Control Arms	8,085,312.00	1,420,601.92	875,375.13	Asset related
Technological transformation project of lightweight auto parts	6,125,420.00	108,162.16	624,458.73	Asset related
Tuopu Intelligent Automotive Electronics Industrial Park Project	27,000,000.00	1,081,924.14	1,385,714.25	Asset related
Digitalization Workshop Project of Thermal Management System for New Energy Vehicles with Annual Capacity of 250,000 Sets	20,000,000.00	2,051,282.05	1,538,461.53	Asset related
Technology Transformation Project for New Energy Vehicle Chassis Key Parts	15,161,900.00	1,443,211.99	124,170.69	Asset related
New Energy Vehicle Intelligent Brake System Digitalization Workshop	6,489,100.00	55,940.52		Asset related

Items presented in the balance sheet	Amounts of government grants	Amounts included in profit or loss for the period or offset against related cost and expense losses		Items included in profit or loss for the period or offset against related cost and expense losses
		Amount in current period	Amount in prior period	
New Energy Vehicle Electronic Chassis Critical Components Technological Transformation Project	17,936,000.00	1,216,973.91		Asset related
Technological transformation project for the production line of automotive lightweight alloy parts with an annual capacity of 300,000 sets	10,000,000.00	1,000,000.20	1,000,000.20	Asset related
Technological Transformation Project of Automobile High-Performance Vibration Control System	5,713,900.00	573,207.60	573,207.60	Asset related
Land leveling subsidies	7,729,116.00	154,582.32	155,197.84	Asset related
Automotive Parts Production and Industrial Automation Project	90,000,000.00	4,500,000.00	4,500,000.00	Asset related
Automobile Lightweight Steering System Technological Transformation Project	19,904,000.00	1,990,400.04	1,492,800.03	Asset related
2022 Automobile Chassis Vibration Control System Technological Transformation Project	20,000,000.00	1,912,500.04	158,333.34	Asset related
Automobile High Performance Shock Absorption System Production Project with an Annual Capacity of 2 Million Sets	6,500,000.00	650,000.02	650,000.02	Asset related
Technological Transformation Project for Automotive NVH Interior Trim Parts	2,889,100.00	288,910.02	288,910.02	Asset related
Technological Transformation Project for Automotive Lightweight Components	6,500,000.00	650,000.02	650,000.02	Asset related

Items presented in the balance sheet	Amounts of government grants	Amounts included in profit or loss for the period or offset against related cost and expense losses		Items included in profit or loss for the period or offset against related cost and expense losses
		Amount in current period	Amount in prior period	
Automotive Lightweight Components Technological Transformation Project with an Annual Capacity of 3 million sets	6,500,000.00	650,000.02	650,000.02	Asset related
District-level Technological Transformation Project for New Energy Vehicle Front and Rear Axle Assembly	2,000,000.00	200,000.04	116,666.69	Asset related
District-level Technological Transformation Project for Lightweight Steering System	2,000,000.00	200,000.04	116,666.69	Asset related
District-level Technological Transformation Subsidies for Automobile Chassis Vibration Control System	2,000,000.00	200,000.04	116,666.69	Asset related
Technological Transformation Project for New Energy Vehicle Front and Rear Axle Assembly	20,000,000.00	2,000,000.04	2,000,000.04	Asset related
2023 Technological Transformation Subsidies for Automotive Control Arm Project	4,000,000.00	233,333.31		Asset related
2023 lightweight subframe digitalization workshop	5,100,000.00	170,000.00		Asset related
Pinghu Tuopu Auto Parts Production Project	14,470,000.00	795,850.00	795,850.00	Asset related
Relocation Project for Automotive Interior Trim Parts with an Annual Capacity of 300,000 sets	965,300.00	110,593.80	110,593.80	Asset related

Items presented in the balance sheet	Amounts of government grants	Amounts included in profit or loss for the period or offset against related cost and expense losses		Items included in profit or loss for the period or offset against related cost and expense losses
		Amount in current period	Amount in prior period	
Technological Transformation Project for Lightweight Suspension System with an Annual Capacity of 350,000 sets	5,188,000.00			Asset related
Technological Transformation Project for New Energy Vehicle Battery Holder with an Annual Capacity 200,000 sets	5,600,000.00			Asset related
Hunan Xiangtan Auto Parts Industrial Base Project	15,500,279.00	753,423.59	520,845.74	Asset related
Tuopu Chassis Auto Parts Industrial Base Project	16,000,000.00	329,378.52	204,378.51	Asset related
Technological Transformation Project for Lightweight Automobile Chassis System Production Line with an Annual Capacity of 100,000 Sets	4,386,700.00	438,669.96	384,308.30	Asset related
Related Auto Parts Production Line Project with an Annual Capacity of 300,000 sets	1,110,000.00	86,798.28	86,798.28	Asset related
Automobile Chassis Components Project with an Annual Capacity of 500,000 sets	5,032,438.00	103,229.50	103,229.50	Asset related
Production Line Project for Passenger Car Chassis Suspension Related Parts with an Annual Capacity of 500,000 sets	2,539,990.00	326,052.96	326,052.96	Asset related
Technological transformation project for automobile suspension chassis production line with an	3,541,300.00	412,001.76	412,001.76	Asset related

Items presented in the balance sheet	Amounts of government grants	Amounts included in profit or loss for the period or offset against related cost and expense losses		Items included in profit or loss for the period or offset against related cost and expense losses
		Amount in current period	Amount in prior period	
annual capacity of 500,000 sets				
Technological transformation project for automobile front and rear axle production line with an annual capacity of 200,000 sets	3,056,045.00	378,110.76	378,110.76	Asset related
Technological transformation project for automobile suspension chassis production line with an annual capacity of 300,000 sets	2,582,045.00	289,187.22	289,187.22	Asset related
Automobile Fabric Production Line Project	4,104,000.00	533,032.78	533,032.78	Asset related
Intelligent Factory Construction Project for Automobile Interior Trim Parts with an annual capacity of 2 million sets	1,100,000.00	110,000.00	110,000.00	Asset related
Technological transformation project for Auto Roof and Carpet Assembly Series Interior Trim Parts with an annual capacity of 1.6 million sets	1,650,000.00	165,000.00	165,000.00	Asset related
Liudong New Area Auto Parts Production Project	1,510,000.00	84,279.07	84,279.07	Asset related
Factory Outdoor Supporting Engineering Project	7,000,011.00	393,046.46	392,165.00	Asset related
Shenyang Tuopu Auto Parts Base Project	2,000,000.00		520,833.49	Asset related
Production Base Project for Tuopu New Energy Vehicles Lightweight Chassis System and Interior Vibration Control Trim Parts System	57,600,000.00			Asset related
Subsidies for the Second Batch of	5,300,000.00	80,033.58		Asset related

Items presented in the balance sheet	Amounts of government grants	Amounts included in profit or loss for the period or offset against related cost and expense losses		Items included in profit or loss for the period or offset against related cost and expense losses
		Amount in current period	Amount in prior period	
Intelligent Manufacturing Projects in Beilun District in 2023 by Beilun District Economy and Information Bureau				
Tuopu Anhui land subsidies	6,000,000.00	50,847.45		Asset related
Total	540,899,236.00	35,415,808.26	29,105,821.08	

Government grants related to income

Unit: Yuan Currency: RMB

Items recognized in profit or loss or offsetting related cost and expense losses	Amount of government subsidies	Amount recognized in profit or loss or offsetting related cost and expense losses	
		Amount in current period	Amount in prior period
Industrial special fund subsidies	1,804,500.00	1,804,500.00	3,120,000.00
Output value up to the standard	950,000.00	950,000.00	2,600,000.00
Subsidies for science and technology projects			280,400.00
Subsidies for recruitment of talents	1,119,299.00	1,119,299.00	823,802.16
Reward for receiving government refinancing incentive	1,000,000.00	1,000,000.00	1,000,000.00
Subsidies for job stabilization	1,248,201.30	1,248,201.30	3,079,711.93
Trademark and brand subsidy			18,000.00
One-time job expansion subsidy	270,640.88	270,640.88	307,000.00
First-time award for business revenue in 2021			1,000,000.00
Enterprise cultivation incentive	300,000.00	300,000.00	1,050,000.00
Post-subsidy for enterprise R&D investment	8,254,200.00	8,254,200.00	4,558,900.00
Receipt of boiler subsidies			14,500.00
Subsidies for newly established enterprises in	50,000.00	50,000.00	

Items recognized in profit or loss or offsetting related cost and expense losses	Amount of government subsidies	Amount recognized in profit or loss or offsetting related cost and expense losses	
		Amount in current period	Amount in prior period
the manufacturing industry			
Subsidies for upgrading in 2022	100,000.00	100,000.00	
Government incentive subsidies	16,971,159.94	16,971,159.94	
Subsidies for key groups in the August signed batch	8,000.00	8,000.00	
Subsidies for the unemployed	111,550.00	111,550.00	
Subsidy for operation and maintenance of pollution source self-control system	60,000.00	60,000.00	
Subsidies for enterprise assessment	12,781,000.00	12,781,000.00	
Subsidy for going global strategy	112,800.00	112,800.00	
Green factory subsidy	300,000.00	300,000.00	
Order return subsidy	1,173,200.00	1,173,200.00	
Support subsidies	3,460,300.00	3,460,300.00	
Supply chain project incentive	500,000.00	500,000.00	
Technology project funding			2,000,000.00
Tax subsidies	64,043,990.48	64,043,990.48	9,301,675.80
2022 economic development bureau cost reduction			603,924.00
Incentives for industrial production and capacity expansion	1,000,000.00	1,000,000.00	950,000.00
Award for quality investment projects in the new district industrial economy "Rank List"	450,000.00	450,000.00	650,000.00
Subsidies for promoting enterprise development	425,210.00	425,210.00	190,204.00
Subsidies for science and technology rewards	382,875.00	382,875.00	403,000.00
Provincial industrial design center	250,000.00	250,000.00	285,000.00
2018 subsidies for the creation of occupational health			2,000.00

