



**Chongqing Changan Automobile  
Company Limited**

**2024 Semi-Annual Report**

**August 2024**

## Chapter 1 Important Notice, Contents, and Definitions

1. The Board of Directors (or the “Board”), the Supervisory Board as well as the directors, supervisors and senior managers of Chongqing Changan Automobile Co., Ltd. hereby guarantee the factuality, accuracy and completeness of the contents of this Report and its summary, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.

2. Zhu Huarong, the Company’s legal representative, Zhang Deyong, the Company’s Chief Financial Officer and Shi Haifeng, the person-in-charge of the accounting organ hereby guarantee that the financial statements carried in this Report are factual, accurate and complete.

3. Except the following directors, all the directors have attended the board meeting for reviewing this Report.

Name of the directors absent	Positions	Reasons for the absence	Name of the Trustees
Wang Jun	Director	Work reasons	Zhu Huarong

4. Any prospective description such as future business plans and development strategies in this Report shall not be considered as the Company’s commitment to investors. Investors and relevant persons shall be sufficiently mindful of risks, and undertake the difference in plans, predictions and commitment.

5. Chapter III “Management Discussion and Analysis” of this Report describes the possible risks and countermeasures of the Company, and investors shall pay attention to the relevant content.

6. For the first half of 2024, the Company has no plans of cash dividend, no bonus shares and no share converted from capital reserve.

This Report has been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

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### Documents Available for Reference

I. Financial statements carrying the signatures and seals of the Company's legal representative, the Chief Financial Officer, and the person-in-charge of the accounting organ.

II. During the reporting period, the original copies of all company documents and announcements publicly disclosed by the Company in *China Securities Journal*, *Securities Times*, *Securities Daily*, *Shanghai Securities News*, and *Hong Kong Commercial Daily*.

### Definitions

Items		Definitions
Changan Auto, Changan Automobile, the Company	Refers to	Chongqing Changan Automobile Co., Ltd.
Changan Ford	Refers to	Changan Ford Automobile Co., Ltd., a JV of the Company
Changan Mazda	Refers to	Changan Mazda Automobile Co., Ltd., a JV of the Company
Deepal Auto	Refers to	Deepal Automobile Technology Co., Ltd., a subsidiary company of the Company
Avatr	Refers to	Avatr Technology (Chongqing) Co., Ltd., an associate of the Company
Customer Service Company	Refers to	Chongqing Changan Automobile Customer Service Co., Ltd., a subsidiary company of the Company
CIC	Refers to	Chongqing Changan Automobile International Sale Service Co., Ltd., a subsidiary company of the Company

## Chapter 2 Company Profile and Main Financial Indexes

### I. Basic Information

Stock abbreviation	Changan Automobile, Changan B	Stock Code	000625、200625
Listed on	Shenzhen Stock Exchange		
Company in Chinese name	重庆长安汽车股份有限公司		
Company abbreviation in Chinese name	长安汽车		
Company name in English	Chongqing Changan Automobile Company Limited		
Legal representative	Zhu Huarong		

### II. Contact Information

	Secretary of the Board of Directors	Securities Affairs Representative
Name	Zhang Deyong	Jie Zhonghua
Contact address	Building T2, No. 2, Financial City, No. 61 Dongshengmen Road, Jiangbei District, Chongqing	Building T2, No. 2, Financial City, No. 61 Dongshengmen Road, Jiangbei District, Chongqing
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### III. Others

#### 1. Contact information

Whether registration address, office address and its post code as well as website and email of the Company changed in the reporting period or not

Applicable  Not applicable

The registration address, office address and post code as well as website and email of the Company did not change in the reporting period. See more details in Annual Report 2023.

#### 2. Information disclosure and preparation place

Whether information disclosure and preparation place changed in reporting period or not

Applicable  Not applicable

There are no changes in the website of the stock exchange, media and other websites where the Company discloses its semi-annual report, as well as the preparation location of the Company's semi-annual report during the reporting period. For details, please refer to the 2023 Annual Report.

#### 3. Other relevant information

Whether other relevant information changed in the reporting period or not

Applicable  Not applicable

## IV. Key Accounting Data and Financial Indexes

Does the Company need to retrospectively adjust or restate the accounting data of previous years?

Yes  No

Reason: Changes in accounting policies, Others

	The reporting period	The same period of last year		YoY change (%)
		Original	Restated	Restated
Operating revenue (RMB)	76,722,649,723.79	65,492,098,869.01	65,492,098,869.01	17.15%
Net profit attributable to shareholders of the Company (RMB)	2,831,743,111.82	7,652,979,346.80	7,652,979,346.80	-63.00%
Net profit after deduction of non-recurring gains or losses attributable to shareholders of the Company(RMB)	1,168,680,056.87	1,509,058,024.00	1,241,854,200.49	-5.89%
Net cash flow from operating activities (RMB)	3,435,100,740.53	6,955,456,713.59	6,955,456,713.59	-50.61%
Basic earnings per share (RMB/share)	0.29	0.78	0.78	-62.82%
Diluted earnings per share (RMB/share)	0.28	0.76	0.76	-63.16%
Weighted average ROE (%)	3.94%	11.70%	11.70%	-7.76%
	30 June 2024	31 December 2023		YoY change (%)
		Original	Restated	Restated
Total assets (RMB)	187,321,694,926.71	190,171,127,138.27	190,171,127,138.27	-1.50%
Net assets attributable to shareholders of the Company (RMB)	71,740,279,992.28	71,853,119,985.49	71,853,119,985.49	-0.16%

Explanation of Reasons for Accounting Policy Changes and Others:

(1) The Ministry of Finance released the "Compilation of Application Guidelines for Enterprise Accounting Standards 2024" in March 2024, which stipulates that warranty fees should be included in operating costs. The company will implement this regulation from January 1st, 2024, as detailed in the announcement on changes in accounting policies (Announcement No. 2024-52).

(2) Due to the implementation of Interpretation Announcement No. 1 on Information Disclosure of Companies that Offer Securities to the Public - Non recurring Gains and Losses, adjustments have been made to the non recurring gains and losses of the investee enjoyed by shares in the investment income accounted for using the equity method during comparable periods.

## V. The Differences between Chinese Accounting Standards and International Financial Reporting Standards

### 1. Differences in net profit and net asset attributable to shareholders in financial report disclosed in accordance with International Financial Reporting Standards and Chinese Accounting Standards.

Applicable  Not applicable

No difference during the reporting period.

### 2. Differences of net profit and net assets disclosed in financial reports prepared under Overseas Financial Reporting Standards and Chinese Accounting Standards.

Applicable  Not applicable

No difference during the reporting period.

### 3. Reasons for differences in accounting data under Chinese Accounting Standards and International Financial Reporting Standards.

Applicable  Not applicable

## VI. Items and Amounts of Non-Recurring Gains and Losses

Applicable  Not applicable

Unit: RMB

Item	Amount	Illustration
Non-recurring items and amounts (including accrued reversal assets impairment part)	4,959,452.69	
Government subsidies included in the profit and loss of the current period (Except closely related to business operations, in accordance with the national unified standard quota or quantitative enjoyment of government subsidies)	1,470,786,451.16	
In addition to the effective hedging business related to the normal business of the company, the gains and losses from changes in fair value arising from the holding of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities, and disposal of transactional financial assets, derivative finance Investment income from assets, trading financial liabilities, derivative financial liabilities and other debt investments	-27,836,943.34	
Capital occupation fees charged to non-financial enterprises included in the current profit and loss	35,416,356.91	
Reversal of impairment provision for accounts receivable separately tested for impairment	8,614,937.00	
Other non-operating income and expenses other than the above items	27,056,373.59	
Other profit and loss items that meet the definition of non recurring gains and losses	215,878,122.13	
Subtract: Influenced amount of income tax	37,405,904.07	
Influenced amount of minority shareholders' equity (after tax)	34,405,791.12	
Total	1,663,063,054.95	--

The specific situation of other profit and loss items that meet the definition of non recurring gains and losses:

Applicable  Not applicable

Due to the implementation of Interpretation Announcement No. 1 on Information Disclosure of Companies that Offer Securities to the Public - Non recurring Gains and Losses, the non recurring gains and losses of the invested entity enjoyed by shares in the investment income accounted for by the equity method are recognized.

Explanation of why the Company reclassifies non-recurrent gain/loss as a recurrent gain/loss item listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Extraordinary Gain/Loss Items

Applicable  Not applicable

No such cases for the reporting period.

## Chapter 3 Management Discussion and Analysis

### I. The main business of the Company in the reporting period

#### 1. Business overview

The Company is an automobile manufacturing company, and its main businesses include vehicle R&D, manufacturing and sales, as well as engine R&D and production. At the same time, the Company actively develops three-electric technologies represented by batteries, motors and electronic controls, intelligent technologies such as smart cockpits and smart driving, as well as new businesses such as automotive life services, new marketing, and battery swap services, and accelerates the exploration of industrial finance, used cars and other fields to build a complete industrial complex.

The Company has always adhered to the mission of "Leading Auto Culture for a Better Life", firmly promoted Changan Automobile's "Third Entrepreneurship - Innovation and Entrepreneurship Plan", accelerated the transformation to an intelligent low-carbon mobility technology company, and moved towards a world-class automobile brand. The Company actively develops intelligent connected new energy vehicles, and has built three major brands: the Changan Brand, Deepal Automobile, and Avatr. Among them, the Changan Brand has built three major brand sequences: Changan Uni, NEVO, and Changan Kaicheng, forming a matrix of differentiated and independent brands; at the same time, it produces and sells joint venture brand models through joint ventures Changan Ford and Changan Mazda. In the field of internal combustion engine vehicles, the company has launched a series of classic self-branded models including the CS series, Eado series, and UNI series; its joint ventures have a number of well-known products such as the new generation Mondeo, the new generation Navigator, CX-5, and Axela. In the field of new energy, it has created new energy models such as NEVO Q05, A05 and A07, Deepal SL03, G318 and S07, Avatr 11 and 12, Lumin, and Changan Hunter, and is committed to providing consumers with better products and service experience.

The company firmly adheres to the coordinated development of independent research and development, and joint venture cooperation, operates its own automobile businesses such as Changan Uni, NEVO, Deepal Automobile, and Changan Kaicheng, and firmly builds independent classic brands; it conducts investment control over joint ventures such as Changan Ford and Changan Mazda, and continues to deepen mutual trust and cooperation with partners.

#### 2. Industry situation

In the first half of 2024, facing the severe and complex international and domestic situation, China fully and accurately implemented the new development concept, adhered to the requirement of seeking progress while maintaining stability, accelerated the construction of a new development pattern, focused on promoting high-quality development, and continuously strengthened economic resilience. Through counter-cyclical adjustments of macroeconomic policies, the domestic economy continued to recover and improve in the first half of 2024, new quality productivity was cultivated and strengthened, growth of new momentum accelerated, and positive market factors increased.

In the first half of the year, driven by the growth of new energy vehicles and overall automobile exports, the automobile market maintained a trend of year-on-year growth. At the same time, the state introduced a series of macroeconomic policies such as consumer goods trade-in and automobile for rural areas to further tap the potential of automobile spending by consumers. The specific situation of the industry during the reporting period is as follows:

In the first half of 2024, the automobile industry grew in a stable manner, with a total of 14.047 million vehicles sold, marking a year-on-year increase of 6.1%. In terms of market segments, 11.979 million passenger cars were sold in the first half of the year, a year-on-year increase of 6.3%; 2.068 million commercial vehicles were sold, a year-on-year increase of 4.9%. The new energy vehicle market continues to maintain its growth momentum, with 4.944 million units sold in the first half of 2024, a year-on-year increase of 32.0%. New energy passenger cars achieved sales of 4.702 million units, a year-on-year increase of 31.5% and accounting for 39.2% of the passenger car market, of which plug-in hybrid models grew faster than battery electric models. Automobile exports continued to grow, with 2.793 million vehicles exported in the first half of the year, a year-on-year increase of 30.5%. Internal combustion engine models accounted for 78.3% of the total exports, and that of plug-in hybrid models increased by 179.3% year-on-year. The international influence of new energy vehicles has gradually expanded. Chinese automakers have seized the development opportunities of new energy vehicles and automobile exports, promoted electrification and overseas market development, and further improved market concentration.

(The above data/information comes from the "China Automobile Industry Production and Sales Express" published by the China Association of Automobile Manufacturers and its industry information release)

#### 3. Enterprise market performance

In the first half of 2024, facing the severe and complex international environment and arduous reform and development tasks, Changan adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and unwaveringly promoted the "Third Entrepreneurship - Innovation and Entrepreneurship Plan". In the fierce competition, Changan made steady progress and maintained the overall stability of production and operation. In the first half of 2024, the Company achieved sales of 1.334 million vehicles, an increase of 9.7% year-on-year, and its market share was stable and rising; sales of new energy vehicles and overall exports performed well. 299,065 new energy vehicles of our own brands were sold, increasing by 69.9% year-on-year, and our brands sold 203,207 vehicles overseas, an increase of 74.9%.

During the period, the Company established the strategic direction, accelerated the implementation of "The Third Business Venture — Innovation & Entrepreneurship Program", and focused on the "Three Major Plans" to start new business and build new achievements. In terms of new energy, the Company promoted the "Mission of Shangri-La", has secured core technologies. It launched the "New Blue Core Power 2.0" to improve the integration of engine, motor, electronic control, range extender and other



innovations to create a power solution for all scenes across the globe; and the Deepal super range extension technology to further increase the level of the range extension technologies; participated in the establishment of a joint venture company for battery recycling, realizing the industrial layout of retired battery recycling. In terms of intelligence, the Company promoted the "Dubhe Plan", will fully promote the research, development and application of intelligent technology. With the Level-3 traffic Jam Pilot (TJP) equipped with SL03i, it is among the first of L3-level intelligent connected vehicle to go on pilot in the country; SDA-S advanced intelligent driving is progressing according to plan and will soon be mass-produced with Changan NEVO E07. In terms of globalization, the Company focused on the "Vast Ocean Plan" for globalization, and accelerated the localization efforts overseas.. In Thailand, Changan showrooms and service stations have covered key provinces such as Bangkok. The Company also built regional warehouses of spare parts to effectively enhance overseas service capabilities.

In the face of fierce market competition, the Company responded quickly and started to fully reform the marketing system. In terms of networks, NEVO and UNI keep expanding, with the Deepal order center covering over 90% of major business districts, and the transformation of AVATR networks has been advanced. For promotion, all employees have participated in a three-dimensional communication matrix to spread the Company's brands on multiple platforms. Retail data shows that sales of the third-generation CS75 PLUS ranked first among compact SUVs (ICE) from Chinese brands in the first half of 2024, and sales of EADO series maintained the forefront compact car (ICE) market among Chinese brands. In the first half of the year, the Company launched a number of new energy models, such as Deepal G318, an intelligent off-road SUV, sales continue to rise since its launch; orders of UNI-Z, the first model with the new Blue Core power system, quickly exceeded 10,000 after launch; Hunter, super extended range pickup truck, continued to lead the market for new energy pickup truck. In the next half year, the Company will accelerate products launch by releasing NEVO E07, Deepal S05, Deepal L07, AVATR 07, the fourth generation CS75 PLUS and other new or redesigned.

## II. Core Competence Analysis

**(1) Strategic management capability.** The Company has built a strategy management system to implement the company's strategy through an integrated system of processes, tools and methodologies. First, the Company has strengthened strategic research and judgement, gained a keen insight into trends, routinized daily, weekly, monthly and annual reports, as well as regular research and judgement reports to advise the Company's decision-making. Second, dynamic iteration of strategic planning is ensured by a number of strategic seminars organized each year, as well as consensus formed on industry trends, strategic direction to update the Company's "The Third Business Venture — Innovation & Entrepreneurship Program." Third, the Company strengthened the breakdown and implementation of strategy through a closed-loop management by focusing on the key business segments of the three major plans," breaking down the business strategy, forming strategic tasks, and regularly monitoring, correcting and evaluating the strategy.

**(2) Cultural leadership capability.** The Company has deepened its prevailing culture, actively fulfilled its social responsibilities, and displayed a new corporate image. The Company has been selected as one of the "China ESG Listed Companies Pioneer 100 (2024)" by virtue of its outstanding performance in ESG. The Company vigorously boosted confidence in innovation and entrepreneurship, held a conference on the honour system and organized a series of activities such as "40 Years of Car Manufacturing" to further stimulate the enthusiasm and creativity of all employees. The Company implemented double care, carried out the "Employee Health Care Programme" to create a warm, caring and positive cultural atmosphere. The Company will fully assist in rural revitalisation, fulfil its social responsibility, continue to promote its model of assistance as it helped Youyang Tea Oil to improve its business operations and increase sales, disbursed CNY 10.6 million in targeted assistance funds to Luxi and Yanshan in the first half of the year, and improved the quality and effectiveness of its assistance.

**(3) Scientific and technological R&D capability.** The Company insists on independent innovation, securing key core technologies, and cultivating new productivity. In the field of new energy, the Company has been ploughing into the core technology of "three electrics" and released the "New Blue Core Power 2.0", combining plug-in hybrid and range extension, earning itself four technological labels: high efficiency, low carbon, strong power and quiet ride, as each liter of petroleum generates 3.63 kilowatts of electricity. In the field of intelligence, the Company focuses on autonomous driving, invests in scientific and technological research as well as breakthroughs in many key technologies such as intelligent driving lightweight NOA and large interaction models. It joined hands with Huawei's Qian Kun Intelligent Driving System, lending strength to the new model's intelligent driving. The Company was one of the first to test L3 intelligent connected vehicles in China and actively explored the system design architecture of "vehicle, road and cloud integration" as well as its application in various scenarios, while accelerating the research and development of autonomous driving technology. The new generation of intelligent driving technology has won the Technology Innovation Award at the 2024 Autonomous Driving International Challenge. The Company will adhere to scientific and technological innovation to lead development in the auto industry, and widely apply digital technology and green technology to continuously improve product, service and innovation.

**(4) Talent organization capability.** The Company insists on strengthening itself with talents and improving the organisational structure to preserve talent and increase efficiency. The talent structure is constantly transformed. The Company unswervingly promoted the human resource reform that is market-based, professional and career-oriented; it accelerated the cultivation of composite talents, and brought senior talents to the fields of modelling, smart driving, battery, etc., so as to support the Company's strategic transformation. Organisational vitality is constantly stimulated. The management team is constantly reviewed to make sure the cadres and talents were more market-oriented, and the reform system of merit-based appointment; it adjusted and improved the five overseas regional business units and other organizations to create organizations and talent teams that match the strategy. The incentive mechanism has been constantly innovated. The Company has improved incentive mechanisms such as "Project Follow-up" and task-based appointment, improved medium- and long-term incentives and market delivery, and set goals to boost performance.

**(5) Brand upward capability.** The Company has built a value system around its brand and innovated brand promotion and

communication to help the brand move upward. The Company improved the value system of each brand under the brand structure of Changan Automobile, focused on NEVO, sharpened the brand positioning, clarified the brand value, and helped to form the brand image of "Digital and Intelligent Evolutionary New Automobile"; and released the "New Blue Core Power," a new energy power system for the subsequent launch of new products. The new energy power system "New Blue Core Power" was released to provide technical empowerment for the subsequent launch of new products. In terms of brand promotion and communication, NEVO E07, a transformable new car, won the Gold Award in the Advertising Work Category of the 24th IAI AWARDS with its creative advertisement; NEVO started a collaboration campaign, and NEVO adopted the giant panda Mangchanchan, gaining more than 10 million comments and interactions in 72 hours; it changed its communication mode and launched a company-wide campaign called "Everyone is a Brand Officer", and took all employees on board in a communication matrix to increase impressions of the brand. Globally, Changan Automobile was listed on the "BrandZ 2024 Top 50 Chinese Globalised Brands" for the first time, and the international recognition of the company's brand is rapidly rising.

**(6) Global deployment capability.** The Company has been firmly committed to global development, grasped the opportunities in the overseas market, and comprehensively pushed forward the "Vast Ocean plan". The Company has made progress on its global operation system, and have pushed forward the construction of our production facility in Thailand and its marketing team in Mexico in an orderly manner. Through a series of initiatives such as setting up overseas subsidiaries, launching new energy brands and introducing new energy models, the Company continued to expand and deepen the layout of the global market. The Company signed a memorandum of understanding with the Department of Value Added Tax of Thailand and successfully obtained approval for the "EV3.5" policy; the Company presented two key models, the DEEPAL S7 and the NEVO A05, at the United Arab Emirates Exhibition, completing the debut of the new energy brand in the Middle East region; the DEEPAL S7 topped the sales list of BEVs among all brands available in Thailand in April. The Company focused on building the overseas system, increased the allocation of overseas resources, improved the global logistics system, built a global supply chain with its partners, and accelerated the implementation of the "Vast Ocean plan".

### III. Analysis of Main Business

#### Overview

Whether it is the same as the company's main business disclosure during the reporting period

Yes  No

Please refer to the relevant content of "I. The main business of the Company in the reporting period" in chapter 3 of this report.

#### Y-o-Y changes in key financial data

Unit: RMB

	The reporting period	The same period of last year	YoY change (%)	Reasons for changes
Operating revenue	76,722,649,723.79	65,492,098,869.01	17.15%	
Operating cost	66,134,307,155.12	54,790,036,298.76	20.70%	
Sales expense	3,077,988,414.27	2,280,397,591.19	34.98%	Mainly due to the increase in sales volume, the impact of increased expenses for sales services, transportation, warehousing, etc
General and administrative expenses	2,426,863,860.79	2,271,960,408.55	6.82%	
R&D expenses	2,912,092,313.40	2,964,604,104.48	-1.77%	
Financial expenses	-549,385,364.01	-453,268,104.89	-21.21%	
Impairment loss	-146,269,535.60	-397,274,160.99	63.18%	Mainly due to the provision for impairment of fixed assets and intangible assets in the same period last year, while there was no provision for impairment in this period
Investment income	350,711,425.33	5,023,108,819.32	-93.02%	Mainly due to the confirmation of investment returns from the acquisition of Deep Blue Automotive in the same period last year
Other income	1,442,510,651.32	657,988,649.18	119.23%	Mainly due to the advanced manufacturing value-added tax deduction policy enjoyed in this period and the impact

				of government subsidies received
Income tax expense	65,628,900.78	176,620,825.19	-62.84%	
Subtotal of cash inflow from operating activities	3,435,100,740.53	6,955,456,713.59	-50.61%	Mainly affected by an increase in payments to suppliers
Subtotal of cash inflow from investment activities	5,675,407,284.92	5,259,673,991.67	7.90%	
Net cash flow from financing activities	-3,308,164,902.30	-566,158,268.81	-484.32%	Mainly due to the fact that the equity distribution for 2023 has been paid in this period, and the impact of unpaid equity distribution for the same period last year
Net increase in cash and cash equivalents	5,623,797,868.72	11,662,231,001.80	-51.78%	Mainly due to increased payments to suppliers and the impact of equity distribution in 2023

Major changes on profit composition or profit resources in reporting period

√ Applicable □ Not applicable

The company's profit during the reporting period is greatly affected by non recurring gains and losses. For details, please refer to "VI. Non recurring Gains and Losses Items and Amounts" in Chapter 2 of this report.