Items recognized in profit or loss or offsetting related cost and expense losses	Amount of government subsidies	Amount recognized in profit or loss or offsetting related cost and expense losses	
		Amount in current period	Amount in prior period
2021 subsidies for operation and maintenance of pollution source monitoring			60,000.00
Technology subsidies	460,000.00	460,000.00	303,700.00
Government economic conference reward	50,000.00	50,000.00	50,000.00
Development Zone management committee project construction funds			50,000.00
Subsidies for enterprises with production safety standards			2,000.00
Reward for receiving acreage benefits			200,000.00
Subsidies for resumption of work and production			30,556.00
Subsidies for construction of electricity monitoring system for enterprise waste gas treatment facilities			22,200.00
Progress subsidies	580,000.00	580,000.00	
Electricity subsidies	764,916.00	764,916.00	45,204.73
Subsidy for vocational skills training at Pinghu Employment Management Center	800.00	800.00	
Subsidy for NAT testing costs of imported items			3,600.00
Total	118,982,642.60	118,982,642.60	33,005,378.62

XI. Risks related to financial instruments

1. Risks related to financial instruments

Applicable Non-applicable

The Company faces various financial risks in the course of its operations: credit risk, liquidity risk and market risk (including exchange rate risk, interest rate risk and other price risks). The said financial risks and the risk management policies adopted by the Company to reduce these risks are described below:

The Board of Directors is responsible for planning and establishing the risk management structure applicable to the Company, laying down the risk management policies and guidelines, and supervising the implementation of risk management measures. The Company has laid down some risk management policies to identify and analyze the risks exposed to it. These risk management policies clearly identify

specific risks, ranging from market risk, credit risk to liquidity risk management. The Company assesses the market environment and changes in its business activities at regular intervals in order to decide whether to update the risk management policy and system or not. Its risk management is carried out by the Risk Management Committee in accordance with the policies approved by the Board of Directors. Risk Management Committee will identify, evaluate and avoid related risks by maintaining a close cooperation with other business units within the Company. The internal audit division conducts regular audits on risk management control and procedures, and reports the audit results to the Auditing Committee of the Company.

The Company carries out the diversification of risks in financial instruments through appropriate diversified investment and business portfolios, and prepares appropriate risk management policies to reduce the risk concentrated in a single industry, specific region or specific counterparty.

1. Credit risk

Credit risk refers to the risk of the company's financial losses due to the failure of the counterparty to perform its contractual obligations.

The credit risk exposed to the Company mainly arises from monetary funds, notes receivable, accounts receivable, accounts receivable financing, other receivables, as well as those debt instrument investments and derivative financial assets that are not included in the scope of impairment assessment and are measured at fair value and whose changes are included in the current profit and loss. On the balance sheet date, the book value of the Company's financial assets has represented its maximum credit risk exposure.

The monetary funds owned by the Company are mainly bank deposits deposited in well-reputed state-owned banks with high credit ratings and other large and medium-sized listed banks. In the opinion of the Company, there is no significant credit risk, and there will be almost no critical loss caused by bank defaults.

The Company lays down relevant policies to control credit risk exposure in respect of notes receivable, accounts receivable, financing receivables and other receivables. The Company assesses the credit profile of each customer and defines the credit term based on its financial standing, the possibility of obtaining guarantees from a third party, credit record and other factors such as current market condition. The Company will monitor the credit record of each customer at regular intervals. For those found with poor credit record, the Company will maintain its overall credit risk to the extent controllable by written demand, shortening or cancellation of credit term.

2. Liquidity risk

Liquidity risk refers to the risk of a shortage of funds when an enterprise fulfills its obligation of settlement by cash or other financial assets.

The Company's policy is to ensure that there is sufficient cash to repay the liabilities due. The liquidity risk is under the concentrated control of the Company's Financial Department. Through monitoring the balance of cash and securities cashable at any time and rolling forecasting the cash flow in the next 12 months, the Financial Department ensures that the Company has sufficient funds to repay its debts under all reasonable predictions. And it will continue to monitor whether the Company complies with the provisions of the borrowing agreement and obtains commitments from major financial institutions to provide sufficient reserve funds to meet its funding needs, whether short term or long term.

3. Market risk

The market risk of financial instruments refers to the risk of fluctuation at fair value of financial instruments or future cash flows with the change of market prices, including exchange rate risk, interest rate risk and other price risks.

(1) Interest rate risk

The interest rate risk refers to the risk in which the fair value or future cash flow of financial instruments changes due to the change of market interest rate.

Interest-bearing financial instruments applicable to fixed interest rates and floating interest rates bring the Company up to fair value interest rate risk and cash flow interest rate risk respectively. The Company ascertains the ratio of fixed interest rates to floating interest rate instruments based on the market environment, and maintains an appropriate portfolio of fixed and floating interest rate

instruments at regular intervals. If necessary, the Company will adopt interest rate swap instruments to hedge interest rate risk.

On December 31, 2023, if other variables remain the same, the borrowing interest rate calculated by floating interest rate rises or falls by 100 base points, the Company's net profit will decrease or increase by RMB 47,412,869.20, compared to RMB 39,575,367.58 as on December 31, 2022. In the opinion of the management, 100 base points can reasonably reflect the reasonable range of possible changes in interest rates in the next year.

(2) Exchange rate risk

Exchange rate risk refers to the risk that the fair value of financial instruments or future cash flows will fluctuate due to changes in foreign exchange rates.

The Company will try its best to match the revenues with the expenses in foreign currency, to lower the exchange rate risk. In addition, the Company may also sign forward foreign exchange contracts or currency swap contracts to avoid exchange rate risks. In the current period and the previous period, the company did not sign any forward foreign exchange contracts or currency swap contracts.

The exchange rate risk faced with by the Company is mainly from financial assets and liabilities in USD. The amounts of assets and liabilities in foreign currencies and converted into RMB are presented as below:

Item	Balance at the end of the period			Balance at the End of Last Year		
	US dollars	Other foreign currencies	Total	US dollars	Other foreign currencies	Total
Cash and bank balances	272,871,157.38	179,132,342.92	452,003,500.30	351,747,676.19	157,210,256.29	508,957,932.48
Accounts receivable	530,455,755.57	411,937,700.49	942,393,456.06	699,825,946.33	397,106,084.55	1,096,932,030.88
Other Receivables	17,549,238.97	13,482,218.12	31,031,457.09	15,463,481.67	7,783,815.15	23,247,296.82
Short-term borrowings				132,327,400.00		132,327,400.00
Accounts payable	62,456,222.83	113,998,603.33	176,454,826.16	200,659,968.79	86,626,597.59	287,286,566.38
Other Payables	555,541.92	428,818.53	984,360.45	144,032.11	955,621.31	1,099,653.42
Total	883,887,916.67	718,979,683.39	1,602,867,600.06	1,400,168,505.09	649,682,374.89	2,049,850,879.98

On December 31, 2023, if all other variables remain the same, if the exchange rate of RMB against any of foreign currencies (principally USD, Euro, CAD, BRL, MYR, SEK, PLN) appreciates or depreciates by 5%, the Company will Increase or decrease the net profit by RMB 62,399,461.34 (compared to RMB 60,421,182.02 as on December 31, 2022). In the opinion of the management, 5% can reasonably reflect the reasonable range of possible changes in the exchange rate of RMB against USD in the next year.

(3) Other price risks

Other price risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in market prices other than exchange rate risk and interest rate risk.

Other price risks exposed to the Company mainly arise from investments in various equity instruments, and there is a risk of changes in the price of equity instruments.

2. Hedging

(1) The company conducts hedging business for risk management

Applicable Not applicable

Other notes

Applicable Not applicable

(2) The Company conducts eligible hedging operations and applies hedge accounting

Applicable Not applicable

Other notes

Applicable Not applicable

(3) The company conducts hedging business for risk management and expects to achieve the risk management objectives, but does not apply hedge accounting.

Applicable Not applicable

Other notes

Applicable Not applicable

3. Transfer of financial assets

(1) Classification of transfer methods

Applicable Not applicable

Unit: Yuan Currency: RMB

Mode of transfer	Nature of financial assets transferred	Amount of financial assets transferred	Derecognition of financial assets	Judgment basis for derecognition
Endorsement	Outstanding bank acceptance notes in receivables financing	371,123,760.82	Derecognition	Since the credit risk and deferred payment risk of bankers' acceptances in receivables financing are small, and the interest rate risk related to the notes has been transferred to the bank, it can be judged that the major risks and rewards of title of the notes have been transferred, so they are derecognized.

Total	/	371,123,760.82	/	/
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(2) Financial assets derecognized due to transfer

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Mode of transfer of financial assets	Amount of financial assets derecognized	Gain or loss related to derecognition
Receivables financing	Endorsement	371,123,760.82	
Total	/	371,123,760.82	

(3) Transferred financial assets with continuing involvement

Applicable Not applicable

Othe notes

Applicable Not applicable

XII. Disclosure of Fair Values

1. Fair values of the assets and liabilities at the end of the period

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Fair value at the end of the period			
	Fair value measurement at the first-level	Fair value measurement at the second-level	Fair value measurement at the third-level	Total
I. Constant measurement at fair value				
(I) Trading Financial Assets	872,066.52		300,000,000.00	300,872,066.52
1. Financial assets at fair value through profit or loss in this period	872,066.52		300,000,000.00	300,872,066.52
(1) Investment in debt instruments				
(2) Investment in equity instrument	872,066.52			872,066.52
(3)Derivative Financial Assets				
(4) Other			300,000,000.00	300,000,000.00
2. Designated financial assets that are measured at fair value and whose changes are included in the current profit and loss				
(1) Investment in debt instruments				
(2) Investment in equity instrument				
(II) Investment in Other Creditor's Rights				

(III) Investment in Other Equity Instruments				
(IV) Investment Property				
1. Land use rights for lease				
2. Rented buildings				
3. Land use rights held and prepared to transfer after appreciation				
(V) Receivables financing			1,039,933,314.87	1,039,933,314.87
Total assets measured at fair value on an ongoing basis	872,066.52		1,339,933,314.87	1,340,805,381.39
(VI) Financial liabilities held for trading				
1. Financial liabilities that are measured at fair value and whose changes are included in the current profit and loss				
Including: issued trading bonds				
Derivative Financial Liabilities				
Others				
2. Designated Financial Liabilities Measured in Fair Value with Changes Recorded into Current Profit and Loss				
Total amount of liabilities constantly measured at their fair values				
II. Non-continuous fair value measurement				
(1) Held-for-sale assets				
Total assets that are not continuously measured at fair value				
Total liabilities not continuously measured at fair value				

2. Determination basis for the market price of continuous and non-continuous first-level fair value measurement projects

√Applicable □Non-applicable

The Company's trading financial assets included in the first level of fair value measurement are the shares of Lifan Technology (Group) Company Limited ("Lifan Technology"), which are listed on the main board of the Shanghai Stock Exchange and have active quoted prices, therefore, the closing price of the shares of Lifan Technology is regarded as the fair value.

3. Qualitative and quantitative information on the valuation techniques used and important parameters for continuous and non-continuous second-level fair value measurement items

Applicable Non-applicable

4. Continuous and non-sustainable third-level fair value measurement projects, qualitative and quantitative information on valuation techniques and important parameters used

Applicable Non-applicable

1. For bank financial products included in trading financial assets, the Company uses the expected rate of return to forecast future cash flows, the unobservable estimate is the expected rate of return, and the fair value is determined at the end of the period based on the amount that is expected to be recovered with a high probability.

2. For receivables financing, the Company determines the fair value of the promissory notes at the end of the period based on the face amount, considering the small difference between the face amount and the fair value.

5. Continuous third-level fair value measurement items, adjustment information between the book value at the beginning of the period and that at the end of the period and sensitivity analysis of unobservable parameters

Applicable Non-applicable

6. Continuous fair value measurement items, if there is a conversion between levels occurred in the current period, the reasons for the conversion and the policies for determining the time point of the conversion

Applicable Non-applicable

7. Changes in valuation technique in the current period and reasons for the changes

Applicable Non-applicable

8. The fair value of financial assets and financial liabilities not measured at fair value

Applicable Non-applicable

The Company's financial assets and financial liabilities that are measured at amortized cost consist mainly of cash funds, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable, other payables, non-current liabilities due within one year, long-term borrowings and bonds payable.

The differences between the carrying amounts and fair values of the Company's financial assets and liabilities not measured at fair value were minimal and are not disclosed in detail.

9. Others

Applicable Non-applicable

XIII. Related Parties and Related-party Transactions

1. Condition of the parent company

Applicable Non-applicable

				Unit: Yuan	Currency: HKD
Name of parent company	Registered address	Nature of business	Registered capital	Percentage of the Company's shares held by the parent	Percentage of the Company's voting rights held by the parent

				company	company
MECCA INTERNATIONAL HOLDING (HK) LIMITED	Hong Kong	Investment	1,000,000.00	62.94%	62.94%

The ultimate controlling party of the Company is Wu Jianshu.

2. Subsidiaries of the Company

More details of the subsidiaries of the Company are available in the notes.

Applicable Non-applicable

For details of the Company's subsidiaries, refer to "X. Equity in other entities" in these notes.

3. Joint ventures and associates of the Company

More details of the important joint ventures and associates of the Company are available in the note.

Applicable Non-applicable

For details of the Company's subsidiaries, refer to "X. Equity in other entities" in these notes.

The situation of other joint ventures or associates that have related party transactions with the company during the current period or the balance of the related party transactions with the Company in the previous period is listed as follows.

Applicable Non-applicable

Other notes

Applicable Non-applicable

4. Other related parties

Applicable Non-applicable

Name of Other Related Party	Relationship between Other Related Party and the Company
Chongqing Antolin Tuopu Overhead System Co., Ltd.	Associate (Note 1)
Ninghai Jinsuoer Auto Parts Co., Ltd.	A company controlled by the niece of the actual controller of the Company
Ninghai Saipu Rubber and Plastic Parts Factory	A company controlled by the niece of the actual controller of the Company
Ninghai Jinxin Packaging Co., Ltd.	A company controlled by the young sister of the actual controller of the Company
Ninghai Zhonghao Plastic Products Co., Ltd.	An officer's brother-in-law holds 40% of the shares and serves as an executive director of the company
Ninghai Xidian Qingqing Plastic Factory	A company controlled by the elder sister and brother-in-law of the officer of the Company
Ningbo Hongke Auto Parts Co., Ltd.	A company controlled by the niece's husband of the actual controller of the Company
Ningbo Gloyel Intelligent Technology Co. Ltd.	Other company controlled by the actual controller of the Company
Ningbo Gloyel Motor Technology Co., Ltd.	Other company controlled by the actual controller of the Company
Gloyel Electric (Ningbo) Co., Ltd.	Other company controlled by the actual controller of the Company

Note 1: On 15 March 2022, the Company signed an equity transfer agreement with Antolin (China) Investment Co., Ltd. Both parties agreed that the company acquired 61% equity of Chongqing Antolin

Top Roof System Co., Ltd. for a consideration of RMB 11,556,120.82. This acquisition case was wrapped up on 1 April 2022, so Chongqing Antonglin Tuopu Roof System Co., Ltd. in the above table is an associate of the Company from January 2022 to March 2022.

5. Related party transactions

(1). Purchase and sale of goods, provision and acceptance of labor related transactions

Purchase of goods/acceptance of labor

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Related party	Related-party transaction	Amount incurred in the current period	Approved transaction limit (if applicable)	Whether the transaction limit is exceeded (if applicable)	Amount incurred in previous period
Tuopu Electrical Appliances Co., Ltd.	Material	354,655.74	500,000.00	No	557,591.82
Ningbo Borgers Tuopu Automobile Parts Co., Ltd.	Material	12,015,360.64	15,000,000.00	No	11,226,212.12
Ninghai Jinsuoer Auto Parts Co., Ltd.	Material	17,174,733.82	15,000,000.00	Yes	5,680,753.83
Ninghai Saipu Rubber and Plastic Parts Factory	Material	4,263,568.56	3,500,000.00	Yes	3,344,571.77
Ninghai Jinxin Packaging Co., Ltd.	Material	17,971,016.78	15,000,000.00	Yes	13,729,540.98
Ninghai Zhonghao Plastic Products Co., Ltd.	Material	21,700,109.25	25,000,000.00	No	23,847,150.57
Ninghai Xidian Qingqing Plastic Factory	Material	5,676,089.47	7,000,000.00	No	6,233,189.97
Ningbo Hongke Auto Parts Co., Ltd.	Material	148,358,748.00	150,000,000.00	No	136,342,741.42
Ningbo Gloyel Intelligent Technology Co. Ltd.	Equipment	42,785,724.15	100,000,000.00	No	84,851,924.43

Ningbo Gloyel Motor Technology Co., Ltd.	Material, labor services, et al.	37,384,794.59	50,000,000.00	No	29,679,129.38
Gloyel Electric (Ningbo) Co., Ltd.	Material, labor services, et al.	4,747,234.44	10,000,000.00	No	7,636,009.78

List of sale of goods/rendering of labor services

Applicable Non-applicable

Unit: Yuan Currency: RMB

Related party	Content of related transaction	Amount incurred in the current period	Amount incurred in previous period
Tuopu Electrical Appliances Co., Ltd.	Goods, labor services, et al.	5,264,588.45	5,819,976.18
Ningbo Borgers Tuopu Automobile Parts Co., Ltd.	Goods, labor services, et al.	135,889,811.34	96,673,748.67
Chongqing Antolin Tuopu Overhead System Co., Ltd. (Note)	Goods, labor services, et al.		6,264,144.32
Ningbo Gloyel Motor Technology Co., Ltd.	Goods	1,359,110.64	

Given the fact that the company has wrapped up the acquisition over Chongqing Antolin Tuopu Overhead System Co., Ltd. on 1 April 2022, the current amount of Chongqing Antolin Tuopu Overhead System Co., Ltd. presented in the above table is the sales figures from January 2022 to March 2022.