### Composition of the operating revenue

	The reporting period		The same period of last year		YoY change (%)
	Amount (RMB)	Proportion of operating revenue (%)	Amount (RMB)	Proportion of operating revenue (%)	
Operating revenue	76,722,649,723.79	100%	65,492,098,869.01	100%	17.15%
<b>By industry</b>					
Automotive business	76,722,649,723.79	100%	65,492,098,869.01	100%	17.15%
<b>By product</b>					
Vehicles	72,857,083,609.60	94.96%	61,803,014,700.65	94.37%	17.89%
Services and others	3,865,566,114.19	5.04%	3,689,084,168.36	5.63%	4.78%
<b>By region</b>					
China	59,820,525,384.76	77.97%	57,602,185,093.44	87.95%	3.85%
Overseas	16,902,124,339.03	22.03%	7,889,913,775.57	12.05%	114.22%

### The business, products and regions accounting for over 10% of the Company's operating revenue or operating profit

√ Applicable □ Not applicable

	Operating Revenue (RMB)	Operating Cost (RMB)	Gross margin (%)	YoY increase/decrease of operating income (%)	YoY increase/decrease of operating cost (%)	YoY increase/decrease of gross margin (%)
<b>By business</b>						
Automotive business	76,722,649,723.79	66,134,307,155.12	13.80%	17.15%	20.70%	-2.54%
<b>By product</b>						
Vehicles	72,857,083,609.60	63,046,214,800.88	13.47%	17.89%	21.98%	-2.90%
<b>By region</b>						
China	59,820,525,384.76	53,779,905,917.25	10.10%	3.85%	9.70%	-4.79%

Overseas	16,902,124,339.03	12,354,401,237.87	26.91%	114.22%	114.24%	0.00%
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Where the statistical caliber of the main business data of the Company is adjusted, the data is subject to the main business data after adjustment according to the caliber of the end of the report period in the latest year.

Applicable  Not applicable

#### IV. Analysis of Non-Main Business

Applicable  Not applicable

	Amount (RMB)	Proportion of profits (%)	Explanation	Whether it is sustainable or not
Investment income	350,711,425.33	15.17%	Please refer to the Item 56, Note 7 “Investment income” in the In Chapter 10 of this report.	Yes
Profits or losses of fair value change	-35,024,179.42	-1.51%		No
Impairment losses on assets	-146,269,535.60	-6.33%	Please refer to the Item 58, Note 7 “Impairment losses on assets” in the In Chapter 10 of this report.	No
Non-operating income	46,291,779.69	2.00%		No
Non-operating expenses	19,101,827.75	0.83%		No

#### V. Analysis of Assets and Liabilities

##### 1. Major Changes in Asset Composition

	30 June 2024		31 December 2023		Increase/Decrease in Proportion (%)	Description of significant changes
	Amount (RMB)	Proportion of total assets (%)	Amount (RMB)	Proportion of total assets (%)		
Monetary fund	70,939,136,071.24	37.87%	64,871,042,747.88	34.11%	3.76%	
Receivables	2,989,231,105.41	1.60%	2,411,796,419.07	1.27%	0.33%	
Contract assets	822,694,699.90	0.44%	1,442,876,966.30	0.76%	-0.32%	
Inventories	13,792,862,498.94	7.36%	13,465,847,696.93	7.08%	0.28%	
Investment property	6,082,647.70	0.00%	6,196,003.48	0.00%	0.00%	
Long-term equity investment	14,109,162,499.18	7.53%	13,787,391,985.47	7.25%	0.28%	
Fixed assets	19,515,251,831.25	10.42%	19,994,084,908.14	10.51%	-0.09%	
Construction in progress	2,294,576,852.63	1.22%	1,914,345,359.83	1.01%	0.21%	
Right-of-use assets	217,698,854.98	0.12%	209,480,676.04	0.11%	0.01%	
Short-term loans	54,056,333.40	0.03%	30,039,416.74	0.02%	0.01%	
Contract liabilities	5,996,592,698.42	3.20%	7,923,792,852.77	4.17%	-0.97%	
Long-term loans	36,000,000.00	0.02%	72,000,000.00	0.04%	-0.02%	
Lease liabilities	124,713,350.60	0.07%	134,254,398.07	0.07%	0.00%	

##### 2. Major overseas assets

Applicable  Not applicable

**3. Assets and liabilities measured at fair value**

√ Applicable   □ Not applicable

Unit: RMB

Item	Opening Balance	Changes in Fair Value Gains and Losses in Current Period	Accumulated Fair Value Changes Included in Equity	Provision for Impairment in Current Period	Amount of Purchase in Current Period	Amount of Sales in Current Period	Other Changes	Closing Balance
Financial assets								
1. Financial assets held for trading (excluding derivative financial assets)	167,519,347.29	-13,487,271.96				1,363,657.67		152,668,417.66
2. Investments in other equity instruments	504,190,082.71							504,190,082.71
Subtotal financial assets	671,709,430.00	-13,487,271.96				1,363,657.67		656,858,500.37
Total	671,709,430.00	-13,487,271.96				1,363,657.67		656,858,500.37
Financial liabilities		-21,536,907.46				8,595,393.75		12,941,513.71

Note: The trading financial assets and investments in other equity instruments in the table above are detailed in “2. Trading Financial Assets” and “10. Investments in Other Equity Instruments” in Note 7 of the Financial Statements.

Whether there are major changes on measurement attributes for main assets of the Company in reporting period

□ Yes   √ No

**4. Property rights limits by the end of report period**

Unit: RMB

Item	Book Value at the End of This Year	Limited Reason
Monetary fund	1,389,380,301.41	Acceptance Bill Deposit
Notes receivable	5,897,473,036.76	Pledge is used to issue payable bills
Total	7,286,853,338.17	

**VI. Analysis of Investment****1. Overall situation**

√ Applicable   □ Not applicable

Investment in the reporting period (RMB)	Investment amount in the same period of last year (RMB)	YoY Change (%)
2,143,011,243.97	3,065,537,536.52	-30.09%

**2. The major equity investment obtained in reporting period**

□ Applicable   √ Not applicable

**3. The ongoing major non-equity investment in reporting period**

□ Applicable   √ Not applicable

## 4. Investment of Financial Assets

### (1) Security investments

√ Applicable   □ Not applicable

Security type	Stock code	Abbreviation	Initial investment cost (RMB)	Accounting measurement model	Book value at the beginning of the reporting period (RMB)	Gains and losses from changes in fair value during the period (RMB)	Accumulated fair value changes included in equity (RMB)	Purchase amount during the reporting period (RMB)	Sales amount during the reporting period (RMB)	Gains and losses of the reporting period (RMB)	Book value at the end of the reporting period (RMB)	Accounting subject	Source of funds
Stock	301215	CPG Securities	98,999,997.80	Fair value measurement	160,744,733.27	-8,076,315.61	0.00	0.00	0.00	-6,096,315.66	152,668,417.66	Trading financial assets	Self-owned funds
Total			98,999,997.80	--	160,744,733.27	-8,076,315.61	0.00	0.00	0.00	-6,096,315.66	152,668,417.66	--	--

### (2) Derivative investments

√ Applicable   □ Not applicable

#### (1) Derivative investments for hedging purposes during the reporting period

√ Applicable   □ Not applicable

Unit: 10,000 RMB

Investment type of derivatives	Initial derivatives investment amount	Initial investment amount	Profit and loss from changes in fair value in the current period	Accumulated changes in fair value included in equity	Amount of purchase in the reporting period	Amount of sales in the reporting period	Investment amount at the end of the reporting period	Proportion of investment amount at the end of the reporting period to net assets of the Company
Forward foreign exchange-USD	91,973	91,973	-2,622	-1,903	35,586	63,921	63,638	0.89%
Forward foreign exchange-JPY	-	-	-73	-73	2,176	-	2,176	0.03%
Total	91,973	91,973	-2,695	-1,976	37,762	63,921	65,814	0.92%
Explanation of the accounting policies and specific principles of accounting for hedging operations during the reporting period, as well as whether there have been significant changes compared with the previous reporting period	Not applicable							
Description of actual gains/losses during the reporting period	During the reporting period, RMB 639.21 million was sold, and the actual transaction profit was RMB 7.19 million.							
Description of hedging effect	Changan Automobile adheres to the principle of risk neutrality in carrying out forward foreign exchange settlement and sales business, based on normal production and operation, locks in income and cost through forward foreign exchange transactions, avoids the risk of exchange rate fluctuations, reduces the uncertainty of operating profits, and ensures the realization of annual operating objectives.							
Source of funds	Self-owned funds							
Risk analysis and control measures for derivatives investment during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	<p><b>Risk analysis</b></p> <ol style="list-style-type: none"> <li>Market risk: In the case of large changes in the exchange rate, the difference between the exchange rate of the forward exchange contract and the actual exchange rate on the expiration date may cause the company's exchange loss.</li> <li>Liquidity risk: Due to inaccurate predictions, the delivery date signed for foreign exchange hedging business is inconsistent with the actual delivery date, resulting in insufficient funds available for delivery, leading to liquidity risks and inability to deliver on schedule.</li> <li>Default risk: Due to inaccurate forecasts, the delivery date signed by the forward exchange transaction is inconsistent with the actual delivery period, resulting in the delayed delivery risk caused by the failure of the forward exchange transaction to be delivered at the agreed time.</li> <li>Operational risk: Risks may arise due to inadequate internal control mechanisms and unprofessional operators.</li> <li>Legal risks: If the terms of the transaction contract are not clear, the Company may face legal risks.</li> </ol> <p><b>Risk control measures</b></p> <ol style="list-style-type: none"> <li>The Company and its subsidiaries will pay attention to the changes in the exchange rate market, strengthen the study of exchange rates, study the future exchange rate trends, improve the forecasting ability of exchange rates, and reduce the impact of exchange rate fluctuations on the Company.</li> <li>In order to prevent delayed transaction settlement of forward exchange, the business management departments of the Company and its subsidiaries will track the progress of payment and collection, avoid overdue payments, and try to reduce the risk to the minimum.</li> <li>The company and its subsidiaries have set up a foreign exchange research team and a foreign exchange transaction risk control team, and established a forward foreign exchange trading working mechanism for foreign</li> </ol>							

	exchange research, transaction risk control and plan approval. The setting of foreign exchange trading positions is to separate the front, middle and back office positions and personnel, and rotate them regularly. 4. The Company has formulated the “Measures for the Administration of Forward Exchange Trading Business (Trial)”, which clearly stipulates the business operation principles, approval authority, internal operation processes and requirements, risk handling procedures, etc., and the operation must be handled in strict accordance with the requirements of the measurements. 5. The counter parties of the company and its subsidiaries to carry out forward foreign exchange trading business are financial institutions with legal qualifications, good credit and long-term business dealings with the company, and the risk of default is low.
Changes in market price or fair value of invested derivatives during the reporting period (the specific methods, relevant assumptions and parameters used in the analysis of the fair value should be disclosed)	The Company’s measurement of Financial Instruments follows the “Accounting Standard for Business Enterprises Article 22 - Recognition and Measurement of Financial Instruments”, and the fair value is basically measured and recognized with reference to bank pricing. During the reporting period, the gain on the change in fair value of forward exchange contracts was RMB -26.95 million.
Whether it is involved in a lawsuit	Not applicable
Disclosure date of derivatives investment approval board announcement	February 23rd, 2024
Disclosure date of derivatives investment approval shareholders meeting announcement	May 11th, 2024

**(2) Derivative investment for the purpose of speculation during the reporting period**

Applicable  Not applicable

During the reporting period, there was no derivative investment for the purpose of speculation.

**5. Use of raised funds**

Applicable  Not applicable

**(1) Overall use of raised funds**

Applicable  Not applicable

Unit: 10,000 RMB

Year	Types of raise	Total funds raised	Net amount of raised funds	The used amount of total funds raised in the current period	Total accumulated use of funds raised	The total amount of raised funds with purpose changed in reporting period	Cumulative total amount of raised funds with purpose changed	Proportion of total raised funds with purpose changed	The total amount of unused funds	The purpose and placement of the unused funds	Amount of funds raised idle for more than two years
2020	Non-public offering of shares	600,000.00	598,608.41	1,270.40	598,397.09	0	160,545.86	26.82%	9,738.75	Deposited in a dedicated account for raised funds	0
Total	--	600,000.00	598,608.41	1,270.40	598,397.09	0	160,545.86	26.82%	9,738.75	-	0

**Description of the overall use of raised funds**

1. The board of directors of the Company believes that the Company has disclosed the storage and actual use of the Company’s raised funds in a timely, true, accurate and complete manner in accordance with the “Self-Regulatory Guidelines for Listed Companies on the Shenzhen Stock Exchange No. 1 - Standardized Operation of Listed Companies on the Main Board” and relevant format guidelines. There are no violations in the management of raised funds. The Company has faithfully fulfilled its obligation to disclose the investment direction and progress of the raised funds.

2. The net amount of raised funds after deducting other issuance expenses is RMB 5,986.08 million, the actual net amount of raised funds after adjustment is RMB 6,039.30 million. The Company used the raised funds of RMB 3,252.08 million, RMB 747.22 million, RMB 693.30 million, RMB 1,278.67 million and RMB 12.70 million respectively in 2020, 2021, 2022, 2023 and the first half of 2024. As of June 30th, 2024, the Company has used a total of RMB 5,983.97 million of the raised funds.

**(2) Use of the raised funds in committed projects**

Applicable  Not applicable

Unit: 10,000 RMB

Committed projects and placement of extra funds raised	Whether the project has been changed	Total committed investment of raised funds	Adjusted total investment (1)	Amount invested this year	Cumulative investment amount as of the end of the period (2)	Investment progress as of the end of the period% (3) = (2)/(1)	Whether the project has reached the intended usable state	Benefits realized this year	Whether it meets the expected return	Whether the feasibility of the project has changed significantly
Committed projects										
H series fifth phase, NE1 series first phase engine production capacity construction project	Yes	141,568.38	103,313.68	1191.62	103,698.13	100.37%	Yes	172,048.56	Not applicable	No
Crash Laboratory Capacity Upgrade Project	Yes	11,505.75	8,251.85	-	8,342.63	101.10%	Yes	Not applicable	Not applicable	No
CD569 production line construction project	Yes	15,576.22	9,418.59	-	9,616.70	102.10%	Yes	18,954.51	Not applicable	No
Hefei Changan Automobile Co., Ltd. adjustment and upgrade project	Yes	249,958.06	142,399.78	78.78	133,980.50	94.09%	Yes	21,328.40	Not applicable	No
Supplementary working capital	No	180,000.00	180,000.00	-	180,000.00	100.00%	No	-	-	No
New generation energy-saving product transformation and upgrading project	No	-	160,545.86	-	162,759.13	101.38%	No	Not applicable	Not applicable	No
Total		598,608.41	603,929.76	1,270.40	598,397.09	99.08%	-	-	-	-
Explain the situation and reasons for not reaching the planned schedule and expected benefits (including the reasons for "whether the expected benefits have been achieved" and for selecting "not applicable" )	The calculation period of the economic benefits realized in the reporting period is from January to June 2024, and the calculation period is less than one full year; Considering the obvious seasonal fluctuation characteristics of automobile sales. Therefore, the "whether the expected benefits have been achieved" of the project in the reporting period is not applicable.									
Description of major changes in the feasibility of the project	N/A									
The amount, use and progress of extra raised funds	Not applicable									
Change in implementation location of the committed projects	N/A									
Adjustment to implementation method of committed project	N/A									
Upfront investment and replacement of committed projects	On November 18th, 2020, the Ninth Meeting of the Eighth Session of the Board of Directors of the Company reviewed and approved the "Proposal on the Use of Raised Funds to Replace Early Investment in Self-Owned Funds", and agreed to use raised funds of RMB 1,378,818,553.05 to replace pre-invested self-raised funds for the project. The replacement of the raised funds has been verified by the Ernst & Young Hua Ming (2020) Special Zi No. 60662431_D05 special report issued by Ernst & Young Hua Ming Certified Public Accountants (special general partnership).									
Use of idle raised funds for temporary supplement of working capital	N/A									
Amount and cause of surplus of funds raised for project implementation	The company's original plan for four fundraising projects, including the H-series Phase V and NE1 series Phase I engine production capacity construction project, collision testing laboratory capacity upgrading construction project, CD569 production line construction project, and Hefei Changan Automobile Co., Ltd. adjustment and upgrading project, resulted in some savings compared to the previous plan. The main reason is that the company reduced the actual investment amount through the localization of imported equipment during the project implementation process; At the same time, in order to continuously improve the quality of operation, the company has continuously optimized the plan during the project construction process and implemented lean investment process management, achieving control over investment scale and pace. Based on the company's long-term strategic planning and current development needs, and after comprehensive analysis, in order to further improve the efficiency of the use of raised funds, the company has adjusted the investment scale of the original raised funds investment project and allocated the remaining funds of RMB 1,605.46 million to the company's new generation energy-saving product transformation and upgrading project.									



The purpose and placement of the unused raised funds	Deposited in a dedicated account by the Company for unused raised funds.
Defects and other problems in utilization and disclosure of the raised funds	N/A

**(3) Changes of projects supported by raised funds**

√ Applicable    □ Not applicable

Unit: 10,000 RMB

Changed project	The commitment of the original project	Total amount of funds to be invested in the project after the change (1)	The amount actually invested during the reporting period	Actual cumulative investment amount as of the end of the period (2)	Investment progress as of the end of the period (%) (3)=(2)/(1)	The date when the project reached the intended availability status	Benefits achieved during the reporting period	Whether the expected benefits have been achieved	Significant changes in the feasibility of the project after the change
A new generation of energy-saving products transformation and upgrading projects	1. H series fifth phase, NE1 series first phase engine production capacity construction project 2. Crash Laboratory Capacity Upgrade Construction Project 3. CD569 production line construction project 4. Hefei Changan Automobile Co., Ltd. adjustment and upgrade project	160,545.86	-	162,759.13	101.38%	In the year of 2024	Not applicable	Not applicable	No
Total	--	160,545.86	-	162,759.13	101.38%	--	--	--	--
Reasons for change, decision-making procedures and information disclosure (by specific project)	<p>1. The company's original plan for four fundraising projects, including the H-series Phase V and NE1 series Phase I engine production capacity construction project, collision testing laboratory capacity upgrading construction project, CD569 production line construction project, and Hefei Changan Automobile Co., Ltd. adjustment and upgrading project, resulted in some savings compared to the previous plan. The main reason is that the company reduced the actual investment amount through the localization of imported equipment during the project implementation process; At the same time, in order to continuously improve the quality of operation, the company has continuously optimized the plan during the project construction process and implemented lean investment process management, achieving control over investment scale and pace. Based on the company's long-term strategic planning and current development needs, and after comprehensive analysis, in order to further improve the efficiency of the use of raised funds, the company has adjusted the investment scale of the original raised funds investment project and allocated the remaining funds of RMB 1,605.46 million to the company's new generation energy-saving product transformation and upgrading project.</p> <p>2. Decision-making procedure: The Company held the 38th meeting of the 8th Board of Directors on April 26th, 2022, and approved the proposal of "Adjusting and Changing the Use of Part of the Raised Funds". The proposal has yet to be submitted to the Company's General Meeting of Shareholders for consideration.</p> <p>3. Information disclosure: Please refer to the announcement of "Adjusting and Changing the Use of Part of the Raised Funds" on <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (Announcement Number: 2022-23).</p>								
Reasons for failure to meet the planned schedule or projected benefits (by project)	Not applicable								
Description of significant changes in the feasibility of the project after the change	Not applicable								

**VII. Sale of significant Assets and Equity****1. Sale of significant assets**

□ Applicable    √ Not applicable

**2. Sale of significant equity**

□ Applicable    √ Not applicable

## VIII. Analysis of Major Shareholding and Joint Stock Companies

√ Applicable   □ Not applicable

Major subsidiaries and shareholding companies that have an impact of more than 10% on the company's net profit

Unit: 10,000 RMB

Name	Type	Main businesses	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Chongqing Changan Automobile Customer Service Co., Ltd.	Subsidiary	Automotive spare parts	3,000	201,583	77,915	241,446	55,366	47,208
Deepal Automobile Technology Co., Ltd.	Subsidiary	Produce and sell auto and parts	32,811	2,336,640	-267,540	1,398,138	-74,209	-73,861
Changan Ford Automobile Co., Ltd.	Joint Stock Company	Produce and sell auto and parts	24,100USD	2,695,950	139,871	2,270,745	181,351	182,115
Avatr Technology (Chongqing) Co. Ltd.	Joint Stock Company	Produce and sell auto and parts	199,497	1,274,627	70,598	615,167	-139,551	-139,547
Chongqing Changan Automobile International Sales Service Co., Ltd.	Subsidiary	Exports and services of automobiles, components, and technology	118,276	1,338,973	300,003	1,541,340	105,413	99,779

Subsidiaries acquired and sold in the reporting period

□ Applicable   √ Not applicable

Description of major holding and participating companies

During the reporting period, Customer Service Company saw a gradual increase in car sales in recent years, an increase in terminal ownership, and a synchronous increase in car repair, maintenance, and related aftermarket businesses, which led to an overall increase in spare parts sales and further improved the company's profitability. Due to the improvement of product structure and the promotion of cost reduction and efficiency improvement, Deepal Automobile's profit loss decreased year-on-year. Changan Ford's sales increased year-on-year due to export growth driven by the Lincoln brand, while sales expenses were saved and net profit increased year-on-year. Avatr benefited from the gradual enrichment of its product line and improved product efficiency, resulting in a year-on-year decrease in profit losses. CIC have seen a year-on-year increase in profits due to the growth of their export business.

## IX. Structural main business under the company control

□ Applicable   √ Not applicable

## X. Possible risks and corresponding measures

### 1. Risks of Market competition

The competition in the auto industry is becoming increasingly fierce, and the competitive factors are constantly being restructured. In terms of product demand, the increasingly diverse consumer demands have led to the emergence of more segmented product markets, and numerous competing products have intensified market competition. In terms of technological research and development, with the development of intelligent connected new energy vehicles, the automotive industry is facing unprecedented technological changes and challenges. In terms of industrial development, the industrial pattern is accelerating its transformation under the influence of new entrants, with changes in products and business models. The automotive industry is forming new forms of competition through integration with other industries. In addition, there are still risks such as restrictions in the industrial supply chain.

Countermeasures: The company firmly adheres to the strategic goals of the "Three Major Plans", accelerates product innovation and technological upgrading, and promotes sustainable and high-quality development. Continuously improving the product spectrum, covering multiple power types, providing consumers with diversified and all scenario travel choices. Accelerate the iteration and breakthroughs of core technologies such as new energy and intelligence through self research and joint development of technology. At the same time, actively integrating into industrial innovation, building a complete, smooth, and sustainable new supply ecosystem, achieving the integration of the entire industry chain, and reducing supply chain risks.

### 2. Risks of Overseas Business

Global trade relations are becoming strained by increasing challenges for Chinese auto exports, with some countries adopting stricter trade policies, higher tariffs and imposing non-tariff barriers.