Notes to related-party transactions in the purchase and sale of goods, rendering and acceptance of labor services

Applicable Non-applicable

(2). Related trusteeship management/contracting and entrusted management/outsourcing

List of trusteeship management/contracting of the Company:

Applicable Non-applicable

Related trusteeship/contracting

Applicable Non-applicable

List of entrusted management/outsourcing

Applicable Non-applicable

Related management/outsourcing

Applicable Non-applicable

(3). Related leases

The Company as lessor:

Applicable Non-applicable

Unit: Yuan Currency: RMB

Name of tenant	Kind of lease assets	Rental income recognized in the current	Rental income recognized in previous period
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		period	
Ningbo Borgers Tuopu Automobile Parts Co., Ltd.	Houses and structures	846,238.53	619,266.06
Ningbo Gloyel Electric Motor Technology Co., Ltd.	Houses and structures	198,165.14	198,165.14
Ningbo Gloyel Intelligent Technology Co. Ltd.	Houses and structures	346,977.93	

The Company as lessee:

Applicable Non-applicable

Unit: Yuan Currency: RMB

Name of tenant	Kind of lease assets	Simplified treatment of rental expenses for short-term leases and leases of low-value assets (if applicable)		Variable lease payments not included in the measurement of the lease liability (if applicable)		Rent paid		Interest expense on lease liability assumed		Increased right-of-use assets	
		Amount incurred in the current period	Amount incurred in previous period	Amount incurred in the current period	Amount incurred in previous period	Amount incurred in the current period	Amount incurred in previous period	Amount incurred in the current period	Amount incurred in previous period	Amount incurred in the current period	Amount incurred in previous period
Gloyel Electric (Ningbo) Co., Ltd.	Houses and structures					3,129,489.91	3,129,489.91	141,910.04	277,385.03	8,651,758.24	

Affiliated leases

Applicable Non-applicable

(4). Related guarantees

The Company as guarantor

√Applicable □Non-applicable

Unit: in 10,000 Yuan Currency: RMB

Guaranteed party	Guaranteed amount	From	Until	Whether the guarantee has been fulfilled
Tuopu Poland	5,417.44	Refer to Note (1)	Refer to Note (1)	No
Tuopu Photovoltaic Technology (Hangzhou Bay)	3,900.00	2021-12-9	2033-12-9	No
Tuopu Mexico	10,276.00	2023-11-1	2030-10-31	No
Tuopu Mexico	26,995.96	2023-11-15	2034-1-14	No

The Company as guaranteed party

□Applicable √Non-applicable

Notes to related guarantees

√Applicable □Non-applicable

(1) For smooth conduct of business operations in Europe, Tuopu Poland sp.z.o.o. ("Tuopu Poland") is a wholly-owned subsidiary established by Tuopu Group in Poland in March 2021. It leases 7R PROJEKT 35 Sp. z.o.o ("7R Project Company"), customized industrial plants in Poland (including office areas, production areas and warehouses). According to business practice and actual needs, the Company provided performance bond for the said lease agreement, and authorized the chairman or authorized representative to sign the relevant guarantee. The total liability of the letter of guarantee must not exceed 7 million euros (about RMB 54.1744 million), and the maturity period covers the entire term of the said lease agreement and five months after its expiration or termination, but no later than August 1, 2029.

(2) On 9 December 2021, Tuopu Photovoltaic Technology (Ningbo Hangzhou Bay New Area) Co., Ltd., the wholly-owned sub-sub-subsidiary signed a loan contract with China Development Bank Ningbo Branch, with the granted credit line at RMB 60 million, under the loan contract number (2021)3302202101100001111. The term of this medium and long-term loan is 12 years which commences from 9 February 2021 till 9 December 2023, subject to the repayment schedule as set out in the contract. The form of guarantee is setting the real property (located at No. 59, Guanhai Road, Chunxiao, Beilun District, Ningbo) on mortgage, such guarantee is provided by Ningbo Tuopu Group Co., Ltd. for the benefit of Tuopu Photovoltaic Technology (Ningbo Hangzhou Bay New Area) Co., Ltd. As of 31 December 2023, the balance of this medium and long-term loan is RMB 39 million, the original value and net value of the real property on mortgage is RMB 45,324,720.72 and RMB 34,905,288.82 respectively; the original value and net value of land on mortgage is RMB 13,070,562.81 and RMB 9,585,079.49 respectively.

(3) In order to expand its business in North America, TUOPU GROUP MEXICO,S.de R.L. de C.V ("Tuopu Mexico"), a subsidiary of the Company, has hired David Wolberg Peia, Armando Arturo González Gutiérrez, a natural person, and Alberto González Gutiérrez, Adrián González Gutiérrez, a natural person, Arturo González Gutiérrez, Alberto González Gutiérrez and Adrián González Gutiérrez, natural persons (hereinafter collectively referred to as the "Lessors"), and has concluded an agreement with the legal representatives of the five aforementioned co-owners. A lease agreement has been signed with Irma Garza Ita, the legal representative of the five co-owners mentioned above. The agreement provides for monthly rent payments beginning on November 1, 2023 and ending after 84 months (i.e., October 31, 2030). In view of the business practice and practical needs, the Company provided guarantee for the rent agreed in the said lease agreement and authorized the Chairman of the Board of Directors or his authorized representative to sign the guarantee. The total liability of the guarantee will not exceed USD14 million (approximately RMB102.76 million) and the validity period of the guarantee covers the entire validity period of the said lease agreement.

(4) In order to continue to expand its business in North America, Tuopu Mexico, a subsidiary of the Company, leased an industrial building located in the State of Nuevo León, Mexico (hereinafter referred to as the "Phase II Building") to BANCO ACTINVE, S.A. INSTITUCIÓN DE BANCAMULTIPLE, GRUPOFINANCIERO ACTINVER, COMO FIDUCIARIO DELFIDEICOMISO F/ 1401, a lessor, for use as the second phase of Tuopu Mexico's plant for automotive parts. 1401 leased its industrial building located in Nuevo Leon, Mexico as the second phase of the Tuopu Mexico Plant (hereinafter referred to as the "second phase") for the production of automotive parts and entered into a lease agreement with it for a term commencing on November 15, 2023 and ending on January 14, 2034, which is expected to be completed by the end of the lease term. In view of the business practice and practical needs, Tuopu USA, LLC, a wholly-owned subsidiary of the Company, has provided a guarantee for the rental and related taxes agreed in the aforesaid lease agreement, with the total guarantee liability not exceeding USD 35 million (approximately RMB 248,335,500), and the validity period of the guarantee will cover the entire validity period of the aforesaid lease agreement. At the same time, the Board agreed that the Company shall deliver to the Lessor a standby letter of credit issued by a commercial bank to secure the lease of the Phase II Plant, with a standby letter of credit in the amount of USD 3,047,669.86 (approximately RMB 21,624,131.96), which is equivalent to the first year's rent of the Phase II Plant (including relevant taxes). The total amount of the above guarantees is USD 38,047,669.86 (approximately RMB 269,959,631.96).

(5). Borrowed funds from related parties

Applicable Non-applicable

(6). Asset transfer and debt restructuring of related parties

Applicable Non-applicable

(7). Remuneration of key management members

Applicable Non-applicable

Unit: in 10,000 Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Remuneration from key management members	2,116.55	1,824.68

(8). Other related-party transactions

Applicable Non-applicable

6. Accounts receivable and payable of related parties

(1). Items of receivable

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Related party	Balance at the end of the period		Balance at the beginning of the period	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Accounts receivable	Tuopu Electrical Appliances Co., Ltd.	2,828,883.09	141,444.15	2,963,039.73	148,151.99
Accounts receivable	Ningbo Borgers Tuopu	40,000,051.53	2,000,002.58	20,694,339.11	1,034,716.96

	Automobile Parts Co., Ltd.			
Other non-current assets	Ningbo Gloyel Intelligent Technology Co. Ltd.	2,387,197.00	133,000.00	

(2). Items of payable

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Related party	Book balance at the end of the period	Book balance at the beginning of the period
Accounts payable	Tuopu Electrical Appliances Co., Ltd.	424,128.00	516,104.50
Accounts payable	Ningbo Borgers Tuopu Automobile Parts Co., Ltd.	2,584,443.67	9,988,498.59
Accounts payable	Ninghai Jinsuoer Auto Parts Co., Ltd.	7,752,482.66	2,001,327.84
Accounts payable	Ninghai Saipu Rubber and Plastic Parts Factory	1,826,209.43	1,308,637.05
Accounts payable	Ninghai Jinxin Packaging Co., Ltd.	9,204,110.32	5,820,481.55
Accounts payable	Ninghai Zhonghao Plastic Products Co., Ltd.	8,604,784.92	9,425,965.30
Accounts payable	Ninghai Xidian Qingqing Plastic Factory	2,109,134.61	2,567,426.48
Accounts payable	Ningbo Hongke Auto Parts Co., Ltd.	71,948,711.18	62,924,747.72
Accounts payable	Ningbo Gloyel Motor Technology Co., Ltd.	1,025,652.12	26,612,246.42
Accounts payable	Ningbo Gloyel Motor Technology Co., Ltd.	9,804,836.10	6,348,706.80
Accounts payable	Gloyel Electric (Ningbo) Co., Ltd.	549,037.21	106.64
Lease liabilities	Gloyel Electric (Ningbo) Co., Ltd.	8,651,758.24	2,987,579.87

(3). Other items

Applicable Non-applicable
7. Related party commitments
Applicable Non-applicable
8. Others
Applicable Non-applicable

XIV. Share-based payment**1. Equity instruments**

Applicable Not applicable

Stock options or other equity instruments issued and outstanding at the end of the period