Countermeasures: Changan has formed a comprehensive daily, weekly and monthly tracking and research mechanism for the politics, economy, society, environment, regulations, etc. of the target markets, and remained "steady and brave" as it maximized control of overseas business risks. At the same time, the Company accelerated transformation, seized strategic opportunities, comprehensively promote the "Vast Ocean Plan" for globalization, accelerate the construction of overseas production facilities,

helping the industrial chain to go overseas to enhance the overall competitiveness in overseas markets.

## XI. Implementation of the “Parallel Improvement of Quality and Return” Initiative

Whether the company has disclosed the announcement of the action plan of “Parallel Improvement of Quality and Return” .

Yes  No

In order to implement the guiding ideology of “revitalizing the capital market and boosting investor confidence” proposed by the Politburo meeting of the Communist Party of China Central Committee, better play the "three roles" of central enterprises in scientific and technological innovation, industrial control, and security support, safeguard the interests of all shareholders, enhance investor confidence, and promote the long-term healthy and sustainable development of the company, the company has formulated the "Parallel improvement of quality and return" action plan. The specific measures include firmly guiding the strategy to accelerate the transformation into an intelligent low-carbon travel technology company, improving the standard operation level of corporate governance, strengthening information disclosure to enhance transparency, and valuing shareholder returns to improve investor satisfaction. For details, please refer to the Announcement on “the Action Plan for Parallel Improvement of Quality and Return” (Announcement No. 2024-13) disclosed by the company on Juchao Information Network (www.cninfo.com.cn) on March 7, 2024. In addition, on April 18, 2024, the Company disclosed the Announcement on "the Progress of the Action Plan for Parallel Improvement of Quality and Return" (Announcement No. 2024-26).

During the reporting period, the company actively took practical and effective measures to continuously improve the quality of operations and promote high-quality development of the company in all aspects. Firstly, we will steadfastly promote the improvement of business quality, focusing on multiple aspects such as increasing income, reducing costs, improving efficiency, and enhancing operational cash flow, continuous improvement in business quality. Secondly, we vigorously implement the "Nirvana" action to improve the cost of new energy products, continuously create classic new energy products, improve the profitability of new energy products, and enhance market competitiveness. Thirdly, we promote strict thrift and eliminate waste, create the awareness that everyone is a business operator, promote the excellent style of hard work, diligence and thrift, continuously improve the quality of the company's operation and management level, and assist in the improvement of the company's operation quality.

The company respects shareholders and respects investors, and actively maintains a positive relationship between the company and investors by establishing a multi-level positive interaction mechanism. Firstly, we enhance investors' understanding and recognition of the company's important strategic areas such as overseas and new energy through various interactive exchanges such as institutional strategy meetings, on-site receptions, visits and research, and conference calls. Secondly, through our company's major brand events, we organize investors to conduct special exchanges, test drives, and experience activities, which helps investors understand the long-term investment value of the company. Thirdly, we hold performance briefing meetings regularly, the 2023 annual performance briefing has fully broadcasted using digital technology, showcased the steady progress of the company's transformation and development, as well as the improvement of business quality and other operational highlights, effectively conveying the company's value. The company will hold a 2024 semi annual performance briefing on September 2nd from 3:00 pm to 4:00 pm through the "Panoramic Roadshow". Welcome investors to actively participate.

## XII. Reception Research, Communication, Interviews and Other Activities during the Reporting Period

Date	Reception place	Research Type	Type of Research Object	Index
February 2nd, 2024	Chongqing	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on February 2nd, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on February 2nd, 2024
February 22nd, 2024	Chongqing	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on February 22nd, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on February 22nd, 2024
March 14th, 2024	Chongqing	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on March 14th, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on March 14th, 2024
March 15th, 2024	Chongqing	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on March 15th, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on March 15th, 2024
April 19th, 2024	Chongqing and Online	Field research and Online communication	All investors	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on April 19th, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on April 19th, 2024

May 9th, 2024	Chongqing	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on May 9th, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on May 9th, 2024
May 16th, 2024	Chongqing	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on May 16th, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on May 16th, 2024
May 30th, 2024	Chongqing	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on May 30th, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on May 30th, 2024
June 5th, 2024	Chongqing	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on June 5th, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on June 5th, 2024
June 7th, 2024	Thailand	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on June 7th, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on June 7th, 2024
June 19th, 2024	Chongqing	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on June 19th, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on June 19th, 2024
June 20th, 2024	Chongqing	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on June 20th, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on June 20th, 2024
June 27th, 2024	Chongqing	Field research	Institution	For details, please refer to the "Changan Automobile: Record of Investor Relations Activities on June 27th, 2024" published on the Shenzhen Stock Exchange Interactive Easy Platform ( <a href="http://irm.cninfo.com.cn">http://irm.cninfo.com.cn</a> ) on June 27th, 2024

## Chapter 4 Corporate Governance

### I. Annual Shareholders Meeting and Extraordinary General Meeting during the Reporting Period

#### 1. Shareholders meeting during the reporting period

Meeting Session	Type	Investors' participation Ratio	Opening Time	Disclosure Time	Meeting Decision
2024 The First Extraordinary General Meeting	EGM	41.201%	January 5th, 2024	January 6th, 2024	<a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> 2024 The First Extraordinary General Meeting Resolution Announcement (Announcement Number: 2024-01)
2024 The Second Extraordinary General Meeting	EGM	41.254%	January 30th, 2024	January 31st, 2024	<a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> 2024 The Second Extraordinary General Meeting Resolution Announcement (Announcement Number: 2024-05)
2023 Annual Shareholders Meeting	Annual	48.395%	May 10th, 2024	May 11th, 2024	<a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> 2023 Annual Shareholders Meeting Resolution Announcement (Announcement Number: 2024-32)

#### 2. The shareholders of preferred shares with voting right restored request to convene an extraordinary general meeting

Applicable  Not applicable

### II. Departure and Hiring information of the directors, supervisors and senior manager

Available  Not available

Name	Position	Type	Date	Reason
Shi Yaoxiang	Director	Elected	January 30th, 2024	Appointment
Li Jun	Secretary of the Board of Directors	Dismissal from Employment	July 12th, 2024	Retirement
Chen Wei	Executive Vice President, General Counsel	Dismissal from Employment	August 15th, 2024	Job change

### III. Preplan for Company common stock profit distribution and capital reserves converting into share capital in the reporting period

Applicable  Not applicable

The company plans not to distribute cash dividends, not to send bonus shares, not to increase equity by provident fund in the first half of the year.

### IV. Implementation of company equity incentive plans, employee stock incentive plans or other incentive measures

Applicable  Not applicable

## 1. Equity incentive

On July 13th, 2020, the 2nd meeting of the 8th Session of Board of Directors and the 2nd meeting of the 8th Session of Board of Supervisors reviewed and approved proposals such as “Proposal on <The Company’s A-Share Restricted Stock Incentive Plan (Draft)> and its Summary” and “Proposal on <The Company's A-Share Restricted Stock Incentive Plan Implementation Assessment Management Measures>”. The independent directors expressed their independent agreement on the incentive plan.

On February 1st, 2021, the 11th meeting of the 8th Session of Board of Directors and the 7th meeting of the 8th Session of Board of Supervisors reviewed and approved proposals such as “Proposal on <The Company's A-Share Restricted Stock Incentive Plan (Revised Draft) > and its Summary” and “Proposal on <The Company's A-Share Restricted Stock Incentive Plan Implementation Assessment Management Measures> (Revision)”. The independent directors expressed their independent agreement on the incentive plan revision.

On February 18th, 2021, the company held the first extraordinary general meeting in 2021, and reviewed and approved proposals such as “Proposal on <The Company's A-Share Restricted Stock Incentive Plan (Revised Draft) > and its Summary”, “Proposal on <The Company's A-Share Restricted Stock Incentive Plan Implementation Assessment Management Measures (Revision) >” and “Proposal on General Meeting Granting Full Authority to the Board of Directors to Handle Matters Related to Equity Incentives”.

On February 22nd, 2021, the company held the twelfth meeting of the Session of Board of Directors and the 8th meeting of the Session of Board of Supervisors, which reviewed and approved proposals such as “Proposal on Adjusting the List of Incentive Objects and Incentive Quantity of the A-Share Restricted Stock Incentive Plan under Initial Granting” and “Proposal on Granting Restricted Stocks for the First Time to Incentive Objects of A-Share Restricted Stock Incentive Plan”. The independent directors expressed their independent agreement.

On March 3rd, 2021, the company completed the registration of restricted stocks and disclosed the “Announcement on the Completion of the Registration of the Initial Granting of the A-Share Restricted Stock Incentive Plan”. 1,247 people were actually granted with 76,195,400 restricted shares. The listing date of restricted shares was March 5, 2021.

On August 30th, 2021, the company held the 25th meeting of the 8th Session of Board of Directors and the 12th meeting of the 8th Session of Board of Supervisors, which reviewed and approved the “Proposal on Adjusting the Repurchase Price of A-Share Restricted Stock Incentive Plan” and “Proposal on Repurchase and Cancellation of Certain Restricted Shares Granted to Incentive Objects but still with Sales Restriction”. The independent directors expressed independent agreement.

On September 17th, 2021, the company held the second extraordinary general meeting in 2021, and reviewed and approved the “Proposal on Repurchase and Cancellation of Certain Restricted Shares Granted to Incentive Objects but still with Sales Restriction”.

On November 19th, 2021, the company held the 29th meeting of the 8th Session of Board of Directors and the 15th meeting of the 8th Session of Board of Supervisors, and reviewed and approved the “Proposal on Adjusting the Amount of Reserved A-Share Restricted Stock Incentive Plan” and “Proposal on Granting Reserved Restricted Stocks to the Incentive Objects of the A-Share Restricted Stock Incentive Plan”. The independent expressed independent agreement.

On December 21th, 2021, the company has completed the repurchase and cancellation of a total of 1.036 million restricted shares that had been granted to some of the original incentive recipients but have not yet been released.

On December 30th, 2021, the company completed the registration of the reserved restricted stock and disclosed the “Announcement on the Completion of the Grant of the Reserved A-Share Restricted Stock of the Incentive Plan”; 356 people were granted with 17,761,200 reserved restricted stocks. The listing date of reserved restricted stocks was December 31th, 2021.

On August 2nd, 2022, the company held the 43rd meeting of the 8th Board of Directors and the 18th meeting of the 8th Board of Supervisors, and reviewed and approved the Proposal on Adjusting the Repurchase Price of A-share Restricted Stock Incentive Plan and Repurchasing and Cancelling Some Restricted Stocks. The independent directors of the company have expressed independent opinions that they agree with.

On August 18th, 2022, the company held the third extraordinary general meeting of shareholders in 2022, and reviewed and approved the Proposal on Adjusting the Repurchase Price of the A-share Restricted Stock Incentive Plan and Repurchase and Cancellation of Some Restricted Stocks.

On February 17th, 2023, the company held the 52nd meeting of the 8th Board of Directors and the 21st meeting of the 8th Board of Supervisors, and reviewed and approved the Proposal on the Achievements of the First Release of Restriction Conditions during the First Grant Period of the A-share Restricted Stock Incentive Plan. The independent directors of the company have expressed independent opinions that they agree with.

On March 3rd, 2023, the company disclosed the "Indicative Announcement on the Release of Restricted Shares from Listing and Circulation during the First Release Period of the First Grant Part of the A-share Restricted Stock Incentive Plan", and the date of release of restricted shares from listing and circulation was March 6th, 2023.

On June 20th, 2023, the company has completed the repurchase and cancellation of a total of 2.476 million restricted shares that had been granted to some of the original incentive recipients but have not yet been released.

On July 27th, 2023, the company held the 1st meeting of the 9th Board of Directors and the 1st meeting of the 9th Board of Supervisors, and reviewed and approved the Proposal on Amending the Company's A-share Restricted Stock Incentive Plan. The independent directors of the company issued a concurring independent opinion.

On August 30th, 2023, the company held the 3rd meeting of the 9th Board of Directors and the 2nd meeting of the 9th Board of Supervisors, and reviewed and approved the "Proposal on Adjusting the Repurchase Price of the A-share Restricted Stock Incentive Plan and Repurchasing and Canceling Part of the Restricted Shares". The independent directors of the company issued a concurring independent opinion.

On September 15th, 2023, the company held the second extraordinary general meeting of shareholders in 2023, and reviewed

and approved the "Proposal on Amending the Company's A-share Restricted Stock Incentive Plan" and "Proposal on Adjusting the Repurchase Price of the A-share Restricted Stock Incentive Plan and Repurchasing and Canceling Part of the Restricted Shares".

On December 5th, 2023, the company has completed the repurchase and cancellation of a total of 2.034 million restricted shares that had been granted to some of the original incentive recipients but have not yet been released.

On December 8th, 2023, the company held the 12th meeting of the 9th Board of Directors and the 4th meeting of the 9th Board of Supervisors, and reviewed and approved the "Proposal on the Achievement of the Lifting of the Restricted Stock Restriction Conditions of the A-share Restricted Stock Incentive Plan". The company's Nomination and Remuneration Committee issued a concurring opinion.

On December 27th, 2023, the company disclosed the "Indicative Announcement on the Lifting of the Listing and Circulation of Restricted Shares under the A-share Restricted Stock Incentive Plan", and the date of release of restricted shares from listing and circulation was January 2th, 2024.

On February 22nd, 2024, the company held the 17th meeting of the 9th Board of Directors and the 5th meeting of the 9th Board of Supervisors, and reviewed and approved the "Proposal on the Achievement of the Lifting of the Restriction Conditions during the Second Lifting Period of the A-share Restricted Stock Incentive Plan". The company's Nomination and Remuneration Committee issued a concurring opinion.

On March 2nd, 2024, the company disclosed the "Indicative Announcement on the Release of Restricted Shares from Listing and Circulation during the First Release Period of the Second Grant Part of the A-share Restricted Stock Incentive Plan", and the date of release of restricted shares from listing and circulation was March 5th, 2024.

On August 30th, 2024, the Company held the 26th meeting of the 9th Board of Directors and the 8th meeting of the 9th Board of Supervisors, and reviewed and approved the "Proposal on Adjusting the Repurchase Price of the A-share Restricted Stock Incentive Plan and Repurchasing and Canceling Part of the Restricted Shares". The company's Nomination and Remuneration Committee issued a concurring opinion.

## **2. Implementation of employee stock ownership plans**

Applicable     Not applicable

## **3. Other employee incentives**

Applicable     Not applicable

## Chapter 5 Environment and Social Responsibility

### I. Major Environment Concerns

Whether the listed company and its subsidiaries are reckoned as major pollutant discharging units by environment protection department or not

Yes  No

### Environmental protection-related policies and industry standards

The company strictly implements the laws, regulations, standards and requirements for environmental protection in its production and operation. The laws include Environmental Protection Law of the People's Republic of China, Law on Air Pollution Prevention and Control, Law of the People's Republic of China on Prevention and Control of Water Pollution, Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste, Law of People's Republic of China on Environmental Impact Assessment, etc.

Administrative regulations or rules include Measures for the Administration of Environmental Monitoring, Measures for the Administration of the List of Key Units of Environmental Supervision, Administrative Measures for the Legal Disclosure of Enterprise Environmental Information, Contingency Plan for Environmental Emergencies, etc.

National standards include Integrated Wastewater Discharge Standard, Integrated Emission Standard of Air Pollutants, Standard for Fugitive Emission of Volatile Organic Compounds, Technical Requirement for Low-Volatile-Organic-Compound-Content Coatings Product, etc, Technical specification for operation of wastewater online monitoring system (CODCr, NH<sub>3</sub>-N etc.), Technical Specification for Continuous Monitoring of Non Methane Total Hydrocarbons in Waste Gas from Fixed Pollution Sources, Technical guide for leak detection and repair of volatile organic compounds in industries, Technical specifications for setting hazardous waste identification signs, Industry standards include Technical Specification for Application and Issuance of Pollutant Permit Automotive Industry, Emission Standard of Air Pollutants for Foundry Industry, Self-Monitoring Technology Guidelines for Pollution Sources, etc.

Local standards include Emission standard of Air Pollutants for Surface Coating of Automobile Manufacturing Industry, Emission Standard of Air Pollutants for Catering Industry, Emission Standard of Air Pollutants for Boilers, etc. The Company collects and interprets the all new regulations and standards on a quarterly basis and conducts compliance evaluations to ensure that the Company's production and operation are always legally compliant.

### Environmental Protection Administrative License

#### —Administrative License Information for Construction Projects

In the first half of 2024, there will be a total of 3 EIA approval documents for construction projects, as follows:

Name of construction project	Name and document number of environmental impact assessment approval document	Approval Authority	Approval acquisition time
Chongqing Lingyao Production Line Leveling and Completing Technical Renovation Project	Chongqing Construction Project Environmental Impact Assessment Document Approval Letter (YSHZ [2024] No. 003)	Chongqing Ecology and Environment Bureau	January 5th, 2024
Jiangbei Engine Factory Capacity Adjustment Efficiency Improvement Project	Chongqing Construction Project Environmental Impact Assessment Document Approval Letter (YLJHZ [2024] No. 013)	Chongqing Ecology and Environment Bureau (Liangjiang New Area Branch)	January 25th, 2024
Changan Automobile HE Series Engine Production Line Technical Renovation Project (Phase II)	Chongqing Construction Project Environmental Impact Assessment Document Approval Letter (YLJHZ [2024] No. 057)	Chongqing Ecology and Environment Bureau (Liangjiang New Area Branch)	May 10th, 2024

#### —Information on administrative permission for pollutant discharge

In the first half of 2024, each base involved a total of 10 pollution discharge license documents, including 1 application, 7 reapplications, 2 changes, and no extensions. For details, see the National Pollution Discharge License Management Information Platform at <http://permit.mee.gov.cn>.



—Other administrative licensing information  
None.

**Industry emission standards and specific conditions of pollutant emissions involved in production and business activities**

Name of the company or subsidiary	Main pollutants and specific pollutants		Discharge means	Number of discharge outlets	Distribution of discharge outlets	Discharge concentration (mg/L)	Pollutant discharge standards	Total discharge (Tons/year)	Total approved discharge (Tons/year)	Excessive emissions
Chongqing Changan Automobile Co., Ltd. Yubei Plant	Wastewater	COD	Intermittent emissions	3	Two outlets for workshop facilities, and one main outlet for the Plant	56.38	Integrated Wastewater Discharge Standard (GB8978-1996); The Inlet Water Quality Requirements set by the Yubei District Sewage Treatment Plant in Chongqing	14.61	111.21	—
		Ammonia nitrogen				1.84		0.48	2.32	—
		Total nickel				0.07		0.002	-	—
		Total zinc				0.03		0.01	-	—
		Phosphate				0.28		0.07	1.13	—
	Exhaust gas	Sulfur dioxide	Organized emissions	34	Outlets around the Plant	0.08	Emission Standard of Air Pollutants for Surface Coating of Automobile Manufacturing Industry (DB 50/577-2015); Emission Standards of Air Pollutants for Industrial Kiln and Furnace (DB 50/659-2016); Integrated Emission Standards of Air Pollutants (DB 50/418-2016); Emission Standards of Air Pollutants for Boiler (DB 50/658-2016)	1.50	5.15	—
		Nitrogen oxides				0.34		6.30	45.63	—
		Particulate matter				0.00005		0.001	-	—
		Volatile organic compounds				0.90		20.72	111.30	—
		Toluene + Xylene				0.15		2.80	—	—
Soil		During the reporting period, Chongqing Changan Automobile Co., Ltd. Yubei Plant was included in the list of key environmental supervision units (atmospheric environment, environmental risk monitoring) in Yubei District, Chongqing for 2024, with a total of 1,370.76 tons of hazardous waste generated in this period. The 1,370.76 tons have been legally utilized and disposed of by manufacturers with hazardous waste operation permits, produced 9,397.832 tons of general industrial solid waste and 9,208.322 tons of utilization and disposal.							—	
Chongqing Changan Automobile Co., Ltd. Yubei Plant New Plant Area	Wastewater	COD	Intermittent emissions	1	One main outlet for the Plant	32.95	Integrated Wastewater Discharge Standard (GB8978-1996); Requirements for Inlet Water Quality of Shipping Sewage Treatment Plant	0.85	29.58	—
		Ammonia nitrogen				1.35		0.04	0.62	—
	Exhaust gas	Sulfur dioxide	Organized emissions	40	Outlets around the Plant	0.65	Emission Standard of Air Pollutants for Surface Coating of Automobile Manufacturing Industry (DB 50/577-2015); Emission Standards of Air Pollutants for Industrial Kiln and Furnace (DB 50/659-2016); Integrated Emission Standards of Air Pollutants (DB 50/418-2016); Emission Standards of Air Pollutants for Boiler (DB 50/658-2016)	0.47	1.38	—
		Nitrogen oxides				2.18		1.60	12.17	—
		VOCs				0.23		0.17	29.67	—
Soil		During the reporting period, the new plant area of Chongqing Changan Automobile Co., Ltd. Yubei Plant obtained its pollutant discharge permit for the first time on February 24th, 2024, and has not yet been included in the list of key environmental supervision units. With a total of 371.7 tons of hazardous waste generated in this period. The 371.7 tons have been legally utilized and disposed of by manufacturers with hazardous waste operation permits, produced 456.8 tons of general industrial solid waste and 456.8 tons of utilization and disposal.							—	
Chongqing Changan Automobile Co., Ltd. (Liangjiang Plant, cc)	Wastewater	COD	Intermittent emissions	2	An outlet for workshop facilities, and one main outlet for the Plant	107	Integrated Wastewater Discharge Standard (GB8978-1996); The Inlet Water Quality Requirements set by Guoyuangang Sewage Treatment Plant in Chongqing	4.43	14.02	—
		Ammonia nitrogen				4.35		0.44	1.4	—
		Total nickel				0.08		0.004	0.04	—
		Total zinc				0.12		0.01	0.28	—

	Exhaust gas	Sulfur dioxide	Organized emissions	31	Outlets around the Plant	0	Emission standard of Air Pollutants for Surface Coating of Automobile Manufacturing Industry (DB 50/577-2015); Emission Standards of Air Pollutants for Industrial Kiln and Furnace (DB 50/659-2016); Integrated Emission Standards of Air Pollutants (DB 50/418-2016); Emission Standards of Air Pollutants for Boiler (DB 50/658-2016)	0	1.23	—
		Nitrogen oxides				46.95		11.00	18.23	—
		Particulate matter				0		0	36.14	—
		Volatile organic compounds				5.87		2.49	63.06	—
		Toluene + xylene				0.42		0.14	2.68	—
	Soil	During the reporting period, Chongqing Changan Automobile Co., Ltd. (Liangjiang Plant Campus No. 1) was included in the list of key environmental supervision units (water environment, atmospheric environment, environmental risk monitoring) in Liangjiang New Area, Chongqing for 2024, with a total of 1,040.91 tons of hazardous waste in this period. A total of 1,032.412 tons were legally utilized and disposed of by manufacturers with hazardous waste operation permits, produced 8,985.1 tons of general industrial solid waste and 8,985.1 tons of utilization and disposal.							—	
Chongqing Changan Automobile Co., Ltd. (Liangjiang Plant, Campus No. 2)	Wastewater	COD	Intermittent emissions	2	An outlet for workshop facilities, and one main outlet for the Plant	61.33	Integrated Wastewater Discharge Standard (GB8978-1996); The Influent Water Quality Requirements set by the Guoyuancang Sewage Treatment Plant in Chongqing	19.24	46.00	—
		Ammonia nitrogen				3.76		1.20	4.60	—
		Total nickel				0.03		0.0002	0.14	—
		Total zinc				0.05		0.02	1.38	—
	Exhaust gas	Sulfur dioxide	Organized emissions	47	Outlets around the Plant	1.26	Emission standard of Air Pollutants for Surface Coating of Automobile Manufacturing Industry (DB 50/577-2015); Emission Standards of Air Pollutants for Industrial Kiln and Furnace (DB 50/659-2016); Integrated Emission Standards of Air Pollutants (DB 50/418-2016); Emission Standards of Air Pollutants for Boiler (DB 50/658-2016)	0.06	4.12	—
		Nitrogen oxides				57.59		17.84	34.72	—
		Particulate matter				2.76		1.10	50.61	—
		Volatile organic compounds				1.19		1.04	543.23	—
		Toluene + xylene				0.15		0.26	5.49	—
	Soil	During the reporting period, Chongqing Changan Automobile Co., Ltd. (Liangjiang Plant Campus No. 2) was included in the list of key environmental supervision units (water environment, atmospheric environment, environmental risk monitoring) in Liangjiang New Area, Chongqing for 2024, with a total of 1,490.5 tons of hazardous waste in this period. A total of 1,462.62 tons were legally utilized and disposed of by manufacturers with hazardous waste operation permits, produced 16,669.61 tons of general industrial solid waste and 16,669.61 tons of utilization and disposal.							—	
Chongqing Changan Automobile Co., Ltd. (Liangjiang Plant, Campus No. 3)	Wastewater	COD	Intermittent emissions	2	An outlet for workshop facilities, and one main outlet for the Plant	61.29	Integrated Wastewater Discharge Standard (GB8978-1996); The Influent Water Quality Requirements set by the Guoyuancang Sewage Treatment Plant in Chongqing	6.04	148.68	—
		Total nickel				0.06		0.001	0.16	—
		Ammonia nitrogen				4.17		0.42	6.68	—
		Phosphate				0.4		0.04	1.87	—
		Total zinc				0.11		0.01	0.8	—
	Exhaust gas	Particulate matter	Organized emissions	38	Outlets around the Plant	0	Emission standard of Air Pollutants for Surface Coating of Automobile Manufacturing Industry (DB 50/577-2015); Emission Standards of Air Pollutants for Industrial Kiln and Furnace (DB 50/659-2016); Integrated Emission Standards of Air Pollutants (DB 50/418-2016); Emission Standards of Air Pollutants for Boiler (DB 50/658-2016)	0	26.68	—
		VOCs				0.69		0.52	169.27	—
		SO2				0		0	1.85	—
		Toluene + xylene				0.05		0.0001	0.32	—
		NOx				58.6		4.79	23.92	—
Soil	During the reporting period, Chongqing Changan Automobile Co., Ltd. (Liangjiang Plant Campus No. 3) was included in the list of key environmental supervision units (water environment, atmospheric environment, environmental risk monitoring) in Liangjiang New Area, Chongqing for 2024, with a total of 618.807 tons of hazardous waste in this period. A total of 611.564 tons were legally utilized and disposed of by manufacturers with hazardous waste operation permits, produced 7,931.49 tons of							—		

			general industrial solid waste and 7,931.49 tons of utilization and disposal.								
Chongqing Changan Automobile Co., Ltd. (Jiangbei Engine Plant, Campus No.1)	Wastewater	COD	Intermittent emissions	2	Main outlet for the Plant	50	Integrated Wastewater Discharge Standard (GB8978-1996); The Influent Water Quality Requirements set by the Guoyuanguang Sewage Treatment Plant in Chongqing	5.38	22.50	—	
		Ammonia nitrogen (NH3-N)				5		0.54	2.25	—	
	Exhaust gas	Particulate matter	Organized emissions	93	Outlets around the Plant	13.59	Emission Standards of Air Pollutants for Industrial Kiln and Furnace (DB 50/659-2016); Integrated Emission Standards of Air Pollutants (DB 50/418-2016)	4.94	—	—	
		SO2				5.44		1.98	—	—	
		Non-methane total hydrocarbons				4.99		1.82	—	—	
NOx	6.98	2.54				—		—			
Soil		During the reporting period, Chongqing Changan Automobile Co., Ltd. (Jiangbei Engine Plant, Campus No.1) was included in the list of key environmental supervision units (environmental risk monitoring) in Liangjiang New Area, Chongqing for 2024, with a total of 2,525.52 tons of hazardous waste was generated in this period. 2,525.52 tons were legally utilized and disposed of by manufacturers with hazardous waste operation permits or exemption certificates, produced 1,254.06 tons of general industrial solid waste and 1,254.06 tons of utilization and disposal.									
Chongqing Changan Automobile Co., Ltd. (Jiangbei Engine Plant, Campus No. 2)	Wastewater	COD	Intermittent emissions	1	Main outlet for the Plant	50	Integrated Wastewater Discharge Standard (GB8978-1996); The Influent Water Quality Requirements set by Guoyuanguang Sewage Treatment Plant in Chongqing	3.67	11.08	—	
		Ammonia nitrogen (NH3-N)				5		0.37	1.11	—	
	Exhaust gas	Non-methane total hydrocarbons	Organized emissions	37	Outlets around the factory	13.89	Emission Standards of Air Pollutants for Industrial Kiln and Furnace (DB 50/659-2016); Integrated Emission Standards of Air Pollutants (DB 50/418-2016)	1.88	—	—	
		Nitrogen oxides				11.3		1.53	—	—	
		Particulate matter				57.98		7.85	—	—	
Sulfur dioxide	6.36	0.86				—		—			
Soil		During the reporting period, Chongqing Changan Automobile Co., Ltd. (Jiangbei Engine Plant, Campus No. 2) was included in the list of key environmental supervision units (environmental risk monitoring) in Liangjiang New Area, Chongqing for 2024, with a total of 3,444.56 tons of hazardous waste was generated in this period. 3,444.56 tons were legally utilized and disposed of by manufacturers with hazardous waste operation permits or exemption certificates, produced 261.41 tons of general industrial solid waste and 261.41 tons of utilization and disposal.									
Chongqing Lingyao Automobile Co., Ltd.	Wastewater	COD	Intermittent emissions	3	An outlet for workshop facilities, and two main outlets for the Plant	31.09	Integrated Wastewater Discharge Standard (GB8978-1996); The Inlet Water Quality Requirements set by Guoyuanguang Sewage Treatment Plant in Chongqing	2.83	25.76	—	
		Ammonia nitrogen				3.56		0.32	3.48	—	
		Total nickel				0		0	0.03	—	
		Total zinc				0.03		0.003	—	—	
		Phosphate				0.11		0.01	0.13	—	
	Exhaust gas	Particulate matter	Organized emissions	40	Outlets around the Plant	0.58	Emission standard of Air Pollutants for Surface Coating of Automobile Manufacturing Industry (DB 50/577-2015); Integrated Emission Standards of Air Pollutants (DB 50/418-2016); Emission Standards of Air Pollutants for Boiler (DB 50/658-2016)	4.91	38.03	—	
		Volatile organic compounds				0.23		2.04	111.40	—	
		Toluene + xylene				0.03		0.19	6.46	—	
		Sulfur dioxide				0		0	7.12	—	
	Nitrogen oxides	17.5				0.37		16.26	—		
Soil		During the reporting period, Chongqing Lingyao Automobile Co., Ltd. was included in the list of key environmental supervision units (atmospheric environment, environmental risk monitoring) in Banan Area, Chongqing for 2024, with a total of 1,163.45 tons of hazardous waste was generated in this period, 1,163.45 tons were legally utilized and disposed of by manufacturers with hazardous waste operation permits or exemption certificates, produced 7,887.43 tons of general industrial solid waste and 7,887.43 tons of utilization and disposal.									

Chongqing Changan Automobile Co., Ltd. Beijing Changan Automobile Company	Wastewater	COD	Intermittent emissions	2	An outlet for workshop facilities, and a main outlet for the Plant	55.57	Integrated Discharge Standard of Water Pollutants (DB11/307-2013)	5.12	63.68	—
		Ammonia nitrogen				6.96		0.53	3.81	—
		Total nickel				0.06		0.001	0.01	—
		Phosphate				1.72		0.18	—	—
	Exhaust gas	Nitrogen oxides	Organized emissions	52	Outlets around the Plant	9.67	Emission standard of Air Pollutants for Surface Coating of Automobile Manufacturing Industry (DB11/1227-2015); Integrated Emission Standards of Air Pollutants (DB11/501-2017)	0.18	3.18	—
		Volatile organic compounds				2.66		2.10	458.76	—
		Sulfur dioxide				3		0.55	—	—
		Particulate matter				1.76		1.95	—	—
	Soil		During the reporting period, Chongqing Changan Automobile Co., Ltd. Beijing Changan Automobile Company was included in the list of key environmental supervision units (water environment, atmospheric environment, environmental risk monitoring) in Beijing for 2024, with a total of 243.036 tons of hazardous waste was generated in this period, 243.036 tons were legally utilized and disposed of by manufacturers with hazardous waste operation permits or exemption certificates, produced 3,788.25 tons of general industrial solid waste and 3,788.25 tons of utilization and disposal.							—
	Hefei Changan Automobile Co., Ltd.	Wastewater	COD	Intermittent emissions	3	Two outlets for workshop facilities, and a main outlet for the Plant	50.00	Integrated Wastewater Discharge Standard (GB8978-1996); The Pipe Standards set by Hefei West Group Sewage Treatment Plant	13.27	169.55
Total nitrogen			10.26				4.06		43.98	—
Total nickel			0.02				0.00		0.09	—
Total phosphorus			0.20				0.08		—	—
Ammonia nitrogen			5.00				0.37		16.96	—
Exhaust gas		Non-methane total hydrocarbons	Organized emissions	76	Outlets around the Plant	0.002	Emission Control Standard for Industrial Enterprises Volatile Organic Compounds of Tianjin (DB12/524-2020)	3.67	65.03	—
		Sulfur dioxide				0.02		2.55	—	—
		Particulate matter				0.03		15.48	—	—
		Nitrogen oxides				0.02		14.34	—	—
Soil		During the reporting period, Hefei Changan Automobile Co., Ltd was included in the list of key environmental supervision units (water environment, atmospheric environment, environmental risk monitoring) in Hefei for 2024, with a total of 910.39 tons of hazardous waste was generated in this period, 911.8 tons were legally utilized and disposed of by manufacturers with hazardous waste operation permits or exemption certificates, produced 13,062.06 tons of general industrial solid waste and 13,062.06 tons of utilization and disposal.							—	
Nanjing Changan Automobile Co., Ltd.	Wastewater	COD	Intermittent emissions	1	A main outlet for the Plant	33.57	Integrated Wastewater Discharge Standard (GB8978-1996); The Pipe Standards set by Nanjing Lishui Qinyuan Sewage Treatment Co., Ltd.	2.21	43.08	—
		Total nitrogen				4.38		0.28	1.20	—
		Total phosphorus				0.58		0.03	0.39	—
		Ammonia nitrogen (NH3-N)				0.83		0.16	0.86	—
	Exhaust gas	NOx	Organized emissions	6	Outlets around the Plant	8	Emission standard of Air Pollutants for Surface Coating of Automobile Manufacturing Industry (DB32/2862 - 2016); Integrated Emission Standards of Air Pollutants (GB 16297 - 1996); Emission Standards of Air Pollutants for Boiler (GB13271-2014)	0.08	—	—
		Particulate matter				2.2		1.10	—	—
		VOCs				8.74		9.84	31.57	—
		Sulfur dioxide				0		0.00	—	—
	Soil		During the reporting period, Nanjing Changan Automobile Co., Ltd. was included in the list of key environmental supervision units (water environment, atmospheric environment, environmental risk monitoring) in Jiangsu Province for 2024, with a total							—

			of 436 tons of hazardous waste was generated in this period, 436 tons were legally utilized and disposed of by manufacturers with hazardous waste operation permits or exemption certificates, produced 3,160 tons of general industrial solid waste and 3,160 tons of utilization and disposal.							
Hebei Changan Automobile Co., Ltd.	Wastewater	Ammonia nitrogen (NH <sub>3</sub> -N)	Intermittent emissions	4	Both campus NO.1 and NO.2 have one outlet for workshop facility, and a main outlet for the Plant	2.54	Integrated wastewater discharge standard (GB8978-1996); The Influent Water Quality Requirements Set by Gezhouba Water Dingzhou Branch	0.27	8.94	—
		COD				84.98		8.90	136.42	—
		Total nitrogen				10.89		1.14	12.83	—
		Total phosphorus				1.85		0.19	1.92	
		Total nickel				0.02		0.002	0.09	—
	Exhaust gas	Sulfur dioxide	Organized emissions	142	Outlets around the plant	0.002	Integrated Emission Standards of Air Pollutants GB16297-1996; Emission Standards of Air Pollutants for Industrial Kiln and Furnace DB1640-2012; Emission Control Standards for Volatile Organic Compounds by Industrial Enterprises DB13/2322-2016; Emission Standards of Air Pollutants for Boiler (DB13/5161-2020)	0.01	118.24	—
		Non-methane total hydrocarbons				5.60		51.15	1450.96	—
		Particulate matter				0.73		6.41	904.2	—
		Nitrogen oxides				0.19		1.20	65.22	—
		Soil	During the reporting period, Hebei Changan Automobile Co., Ltd. was included in the list of key environmental supervision units (water environment, atmospheric environment, environmental risk monitoring) in Dingzhou for 2024, with a total of 724.221 tons of hazardous waste generated in this period, of which 750.38 tons have been legally utilized and disposed of by suppliers with hazardous waste operation permits, produced 13,197.185 tons of general industrial solid waste and 13,197.185 tons of utilization and disposal.						—	

During the reporting period, the environmental information of each unit of the company was disclosed on the "Environmental Information Disclosure System" in various provinces and cities. The public website is detailed in the table below.

The name of the organization	Enterprise environmental information disclosure system in accordance with the law	Public website
Yubei Plant, Liangjiang Plant, Jiangbei Engine Plant, Chongqing Lingyao	Enterprise environmental information disclosure system in accordance with the law (Chongqing)	<a href="http://183.66.66.47:10001/eps/index/enterprise-search">http://183.66.66.47:10001/eps/index/enterprise-search</a>
Beijing Changan Automobile Company	Enterprise environmental information disclosure system in accordance with the law (Beijing)	<a href="https://hjxxpl.bevoice.com.cn:8002/home">https://hjxxpl.bevoice.com.cn:8002/home</a>
Hefei Changan Automobile Co., Ltd	Enterprise environmental information disclosure system in accordance with the law (Anhui)	<a href="http://112.27.211.30:18900/st_yfpl_html/dist/#/home">http://112.27.211.30:18900/st_yfpl_html/dist/#/home</a>
Nanjing Changan Automobile Co., Ltd	Enterprise environmental information disclosure system in accordance with the law (Jiangsu)	<a href="http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js">http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js</a>
Hebei Changan Automobile Co., Ltd	Enterprise environmental information disclosure system in accordance with the law (Hebei)	<a href="http://121.29.48.71:8080/#/guide">http://121.29.48.71:8080/#/guide</a>

### Treatment of pollutants

Pollutant type	Main processing technology	Processing method	
Exhaust gas	Spraying VOCs exhaust gas	Venturi wet paint mist treatment+zeolite rotary adsorption concentration+TNV incineration; Activated carbon adsorption; Low temperature plasma	Deal with by oneself or themselves
	Drying VOCs exhaust gas	TNV or RTO incineration	Deal with by oneself or themselves
	Other VOCs exhaust gas	Activated carbon adsorption	Deal with by oneself or themselves
	Test exhaust gas (nitrogen)	Automotive three-way catalytic converter	Deal with by oneself or

	oxide)		themselves
	Foundry dust	Bag type dust removal	Deal with by oneself or themselves
	Foundry stench	Alkali adsorption or biosorption	Deal with by oneself or themselves
	Refueling mist	Mechanical filtration	Deal with by oneself or themselves
Wastewater	Phosphating waste gas	Coagulation sedimentation	Self processing or outsourcing operations
	Oily wastewater	Oil separation+air flotation	Self processing or outsourcing operations
	Comprehensive wastewater	Coagulation sedimentation+aerobic biochemistry	Self processing or outsourcing operations
Solid waste	Waste solvent	Utilization or incineration	Outsourcing utilization and disposal
	Wet metal chips	Utilize	Outsourcing utilization and disposal
	Aluminum ash, packaging drum	Utilize	Outsourcing utilization and disposal
	Wastewater treatment sludge	Landfill	Outsourcing utilization and disposal
	Recyclable general industrial solid waste	Utilize	Outsourcing utilization and disposal
	Others	Incineration or landfill	Outsourcing utilization and disposal
Noise	Mechanical noise	Damping and sound insulation	Deal with by oneself or themselves

In the first half of 2024, two sets of activated carbon adsorption waste gas treatment facilities have been added to the hazardous waste room of Liangjiang Plant. Pollution control facilities are included in the preventive maintenance management of equipment like production equipment, and there are ledgers, operating procedures or work instructions, preventive maintenance procedures, preventive maintenance plans and implementation records, equipment spot checks, dosing, slag removal, consumables replacement and other operation records, and the facilities are operating normally. The key units of environmental supervision (water environment and atmospheric environment) are installed with automatic monitoring facilities for waste water and waste gas in accordance with the requirements of the local ecological and environmental authorities, and entrust the operation and maintenance of the third-party professional companies, and the facilities are operating normally. During the reporting period, there was no abnormal operation of pollution control facilities and automatic monitoring facilities.

### Contingency Plan for environmental emergencies

The manufacturing sites, as required, carries out risk assessment of environmental emergencies, emergency resource surveys, formulated or revised contingency plans for environmental emergencies, prepared on-site response plans for units with environmental risk, and continuously carried out hidden danger investigation and treatment. In the first half of 2024, no new or revised emergency response plans for environmental emergencies have been added.

All bases formulate emergency drill plans in accordance with the requirements of laws and regulations, and carry out emergency drills as planned, so as to continuously improve the practicality of emergency plans and the emergency handling ability of employees. No environmental emergencies occurred in the first half of 2024.

### Investment in environmental treatment and protection and payment of environmental protection tax

The company's environmental protection investment mainly includes: the construction of environmental protection facilities, operation and maintenance of environmental protection facilities, solid waste transportation and disposal (hazardous waste included), sewage treatment, monitoring, revision of contingency plans, purchase of emergency materials, environmental protection tax, etc.

The company paid environmental protection tax of RMB 564,200 in the first half of 2024.

### Environmental self-monitoring plan

In the first half of 2024, key units responsible for pollution discharge of the company prepared self-monitoring plans and carried out self-monitoring in accordance with the requirements of laws and regulations, and disclosed monitoring information on self-monitoring data release platforms of various provinces as required by local ecological environment authorities. See the following table for the public websites.

Units	Environmental Self-Monitoring Plan Disclosure Platform	Website
Yubei Plant, Liangjiang Plant, Jiangbei Engine Plant, Chongqing Lingyao	Key Pollution Source Monitoring Data Release Platform	<a href="http://119.84.149.34:20003/publish2/dataSearchPub/entList.aspx">http://119.84.149.34:20003/publish2/dataSearchPub/entList.aspx</a>
Beijing Changan Automobile Company	Beijing Environmental Information Disclosure Platform for Enterprises and Institutions	<a href="https://xxgk.bevoice.com.cn/index.do">https://xxgk.bevoice.com.cn/index.do</a>
	National Pollutant Discharge Permit Management Information Platform	<a href="https://permit.mee.gov.cn/perxxgkinfo/syszb/xkkg/xkkg!licenseInformation.action">https://permit.mee.gov.cn/perxxgkinfo/syszb/xkkg/xkkg!licenseInformation.action</a>
Hefei Changan Automobile Co., Ltd	Anhui Province Discharge Units Self-Monitoring Information Disclosure Platform	<a href="https://wryjc.enemc.cn/gkpt/mainZxjc/34000">https://wryjc.enemc.cn/gkpt/mainZxjc/34000</a>
Nanjing Changan Automobile Co., Ltd.	Jiangsu Province Discharge Units Self-Monitoring Information Disclosure Platform	<a href="http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://218.94.78.91:18181/spsarchive-webapp/web/sps/views/yfpl/views/home/index.js">http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://218.94.78.91:18181/spsarchive-webapp/web/sps/views/yfpl/views/home/index.js</a>
Hebei Changan Automobile Co., Ltd.	National Pollution Source Monitoring Information Management and Sharing Platform	<a href="https://wryjc.enemc.cn/gkpt/mainZxjc/13000">https://wryjc.enemc.cn/gkpt/mainZxjc/13000</a>

### Administrative penalties imposed for environmental reasons during the reporting period are shown below

None.

### Measures taken to reduce carbon emissions during the reporting period and effects

√ Applicable    □ Not applicable

In the first half of 2024, Changan Automobile continued to advance towards the Company's goals of "carbon peaking by 2027 and carbon neutrality by 2045".

To fulfill the dual carbon commitments and reduce carbon emissions, Changan's manufacturing system actively promoted energy conservation and carbon reduction in the first half of 2024, achieving remarkable results. The carbon emission intensity in the vehicle manufacturing process decreased by 7% compared to the previous year. Changan has reached a milestone in the green transition and energy structure upgrades. 140 MW photovoltaic power stations have been put into operation in facilities in Chongqing, Hefei, Hebei, Nanjing, and other regions, generating green electricity for its own use. In the first half of the year, a total of approximately 41 million kWh of green electricity was consumed, reducing carbon by 37,000 tons. At the same time, various manufacturing facilities continued to tap carbon reduction potential and make improvement in energy-saving as well as carbon reduction through "energy efficiency improvement, process improvement, efficient start-stop, and production scheduling optimization." In the first half of the year, 29 measures were implemented, reducing carbon by 5,000 tons in all processes.

Changan explored carbon reduction pathways in product development in-depth and continuously promoted low-carbon technology research. In the field of new power, the New Blue Core power system was released. The production thermal efficiency and reserve thermal efficiency of the New Blue Core hybrid engine reached 44.28% and 47.03% respectively. The petro-to-electricity conversion rate of the New Blue Core extended-range/electric platform is 3.63kWh/L, and the maximum efficiency of the digital intelligent electric motor is 97.80%. In the field of new energy, the Company's CTV battery completed its first trial production onboard a vehicle, and the 4C fast-charging battery completed experimental simulation. In the field of vehicle energy conservation, key technologies such as ultra-low wind resistance, low-drag calipers, and low rolling resistance tires were developed, and a high-precision full-field energy flow simulation and test decomposition capability system has been created. In the field of new materials, industrial applications of bio-based PU and 30% recycled PP materials were achieved, and the impact of recycling on material properties and control methods were grasped and acquired. Additionally, 15 types of low-carbon and lightweight technologies, such as 30% recycled aluminum alloy wheels, were developed. As of June 30, the average carbon footprint per vehicle of Changan's new models launched in 2024 decreased by 2.22% compared to 2023.