Applicable Not applicable

2. Equity-settled share-based payments

Applicable Not applicable

3. Cash-settled share-based payments

Applicable Not applicable

4. Share-based payment expenses for the period

Applicable Not applicable

5. Modification and termination of share-based payment

Applicable Not applicable

6. Others

Applicable Not applicable

XV. Commitments and Contingencies**1. Important commitments**

Applicable Non-applicable

Important external commitments, nature, and amount on the balance sheet date

(1) On 15 June 2022, the Company signed a loan contract with the Export-Import Bank of China Ningbo Branch, with the granted credit line at RMB 500 million, under the loan contract number (2022) Jin Chu Yin (Yong Xin He) No. 1-055, the length of maturity of long-term loans is up to 24 months, the revolving use of credit loans is allowed. As of 31 December 2023, the long-term loan balance under the contract is RMB 500 million. On 14 November 2022, the Company signed a loan contract with the Export-Import Bank of China Ningbo Branch, with the granted credit line at RMB 300 million, under the loan contract number (2022) Jin Chu Yin (Yong Xin He) No. 135. As of 31 December 2023, the long-term loan balance under the contract is RMB 300 million. On 6 January 2023, the Company signed a loan contract with the Export-Import Bank of China Ningbo Branch, with the granted credit line at RMB 400 million, under the loan contract number (2024) Jin Chu Yin (Yong Xin He) No. 1-010. As of 31 December 2024, the long-term loan balance under the contract is RMB 400 million. On 14 November 2023, the Company signed a loan contract with the Export-Import Bank of China Ningbo Branch, with the granted credit line at RMB 400 million, under the loan contract number (2023) Jin Chu Yin (Yong Xin He) No. 1-129. As of 31 December 2023, the long-term loan balance under the contract is RMB 400 million. The form of guarantee is setting real properties on mortgage, under the guarantee contract number (2021) Jin Chu Yin (Yong Zui Xin Di) No. 1-018, (2022) Jin Chu Yin (Yong Zui Xin Di) No. 1-001, and (2022) Jin Chu Yin (Yong Zui Xin Di) No. 1-003. The original value of the properties used for mortgage is RMB 944,051,258.94 with a net value of RMB 637,914,621.91 (of which the original value of fixed assets is RMB 919,521,612.08 with a net value of RMB 629,412,818.37; the original value of investment properties is RMB 24,529,646.86 with a net value of RMB8,501,803.54); and the original value of the land used for mortgage is RMB 202,898,354.01 with a net value of RMB 157,656,964.78.

(2) The Company and Ping An Bank Ningbo Beilun Sub-branch engaged in several agreements, specifically Ping An Bank Ningbo Strategy II Division Cheng Shen Zi No. 20231018 No.006, Ping An Bank Ningbo Strategy II Division Cheng Shen Zi No. 20231117 No.006, Ping An Bank Ningbo Strategy II Division Cheng Shen Zi No. 20231219 No.006, Ping An Bank Ningbo Strategy II Division Cheng

Shen Zi No. 20230714 No.006, Ping An Bank Ningbo Strategy II Division Cheng Shen Zi No. 20230821 No.006, as well as Ping An Bank Ningbo Strategy II Department Cheng Shen Zi No. 20230915 No.006 applications for acceptance note. As of 31 December 2023, the Company submitted a bank acceptance deposit of RMB 17,151,995.90 to Ping An Bank Ningbo Beilun Sub-branch, resulting in the issuance of a note payable amounting to RMB 332,757,484.93.

(3) The Company engaged in a collaborative agreement with Zheshang Bank Company Limited Ningbo Branch, through the bill pool business cooperation agreement No. (33100000) Zheshang Asset Pool Zi (2023) No. 18285 and the pledge pool guarantee contract No. (33100000) Zheshang Asset Pool Qi Zi (2023) No. 18286. As of December 31, 2023, there remains a pledge of bank acceptance note amounting to RMB 5,510,735.29. Additionally, a deposit of RMB 1,403,877.16 was paid to the bank in relation to the bank acceptance note. Consequently, a note payable of RMB 6,206,820.17 was issued.

(4) On 9 December 2021, Tuopu Photovoltaic Technology (Hangzhou Bay) and China Development Bank Ningbo Branch finalized a RMB fund loan agreement. The loan amount was RMB 60 million, and the loan contract number was (2021)3302202101100001111. This medium- and long-term loan has a duration of 12 years, starting from December 9, 2021, and ending on December 9, 2033. The loan will be repaid according to the agreed-upon repayment schedule. To secure the loan, the Company provided a real estate mortgage, specifically a mortgage guarantee on the property located at No. 59, Chunxiao Guanhai Road, Beilun District, Ningbo, to Top Solar (Hangzhou Bay). As of 31 December 2023, the remaining balance of the medium- and long-term borrowings under this contract was RMB 39 million. The original value of the mortgaged property was RMB 45,324,720.72, with a net value of RMB 34,905,288.82. Additionally, the original value of the mortgaged land was RMB 13,070,562.81, with a net value of RMB 9,585,079.49.

(5) The Company and the Management Committee of Ningbo Qianwan New Area signed an investment agreement in 2022 under the contract number Xin Qu Tou Xie [2022] No. 1. The agreement specified that the fixed assets investment intensity should be RMB 3 million per mu and the average tax revenue per mu should be RMB 0.38 million per mu. Failure to meet these terms would result in a penalty of RMB 161,100,000. Additionally, the Company obtained an Irrevocable Bank Guarantee from Bank of China Beilun Branch on 19 September 2022, for an amount not exceeding RMB 161,100,000,000 in favor of the Management Committee of Ningbo Qianwan New Area. The guarantee, with number GC1901322000187, is valid from September 19, 2022, to September 30, 2030. This guarantee ensures that Bank of China Beilun Branch will pay the Management Committee of Ningbo Qianwan New Area up to RMB 161,100,000 in case of default, upon receiving the necessary documentation.

(6) On 7 September 2022, the Company engaged in a contractual agreement with Kokusai Co., Ltd. to procure a 5-axis endurance testing machine for the EPS steering system. The contract, identified as Contract No. 10762022090702, was successfully executed. Subsequently, on 30 August 2023, the Company established a letter of credit with Bank of Ningbo, No. LC0110223A1890, in favor of Kokusai Co., Ltd., amounting to USD 450,000. As of 31 December 2023, the remaining balance of the letter of credit stood at USD 225,000. This letter of credit stipulates that a draft of USD 225,000 shall be issued to the beneficiary within ten days of the creation.

(7) In compliance with the U.S. Customs bonding requirements, the Company entered into an Irrevocable Bank Guarantee with Citibank on 12 September 2023. This guarantee, identified as Guarantee No. 69628907, was established in favor of AVALON RISK MANAGEMENT INSURANCE AGENCY and is valued up to USD 2.8 million. The validity period of this guarantee spans from 12 September 2023, to September 12, 2024. Its purpose is to ensure the timely payment of a draft, not exceeding USD 2.8 million, upon Citibank's receipt of a draft in accordance with the terms outlined in this letter of credit.

(8) On 22 August 2023, Tuopu Automobile Electronics and Ping An Bank, Ningbo Branch, entered into an agreement known as the application for acceptance note numbered Ping An Beilun Cheng Shen Zi No. 20230822 No. 006. According to this agreement, Tuopu Automobile Electronics is required to provide a deposit equal to or greater than 6.03% of the face value of the acceptance note. The acceptance note is secured by a mortgage. As of 31 December 2023, Tuopu Automobile Electronics has paid a total of RMB 5,150,010.00 to Ping An Bank as a deposit for the bank acceptance note. Based on this payment, a note payable in the amount of USD 91,886,023.61 was issued.

(9) Skateboard Chassis signed a construction contract with Ningbo Longyuan Shenghong Ecological Construction Engineering Co. Ltd. for two projects: the annual production capacity of 1.1 million sets of interior functional trim parts and the annual production capacity of 1.3 million sets of

thermal management systems for Tuopu Skateboard Chassis (Ningbo) Co. Ltd. The company also entered into a Payment Guarantee with Bank of China Limited Ningbo Branch on 1 March 2023, in favor of Ningbo Longyuan Shenghong Ecological Construction Engineering Co. Ltd. The guarantee amount is RMB 1.7152 million, with Guarantee No. GC1900323000176. The validity period is from the effective date of the main contract to 28 days after the payment of the contract sum. If Skateboard Chassis fails to pay the contract sum, the bank will pay on their behalf within the guaranteed amount. Skateboard Chassis has already paid the guarantee deposit of RMB 1,715,200,000 to Bank of China Limited Ningbo Branch, which has generated an interest income of RMB 2,762,48.

(10) Tuopu Automobile Parts entered into a business cooperation agreement with Zheshang Bank Co., numbered 33100000 Zheshang Bills Pool Zi 2017 No. 01470, as well as an asset pool business cooperation agreement, numbered 33100000 Zheshang Asset Pool Zi 2017 No. 01470, and numbered 33100000 Zheshang Asset Pool Zi 2017 No. 01471. These agreements also include the Zheshang Bank Asset Pool Pledge Guarantee Contract. As of 31 December 2023, there are still pledged bank acceptance note amounting to RMB 113,704,390.83. Additionally, RMB 20,403,311.03 was paid to the bank as a deposit for the bank acceptance note. Based on these transactions, notes payable totaling RMB 131,404,129.02 was issued.