### Other environmental protection-related information

In the first half of 2024, Liangjiang Plant, Jiangbei Engine Plant, Yubei Plant, Chongqing Lingyao and other production bases will carry out the 2023 environmental credit evaluation work in accordance with the requirements of the local ecological and environmental authorities.

## II. Social Responsibility

Guided by Xi Jinping Thought on Socialism with Chinese Characteristics in the New Era, Changan has thoroughly implemented the important expositions of General Secretary Xi Jinping on agriculture, rural areas, and farmers, conscientiously implemented the decisions of the Party Central Committee and the State Council as well as government arrangements, strictly met the requirements that poverty relief responsibilities, policies, assistance, and monitoring continue even after a county is removed from the poverty list,

learned and adopted the experience of the "Thousand Villages Demonstration Project", continuously tapped the development potential of targeted assistance areas and the motivation of people who had been lifted out of poverty, focused on enhancing the effectiveness of assistance, made assistance work higher in quality, more efficient, and more sustainable, and contributed wisdom and strength to all-round rural revitalization.

#### **1. Strengthen Organizational Leadership**

Convened one meeting of the leadership group on targeted support work to identify key support projects, study programmes, formulate measures and make progress.

#### **2. Ensure Assistance Funds**

A total of 10.6 million yuan in assistance funds was allocated, including 2.5 million yuan for Luxi County, Yunnan Province, and 8.1 million yuan for Yanshan County, Yunnan Province, to support the overall revitalization of rural industries, workforce, culture, ecology, and organizations in the two counties, helping to achieve booming rural industries, a beautiful ecological environment, civilized rural customs, effective governance, and adequate living standards.

#### **3. Innovate Industrial Assistance**

Implemented the government's overall plan for rural revitalization and continuously made progress on the targeted assistance project for Youyang Camellia Oil. First, the Company assisted in marketing and networks, leveraging its sales network to help Chongqing Youzhou Camellia Oil Technology Company achieve sales of 15.19 million yuan. Second, the Company enhanced the brand and corporate image by bringing Youyang Camellia Oil to the Changan Partner Conference, Chongqing Marathon, and Chongqing Auto Show, expanding the influence of cross-sector new public welfare initiatives and creating an example of corporate social responsibility. Third, the Company established a management system and a long-term mechanism for good governance centered around the goals and objectives of Chongqing Youzhou Camellia Oil Technology Company for 2024, and has been comprehensively pushing for the implementation of Management System 2.0. Fourth, the Company researched carbon sink technologies in collaboration with Beijing Forestry University to complete the design document for camellia oil carbon sink technologies and established an evaluation system.

#### **4. Strengthen Consumer Assistance**

In response to the government's call, the Company encouraged all employees to directly purchase specialty agricultural products from assisted areas and actively participate in the "Central Enterprise Consumer Assistance for Agricultural Revitalization Week" event. In the first half of the year, the Company disbursed consumer assistance totaling 1.568 million yuan, promoting industrial development in poverty-stricken areas and stable income growth for the local population through concrete actions.



## Chapter 6 Important Matters

### I. The actual controller, shareholders, related parties, acquirers and other relevant parties of the Company have fulfilled the commitments during the reporting period and have not been fulfilled by the end of the reporting period

Applicable  Not applicable

Undertakings	Undertaking party	Type of undertaking	Description	Date	Duration	Performance
Other commitments	China South Industries Group Co., Ltd.; China Changan Automobile Group Co., Ltd.; Southern Industry Asset Management Co., Ltd.	Sales restrictions for shares	From November 7th, 2023, within 6 months, the company will not reduce its holdings through centralized bidding or bulk trading in the secondary market.	November 2023	6 Months	Fulfillment completed
Whether the promise is fulfilled as scheduled	Yes					

### II. Non-operating funds the listed company occupied by controlling shareholders and their related parties

Applicable  Not applicable

During the reporting period, there was no non-operating funds of the listed company occupied by the controlling shareholder and related parties.

### III. Irregular external guarantee

Applicable  Not applicable

The Company has no irregular external guarantee during the reporting period.

### IV. Appointment and dismissal of the accounting firm

Is the semi-annual financial report audited?

Yes  No

The company's semi-annual report has not been audited.

### V. The board of directors, and supervisors explaining the "nonstandard audit report" from the accounting firm during the reporting period

Applicable  Not-applicable

### VI. The board of directors explaining the "nonstandard audit report" of last year

Applicable  Not-applicable

### VII. Bankruptcy and restructuring

Applicable  Not applicable

During the report period, there is no bankruptcy or restructuring.

**VIII. Crucial litigation events**

Crucial litigation and arbitration events

 Applicable  Not-applicable

During the report period, the company has no crucial litigation or arbitration events.

Other litigation events

 Applicable  Not-applicable**IX. Punishment and rectification** Applicable  Not applicable

During the report period, there were no penalties and rectifications.

**X. The integrity of company, its controlling shareholder and actual controller** Applicable  Not applicable**XI. Significant related-party transactions****1. Related-party transactions related to daily operation** Applicable  Not-applicable

For details, please refer to Note 14 “Related Party Relationships and Transactions” under Chapter 10.

**2. Related-party transaction of acquisition or sales of assets or equity** Applicable  Not applicable

During the report period, the company did not have any related party transactions for the acquisition or sale of assets or equity.

**3. Related-party transactions of common foreign investment** Applicable  Not applicable**4. Related rights and debt relations** Applicable  Not-applicable

For details, please refer to Note 14 “Related Party Relationships and Transactions” under Chapter 10.

Whether there is any non-business-related credits and debts

 Yes  No

There is no non-operating associated credits and debts during the reporting period.

**5. Transactions with associated financial companies** Applicable  Not applicable**Deposit**

Related party	Relationship	Maximum daily deposit limit (RMB: 10,000)	Interest rate	Beginning balance (RMB: 10,000)	Amount incurred in the current period		Ending balance (RMB: 10,000)
					Total deposit amount (RMB: 10,000)	Total withdrawal amount (RMB: 10,000)	
China South Industries	A company controlled by	2,000,000	0.2%-3.5%	1,992,602	6,399,718	6,397,330	1,994,990

Group Finance Co., Ltd.	the actual controller of Changan Automobile						
Changan Automobile Finance Co., LTD	A company controlled by the actual controller of Changan Automobile	2,000,000	1.85%-2.25%	1,499,000	855,000	855,000	1,499,000

**Loan**

Related party	Relationship	Loan amount (RMB: 10,000)	Interest rate	Beginning balance (RMB: 10,000)	Amount incurred in the current period		Ending balance (RMB: 10,000)
					Total amount of loan (RMB: 10,000)	Total repayment amount (RMB: 10,000)	
China South Industries Group Finance Co., Ltd.	A company controlled by the actual controller of Changan Automobile	50,000	1.00%	7,600	0	0	7,600

**Credit granting or other financial business**

Related party	Relationship	Business	Total amount (RMB: 10,000)	Actual amount incurred (RMB: 10,000)
China South Industries Group Finance Co., Ltd.	A company controlled by the actual controller of Changan Automobile	Credit granting	1,150,000	280,853

**6. Transactions between the financial company controlled by the company and related parties**

Applicable  Not applicable

**7. Other significant related-party transactions**

Applicable  Not-applicable

Interim announcement of major related-party transactions on the website

Interim announcement	Interim announcement date	Website
Announcement on Related-party Transactions of China South Industries Group Finance Co., Ltd. Providing Financial Services for Changan Automobile	April 18th, 2024	http://www.cninfo.com.cn
Announcement on Related-party Transactions of Changan Automobile Finance Co., Ltd. Providing Financial Services for Changan Automobile	April 18th, 2024	

**XII. Major contracts and their performance****1. Custody, contracting and leasing****(1) Custody**

Applicable  Not-applicable

There is no custody during the reporting period.

**(2) Contracting**

Applicable  Not-applicable

There is no contracting during the reporting period.

**(3) Leasing**

Applicable  Not-applicable

Leasing of related parties can be found in Item 5 (2) of Note 14 of Financial Statements “ Related Party and Related Transactions” .

Projects whose profit and loss to the company account for more than 10% of total profits during the reporting period.

Applicable  Not-applicable

There was no project whose profit and loss to the company accounted for more than 10% of total profits during the reporting period.

**2. Guarantee**

Applicable  Not-applicable

There' s no guarantee during the report period.

**3. Entrust wealth management**

Applicable  Not-applicable

There' s no entrusting wealth management during the reporting period.

**4. Other major contracts**

Applicable  Not applicable

There are no other major contracts of the Company during the reporting period.

**XIII. Other important events**

Applicable  Not applicable

**XIV. Important matters of the Company's subsidiary**

Applicable  Not applicable

## Chapter 7 Changes in the Shareholding of the Company and Shareholders

### I. Change in shareholdings

#### 1. Change in shareholdings

Unit: One share

	Before change		Changes (+, -)					After change	
	Quantity	Ratio	Additional issued	Stock dividend	Provident fund transfer	Other	Subtotal	Quantity	Ratio
Shares with sales restrictions	104,805,899	1.06%				-41,715,574	-41,715,574	63,090,325	0.64%
1. State-owned legal person shares									
2. Other domestic shares	104,192,889	1.05%				-41,715,574	-41,715,574	62,477,315	0.63%
Including: domestic legal person shares									
domestic natural person shares	104,192,889	1.05%				-41,715,574	-41,715,574	62,477,315	0.63%
3. Foreign shares	613,010	0.01%						613,010	0.01%
Including: foreign legal persons shares									
foreign natural person shares	613,010	0.01%						613,010	0.01%
Shares without sales restrictions	9,812,483,134	98.94%				41,715,574	41,715,574	9,854,198,708	99.36%
1. Ordinary shares denominated in RMB	8,170,868,357	82.39%				41,715,574	41,715,574	8,212,583,931	82.81%
2. Domestic listed foreign shares	1,641,614,777	16.55%						1,641,614,777	16.55%
Total shares	9,917,289,033	100.00%				0	0	9,917,289,033	100.00%

#### Reasons for share change

√ Applicable    □ Not applicable

(1) The A-share restricted stock incentive plan is released from the listing and circulation of restricted shares

On March 5th, 2024, the company lifted the listing and circulation of restricted shares, with a number of 43,135,948 shares, as detailed in the "Reminder Announcement on the Listing and Circulation of Restricted Shares Released in the Second Lifting Period of the First Grant of the A-share Restricted Stock Incentive Plan". Some of the company's directors and senior managers are included in the incentive objects of the lifting of the restriction this time, and the shares obtained will be locked in accordance with relevant laws and regulations.

(2) Other reasons for change

Other changes in the company's restricted shares are caused by changes in the locked-in shares of senior executives.

#### Approval of share change

√ Applicable    □ Not applicable

On February 22nd, 2024, The A-share restricted stock incentive plan lifts the listing and circulation of restricted shares was approved by the 17th meeting of the 9th board of directors and the 5th meeting of the 9th board of supervisors.

#### Transfer of shares

√ Applicable    □ Not applicable

See Chapter 7, I, 1, "Reasons for share change" for details.

#### Implementation progress of share repurchase

□ Applicable    √ Not applicable

#### Implementation progress of reducing and repurchasing shares by means of centralized bidding

□ Applicable    √ Not applicable

**Impact of share changes on financial indicators such as basic earnings per share and diluted earnings per share in the latest year and the latest period, and net assets per share attributable to ordinary shareholders of the company**

√ Applicable   □ Not applicable

Changes in shares have no material impact on financial indicators such as basic earnings per share and diluted earnings per share in the most recent year and the latest period, and net assets per share attributable to ordinary shareholders of the Company.

**Other information deemed necessary by the company or required by securities regulators to disclose**

□ Applicable   √ Not applicable

## 2. Changes in restricted shares

√ Applicable   □ Not applicable

Unit: share(s)

Name of shareholders	Number of restricted shares at the beginning of the period	Number of shares with sales restriction removed during the reporting period	Increase during the reporting period	Number of restricted shares at the end of the period	Reasons for restrictions	Date of removal of sales restriction
A-share restricted stock	104,266,260	43,135,948		61,130,312	Equity incentive	From 2024, the restricted shares granted for the first time and reserved to the incentive recipients will be lifted in two batches, and the restriction period of each batch will be 36 months and 48 months respectively from the date of completion of the corresponding grant registration, and the release restriction ratio will be 33% and 34% of the total number of shares granted to the incentive recipients respectively. Among them, a total of 43,135,948 shares have been listed and circulated on March 5th, 2024.
Other shareholders	539,639	375	1,420,749	1,960,013	Executive lock-in shares	Lift the sale restriction according to the relevant rules
Total	104,805,899	43,136,323	1,420,749	63,090,325	--	--

## II. Issuing and listing of securities

□ Applicable   √ Not-applicable

## III. Shareholding and shareholders of the company

Unit: share(s)

At the end of the report period, the total number of shareholders	655,768		Number of shareholders holding preference shares with restored voting rights at the end of the reporting period				0	
Shareholdings of ordinary shareholders holding more than 5% of the shares or top 10 ordinary shareholders (excluding shares lent through refinancing)								
Name	Nature	Percentage	Number of shares held as of the end of the reporting period	Increase/decrease during the Reporting Period	Number of shares held with sales restrictions	Number of shares held without sales restrictions	Condition of shares (pledged, labeled or frozen)	
							Status	Amount
China Changan Automobile Group Co., Ltd.	State-owned legal person	17.98%	1,783,090,143			1,783,090,143	Not pledged, labeled or frozen	
China South Industries Group Co., Ltd.	State-owned legal person	14.23%	1,410,747,155			1,410,747,155		
Southern Industry Asset Management Co., Ltd.	State-owned legal person	4.60%	456,253,257			456,253,257		
China Securities Finance Co., Ltd.	Domestic general legal person	4.30%	426,362,905			426,362,905		
United Prosperity Investment Co.,	Foreign legal	2.83%	280,498,832			280,498,832		

Ltd.	person						
Hong Kong Securities Clearing Co., Ltd.	Foreign legal person	1.50%	148,626,405	-86,760,549		148,626,405	
Industrial and Commercial Bank of China Co., Ltd. - Huatai Pinebridge CSI 300 ETF Securities Investment Fund	Funds, wealth management products, etc	0.59%	58,745,244	24,458,700		58,745,244	
Fang Wenyan	Domestic natural persons	0.57%	56,989,500	43,061,920		56,989,500	
China Merchants Securities (Hong Kong) Limited	Foreign legal person	0.49%	48,788,559	-4,838,763		48,788,559	
China Construction Bank Corporation-E Fund CSI 300 ETF Originated Securities Investment Fund	Funds, wealth management products, etc	0.39%	38,820,336	26,132,500		38,820,336	
Description of the related party relationship or acting in concert among the above shareholders	Among the top 10 shareholders, the actual controller China South Industries Group Co., Ltd. and its wholly-owned subsidiary Southern Industry Asset Management Co., Ltd., the controlling shareholder China Changan Automobile Group Co., Ltd. and its wholly-owned subsidiary United Prosperity Investment Co., Ltd. are parties acting in concert by "Measures for the Administration of Takeover of Listed Companies".						
Description of the above-mentioned shareholders entrusting/being entrusted with voting rights and waiver of voting rights	None						
Shareholdings of the top 10 ordinary shareholders of unrestricted shares							
Shareholders	Number of shares without sales restrictions at the end of the reporting period	Shares type					
		Type		Number			
China Changan Automobile Group Co., Ltd.	1,783,090,143	RMB ordinary shares		1,783,090,143			
China South Industries Group Co., Ltd.	1,410,747,155	RMB ordinary shares		1,410,747,155			
Southern Industry Asset Management Co., Ltd.	456,253,257	RMB ordinary shares		456,253,257			
China Securities Finance Co., Ltd.	426,362,905	RMB ordinary shares		426,362,905			
United Prosperity Investment Co., Ltd.	280,498,832	Domestic listed foreign shares		280,498,832			
Hong Kong Securities Clearing Co., Ltd.	148,626,405	RMB ordinary shares		148,626,405			
Industrial and Commercial Bank of China Co., Ltd. - Huatai Pinebridge CSI 300 ETF Securities Investment Fund	58,745,244	RMB ordinary shares		58,745,244			
Fang Wenyan	56,989,500	RMB ordinary shares		56,989,500			
China Merchants Securities (Hong Kong) Limited	48,788,559	Domestic listed foreign shares		48,788,559			
China Construction Bank Corporation-E Fund CSI 300 ETF Originated Securities Investment Fund	38,820,336	RMB ordinary shares		38,820,336			
Description of the related relationship or acting in concert among the top 10 shareholders of unrestricted circulating shares, and between the top 10 shareholders of unrestricted tradable shares and the top 10 shareholders	Among the top 10 shareholders, the actual controller China South Industries Group Co., Ltd. and its wholly-owned subsidiary Southern Industry Asset Management Co., Ltd., the controlling shareholder China Changan Automobile Group Co., Ltd. and its wholly-owned subsidiary United Prosperity Investment Co., Ltd. are parties acting in concert as stipulated in the "Measures for the Administration of Takeover of Listed Companies".						
Description of the top 10 ordinary shareholders participating in the margin trading and securities lending business	In addition to holding 0 shares through the ordinary securities account, Fang Wenyan, a shareholder, also holds 56,989,500 shares through the customer credit transaction guarantee securities account of Guotai Junan Securities Co., Ltd., and actually holds a total of 56,989,500 shares.						

**Participation of shareholders holding more than 5% of the shares, top 10 shareholders, and top 10 shareholders with unlimited tradable shares in the lending of shares through the refinancing business**

√ Applicable    □ Not applicable

Unit: share(s)

Participation of shareholders holding more than 5% of the shares, top 10 shareholders, and top 10 shareholders with unlimited tradable shares in the lending of shares through the refinancing business								
Shareholder Name	Initial ordinary account and credit account holdings		The shares lent at the beginning of the period were refinanced and have not been returned		Ordinary account and credit account holdings at the end of the period		At the end of the period, the shares were loaned and have not been returned	
	Total	Proportion	Total	Proportion	Total	Proportion	Total	Proportion

	quantity	of total share capital	quantity	of total share capital	quantity	of total share capital	quantity	of total share capital
Industrial and Commercial Bank of China Co., Ltd. - Huatai Pinebridge CSI 300 ETF Securities Investment Fund	34,286,544	0.35%	2,795,700	0.03%	58,745,244	0.59%	0	0.00%
China Construction Bank Corporation-E Fund CSI 300 ETF Originated Securities Investment Fund	12,687,836	0.13%	1,251,500	0.01%	38,820,336	0.39%	263,800	0.00%

**The top 10 shareholders changed from the previous period**

Applicable  Not applicable

**Whether the top 10 shareholders of ordinary shares, and the top 10 shareholders of ordinary shares without sales restrictions agreed on the repurchase transactions during the report period**

Yes  No

The top 10 shareholders of ordinary shares, and the top 10 shareholders of ordinary shares without sales restrictions did not agree on the repurchase transactions during the reporting period.

**IV. Changes in the shareholding of directors, supervisors and senior management**

Applicable  Not-applicable

**V. The change of the controlling shareholders and the actual controllers**

During the reporting period the change of controlling shareholders

Applicable  Not-applicable

No changes in controlling shareholders during the reporting period.

The change of the actual controllers during the reporting period

Applicable  Not-applicable

No changes in the actual controllers during the reporting period.



## Chapter 8 Preferred Shares

Applicable  Not-applicable

During the reporting period, there were no preferred shares in the company.

## Chapter 9 Bonds

Applicable  Not applicable

### I. Enterprise Bonds

Applicable  Not applicable

No enterprise bonds in the Reporting Period

### II. Corporate Bonds

Applicable  Not applicable

#### 1. Basic Information of the Corporate Bonds

Unit: 10,000 RMB

Bond Name	Abbreviation	Bond Code	Date of issue	Value date	Maturity	Bonds balance	Interest rate	Way of redemption	Trading place
Chongqing Changan Automobile Co., Ltd. publicly issued science and technology innovation corporate bonds to professional investors in 2022 (Phase I)	22 Changan K1	148147.SZ	December 19th, 2022	December 20th, 2022	December 20th, 2027	100,000	3.00%	Single interest is calculated on an annual basis, excluding compound interest. The interest is paid once a year, and the principal is repaid once due. The last interest is paid with the payment of the principal.	Shenzhen Stock Exchange
Appropriate arrangement of the investors (if any)	This bond is issued to professional institutional investors who open A-share securities accounts in Shenzhen Branch of China Securities Depository and Clearing Co., Ltd. (excluding purchasers prohibited by laws and regulations).								
Applicable trading mechanism	Centralized bidding trade and block trading								
Risk of termination of listing transactions (if any) and countermeasures	None								

Overdue bonds

Applicable  Not applicable

#### 2. The Trigger and Execution of the Option Clause of the Issuers or Investors and the Investor Protection Clause

Applicable  Not applicable

#### 3. Adjustment of Credit Rating Results during the Reporting Period

Applicable  Not applicable

**4. Execution and Changes of Guarantee, Repayment Plan and Other Repayment Guarantee Measures as well as Influence on Equity of Bond Investors during the Reporting Period**

Applicable  Not applicable

**III. Debt Financing Instruments of Non-financial Enterprises**

Applicable  Not applicable

No such cases in the Reporting Period.

**IV. Convertible Corporate Bonds**

Applicable  Not applicable

No such cases in the Reporting Period.

**V. Losses of Scope of Consolidated Financial Statements during the Reporting Period Exceeding 10% of Net Assets up the Period-end of Last Year**

Applicable  Not applicable

**VI. The Major Accounting Data and the Financial Indicators of the Recent 2 Years of the Company up the Period-end**

Unit: 10,000 RMB

Items	30 June 2024	31 December 2023	Increase/decrease
Current ratio	1.26	1.27	-0.79%
Debt/asset ratio	60.49%	60.73%	-0.24%
Quick ratio	1.12	1.14	-1.75%
	The reporting period	Same period last year	Increase/decrease
Net profit after deducting non-recurring profit or loss	116,868.01	124,185.42	-5.89%
Debt/EBITDA ratio	4.46%	9.04%	-4.58%
Interest cover (times)	44.61	181.73	-75.45%
Cash-to-interest cover (times)	86.92	188.93	-53.99%
EBITDA-to-interest cover (times)	127.78	252.97	-49.49%
Loan repayment rate	100%	100%	0
Interest coverage	100%	100%	0

## Chapter 10 The Financial Statements

### I. Auditing Report

No audit on the semi-annual financial report.

### II. Financial statements

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

#### 1. Consolidated Balance Sheet

In RMB Yuan

Account	30 June 2024	1 January 2024
<b>Current assets:</b>		
Cash	70,939,136,071.24	64,871,042,747.88
Trading financial assets	152,668,417.66	167,519,347.29
Notes receivable	33,995,528,463.15	37,658,391,214.01
Accounts receivable	2,989,231,105.41	2,411,796,419.07
Prepayments	582,581,159.41	287,711,010.62
Other receivables	455,008,697.40	894,268,431.82
Including: dividends receivable	22,469,320.00	
Inventories	13,792,862,498.94	13,465,847,696.93
Contract assets	822,694,699.90	1,442,876,966.30
Other current assets	2,234,734,568.60	9,735,453,361.32
<b>Total current assets</b>	<b>125,964,445,681.71</b>	<b>130,934,907,195.24</b>
<b>Non-current assets:</b>		
Long-term equity investments	14,109,162,499.18	13,787,391,985.47
Investment in other equity instruments	504,190,082.71	504,190,082.71
Investment properties	6,082,647.70	6,196,003.48
Fixed assets	19,515,251,831.25	19,994,084,908.14
Construction in progress	2,294,576,852.63	1,914,345,359.83
Right-of-use asset	217,698,854.98	209,480,676.04
Intangible assets	14,317,477,866.82	15,045,563,649.79
Development expenditure	3,295,839,663.04	2,241,820,556.70
Goodwill	1,810,730,443.16	1,810,730,443.16
Long-term deferred expenses	21,185,944.41	24,162,220.06
Deferred tax assets	3,410,080,327.14	3,248,254,057.65
Other non-current assets	1,854,972,231.98	450,000,000.00
<b>Total non-current assets</b>	<b>61,357,249,245.00</b>	<b>59,236,219,943.03</b>
<b>TOTAL ASSETS</b>	<b>187,321,694,926.71</b>	<b>190,171,127,138.27</b>
<b>Current liabilities:</b>		
Short-term loans	54,056,333.40	30,039,416.74
Trading financial liabilities	12,941,513.71	-
Notes payable	40,811,542,603.74	37,456,669,928.07
Accounts payable	34,274,539,923.58	38,289,947,321.45

Advance receipts		686,755.00
Contract liability	5,996,592,698.42	7,923,792,852.77
Payroll payable	3,570,705,685.96	2,750,661,337.26
Taxes payable	865,791,188.25	1,928,723,907.38
Other payables	5,307,800,744.02	5,880,882,512.97
Non-current liabilities within one year	123,760,356.87	80,077,042.88
Other current liabilities	9,158,544,800.54	8,897,936,399.92
Total current liabilities	100,176,275,848.49	103,239,417,474.44
Non-current liabilities:		
Long-term loans	36,000,000.00	72,000,000.00
Bonds payable	999,656,603.76	999,607,547.16
Lease liability	124,713,350.60	134,254,398.07
Long-term payables	957,892,237.43	952,446,118.57
Long-term payroll payable	27,195,616.49	30,414,000.00
Estimated liabilities	7,004,273,980.79	6,277,041,416.79
Deferred Revenue	676,551,823.49	718,840,543.52
Deferred tax liabilities	1,585,558,534.51	1,566,074,982.00
Other non-current liabilities	1,719,954,719.90	1,497,773,818.69
Total non-current liabilities	13,131,796,866.97	12,248,452,824.80
Total liabilities	113,308,072,715.46	115,487,870,299.24
Owners' equity (or Shareholders' equity):		
Share capital	9,917,289,033.00	9,917,289,033.00
Capital reserves	8,443,323,719.70	8,251,287,637.70
Less: treasury shares	228,624,172.79	382,277,095.96
Other comprehensive income	200,717,168.37	118,318,784.04
Special reserves	94,130,498.99	54,323,330.34
Surplus reserves	4,276,245,864.64	4,276,245,864.64
Retained earnings	49,037,197,880.37	49,617,932,431.73
Equity attributable to owners	71,740,279,992.28	71,853,119,985.49
Minority interests	2,273,342,218.97	2,830,136,853.54
Total Owners' equity (or Shareholders' equity)	74,013,622,211.25	74,683,256,839.03
Liabilities and owners' equity (or shareholders' equity) in total	187,321,694,926.71	190,171,127,138.27

Legal person: Zhu Huarong

Chief financial officer: Zhang Deyong

The head of accounting department: Shi Haifeng

## 2. Balance sheet

In RMB Yuan

Account	30 June 2024	1 January 2024
Current assets:		
Cash	43,872,608,287.07	44,029,520,088.62
Trading financial assets	152,668,417.66	160,744,733.27
Notes receivable	29,239,357,023.79	33,788,748,503.90
Accounts receivable	13,256,145,398.51	8,579,504,025.23
Prepayments	248,679,818.62	112,547,088.73
Other receivables	461,694,766.87	237,247,787.26
Including: dividends receivable	22,469,320.00	-

Inventories	4,642,954,960.30	5,615,873,258.35
Contract assets	85,341,261.61	128,498,871.61
Other current assets	224,524,115.71	5,522,797,370.57
Total current assets	92,183,974,050.14	98,175,481,727.54
Non-current assets:		
Long-term equity investments	19,784,344,631.78	19,435,450,021.37
Investment in other equity instruments	504,190,082.71	504,190,082.71
Fixed assets	13,319,877,774.18	13,453,515,476.81
Construction in progress	1,544,281,630.52	1,407,521,918.44
Right-of-use asset	127,846,115.74	168,093,468.85
Intangible assets	3,274,175,149.92	3,312,017,680.07
Development expenditure	2,531,535,772.05	2,017,011,508.06
Long-term deferred expenses	18,777,059.34	21,709,036.17
Deferred tax assets	2,825,475,532.51	2,774,652,958.37
Other non-current assets	1,850,000,000.00	450,000,000.00
Total non-current assets	45,780,503,748.75	43,544,162,150.85
TOTAL ASSETS	137,964,477,798.89	141,719,643,878.39
Current liabilities:		
Notes payable	27,067,980,763.07	25,950,782,831.24
Accounts payable	22,070,303,341.95	23,842,258,668.42
Contract liability	2,949,612,898.96	4,606,921,633.17
Payroll payable	2,560,749,341.58	1,919,102,689.66
Taxes payable	224,754,037.01	1,300,178,990.13
Other payables	2,871,795,581.74	3,236,371,408.79
Non-current liabilities within one year	85,324,798.98	56,170,742.39
Other current liabilities	6,241,141,829.11	6,286,218,965.50
Total current liabilities	64,071,662,592.40	67,198,005,929.30
Non-current liabilities:		
Long-term loans	36,000,000.00	72,000,000.00
Bonds payable	999,656,603.76	999,607,547.16
Lease liability	79,310,093.24	117,490,288.82
Long-term payables	115,900,337.55	120,081,551.85
Long-term payroll payable	14,676,656.79	17,659,000.00
Estimated liabilities	4,623,843,903.17	4,402,025,046.54
Deferred Revenue	563,864,707.05	603,864,707.08
Deferred tax liabilities	195,239,883.03	197,625,245.62
Other non-current liabilities	1,503,921,144.12	1,287,646,146.69
Total non-current liabilities	8,132,413,328.71	7,817,999,533.76
Total liabilities	72,204,075,921.11	75,016,005,463.06
Owners' equity (or Shareholders' equity):		
Share capital	9,917,289,033.00	9,917,289,033.00
Capital reserves	8,590,735,699.46	8,406,226,198.82
Less: treasury shares	228,624,172.79	382,277,095.96
Other comprehensive income	168,865,473.51	169,049,829.02
Special reserves	42,073,086.49	19,514,786.95
Surplus reserves	4,276,245,864.64	4,276,245,864.64

Retained earnings	42,993,816,893.47	44,297,589,798.86
Total Owners' equity (or Shareholders' equity)	65,760,401,877.78	66,703,638,415.33
Liabilities and owners' equity (or shareholders' equity) in total	137,964,477,798.89	141,719,643,878.39

### 3. Consolidated Income Statement

In RMB Yuan

Account	Current Period	Prior Period
1. Operating revenue	76,722,649,723.79	65,492,098,869.01
Less: Operating cost	66,134,307,155.12	54,790,036,298.76
Tax and surcharges	2,053,229,071.41	2,186,174,248.99
Operating expenses	3,077,988,414.27	2,280,397,591.19
General and administrative expenses	2,426,863,860.79	2,271,960,408.55
Research and development expenses	2,912,092,313.40	2,964,604,104.48
Financial expenses	(549,385,364.01)	(453,268,104.89)
Interest expense	39,521,477.44	36,814,471.44
Interest income	520,495,393.22	532,594,819.89
Add: Other income	1,442,510,651.32	657,988,649.18
Investment income	350,711,425.33	5,023,108,819.32
Including: Investment income from associates and joint venture	252,582,688.73	(180,436,966.53)
Gains from changes in fair value	(35,024,179.42)	(23,334,661.15)
Credit impairment loss	759,129.40	(15,513,488.10)
Asset impairment loss	(146,269,535.60)	(397,274,160.99)
Gain on disposal of assets	4,959,452.69	366,667,730.28
2. Operating profit	2,285,201,216.53	7,063,837,210.47
Add: Non-operating income	46,291,779.69	93,295,575.81
Less: Non-operating expenses	19,101,827.75	13,498,961.02
3. Total profit	2,312,391,168.47	7,143,633,825.26
Less: Income tax expense	65,628,900.78	176,620,825.19
4. Net profit	2,246,762,267.69	6,967,013,000.07
Classification by going concern		
Net profit from continuing operations	2,246,762,267.69	6,967,013,000.07
Net profit from discontinued operations		
Classification by ownership attribution		
Net profit attributable to owners	2,831,743,111.82	7,652,979,346.80
Minority interests	(584,980,844.13)	(685,966,346.73)
5. Other comprehensive income, net of tax	82,398,384.33	47,734,187.34
Net after-tax net of other comprehensive income attributable to the parent company owner	82,398,384.33	47,734,187.34
(1) Other comprehensive income that cannot be reclassified into profit or loss	2.89	
Other comprehensive income that cannot be converted to profit or loss under the equity method	2.89	
(2) Other comprehensive income that will be reclassified	82,398,381.44	47,734,187.34

into profit or loss		
Other comprehensive income that can be transferred to profit or loss under the equity method	(184,358.40)	
Foreign currency financial statement translation difference	82,582,739.84	47,734,187.34
6.Total comprehensive income	2,329,160,652.02	7,014,747,187.41
Total comprehensive income attributable to owners	2,914,141,496.15	7,700,713,534.14
Total comprehensive income attributable to minority interest	(584,980,844.13)	(685,966,346.73)
7.Earnings per share		
Basic earnings per share	0.29	0.78
Diluted earnings per share	0.28	0.76

Legal person: Zhu Huarong

Chief financial officer: Zhang Deyong

The head of accounting department: Shi Haifeng

#### 4. Income Statement

In RMB Yuan

Account	Current Period	Prior Period
1.Operating revenue	54,820,842,795.87	54,376,375,197.21
Less: Operating cost	49,023,998,757.68	46,041,110,508.89
Tax and surcharges	1,250,733,898.43	1,453,554,280.40
Operating expenses	929,133,285.59	869,903,070.69
General and administrative expenses	1,732,583,485.14	1,686,722,665.70
Research and development expenses	1,968,586,574.98	2,538,873,301.65
Financial expenses	-333,400,647.01	-368,021,413.76
Interest expense	19,451,693.91	22,584,078.19
Interest income	362,660,793.06	399,510,519.70
Add: Other income	1,224,353,991.64	657,920,000.00
Investment income	650,013,874.65	585,161,578.54
Including: Investment income from associates and joint venture	279,687,665.28	-141,552,078.57
Gains from changes in fair value	-8,076,315.61	32,897,781.54
Credit impairment loss	1,991,215.03	949,935.35
Asset impairment loss	-61,110,316.71	-288,325,731.15
Gain on disposal of assets	2,326,113.93	365,125,023.58
2.Operating profit	2,058,706,003.99	3,507,961,371.50
Add: Non-operating income	27,829,161.89	81,107,919.29
Less: Non-operating expenses	11,262,143.58	11,520,621.79
3.Total profit	2,075,273,022.30	3,577,548,669.00
Less: Income tax expense	-33,431,735.49	173,767,038.35
4.Net profit	2,108,704,757.79	3,403,781,630.65
Net profit from continuing operations	2,108,704,757.79	3,403,781,630.65
Net profit from discontinued operations		
5.Other comprehensive income, net of tax	-184,355.51	
6.Total comprehensive income	2,108,520,402.28	3,403,781,630.65



**5. Consolidated cash flow statement**

In RMB Yuan

Account	Current Period	Prior Period
1.Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	87,402,094,857.95	73,931,703,144.09
Refunds of taxes	2,283,448,047.92	1,199,246,444.10
Cash received relating to other operating activities	2,197,893,615.37	1,753,218,395.89
Subtotal of cash inflows	91,883,436,521.24	76,884,167,984.08
Cash paid for goods and services	72,075,595,167.36	55,650,532,027.02
Cash paid to and on behalf of employees	5,227,942,331.33	4,415,366,034.62
Cash paid for all types of taxes	6,484,391,928.94	5,442,991,004.83
Cash paid relating to other operating activities	4,660,406,353.08	4,419,822,204.02
Subtotal of cash outflows	88,448,335,780.71	69,928,711,270.49
Net cash flows from operating activities	3,435,100,740.53	6,955,456,713.59
2.Cashflows from investing activities:		
Cash received from investment income	1,431,899.95	1,406,842.07
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	270,398,351.71	35,915,330.45
Cash received relating to other investing activities	8,070,357,180.56	6,216,944,276.29
Subtotal of cash inflows	8,342,187,432.22	6,254,266,448.81
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,198,526,301.30	857,592,457.14
Cash paid for acquisition of investments	68,253,846.00	137,000,000.00
Cash paid relating to other investing activities	1,400,000,000.00	
Subtotal of cash outflows	2,666,780,147.30	994,592,457.14
Net cash flows from investing activities	5,675,407,284.92	5,259,673,991.67
3.Cash flows from financing activities:		
Absorb cash received from investment	30,957,178.38	35,190,000.00
Cash received from borrowing	34,000,000.00	90,000,000.00
Cash received relating to other financing activities	234,346,997.19	362,339,945.61
Subtotal of cash inflows	299,304,175.57	487,529,945.61
Cash repayments of borrowings	10,000,000.00	629,000,000.00
Cash paid for distribution of dividends or profits and interest expenses	3,416,455,425.29	6,163,524.40
Cash paid relating to other financing activities	181,013,652.58	418,524,690.02
Subtotal of cash outflows	3,607,469,077.87	1,053,688,214.42
Net cash flows from financing activities	(3,308,164,902.30)	(566,158,268.81)
4.Effect of changes in exchange rate on cash	(178,545,254.43)	13,258,565.35
5.Net increase in cash and cash equivalents	5,623,797,868.72	11,662,231,001.80
Add: Opening balance of cash and cash equivalents	63,925,957,901.11	52,491,435,047.74
6.Closing balance of cash and cash equivalents	69,549,755,769.83	64,153,666,049.54

**6. Cash flow statement**

In RMB Yuan

Account	Current Period	Prior Period
1.Cash flows from operating activities:		

Cash received from sale of goods or rendering of services	57,231,280,855.81	57,757,311,678.85
Cash received relating to other operating activities	727,850.00	30,303,650.49
Cash received relating to other operating activities	1,380,231,417.17	1,828,991,752.50
Subtotal of cash inflows	58,612,240,122.98	59,616,607,081.84
Cash paid for goods and services	49,289,218,463.82	43,276,597,110.68
Cash paid to and on behalf of employees	3,276,956,936.68	2,826,100,179.04
Cash paid for all types of taxes	2,785,805,002.92	3,421,770,360.23
Cash paid relating to other operating activities	3,011,019,964.46	2,844,007,616.91
Subtotal of cash outflows	58,363,000,367.88	52,368,475,266.86
Net cash flows from operating activities	249,239,755.10	7,248,131,814.98
2.Cashflows from investing activities:		
Cash received from investment recovery	298,979,999.95	1,556,842.07
Cash received from return on investments	12,748,015.59	8,857,134.39
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	5,550,500,000.00	
Subtotal of cash inflows	5,862,228,015.54	10,413,976.46
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,020,364,923.37	723,218,813.52
Cash paid for acquisition of investments	308,253,846.00	1,069,135,009.18
Subtotal of cash outflows	1,490,000,000.00	
Net cash flows from investing activities	2,818,618,769.37	1,792,353,822.70
3.Cash flows from financing activities:		
Cash received from borrowings		40,000,000.00
Subtotal of cash inflows		40,000,000.00
Cash paid for debt repayment		600,000,000.00
Cash paid for distribution of dividends or profits and interest expenses	3,412,863,996.51	3,470,000.00
Cash paid relating to other financing activities	40,217,966.73	32,666,733.27
Subtotal of cash outflows	3,453,081,963.24	636,136,733.27
Net cash flows from financing activities	(3,453,081,963.24)	(596,136,733.27)
4.Effect of changes in exchange rate on cash		
5.Net increase in cash and cash equivalents	(160,232,961.97)	4,870,055,235.47
Add: Opening balance of cash and cash equivalents	44,023,772,482.14	44,732,418,327.28
6.Closing balance of cash and cash equivalents	43,863,539,520.17	49,602,473,562.75

## 7. Consolidated statement of changes in shareholders' equity

Current Period

In RMB Yuan

Items	Current period								
	Equity attributable to owners							Minority interest	Total equity
	Share capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings		
I. At end of last year	9,917,289,033.00	8,251,287,637.70	382,277,095.96	118,318,784.04	54,323,330.34	4,276,245,864.64	49,617,932,431.73	2,830,136,853.54	74,683,256,839.03
II. At beginning of year	9,917,289,033.00	8,251,287,637.70	382,277,095.96	118,318,784.04	54,323,330.34	4,276,245,864.64	49,617,932,431.73	2,830,136,853.54	74,683,256,839.03
III. Changes during the year		192,036,082.00	(153,652,923.17)	82,398,384.33	39,807,168.65		(580,734,551.36)	(556,794,634.57)	(669,634,627.78)
1. Total comprehensive income				82,398,384.33			2,831,743,111.82	(584,980,844.13)	2,329,160,652.02
2. Capital contributed by owners and capital decreases		192,036,082.00	(132,685,226.16)					23,433,418.96	348,154,727.12
(1) Ordinary shares invested by owners								30,960,000.00	30,960,000.00
(2) The amount of share-based payment included in owner's equity		181,288,200.00							181,288,200.00
(3) Others		10,747,882.00	(132,685,226.16)					(7,526,581.04)	135,906,527.12
3. Distribution of profit			(20,967,697.01)				(3,412,477,663.18)		(3,391,509,966.17)
(1) Distribution to owners			(20,967,697.01)				(3,412,477,663.18)		(3,391,509,966.17)
4. Internal carry forward of owner's equity									
5. Special reserves					39,807,168.65			4,752,790.60	44,559,959.25
(1) Pick-up in current period					63,437,107.75			5,888,705.99	69,325,813.74
(2) Used in current period					(23,629,939.10)			(1,135,915.39)	(24,765,854.49)
6. Others									
IV. At end of current period	9,917,289,033.00	8,443,323,719.70	228,624,172.79	200,717,168.37	94,130,498.99	4,276,245,864.64	49,037,197,880.37	2,273,342,218.97	74,013,622,211.25

Prior period

In RMB Yuan

Items	Prior period								
	Equity attributable to owners							Minority interest	Total equity
	Share capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings		
I. At end of last year	9,921,799,422.00	8,532,806,685.77	627,060,416.52	98,841,615.42	24,090,898.05	3,528,137,635.53	41,379,489,865.45	90,698,855.79	62,948,804,561.49
II. At beginning of year	9,921,799,422.00	8,532,806,685.77	627,060,416.52	98,841,615.42	24,090,898.05	3,528,137,635.53	41,379,489,865.45	90,698,855.79	62,948,804,561.49
III. Changes during the year	(2,476,422.00)	(477,465,238.31)	(184,193,941.80)	47,734,187.34	29,475,687.52		5,311,564,478.68	3,888,515,629.87	8,981,542,264.90
1.Total comprehensive income				47,734,187.34			7,652,979,346.80	(685,966,346.73)	7,014,747,187.41
2. Capital contributed by owners and capital decreases	(2,476,422.00)	(477,465,238.31)	(157,449,592.97)						(322,492,067.34)
(1) The amount of share-based payment included in owner's equity									
(2) Amount of share based payment recognized in owner's equity		187,899,000.00							187,899,000.00
(3) Others	(2,476,422.00)	(665,364,238.31)	(157,449,592.97)						(510,391,067.34)
3. Distribution of profit			(26,744,348.83)				(2,341,414,868.12)	(150,000.00)	(2,314,820,519.29)
(1) Distribution to owners			(26,744,348.83)				(2,341,414,868.12)	(150,000.00)	(2,314,820,519.29)
(2) Others									
4.Internal carry forward of owner's equity									
5. Special reserves					29,475,687.52				29,475,687.52
(1) Pick-up in current period					64,708,453.30				64,708,453.30
(2) Used in current period					(35,232,765.78)				(35,232,765.78)
6.Others								4,574,631,976.60	4,574,631,976.60
IV. At end of current period	9,919,323,000.00	8,055,341,447.46	442,866,474.72	146,575,802.76	53,566,585.57	3,528,137,635.53	46,691,054,344.13	3,979,214,485.66	71,930,346,826.39

**8. Statement of changes in shareholders' equity**

Current Period

In RMB Yuan

Items	Current period							
	Share capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total equity
I. At end of last year	9,917,289,033.00	8,406,226,198.82	382,277,095.96	169,049,829.02	19,514,786.95	4,276,245,864.64	44,297,589,798.86	66,703,638,415.33
II. At beginning of year	9,917,289,033.00	8,406,226,198.82	382,277,095.96	169,049,829.02	19,514,786.95	4,276,245,864.64	44,297,589,798.86	66,703,638,415.33
III. Changes during the year		184,509,500.64	(153,652,923.17)	(184,355.51)	22,558,299.54		(1,303,772,905.39)	(943,236,537.55)
1.Total comprehensive income				(184,355.51)			2,108,704,757.79	2,108,520,402.28
2. Capital contributed by owners and capital decreases		184,509,500.64	(132,685,226.16)					317,194,726.80
(1) The amount of share-based payment included in owner's equity		181,288,200.00						181,288,200.00
(2) Others		3,221,300.64	(132,685,226.16)					135,906,526.80
3. Distribution of profit			(20,967,697.01)				(3,412,477,663.18)	(3,391,509,966.17)
(1) Distribution to owners			(20,967,697.01)				(3,412,477,663.18)	(3,391,509,966.17)
4.Internal carry forward of owner's equity								
5. Special reserves					22,558,299.54			22,558,299.54
(1) Pick-up in current period					36,217,694.10			36,217,694.10
(2) Used in current period					(13,659,394.56)			(13,659,394.56)
6.Disposal of subsidiaries								
IV. At end of current period	9,917,289,033.00	8,590,735,699.46	228,624,172.79	168,865,473.51	42,073,086.49	4,276,245,864.64	42,993,816,893.47	65,760,401,877.78

Prior period

In RMB Yuan

Items	Prior period							
	Share capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total equity
I. At end of last year	9,921,799,422.00	8,047,195,325.61	627,060,416.52	157,416,810.63	10,285,640.79	3,528,137,635.53	39,906,030,604.91	60,943,805,022.95
II. At beginning of year	9,921,799,422.00	8,047,195,325.61	627,060,416.52	157,416,810.63	10,285,640.79	3,528,137,635.53	39,906,030,604.91	60,943,805,022.95
III. Changes during the year	(2,476,422.00)	180,705,090.69	(184,193,941.80)		13,850,533.06		1,062,366,762.53	1,438,639,906.08
1.Total comprehensive income							3,403,781,630.65	3,403,781,630.65
2. Capital contributed by owners and capital decreases	(2,476,422.00)	180,705,090.69	(157,449,592.97)					335,678,261.66
(1) The amount of share-based payment included in owner's equity		187,899,000.00						187,899,000.00
(2) Others	(2,476,422.00)	(7,193,909.31)	(157,449,592.97)					147,779,261.66
3. Distribution of profit			(26,744,348.83)				(2,341,414,868.12)	(2,314,670,519.29)
Distribution to owners			(26,744,348.83)				(2,341,414,868.12)	(2,314,670,519.29)
4.Internal carry forward of owner's equity								
5. Special reserves					13,850,533.06			13,850,533.06
(1) Pick-up in current period					32,871,513.66			32,871,513.66
(2) Used in current period					(19,020,980.60)			(19,020,980.60)
6.Disposal of subsidiaries								
IV. At end of current period	9,919,323,000.00	8,227,900,416.30	442,866,474.72	157,416,810.63	24,136,173.85	3,528,137,635.53	40,968,397,367.44	62,382,444,929.03

### III. CORPORATE INFORMATION

Chongqing Changan Automobile Co., Ltd. (hereinafter referred to as "the Company" or "the Company") is a limited liability company registered in Chongqing in October 1996. Listed on the Shenzhen Stock Exchange in June 1997. As of June 30th, 2024, the total issued share capital of the Company is 9917289033 shares, registered at 260 Jianxin East Road, Jiangbei District, Chongqing, China, with an office address at Building T2, Financial City 2, No. 61 Dongshengmen Road, Jiangbei District, Chongqing, China.