(11) Tuopu Automobile Parts engaged in a collaborative business arrangement with Bank of Ningbo Company Limited Beilun Branch, referred to as the note pool business cooperation and note pledge agreement No. 05101PC20188002, on July 5, 2018. Additionally, a supplementary agreement was made to this arrangement on November 7, 2018. As of December 31, 2023, there were RMB 311,598,099.33 worth of pledged bank acceptance notes and RMB 7,000,000.00 worth of pledged commercial acceptance notes. Furthermore, RMB 196,671,580.65 of bank acceptance deposits were paid to the bank. Based on these transactions, notes payable amounting to RMB 460,533,759.99 were issued.

(12) Tuopu Vibro-Acoustics Technology has entered into several agreements with Ningbo Bank and Bank of Ningbo Company Limited. These agreements include the Asset Pool Invoicing Straight-Through Agreement No. 05100AT22BFN865, the Asset Pool Business Cooperation and Pledge Agreement No. 0510100015480, and the Asset Pool Zi 2019 No. 031. As of December 31, 2023, there are still pledged bank acceptance bills amounting to RMB 258,088,888.09 and commercial acceptance bills amounting to RMB 29,584,945.90. Additionally, a deposit of RMB 72,397,873.24 has been made to the bank for the bank acceptance bills, resulting in the issuance of a note payable of RMB 356,908,663.76.

(13) As of December 31, 2023, there were still bank acceptance bills of RMB 187,906,251.18 pledged under the Bills Pool Business Cooperation Agreement No. 33100000 Zheshang Bills Pool Zi No. 01472, 2017, Asset Pool Business Cooperation Agreement No. 33100000 Zheshang Asset Pool Zi No. 01472, 2017, and Asset Pool Pledge Zi No. 33100000 Zheshang Asset Pledge Zi No. 01473, 2017, entered into between Tuopu Vibro-Acoustics Technology and Zheshang Bank Company Limited No. 01473. Additionally, RMB 218,246,485.57 was paid to the bank as a deposit for the bank acceptance bills, resulting in the issuance of a note payable of RMB 406,363,637.19.

(14) Tuopu Imp. & Exp. has opened a margin account with Bank of Ningbo Beilun Sub-branch with the purpose of pending bill settlement due to its business needs, and as at December 31, 2023, there was interest income in the amount of USD 86.11 (equivalent to RMB 609.89) retained in the account.

(15) Tuopu Poland signed a bank guarantee with Citibank for an amount not exceeding 2,500,000.00 (PLN) on July 19, 2023, to cover customs duties related to trade, under guarantee number GC23-2000001. By December 31, 2023, the Company had transferred 2,500,000.00 (PLN) to Bank of China (equivalent to approximately RMB 4,526,750.00) as a bond deposit.

(16) At the request of the Immigration Authority, Tuopu Malaysia has entered into a bank guarantee agreement with Bank of China (Malaysia) Sdn Bhd in favor of GUO HUIQIN. The bank guarantee is for an amount not exceeding RM1,500.00, which covers GUO HUIQIN's personal passage fee for visa application. This guarantee is issued under the letter of guarantee no. LG5111723000234, valid from October 10, 2023, to October 9, 2024. According to the terms of the letter of guarantee, the bank will make the payment to Tuopu Malaysia, on behalf of the bank, within the guaranteed amount upon Tuopu Malaysia's written request for payment. As a deposit for the letter of guarantee, Tuopu Malaysia has already paid MYR 1,500.00 (approximately RMB 2,312.25) to the Bank of China.

(17) Tuopu Malaysia has entered into a power supply agreement with TENAGA NASIONAL BERHAD for the provision of electricity from TENAGA NASIONAL BERHAD to Tuopu Malaysia's TNB substation building. Additionally, Tuopu Malaysia has obtained a Bank Guarantee, with guarantee number LG5111723000007, in favor of TENAGA NASIONAL BERHA for an amount not exceeding

RM20,000.00. This Bank Guarantee is valid from January 4, 2023, to January 3, 2024, and ensures that if Tuopu Malaysia fails to fulfill its payment obligations as per the contract, the bank will cover the outstanding amount up to the guaranteed sum. To secure the guarantee, the Company has deposited MYR 20,000.00 (approximately RMB 30,830.00) with the Bank of China.

(18) Ningbo Qianhui has executed a maximum pledge contract, specifically No. 06001PC20198005 (supplemental), with Bank of Ningbo Company Limited Ninghai Sub-branch. As of December 31, 2023, there remains a total value of RMB 7,246,410.06 in pledged bank acceptance notes. Additionally, RMB 3,725,460.59 worth of bank acceptance notes were submitted to the bank as a deposit. Consequently, a note payable amounting to RMB 8,703,471.15 was issued.

2. Contingencies

(1). Important contingencies existing on the balance sheet date

Applicable Non-applicable

(2). Even if the Company has no important contingencies to be disclosed, also state:

Applicable Non-applicable

3. Others

Applicable Non-applicable

XVI. Events after the Balance Sheet Date

1. Important non-adjusting events

Applicable Non-applicable

1. The Company's request for the issuance of A shares to specific entities, which began in December 2022, was acknowledged by the SSE on May 30, 2023 through the "Notice on the Audit Opinions on the Issuance of Shares to Specific Objects by Ningbo Tuopu Group Co., Ltd." Subsequently, on July 5, 2023, the CSRC issued the Approval Reply on the Registration of Ningbo Top Group Co., Ltd. to Issue Shares to Specific Objects (Zheng Jian Permit [2023] No. 1443), granting approval for the registration of the issuance of shares to specific entities. On January 2024, the Company issued 60,726,104 new shares to specific parties and completed the share registration on January 26, 2024 at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited.

2. On January 2024, the Company and Johann Borgers GmbH ("Borgers" or the "Transferor"), the foreign shareholder of the joint venture Ningbo Borgers Tuopu Automobile Parts Co., Ltd., entered into the Equity Transfer Agreement (hereinafter referred to as the "Agreement"), under which the Company plans to transfer 50% equity interest in Ningbo Borgers held by Borgers for a cash consideration of EUR 2,450,000.00. Following the completion of this transaction, Ningbo Borgers will become a wholly-owned subsidiary of the Company.

2. Profit distribution

Applicable Non-applicable

Unit: Yuan Currency: RMB

Proposed distribution of profits or dividends	646,503,387.61
Profits or dividends declared after deliberation and approval	

According to the 2023 profit distribution plan passed at the 8th meeting of the Fifth Session of the Board of Directors on April 22, 2024, the Company intends to use the number of shares registered on the date of equity registration for equity distribution as the base number, and distribute it to all registered shareholders on the date of equity registration at cash dividends of RMB 5.56 (tax included) for every 10 shares. The above profit distribution plan is submitted to the 2024 annual general meeting for consideration.

3. Sales return

Applicable Non-applicable

4. Notes to Other Events after the Balance Sheet Date

Applicable Non-applicable

XVII. Other Significant Events**1. Correction of previous accounting errors**

(1). Retrospective restatement

Applicable Non-applicable

(2). Prospective application

Applicable Non-applicable

2. Debt restructuring

Applicable Non-applicable

3. Replacement of assets

(1). Exchange of non-monetary assets

Applicable Non-applicable

(2). Exchange of other assets

Applicable Non-applicable

4. Annuity plan

Applicable Non-applicable

5. Discontinuing operation

Applicable Non-applicable

6. Segment information

(1). Determination basis and accounting policies of the reportable segment

Applicable Non-applicable

(2). Financial information of the reportable segment

Applicable Non-applicable

(3). If the Company has no reportable segments or cannot disclose the total assets and total liabilities of individual reportable segment, state the reason

Applicable Non-applicable

(4). Other notes

Applicable Non-applicable

7. Other significant transactions and event that have an impact on investors' decisions

Applicable Non-applicable

8. Others

Applicable Non-applicable

XVIII. Notes to the Main Items of the Financial Statements of the Parent Company**1. Accounts receivable**

(1). Disclosure by age

Applicable Non-applicable

Unit: Yuan Currency: RMB

Age	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year		
Including: sub-items within 1 year		
Within 1 year	1,945,977,497.47	2,225,858,799.18
Subtotal within 1 year	1,945,977,497.47	2,225,858,799.18
1 to 2 years	116,037,921.61	156,073,047.34
2-3 years	51,788,849.82	32,313,504.17
Over 3 years	6,540,552.20	49,045,071.14
3 to 4 years		
4 to 5 years		
Over 5 years	34,341,864.17	323,215.01
Total	2,154,686,685.27	2,463,613,636.84

(2). Disclosure by provision for bad debts

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Category	Balance at the End of the Period					Balance at the Beginning of the Period				
	Book Balance		Bad Debt Provision		Book Value	Book Balance		Bad Debt Provision		Book Value
	Amount	Percent age (%)	Amount	Accr ued Prop ortio n (%)		Amount	Percent age (%)	Amount	Accr ued Prop ortio n (%)	
Bad debt provision accrued based on single item										
Including:										
Bad debt provision accrued based on portfolios	2,154,686,685.27	100.00	162,705,517.47	7.55	1,991,981,167.80	2,463,613,636.84	100.00	166,344,553.64	6.75	2,297,269,083.20
Including:										

Bad debt provision accrued based on aging portfolios	2,154,686,685.27	100.00	162,705,517.47	7.55	1,991,981,167.80	2,463,613,636.84	100.00	166,344,553.64	6.75	2,297,269,083.20
Total	2,154,686,685.27	/	162,705,517.47	/	1,991,981,167.80	2,463,613,636.84	/	166,344,553.64	/	2,297,269,083.20

Bad debt provision accrued based on single item:

Applicable Non-applicable

Bad debt provision accrued based on combinations

Applicable Non-applicable

Accrued items based on combinations: accounts receivable with bad debt provision by aging portfolio

Unit: Yuan Currency: RMB

Name	Balance at the End of the Period		
	Accounts Receivable	Bad Debt Provision	Accrued Proportion(%)
Within 1 year	1,945,977,497.47	97,298,874.87	5.00
1 to 2 years	116,037,921.61	11,603,792.16	10.00
2 to 3 years	51,788,849.82	15,536,654.95	30.00
3 to 5 years	6,540,552.20	3,924,331.32	60.00
Over 5 years	34,341,864.17	34,341,864.17	100.00
Total	2,154,686,685.27	162,705,517.47	

Description of bad debt provision by portfolio:

Applicable Not Applicable

Provision for bad debts based on general model of expected credit losses

Applicable Not applicable

Description of significant changes in the carrying amount of accounts receivable for which changes in the allowance for losses occurred during the period:

Applicable Not applicable

(3). Bad debt provision

Applicable Non-applicable

Unit: Yuan Currency: RMB

Category	Balance at the Beginning of the Period	Amount Changed in the Current Period				Balance at the End of the Period
		Provision	Withdrawal or Reversal	Write-off	Other Changes	
Bad debt provision accrued based on portfolios	166,344,553.64		3,639,036.17			162,705,517.47
Total	166,344,553.64		3,639,036.17			162,705,517.47

Significant withdrawal or reversal amount of provision for bad debts in the current period:

Applicable Non-applicable

(4). Accounts receivable actually written off in the current period

Applicable Non-applicable

Of which significant accounts receivable write-offs

Applicable Non-applicable

Write-off of significant accounts receivable

Applicable Non-applicable

(5). Accounts receivable of the top five closing balances collected by debtors

Applicable Non-applicable

Unit: Yuan Currency: RMB

Name of Entity	Balance of accounts receivable at the end of the period	Balance of contract assets at the end of the period	Balance of accounts receivable and contract assets at the end of the period	As a percentage of total balance of accounts receivable and contract assets at the end of the period (%)	Balance of bad debt provision at the end of the period
No.1	500,526,611.66		500,526,611.66	23.23	25,026,330.58
No.2	428,588,092.50		428,588,092.50	19.89	21,429,404.63
No.3	177,018,791.91		177,018,791.91	8.22	24,219,055.01
No.4	151,760,880.50		151,760,880.50	7.04	8,871,411.35
No.5	120,467,564.47		120,467,564.47	5.59	6,023,378.22
Total	1,378,361,941.04		1,378,361,941.04	63.97	85,569,579.79

Other notes:

Applicable Non-applicable

2. Other Receivables

Presentation of items

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Interest receivable		
Dividend receivable		
Other Receivables	338,124,520.82	229,141,399.78
Total	338,124,520.82	229,141,399.78

Other Notes:

Applicable Non-applicable

Interest receivable

(1). Category of interest receivable

Applicable Non-applicable

(2). Important late payment interest

Applicable Non-applicable

(3) Disclosure by bad debt accrual method

Applicable Non-applicable

Provision for bad debts is made on a single item basis:

Applicable Non-applicable

Note to provision for bad debts is made on a single item basis:

Applicable Non-applicable

Provision for bad debts by portfolio:

Applicable Non-applicable

(4). Provision for bad debts based on the general model of expected credit losses

Applicable Not applicable

Note to significant changes in the book amount of interest receivable for which changes in the allowance for losses occurred during the period:

Applicable Not applicable

(5) Provision for bad debts

Applicable Not applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

Applicable Not applicable

(6) Interest receivable written off during the period

Applicable Not applicable

Of which significant write-off of interest receivable

Applicable Not applicable

Note to write-offs:

Applicable Not applicable

Other notes:

Applicable Not Applicable

Dividend Receivable

(1). Dividends receivable

Applicable Not applicable

(2). Significant dividends receivable with an age of more than one year

Applicable Not applicable

(3). Disclosure by bad debt accrual method

Applicable Not applicable

Provision for bad debts is made on a single item basis:

Applicable Not applicable

Note to provision for bad debts is made on a single item basis:

Applicable Not applicable

Note to provision for bad debts by portfolio

Applicable Not applicable

(4). Provision for bad debts based on the general model of expected credit losses.

Applicable Not applicable

Note to significant changes in the carrying amount of dividends receivable for which changes in the

allowance for losses occurred during the period:

Applicable Not applicable

(5). Provision for bad debts

Applicable Not applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

Applicable Not applicable

(6). Dividends receivable written off during the period

Applicable Not applicable

Dividends receivable written off of which the amount is significant:

Applicable Not applicable

Note to write-offs:

Applicable Not applicable

Other notes:

Applicable Not applicable

Other receivables

(1). Disclosure by aging

Applicable Not applicable

Unit: Yuan Currency: RMB

Aging	Book Balance at the End of the Period	Book Balance at the Beginning of the Period
Within 1 year		
Including: sub-item within 1 year		
Within 1 year	196,727,954.35	151,944,338.69
Subtotal within 1 year	196,727,954.35	151,944,338.69
1 to 2 years	96,487,272.58	85,968,323.13
2 to 3 years	85,926,323.13	10,535,981.71
Over 3 years	10,614,981.71	119,000.00
3 to 4 years		
4 to 5 years		
Over 5 years	255,800.00	235,800.00
Total	390,012,331.77	248,803,443.53

(2). Disclosure by provision for bad debts

Applicable Non-applicable

Unit: Yuan Currency: RMB

Nature of Funds	Book balance at the end of the period	Book balance at the beginning of the period
Temporary borrowings	383,638,156.62	227,415,769.50
Petty cash funds	2,545,800.00	1,632,760.00
Security deposit	1,209,250.00	12,887,250.00
Others	2,619,125.15	6,867,664.03
Total	390,012,331.77	248,803,443.53

(3). Provision for bad debts√Applicable Non-applicable

Unit: Yuan Currency: RMB

Bad Debt Provision	Phase 1	Phase 2	Phase 3	Total
	Expected credit loss in the next 12 months	Expected credit loss throughout the duration (no credit impairment occurred)	Expected credit loss throughout the duration (credit impairment has occurred)	
Balance on January 1, 2023	19,662,043.75			19,662,043.75
Balance of the current period on January 1, 2023				
--Transfer to Phase 2				
--Transfer to Phase 3				
--Transfer to Phase 2				
--Transfer to Phase 1				
Provision made in the current period	32,225,767.20			32,225,767.20
Reversal in the current period				
Write-off in the current period				
Write-off in the current period				
Other changes				
Balance on December 31, 2023	51,887,810.95			51,887,810.95

Notes to significant changes in the book balance of other receivables that have changed in the current period:

Applicable Non-applicable

Amount of bad debt provision in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly:

Applicable Non-applicable

(4). Particulars of bad debt provision

√Applicable Non-applicable

Unit: Yuan Currency: RMB

Category	Balance at the Beginning of the Period	Amount Changed in the Current Period				Balance at the End of the Period
		Provision	Withdrawal or Reversal	Write-off	Other Changes	
Accounts	19,662,043.75	32,225,767.20				51,887,810.95

receivable with bad debt accrued based on aging portfolio						
Total	19,662,043.75	32,225,767.20				51,887,810.95

Bad debt provision in the current period with significant amount of withdrawal or reversal:

Applicable Non-applicable

(5). Particulars of other receivables actually written off in the current period

Applicable Non-applicable

Of which significant other receivables are written off:

Applicable Not Applicable

Description of other receivables written off:

Applicable Not applicable

(6). Particulars of other receivables of the top five closing balances collected by debtors

Applicable Non-applicable

Unit: Yuan Currency: RMB

Name of Unit	Balance at the end of the period	Proportion in total other receivables at the end of the period (%)	Nature of funds	Aging	Balance of bad debt provision at the end of the period
Tuopu Poland sp.z.o.o	209,128,902.33	53.62	Temporary borrowings	Note 1	29,423,863.40
Shanghai Towin Automobile Technology Co., Ltd.	101,509,254.29	26.03	Temporary borrowings	Note 2	18,048,916.28
NINGBO USHONE TECHNOLOGY CO., LTD.	73,000,000.00	18.72	Temporary borrowings	Within 1 year	3,650,000.00
Zhejiang Holley & Futong Investment Co., Ltd.	1,000,000.00	0.26	Security deposit	1-2 years	100,000.00
Chen Yi	500,000.00	0.13	Petty cash	Within 1 year	25,000.00
Total	385,138,156.62	98.76	/	/	51,247,779.68

Note 1: The amount for less than 1 year are RMB 64,196,829.20, for 1-2 years 9it is RMB 86,328,000.00, and for 2-3 years it is RMB 58,604,073.13.

Note 2: The amount for less than 1 year is RMB 55,200,000.00, for 1-2 years it is RMB 8,793,272.58, for 2-3 years it is RMB 27,000,000.00, and for 3-4 years it is RMB 10,515,981.71.