The main business activities engaged in by our company include the manufacturing and sales of automobiles (including sedans), automobile engine series products, and supporting components.

The parent company of our company is China Changan Automobile Group Co., Ltd., and the ultimate controlling party of our company is China Ordnance Equipment Group Co., Ltd.

### IV. BASIS OF PREPARATION

#### 1. Basis of compilation

This financial statement has been prepared in accordance with the "Enterprise Accounting Standards - Basic Standards" issued by the Ministry of Finance, various specific accounting standards, application guidelines for enterprise accounting standards, interpretations of enterprise accounting standards, and other relevant regulations (hereinafter referred to as "Enterprise Accounting Standards"), as well as the relevant provisions of the "Information Disclosure and Reporting Rules for Companies that Publicly Issue Securities No. 15- General Provisions on Financial Reports" issued by the China Securities Regulatory Commission.

#### 2. Going-concern

The financial statements are presented on a going concern basis.

### V. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 1. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements present fairly and fully, the financial position of the company on 30th June 2024 and the financial results and the cash flows in the half year of 2024 then ended in accordance with Accounting Standards for Business Enterprises.

#### 2. Accounting year

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

#### 3. Functional currency

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

#### 4. Accounting treatment methods for mergers of enterprises under the same control and those not under the same control

##### Business combination involving entities under common control

The assets and liabilities acquired by the merging party in a business merger (including goodwill formed by the ultimate controlling party's acquisition of the merged party) shall be measured based on the carrying amount of the merged party's assets and liabilities in the consolidated financial statements of the ultimate controlling party on the merger date. The difference between the book value of net assets obtained in the merger and the book value of the merger consideration paid (or the total face value of the issued shares) shall be adjusted to the share premium in the capital reserve. If the share premium in the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

##### Business combination involving entities not under common control

The merger cost is the fair value of the assets, liabilities, and equity securities issued by the acquirer on the acquisition date to obtain control of the acquired party. The difference between the merger cost and the fair value of the identifiable net assets acquired from

the acquired party in the merger is recognized as goodwill; The difference between the merger cost and the fair value of the identifiable net assets acquired from the acquired party in the merger shall be recognized in the current period's profit and loss. The identifiable assets, liabilities, and contingent liabilities acquired from the acquired party in the merger that meet the recognition criteria shall be measured at fair value on the acquisition date.

The directly related expenses incurred for the merger of enterprises shall be included in the current period's profit and loss at the time of occurrence; The transaction costs of issuing equity securities or debt securities for corporate mergers shall be included in the initial recognition amount of equity securities or debt securities.

## 5. Judgment criteria for control and preparation methods for consolidated financial statements

### Judgment criteria for control

The consolidation scope of the consolidated financial statements is determined based on control, which includes the company and all its subsidiaries. Control refers to the company having the power over the investee, enjoying variable returns through participation in related activities of the investee, and having the ability to use its power over the investee to influence its return amount.

### Merge Program

Our company regards the entire enterprise group as an accounting entity and prepares consolidated financial statements in accordance with unified accounting policies, reflecting the overall financial condition, operating results, and cash flows of our enterprise group. The impact of internal transactions between our company and its subsidiaries, as well as between subsidiaries themselves, shall be offset. If internal transactions indicate impairment losses on related assets, the full amount of such losses shall be recognized. If the accounting policies and accounting periods adopted by the subsidiary are inconsistent with those of the company, necessary adjustments shall be made in accordance with the accounting policies and accounting periods of the company when preparing the consolidated financial statements.

The equity of subsidiary owners, current net profit and loss, and current comprehensive income belonging to minority shareholders are separately listed under the equity item, net profit item, and total comprehensive income item in the consolidated balance sheet. If the current losses shared by minority shareholders of a subsidiary exceed the balance formed by the minority shareholders' share of the subsidiary's initial owner's equity, the minority shareholders' equity shall be offset.

#### (1) Add subsidiaries or businesses

During the reporting period, if a subsidiary or business is added due to a merger of enterprises under the same control, the operating results and cash flows of the subsidiary or business from the beginning of the current period to the end of the reporting period shall be included in the consolidated financial statements. At the same time, adjustments shall be made to the opening balance of the consolidated financial statements and relevant items in the comparative statements, as if the merged reporting entity had existed since the time when the ultimate controlling party began to control it.

For equity investments held before obtaining control of the investee under the same control due to additional investments or other reasons, the relevant gains and losses, other comprehensive income, and other changes in net assets recognized between the date of acquisition of the original equity and the date when both the acquirer and the investee are under the same control until the merger date shall be offset against the beginning retained earnings or current period gains and losses during the comparative reporting period.

During the reporting period, if a subsidiary or business is added due to a merger of enterprises not under the same control, the fair value of identifiable assets, liabilities, and contingent liabilities determined on the acquisition date shall be included in the consolidated financial statements from the acquisition date onwards.

If it is possible to exercise control over an investee that is not under the same control due to additional investment or other reasons, the equity held in the investee before the purchase date shall be remeasured at its fair value on the purchase date, and the difference between the fair value and its book value shall be included in the current investment income. The equity of the purchased party held before the purchase date, which can be reclassified into profit or loss in the future, and other changes in owner's equity accounted for under the equity method, shall be converted into investment income for the current period to which the purchase date belongs.

#### (2) Disposal of subsidiaries

##### ① General handling method

When control over the investee is lost due to the disposal of some equity investments or other reasons, the remaining equity investments after disposal shall be remeasured at their fair value on the date of loss of control. The difference between the consideration obtained from the disposal of equity and the fair value of the remaining equity, minus the share of net assets of the original subsidiary that should be enjoyed continuously from the purchase date or merger date and the sum of goodwill calculated based on the original shareholding ratio, shall be included in the investment income of the current period when control is lost. Other comprehensive income related to equity investments in existing subsidiaries that can be reclassified into profit or loss in the future, as well as changes in other owner's equity accounted for under the equity method, are converted into current investment income upon



loss of control.

## ② Step by step disposal of subsidiaries

If the equity investment in a subsidiary is disposed of through multiple transactions until control is lost, and the terms, conditions, and economic impact of each transaction for disposing of the equity investment in the subsidiary meet one or more of the following situations, it usually indicates that the multiple transactions are a package deal:

I. These transactions were entered into simultaneously or taking into account their mutual influence;

II. These transactions as a whole are necessary to achieve a complete business outcome;

III. The occurrence of a transaction depends on the occurrence of at least one other transaction;

IV. When viewed alone, a transaction may not be economical, but when considered together with other transactions, it is economical.

If each transaction belongs to a package deal, it shall be accounted for as a transaction for disposing of a subsidiary and losing control; Before losing control, the difference between the disposal price and the share of net assets of the subsidiary corresponding to the disposal investment is recognized as other comprehensive income in the consolidated financial statements, and is transferred to the current period's profit or loss upon loss of control.

If the various transactions do not belong to a package deal, accounting treatment shall be carried out for the partial disposal of equity investments in subsidiaries without losing control before losing control; When losing control, accounting treatment should be carried out according to the general treatment method for disposing of subsidiaries.

## (3) Purchase minority equity of subsidiary

The difference between the long-term equity investment acquired through the purchase of minority equity and the net asset share of the subsidiary that should be continuously calculated from the date of purchase or merger based on the newly added shareholding ratio shall be adjusted by adjusting the share premium in the capital reserve in the consolidated balance sheet. If the share premium in the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

## (4) Partial disposal of equity investments in subsidiaries without losing control

The difference between the disposal price and the share of net assets of the subsidiary that corresponds to the disposal of long-term equity investments, calculated continuously from the date of purchase or merger, shall be adjusted by adjusting the share premium in the capital reserve in the consolidated balance sheet. If the share premium in the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

## 6. Cash and cash equivalents

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

## 7. Foreign currency translation

### Foreign currency transactions

Foreign currency transactions use the spot exchange rate on the transaction date as the conversion rate to convert foreign currency amounts into RMB for accounting purposes.

The balance of foreign currency monetary items on the balance sheet date is translated at the spot exchange rate on the balance sheet date. Any exchange differences arising from this are recognized in the current period's profit or loss, except for those related to foreign currency borrowings for the acquisition and construction of assets that meet capitalization criteria, which are treated in accordance with the principle of capitalizing borrowing costs.

### Translation of foreign currency financial statements

The asset and liability items in the balance sheet are translated using the spot exchange rate on the balance sheet date; Except for the "undistributed profits" item, all other owner's equity items are converted at the spot exchange rate at the time of occurrence. The income and expense items in the income statement are converted using the spot exchange rate on the transaction date.

When disposing of overseas operations, the foreign currency financial statement translation differences related to the overseas operations shall be transferred from the owner's equity item to the current profit and loss for disposal.

## 8. Financial instruments

When the company becomes a party to a financial instrument contract, it recognizes a financial asset, financial liability, or equity

instrument. The owner's equity items are transferred to the current period's profit and loss for disposal.

#### Classification of financial instruments

Based on the business model of managing financial assets and the contractual cash flow characteristics of financial assets, financial assets are classified at initial recognition as follows: financial assets measured at amortized cost, financial assets measured at fair value with changes in fair value recognized in other comprehensive income, and financial assets measured at fair value with changes in fair value recognized in current profit or loss.

Our company classifies financial assets that meet the following conditions and have not been designated as measured at fair value with changes recognized in current profit or loss as financial assets measured at amortized cost:

- The business model aims to collect contractual cash flows;
- The cash flow of the contract is only for the payment of principal and interest based on the unpaid principal amount.

The Company will classify financial assets (debt instruments) that meet the following conditions and have not been designated as measured at fair value with changes in fair value recognized in current profit or loss as financial assets measured at fair value with changes in fair value recognized in other comprehensive income:

- The business model aims to both collect contractual cash flows and sell the financial asset;
- The cash flow of the contract is only for the payment of principal and interest based on the unpaid principal amount.

For non trading equity instrument investments, the Company may irrevocably designate them as financial assets (equity instruments) measured at fair value with changes recognized in other comprehensive income upon initial recognition. This designation is made on the basis of a single investment, and the related investment meets the definition of an equity instrument from the issuer's perspective.

Except for the financial assets measured at amortized cost and measured at fair value with changes in fair value recognized in other comprehensive income mentioned above, the Company classifies all other financial assets as financial assets measured at fair value with changes in fair value recognized in current profit or loss.

Financial liabilities are classified at initial recognition as follows: financial liabilities measured at fair value with changes recognized in profit or loss and financial liabilities measured at amortized cost.

#### Recognition criteria and measurement methods for financial instruments

##### (1) Financial assets measured at amortized cost

Financial assets measured at amortized cost include notes receivable, accounts receivable, other receivables, long-term receivables, debt investments, etc. They are initially measured at fair value, and related transaction costs are included in the initial recognition amount; Accounts receivable that do not include significant financing components and accounts receivable for which the company has decided not to consider financing components that do not exceed one year shall be initially measured at the contract transaction price.

The interest calculated using the effective interest rate method during the holding period is included in the current period's profit and loss.

When recovering or disposing of, the difference between the proceeds obtained and the book value of the financial asset shall be recognized in the current period's profit and loss.

##### (2) Financial assets (debt instruments) measured at fair value with changes recognized in other comprehensive income

Financial assets (debt instruments) measured at fair value with changes in fair value recognized in other comprehensive income, including accounts receivable financing, other debt investments, etc., are initially measured at fair value and related transaction costs are included in the initial recognition amount. The financial asset is subsequently measured at fair value, and changes in fair value are recognized in other comprehensive income, except for interest, impairment losses or gains, and exchange gains or losses calculated using the effective interest rate method.

When terminating recognition, the cumulative gains or losses previously recognized in other comprehensive income are transferred from other comprehensive income and recognized in the current period's profit or loss.

## (3) Financial assets (equity instruments) measured at fair value with changes recognized in other comprehensive income

Financial assets (equity instruments) measured at fair value with changes in fair value recognized in other comprehensive income, including other equity instrument investments, are initially measured at fair value and related transaction costs are included in the initial recognition amount. The financial asset is subsequently measured at fair value, and changes in fair value are recognized in other comprehensive income. The dividends obtained are recognized in the current period's profit and loss.

When terminating recognition, the cumulative gains or losses previously recognized in other comprehensive income are transferred from other comprehensive income and recorded in retained earnings.

## (4) Financial assets measured at fair value with changes recognized in current profit or loss

Financial assets measured at fair value with changes recognized in current profit or loss include trading financial assets, derivative financial assets, other non current financial assets, etc. They are initially measured at fair value, and related transaction costs are recognized in current profit or loss. The financial asset is subsequently measured at fair value, and changes in fair value are recognized in the current period's profit or loss.

## (5) Financial liabilities measured at fair value with changes recognized in current profit or loss

Financial liabilities measured at fair value with changes recognized in current profit or loss, including trading financial liabilities, derivative financial liabilities, etc., are initially measured at fair value and related transaction costs are recognized in current profit or loss. The financial liability is subsequently measured at fair value, and changes in fair value are recognized in the current period's profit or loss.

When terminating recognition, the difference between its book value and the consideration paid is recognized in the current period's profit or loss.

## (6) Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost include short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, bonds payable, and long-term payables, which are initially measured at fair value and related transaction costs are included in the initial recognition amount.

The interest calculated using the effective interest rate method during the holding period is included in the current period's profit and loss.

When terminating recognition, the difference between the consideration paid and the carrying amount of the financial liability shall be recognized in the current period's profit or loss.

Recognition criteria and measurement methods for derecognition of financial assets and transfer of financial assets

When one of the following conditions is met, the company will terminate the recognition of financial assets:

- Termination of contractual rights to receive cash flows from financial assets;
- The financial assets have been transferred and almost all risks and rewards of ownership of the financial assets have been transferred to the transferee;
- The financial assets have been transferred, although the company has neither transferred nor retained almost all the risks and rewards of ownership of the financial assets, it has not retained control over the financial assets.

If the Company modifies or renegotiates a contract with a counterparty that constitutes a substantial modification, the recognition of the original financial asset shall be terminated, and a new financial asset shall be recognized in accordance with the modified terms.

When a financial asset transfer occurs, if almost all the risks and rewards of ownership of the financial asset are retained, the recognition of the financial asset shall not be terminated.

When determining whether the transfer of financial assets meets the above conditions for termination of recognition of financial assets, the principle of substance over form is adopted.

The company divides the transfer of financial assets into overall transfer and partial transfer. If the overall transfer of financial assets

meets the conditions for termination of recognition, the difference between the following two amounts shall be recognized in the current period's profit and loss:

- (1) The book value of the transferred financial assets;
- (2) The sum of the consideration received as a result of the transfer and the cumulative amount of fair value changes originally recognized directly in owner's equity (in the case of financial assets (debt instruments) measured at fair value with changes recognized in other comprehensive income).

If the partial transfer of financial assets meets the termination recognition conditions, the overall book value of the transferred financial assets shall be amortized between the terminated recognition portion and the non terminated recognition portion based on their respective relative fair values, and the difference between the following two amounts shall be recognized in the current period's profit and loss:

- (1) Terminate the book value of the confirmed portion;
- (2) The consideration for the derecognized portion is the sum of the amount corresponding to the derecognized portion of the cumulative fair value changes that were originally directly recognized in owner's equity (in the case of financial assets (debt instruments) that are measured at fair value and whose changes are recognized in other comprehensive income).

If the transfer of financial assets does not meet the termination recognition criteria, the financial assets shall continue to be recognized, and the consideration received shall be recognized as a financial liability.

#### Termination of recognition of financial liabilities

If the current obligations of a financial liability have been fully or partially released, the recognition of that financial liability or a portion thereof shall be terminated; If our company signs an agreement with creditors to replace existing financial liabilities by assuming new financial liabilities, and the contract terms of the new financial liabilities are substantially different from those of the existing financial liabilities, we will terminate the recognition of the existing financial liabilities and recognize the new financial liabilities at the same time.

If substantial modifications are made to all or part of the contractual terms of an existing financial liability, the recognition of the existing financial liability or a portion thereof shall be terminated, and the modified financial liability shall be recognized as a new financial liability.

When all or part of a financial liability is derecognized, the difference between the carrying amount of the derecognized financial liability and the consideration paid (including non cash assets transferred out or new financial liabilities assumed) is recognized in the current period's profit or loss.

If the company repurchases a portion of its financial liabilities, the overall book value of the financial liabilities shall be allocated on the repurchase date based on the relative fair value of the continuing recognition portion and the derecognized portion. The difference between the book value allocated to the derecognized portion and the consideration paid (including non cash assets transferred out or new financial liabilities assumed) is recognized in the current period's profit or loss.

#### Method for determining the fair value of financial assets and financial liabilities

Financial instruments with an active market are determined at fair value based on their quoted prices in the active market. Financial instruments without an active market are valued using valuation techniques to determine their fair value. In valuation, our company adopts valuation techniques that are applicable in the current situation and supported by sufficient available data and other information, selects input values that are consistent with the asset or liability characteristics considered by market participants in transactions related to the asset or liability, and prioritizes the use of relevant observable input values. Only when the relevant observable input values cannot be obtained or are not feasible to obtain, should unobservable input values be used.

#### Testing and accounting treatment methods for impairment of financial instruments

Our company performs impairment accounting treatment on financial assets measured at amortized cost, financial assets measured at fair value with changes in fair value recognized in other comprehensive income (debt instruments), and financial guarantee contracts based on expected credit losses.

Our company considers reasonable and evidence-based information regarding past events, current conditions, and predictions of future economic conditions, and uses the risk of default as a weight to calculate the probability weighted amount of the present value of the difference between the cash flows receivable under the contract and the expected cash flows to be received, in order to

recognize expected credit losses.

For accounts receivable and contract assets formed by transactions regulated by the Accounting Standards for Business Enterprises No. 14- Revenue, regardless of whether they contain significant financing components, the Company always measures its loss provision at an amount equivalent to the expected credit loss throughout the entire existence period.

For lease receivables arising from transactions regulated by Accounting Standards for Business Enterprises No. 21- Leases, the Company chooses to always measure its loss provision at an amount equivalent to the expected credit loss over the entire duration.

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

Our company compares the risk of default of financial instruments on the balance sheet date with the risk of default on the initial recognition date to determine the relative change in default risk during the expected lifespan of financial instruments, in order to assess whether the credit risk of financial instruments has significantly increased since initial recognition. Usually, if the overdue period exceeds 30 days, our company considers that the credit risk of the financial instrument has significantly increased, unless there is conclusive evidence to prove that the credit risk of the financial instrument has not significantly increased since initial recognition.

If the credit risk of a financial instrument on the balance sheet date is low, the Company considers that the credit risk of the financial instrument has not significantly increased since initial recognition.

If the credit risk of the financial instrument has significantly increased since its initial recognition, the Company shall measure its loss provision based on an amount equivalent to the expected credit loss of the financial instrument throughout its entire life cycle; If the credit risk of the financial instrument has not significantly increased since initial recognition, the Company measures its loss provision based on an amount equivalent to the expected credit loss of the financial instrument in the next 12 months. The increase or reversal amount of loss provision resulting from this shall be recognized as impairment loss or gain in the current period's income statement. For financial assets (debt instruments) measured at fair value with changes recognized in other comprehensive income, a provision for losses is recognized in other comprehensive income and impairment losses or gains are recognized in the current period's profit or loss, without reducing the carrying value of the financial asset as shown in the balance sheet.

## 9. Contract assets

### Confirmation methods and standards for contract assets

Our company lists contract assets or contract liabilities in the balance sheet based on the relationship between fulfilling performance obligations and customer payments. The right of our company to receive consideration for the transfer of goods or provision of services to customers (subject to factors other than the passage of time) is listed as a contractual asset. The contract assets and contract liabilities under the same contract are presented on a net basis. The unconditional (subject only to the passage of time) right of our company to collect consideration from customers is separately listed as accounts receivable.

### Determination method and accounting treatment method for expected credit losses of contract assets

The determination method and accounting treatment method for expected credit losses of contract assets are detailed in Note 8, Financial Instruments.

## 10. Inventories

### Classification and cost of inventory

Inventory classification includes: in transit materials, raw materials, turnover materials, inventory goods, work in progress, shipped goods, commissioned processing materials, etc.

Inventory is initially measured at cost, which includes procurement costs, processing costs, and other expenses incurred to bring inventory to its current location and condition.

### Valuation method for issuing inventory

Adopt the weighted average method.

### Inventory system for inventory

Adopting perpetual inventory system.

#### Amortization method for low value consumables and packaging materials

- (1) Low value consumables are sold using a one-time turnover method;
- (2) The packaging adopts a one-time resale method.

#### Recognition criteria and provision method for inventory depreciation reserves

On the balance sheet date, inventory should be measured at the lower of cost and net realizable value. When the cost of inventory is higher than its net realizable value, a provision for inventory impairment should be made. Net realizable value refers to the estimated selling price of inventory in daily activities, minus the estimated costs to be incurred until completion, estimated sales expenses, and related taxes and fees.

The net realizable value of goods inventory directly used for sale, such as finished products, inventory goods, and materials for sale, is determined by subtracting estimated sales expenses and related taxes from the estimated selling price of the inventory in the normal process of production and operation; The net realizable value of inventory of materials that require processing is determined by subtracting the estimated costs to be incurred until completion, estimated sales expenses, and related taxes from the estimated selling price of the finished products produced during normal production and operation processes; The net realizable value of inventory held for the purpose of executing sales or service contracts is calculated based on the contract price. If the quantity of inventory held exceeds the quantity ordered in the sales contract, the net realizable value of the excess inventory is calculated based on the general sales price.