(7). Accounts receivable related to government subsidies

Applicable Non-applicable

Other notes:

Applicable Non-applicable**3. Long-term equity investments**Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Balance at the end of the period			Balance at the beginning of the period		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Investments in subsidiaries	12,385,366,535.37		12,385,366,535.37	10,829,796,560.37		10,829,796,560.37
Investments in joint ventures and associates	139,641,447.46		139,641,447.46	141,704,726.21		141,704,726.21
Total	12,525,007,982.83		12,525,007,982.83	10,971,501,286.58		10,971,501,286.58

(1). Investments in subsidiaries

Applicable Non-applicable

Unit: Yuan Currency: RMB

Invested Entity	Balance at the beginning of the period	Increased in current period	Decreased in current period	Balance at the end of the period	Impairment provision accrued in the current period	Balance at the end of the period of impairment provision
Tuopu Imp&Exp	178,081,940.48	20,000,000.00		198,081,940.48		
Tuopu Automobile Parts	196,984,594.91			196,984,594.91		
TUOPU VIBRO-ACOUSTICS	184,685,004.03	15,000,000.00		199,685,004.03		
Yantai Tuopu	62,800,000.00			62,800,000.00		
Liuzhou Tuopu	100,000,000.00			100,000,000.00		
Shenyang Tuopu	10,000,000.00			10,000,000.00		
USHONE ELECTRONIC CHASSIS	20,000,000.00			20,000,000.00		
Ningbo Qianhui	31,210,000.00			31,210,000.00		
Sichuan Tuopu	20,000,000.00			20,000,000.00		
Wuhan Tuopu	150,000,000.00			150,000,000.00		

	0			0		
Pinghu Tuopu	208,000,000.00			208,000,000.00		
Shanghai Towin	10,000,000.00			10,000,000.00		
Tuopu Industrial Automation	17,700,000.00	2,300,000.00		20,000,000.00		
Tuopu Investment	62,160,000.00	67,450,000.00		129,610,000.00		
USHONE E-commerce	3,800,000.00	200,000.00		4,000,000.00		
Tuopu International						
Baoji Tuopu	18,980,000.00			18,980,000.00		
Taizhou Tuopu	100,000,000.00			100,000,000.00		
Tuopu Automobile Electronics	2,500,000,000.00			2,500,000,000.00		
Jinzhong Tuopu	8,000,000.00			8,000,000.00		
Shenzhen Towin	11,300,000.00	3,900,000.00		15,200,000.00		
TUOPU DO BRASIL	80,776,216.50			80,776,216.50		
Zhejiang Towin	571,320,000.00			571,320,000.00		
Suining Tuopu	290,000,000.00			290,000,000.00		
Hunan Tuopu	657,890,000.00	64,700,000.00		722,590,000.00		
Tuopu USA, LLC	35,091,204.56			35,091,204.56		
Tuopu Chassis	514,900,000.00			514,900,000.00		
Tuopu Thermal Management	3,500,000,000.00	336,000,000.00		3,836,000,000.00		
Huzhou Tuopu	50,000,000.00			50,000,000.00		
Tuopu Poland	18,000,000.00			18,000,000.00		
SHANGHAI TUOPUYALE	16,500,000.00			16,500,000.00		
Xi'an Tuopu	12,331,916.00	61,172,435.00		73,504,351.00		
NINGBO USHONE TECHNOLOGY	30,772,460.00	19,227,540.00		50,000,000.00		
Chongqing Chassis	154,400,000.00	36,800,000.00		191,200,000.00		
Skateboard Chassis	943,330,000.00	689,680,000.00		1,633,010,000.00		
Anhui Tuopu	42,200,000.00	118,000,000.00		160,200,000.00		
Chongqing Tuopu	18,583,223.89			18,583,223.89		
Tuopu Mexico		95,040,000.00		95,040,000.00		
Jinan Tuopu		18,900,000.00		18,900,000.00		
Henan Tuopu		7,200,000.00		7,200,000.00		
Total	10,829,796,56	1,555,569,97		12,385,366,53		

	0.37	5.00		5.37		
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(2). Investments in joint ventures and associates

√Applicable □Non-applicable

Unit: Yuan Currency: RMB

Invested Entity	Balance at the Beginning of the Period	Decrease/Increase in the current period								Balance at the End of the Period	Balance of impairment provision at the end of the period
		Investment Increased	Investment Decreased	Investment profit and loss recognized under the equity method	Adjustment on other comprehensive income	Other changes in equity	Cash dividends or profit declared to distribute	Provision for impairment accrued	Other		
I. Joint ventures											
Tuopu Electrical Appliances	62,798,436.88			36,310,651.82						99,109,088.70	
Ningbo Borgers	78,906,289.33			-38,373,930.57						40,532,358.76	
Subtotal	141,704,726.21			-2,063,278.75						139,641,447.46	
II. Associates											
Subtotal											
Total	141,704,726.21			-2,063,278.75						139,641,447.46	

(3). Impairment test of long-term equity investments

Applicable Not applicable

4. Operating income and operating cost

(1). Particulars on operating income and operating cost

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period		Amount incurred in previous period	
	Income	Cost	Income	Cost
Main business operations	6,759,567,721.50	5,177,269,284.50	6,594,127,295.51	5,017,204,633.53
Other business operations	598,745,846.46	441,052,086.82	482,419,882.80	371,812,686.41
Total	7,358,313,567.96	5,618,321,371.32	7,076,547,178.31	5,389,017,319.94

(2). Particulars on breakdown of operating income and cost

Applicable Non-applicable

Other notes

Applicable Non-applicable

(3). Notes to discharge of obligations

Applicable Non-applicable

(4). Notes to allocation to remaining discharge of obligations

Applicable Non-applicable

(5). Significant Contract Changes or Significant Transaction Price Adjustments

Applicable Non-applicable

5. Investment income

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in previous period
Long-term equity investment income measured by cost method		
Long-term equity investment income measured by equity method	-2,063,278.75	28,254,053.75
Investment income from disposal of long-term equity investment		
Investment income of trading financial assets during the holding period		
Dividend income from other equity instrument investments during the holding period		
Interest income from debt investment		

during the holding period		
Interest income from other debt investments during the holding period		
Investment income from disposal of trading financial assets		
Investment income from the disposal of other equity instrument investments		
Investment income from disposal of debt investments		
Investment income from the disposal of other debt investments		
Income from debt restructuring		
Investment income from wealth management products	6,032,297.53	10,877,828.03
Total	3,969,018.78	39,131,881.78

6. Others

Applicable Non-applicable

XIX. Additional Data

1. Current non-recurring profit and loss schedule

Applicable Non-applicable

Unit: Yuan Currency: RMB

Item	Amount	Note
Gains and losses on disposal of non-current assets, including the elimination of the provision for asset impairment.	-8,196,144.37	
Government grants recognized in profit or loss for the current period, except for government grants that are closely related to the Company's normal business operations, in compliance with national policies and in accordance with defined criteria, and that have a continuous impact on the Company's profit or loss	154,398,450.86	
Gains and losses arising from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and gains and losses arising from the disposal of financial assets and financial liabilities, except for effective hedging business related to the Company's normal operating business	5,949,475.57	
Capital occupancy fees charged to non-financial enterprises recognized as current profit or loss		
Gains and losses on entrusted investment or asset management		
Gains and losses on entrusted external loans		
Losses on assets due to force majeure factors, such as natural disasters		
Reversal of provision for impairment of receivables individually tested for impairment		
Gain arising from the excess of the cost of investment in subsidiaries, associates and joint ventures over the fair value of the investee's identifiable net assets at the time of investment		

acquisition		
Net profit or loss of subsidiaries for the period from the beginning of the period to the date of consolidation arising from a business combination under the same control		
Gain or loss on exchange of non-monetary assets		
Gains or losses on debt restructuring		
One-time costs incurred by the enterprise due to the fact that the relevant operating activities are no longer continuing, such as expenditures for the relocation of employees		
One-time impact on current profit or loss due to adjustments in tax, accounting and other laws and regulations		
One-time recognition of share-based payment expenses due to cancellation or modification of equity incentive plans		
For cash-settled share-based payments, gains or losses arising from changes in the fair value of employee compensation payable after the feasible date of entitlement		
Gains or losses arising from changes in the fair value of investment properties subsequently measured using the fair value model		
Gains or losses arising from transactions where the transaction price is significantly less than fair value		
Gains or losses arising from contingencies unrelated to the Company's normal business operations		
Custodian fee income from entrusted operations		
Non-operating income and expenses other than those listed above	1,538,566.49	
Other items of gains and losses that meet the definition of non-recurring gains and losses		
Less: Income tax effect	24,244,688.81	
Minority interests impact amount (after tax)	-190,142.07	
Total	129,635,801.81	

For non-recurring profit and loss items that the Company has recognized as non-recurring profit and loss items not listed in "Interpretative Announcement for Information Disclosure of Companies Issuing Securities No. 1 - Non-recurring Profit and Loss" and the amount of which is material, as well as items defined as non-recurring profit and loss in "Interpretative Announcement for Information Disclosure of Companies Issuing Securities No. 1 - Non-recurring Profit and Loss", state the reasons.

Applicable Non-applicable

Other notes

Applicable Non-applicable

2. ROE and EPS

Applicable Non-applicable

Profit for the reporting period	Weighted Average ROE (%)	EPS	
		Basic EPS	Diluted EPS
Net profit attributable to	16.61%	1.95	1.95

common shareholders of the Company			
Net profit attributable to common shareholders of the Company after deducting non-recurring gains and losses	15.61%	1.83	1.83

3. Differences between international and Chinese accounting standards

Applicable Non-applicable

4. Others

Applicable Non-applicable

President: Wu Jianshu

Date of Submission to Board of Directors: April 22, 2024

Revisions

Applicable Non-applicable