After the provision for inventory impairment has been made, if the influencing factors that previously reduced the value of inventory have disappeared, resulting in the net realizable value of inventory being higher than its book value, it shall be reversed within the original provision for inventory impairment, and the reversed amount shall be included in the current period's profit and loss.

### **11.Assets held for sale**

If the book value of a non current asset is mainly recovered through sale (including exchange of non monetary assets with commercial substance) rather than continuous use or disposal of the asset, it is classified as held for sale.

Our company categorizes non current assets or disposal groups that meet the following conditions as held for sale:

- (1) According to the convention of selling such assets or disposing of groups in similar transactions, they can be sold immediately in the current situation;
- (2) The sale is highly likely to occur, as our company has already made a resolution on a sale plan and obtained a definite purchase commitment. It is expected that the sale will be completed within one year. If the relevant regulations require approval from the relevant authorities or regulatory departments of our company before it can be sold, approval has already been obtained.

If non current assets (excluding financial assets, deferred tax assets, and assets formed by employee compensation) or disposal groups are classified as held for sale, and their book value is higher than the net amount of fair value minus selling expenses, the book value shall be reduced to the net amount of fair value minus selling expenses, and the reduced amount shall be recognized as asset impairment loss and included in the current period's profit and loss. At the same time, provision for impairment of held for sale assets shall be made.

### **12. Long-term equity investments**

#### Judgment criteria for joint control and significant influence

Joint control refers to the shared control over a certain arrangement in accordance with relevant agreements, and the related activities of the arrangement must be unanimously agreed upon by the parties sharing control rights before making decisions. If our company and other joint venture partners jointly control the invested entity and have rights to the net assets of the invested entity, the invested entity is our company's joint venture.

Significant impact refers to having the power to participate in the financial and operational decisions of the invested entity, but not being able to control or jointly control the formulation of these policies with other parties. If our company is able to exert significant influence on the invested entity, the invested entity is our joint venture.

#### Determination of initial investment cost

- (1) Long term equity investments formed by corporate mergers

For long-term equity investments in subsidiaries formed by the merger of enterprises under the same control, the initial investment cost of the long-term equity investment shall be determined on the merger date based on the share of the book value of the acquired owner's equity in the final controlling party's consolidated financial statements. The difference between the initial investment cost of long-term equity investment and the book value of the consideration paid shall be adjusted for the equity premium in the capital reserve; When the share premium in the capital reserve is insufficient to offset, adjust the retained earnings. If it is possible to exercise control over the invested entity under the same control due to additional investment or other reasons, the difference between the initial investment cost of the long-term equity investment recognized according to the above principles and the book value of the long-term equity investment before the merger plus the book value of the newly paid consideration for the shares acquired on the merger date shall be adjusted for the share premium. If the share premium is insufficient to offset, it shall be offset against retained earnings.

For long-term equity investments in subsidiaries formed by mergers of enterprises not under the same control, the initial investment cost of the long-term equity investment shall be determined based on the merger cost determined on the purchase date. If it is possible to exercise control over an investee that is not under the same control due to additional investment or other reasons, the initial investment cost shall be the sum of the book value of the equity investment originally held and the cost of the additional investment.

## (2) Long term equity investments acquired through means other than corporate mergers

Long term equity investments acquired through cash payment shall have the actual purchase price paid as the initial investment cost.

Long term equity investments obtained through the issuance of equity securities shall have the fair value of the issued equity securities as the initial investment cost.

### Subsequent measurement and profit and loss recognition methods

#### (1) Long term equity investments accounted for using the cost method

The long-term equity investment of a company in a subsidiary is accounted for using the cost method, unless the investment meets the condition of being held for sale. The company recognizes current investment income based on the cash dividends or profits declared but not yet distributed by the investee, except for the actual payment of the investment price or consideration at the time of acquisition.

#### (2) Long term equity investments accounted for using the equity method

Long term equity investments in joint ventures and associates are accounted for using the equity method. If the initial investment cost is greater than the difference in the fair value share of the identifiable net assets of the investee that should be enjoyed at the time of investment, the initial investment cost of the long-term equity investment shall not be adjusted; The difference between the initial investment cost and the fair value share of the identifiable net assets of the investee that should be enjoyed at the time of investment shall be recognized in the current period's profit and loss, and the cost of long-term equity investment shall be adjusted accordingly.

The company recognizes investment income and other comprehensive income separately based on the share of net profit or loss and other comprehensive income realized by the invested entity that should be enjoyed or shared, and adjusts the book value of long-term equity investments; Calculate the portion that should be enjoyed based on the profits or cash dividends declared by the invested entity, and correspondingly reduce the book value of long-term equity investments; For other changes in owner's equity of the invested entity other than net profit or loss, other comprehensive income, and profit distribution (referred to as "other changes in owner's equity"), adjust the book value of long-term equity investments and include them in owner's equity.

When recognizing the share of net profit or loss, other comprehensive income, and other changes in owner's equity that should be enjoyed by the investee, the fair value of the investee's identifiable net assets at the time of acquisition of the investment shall be used as the basis, and the net profit and other comprehensive income of the investee shall be adjusted in accordance with the company's accounting policies and accounting periods before recognition.

Unrealized internal transaction gains and losses between the company and its affiliated or joint ventures shall be calculated based on the proportion attributable to the company, offset, and recognized as investment income on this basis, except for assets invested or sold that constitute business. Unrealized internal transaction losses incurred with the invested entity, which belong to asset impairment losses, shall be fully recognized.

The net losses incurred by the company in joint ventures or associated enterprises, except for the obligation to bear additional losses, shall be limited to the reduction of the book value of long-term equity investments and other long-term equity that essentially

constitute net investments in joint ventures or associated enterprises to zero. If a joint venture or associated enterprise realizes net profits in the future, the company shall restore the recognition of the profit sharing amount after offsetting the unrecognized loss sharing amount with the profit sharing amount.

### (3) Disposal of long-term equity investments

The difference between the book value and the actual acquisition price of long-term equity investments shall be recognized in the current period's profit and loss.

For long-term equity investments that are partially disposed of and accounted for using the equity method, if the remaining equity is still accounted for using the equity method, other comprehensive income recognized using the original equity method shall be carried forward on the same basis as the direct disposal of related assets or liabilities by the investee in proportion, and changes in other owner's equity shall be carried forward to the current period's profit and loss in proportion.

If the joint control or significant influence over the investee is lost due to the disposal of equity investments or other reasons, other comprehensive income recognized by the equity method for the original equity investment shall be accounted for on the same basis as the direct disposal of related assets or liabilities by the investee when the equity method is terminated, and all other changes in owner's equity shall be transferred to the current period's profit and loss when the equity method is terminated.

If the control over the investee is lost due to the disposal of some equity investments or other reasons, and the remaining equity can exercise joint control or significant influence over the investee when preparing individual financial statements, it shall be accounted for using the equity method, and the remaining equity shall be adjusted as if it were accounted for using the equity method from the time of acquisition. Other comprehensive income recognized before obtaining control of the investee shall be carried forward proportionally on the same basis as the direct disposal of relevant assets or liabilities by the investee, and other changes in owner's equity recognized by using the equity method shall be carried forward to the current period's profit and loss in proportion; If the remaining equity cannot exercise joint control or significant influence over the investee, it shall be recognized as a financial asset, and the difference between its fair value and book value on the date of loss of control shall be recognized in the current period's profit and loss. All other comprehensive income and other changes in owner's equity recognized before obtaining control of the investee shall be carried forward.

If the disposal of equity investment in a subsidiary through multiple transactions until the loss of control is considered a package deal, each transaction shall be accounted for as a disposal of equity investment in the subsidiary and the loss of control; The difference between the disposal price and the book value of the long-term equity investment corresponding to the disposed equity before losing control is recognized as other comprehensive income in individual financial statements, and then transferred to the current period's profit and loss upon losing control. For transactions that are not part of a package deal, accounting treatment shall be applied separately for each transaction.

## 13. Investment property

Investment real estate refers to real estate held for the purpose of earning rent or capital appreciation, or both, including leased land use rights, land use rights held and prepared for transfer after appreciation, and leased buildings (including buildings built or developed for leasing after completion of self construction or development activities, as well as buildings under construction or development that will be rented out in the future).

Subsequent expenses related to investment real estate are included in the cost of investment real estate when the related economic benefits are likely to flow in and their costs can be reliably measured; Otherwise, it will be recorded in the current period's profit and loss when it occurs.

Our company adopts the cost model for measuring existing investment properties. For investment properties measured under the cost model - rental buildings, the same depreciation policy as the company's fixed assets is adopted, and the amortization policy for rental land use rights is implemented in the same manner as intangible assets.

## 14. Fixed assets

### Recognition and initial measurement of fixed assets

Fixed assets refer to tangible assets held for the production of goods, provision of services, rental or business management, with a useful life exceeding one accounting year. Fixed assets are recognized when they meet the following conditions simultaneously:

(1) The economic benefits related to the fixed asset are likely to flow into the enterprise;



(2) The cost of the fixed asset can be reliably measured.

Fixed assets are initially measured at cost (taking into account the impact of expected disposal costs).

Subsequent expenses related to fixed assets are included in the cost of fixed assets when the economic benefits associated with them are likely to flow in and their costs can be reliably measured; Terminate the recognition of the book value of the replaced parts; All other subsequent expenses are recognized in the current period's profit or loss at the time of occurrence.

#### Depreciation method

Depreciation of fixed assets is calculated using the straight-line method, and the depreciation rate is determined based on the fixed asset category, expected useful life, and expected net residual value rate. For fixed assets for which impairment provisions have been made, the depreciation amount shall be determined in future periods based on the book value after deducting the impairment provisions and the remaining useful life. If the service life of each component of fixed assets is different or they provide economic benefits to the enterprise in different ways, different depreciation rates or depreciation methods should be selected and depreciation should be accrued separately.

The depreciation methods, depreciation periods, residual value rates, and annual depreciation rates for various types of fixed assets are as follows:

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

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

#### Disposal of fixed assets

When fixed assets are disposed of or expected to generate no economic benefits through use or disposal, the recognition of such fixed assets shall be terminated. The disposal income from the sale, transfer, scrapping or damage of fixed assets, after deducting their book value and related taxes, shall be included in the current period's profit and loss.

### **15. Construction in progress**

Construction in progress is measured based on the actual cost incurred. The actual costs include construction costs, installation costs, borrowing costs that meet capitalization criteria, and other necessary expenses incurred to bring the construction in progress to its intended usable state. When the construction in progress reaches the predetermined usable state, it is transferred to fixed assets and depreciation is accrued from the following month.

### **16. Borrowing costs**

#### Recognition principle for capitalization of borrowing costs

The borrowing costs incurred by the company, which can be directly attributed to the acquisition, construction or production of assets that meet the capitalization criteria, shall be capitalized and included in the relevant asset costs; Other borrowing costs are recognized as expenses based on their amount incurred and recorded in the current period's profit and loss.

Assets eligible for capitalization refer to fixed assets, investment real estate, inventories and other assets that require a considerable period of time for acquisition and construction or production activities to reach their intended serviceable or marketable status.

#### During the capitalization period of borrowing costs

The capitalization period refers to the period from the start of capitalization of borrowing costs to the end of capitalization, excluding the period when capitalization of borrowing costs is suspended.

The capitalization of borrowing costs begins when the following conditions are met simultaneously:

- (1) Asset expenditures have already occurred, including expenses incurred in the form of cash payments, transfer of non cash assets, or assumption of interest bearing debts for the purchase, construction, or production of assets that meet capitalization criteria;
- (2) The borrowing cost has already been incurred;
- (3) The necessary purchasing, construction, or production activities to bring the assets to their intended usable or saleable state have already begun.

When the assets that meet the capitalization criteria for purchase, construction, or production reach the predetermined usable or saleable state, the capitalization of borrowing costs shall cease.

#### During the suspension of capitalization period

If assets that meet the capitalization criteria experience abnormal interruptions during the acquisition, construction, or production process, and the interruption lasts for more than 3 consecutive months, the capitalization of borrowing costs shall be suspended; If the interruption is necessary for the acquisition, construction or production of assets that meet the capitalization conditions to reach the predetermined usable or saleable state, the borrowing costs will continue to be capitalized. The borrowing costs incurred during the interruption period are recognized as current profit or loss, and continue to be capitalized until the acquisition or production activities of the asset resume.

#### Calculation method for capitalization rate and capitalization amount of borrowing costs

For specialized loans borrowed for the purchase, construction, or production of assets that meet the capitalization criteria, the capitalization amount of the borrowing costs shall be determined by subtracting the interest income obtained from the unused borrowing funds deposited in the bank or the investment income obtained from temporary investments from the actual borrowing costs incurred in the current period.

For general borrowings used for the purchase, construction, or production of assets that meet the capitalization criteria, the amount of borrowing costs that should be capitalized for general borrowings is calculated by multiplying the weighted average of asset expenditures exceeding the special borrowing portion by the capitalization rate of the general borrowings used. The capitalization rate is determined based on the weighted average actual interest rate of general borrowings.

During the capitalization period, the exchange difference between the principal and interest of foreign currency borrowings shall be capitalized and included in the cost of assets eligible for capitalization. The exchange differences arising from the principal and interest of foreign currency borrowings other than those specifically borrowed in foreign currencies are recognized in the current period's profit and loss.

## **17. Intangible assets**

#### Valuation method of intangible assets

- (1) When the company acquires intangible assets, they are initially measured at cost;

The cost of purchasing intangible assets includes the purchase price, related taxes and fees, and other expenses directly attributable to achieving the intended use of the asset.

- (2) Subsequent measurement

Analyze and determine the useful life of intangible assets when acquiring them.

For intangible assets with limited useful life, they should be amortized within the period that brings economic benefits to the enterprise; If it is impossible to foresee the period in which intangible assets will bring economic benefits to the enterprise, they shall be regarded as intangible assets with an uncertain useful life and shall not be amortized.

#### Estimation of the useful life of intangible assets with limited useful life

Item	Expected service life	Amortization method
Land use rights	43 to 50 years	Straight-line method

Software usage rights	2 years	Straight-line method
Trademark usage rights	10 years	Straight-line method
Non patented technology	5 to 11 years	Straight-line method
Patent technology	10 years	Straight-line method

#### Specific criteria for dividing research and development stages

The expenses for internal research and development projects within the company are divided into research stage expenses and development stage expenses.

Research stage: The stage of original planned investigations and research activities aimed at acquiring and understanding new scientific or technological knowledge.

Development stage: The stage in which research results or other knowledge are applied to a plan or design to produce new or substantially improved materials, devices, products, and other activities before commercial production or use.

#### Specific conditions for capitalizing expenditures during the development phase

The expenses incurred during the research phase are recognized in the current period's profit and loss. Expenditures during the development phase that meet the following conditions are recognized as intangible assets. Expenditures during the development phase that do not meet the following conditions are recognized in the current period's profit and loss:

- (1) Complete the intangible asset to make it technically feasible for use or sale;
- (2) Having the intention to complete the intangible asset and use or sell it;
- (3) The ways in which intangible assets generate economic benefits include being able to prove the existence of a market for the products produced using the intangible assets or the existence of a market for the intangible assets themselves. If the intangible assets will be used internally, their usefulness can be proven;
- (4) Having sufficient technical, financial, and other resources to support the development of the intangible asset, and having the ability to use or sell the intangible asset;
- (5) The expenses attributable to the development stage of the intangible asset can be reliably measured.

If it is impossible to distinguish between research stage expenses and development stage expenses, all R&D expenses incurred will be included in the current period's profit and loss.

### **18. Long-term assets impairment**

Long term equity investments, investment properties measured using the cost model, fixed assets, construction in progress, right of use assets, intangible assets with limited useful lives, and other long-term assets that show signs of impairment on the balance sheet date shall be subject to impairment testing. If the impairment test results indicate that the recoverable amount of an asset is lower than its book value, an impairment provision shall be made based on the difference and included in the impairment loss. The recoverable amount is the higher of the net amount of the fair value of the asset minus disposal expenses and the present value of the expected future cash flows of the asset. The provision for impairment of assets is calculated and recognized based on individual assets. If it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs shall be determined. An asset group is the smallest combination of assets that can independently generate cash inflows.

For goodwill formed by business mergers, intangible assets with uncertain useful lives, and intangible assets that have not yet reached a usable state, regardless of whether there are signs of impairment, impairment tests should be conducted at least at the end of each fiscal year.

Our company conducts impairment tests on goodwill, and the book value of goodwill formed by business combinations is allocated to relevant asset groups in a reasonable manner from the date of purchase; If it is difficult to allocate to the relevant asset group, allocate it to the relevant asset group combination. The relevant asset group or combination of asset groups refers to the asset group or combination of asset groups that can benefit from the synergistic effects of corporate mergers.

When conducting impairment tests on relevant asset groups or combinations of asset groups that include goodwill, if there are signs of impairment in the asset groups or combinations of asset groups related to goodwill, impairment tests should be conducted on the asset groups or combinations of asset groups that do not include goodwill first, the recoverable amount should be calculated, and compared with the relevant book value to confirm the corresponding impairment loss. Then, impairment tests are conducted on asset groups or combinations of asset groups that contain goodwill, comparing their book value with their recoverable amount. If the recoverable amount is lower than the book value, the impairment loss amount is first offset against the book value of goodwill allocated to the asset group or combination of asset groups. Then, based on the proportion of the book value of assets other than goodwill in the asset group or combination of asset groups, the book value of other assets is offset proportionally.

Once the impairment loss of the above-mentioned assets is recognized, it shall not be reversed in future accounting periods..

### **19. Long-term deferred expenses**

Long term deferred expenses refer to various expenses that have already occurred but should be borne by the current and future periods with an amortization period of more than one year.

### **20. Contract liabilities**

Our company lists contract assets or contract liabilities in the balance sheet based on the relationship between fulfilling performance obligations and customer payments. The obligation of our company to transfer goods or provide services to customers for consideration received or receivable is listed as a contractual liability. The contract assets and contract liabilities under the same contract are presented on a net basis.

### **21. Employee benefits**

#### Accounting treatment methods for short-term compensation

During the accounting period when employees provide services to the company, the actual short-term compensation incurred is recognized as a liability and included in the current period's profit or loss or related asset costs.

The social insurance premiums and housing provident fund paid by our company for employees, as well as the union funds and employee education funds extracted according to regulations, shall be calculated and determined based on the prescribed provision basis and provision ratio during the accounting period when employees provide services to our company.

The employee welfare expenses incurred by our company are recognized in the current period's profit or loss or related asset costs based on the actual amount incurred. Non monetary benefits are measured at fair value.

#### Accounting treatment method for post employment benefits

##### (1) Establish a withdrawal plan

Our company pays basic pension insurance and unemployment insurance for employees in accordance with relevant regulations of the local government. During the accounting period when employees provide services to our company, the payable amount is calculated based on the local prescribed payment base and proportion, recognized as a liability, and included in the current profit and loss or related asset costs. In addition, our company also participates in enterprise annuity plans approved by relevant national departments. Our company contributes a certain proportion of the total employee salary to the pension plan, and the corresponding expenses are recorded in the current period's profit and loss or related asset costs.

##### (2) Establish a benefit plan

According to the formula determined by the expected cumulative welfare unit method, the welfare obligations arising from the defined benefit plan are attributed to the period during which the employees provide services, and are recorded in the current period's profit and loss or related asset costs.

The deficit or surplus formed by subtracting the fair value of the defined benefit plan assets from the present value of the defined benefit plan obligations 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 measures the net assets of the defined benefit plan based on the lower of the surplus and asset limit of the defined benefit plan.

All defined benefit plan obligations, including those expected to be paid within 12 months after the end of the annual report period

when employees provide services, are discounted according to the market yield of treasury bond or high-quality corporate bonds in the active market that match the defined benefit plan obligation period and currency on the balance sheet date.

The service costs generated by the defined benefit plan and the net interest on the net liabilities or assets of the defined benefit plan are recognized in the current period's profit or loss or related asset costs; The changes arising from the remeasurement of net liabilities or net assets of the defined benefit plan shall be recognized in other comprehensive income and shall not be reversed to profit or loss in subsequent accounting periods. Upon termination of the original defined benefit plan, the portion originally recognized in other comprehensive income shall be fully carried forward to undistributed profit within the scope of equity.

When settling a defined benefit plan, the difference between the present value of the defined benefit plan obligation and the settlement price determined on the settlement date shall be used to recognize settlement gains or losses.

#### Accounting treatment methods for termination benefits

If the company provides termination benefits to employees, the employee compensation liability arising from termination benefits shall be recognized and included in the current period's profit and loss at the earlier of the following two dates: when the company cannot unilaterally withdraw the termination benefits provided due to the termination of labor relations plan or layoff proposal; When the company confirms the costs or expenses related to the restructuring involving the payment of termination benefits.

## **22. Estimated liabilities**

When obligations related to contingencies meet the following conditions simultaneously, the Company recognizes them as estimated liabilities:

- (1) This obligation is a current obligation undertaken by our company;
- (2) Fulfilling this obligation is likely to result in the outflow of economic benefits from the company;
- (3) The amount of this obligation can be reliably measured.

The estimated liabilities are initially measured based on the best estimate of the expenses required to fulfill the relevant current obligations.

When determining the best estimate, comprehensive consideration should be given to factors such as risks, uncertainties, and time value of money related to contingencies. For those that have a significant impact on the time value of money, the best estimate is determined by discounting the relevant future cash outflows.

If all or part of the expenses required to settle the estimated liabilities are expected to be compensated by a third party, the compensation amount shall be separately recognized as an asset when it is basically certain that it can be received, and the recognized compensation amount shall not exceed the book value of the estimated liabilities.

Our company reviews the book value of estimated liabilities on the balance sheet date. If there is conclusive evidence that the book value does not reflect the current best estimate, the book value shall be adjusted according to the current best estimate.

## **23. Share-based payments**

Our company's share based payments are transactions in which equity instruments are granted or liabilities determined based on equity instruments are assumed in order to obtain services from employees or other parties. Our company's share based payments are divided into equity settled share based payments and cash settled share based payments.

#### Equity settled share based payments and equity instruments

For equity settled share based payments exchanged for services provided by employees, the fair value of equity instruments granted to employees shall be measured. For share based payment transactions that are immediately exercisable upon grant, the fair value of the equity instrument shall be recognized as relevant costs or expenses on the grant date, and the corresponding capital reserve shall be increased. For share based payment transactions that require completion of services during the waiting period or meeting specified performance conditions before exercise, on each balance sheet date during the waiting period, the Company will recognize the services obtained in the current period as relevant costs or expenses based on the best estimate of the number of feasible equity instruments and the fair value on the grant date, and increase the capital reserve accordingly.

If the terms of equity settled share based payments are modified, at least the services obtained shall be confirmed as if the terms were not modified. In addition, any modification that increases the fair value of the equity instruments granted, or any change that benefits

employees on the modification date, shall be recognized as an increase in the acquisition of services.

During the waiting period, if the granted equity instruments are cancelled, the Company will treat the cancellation of the granted equity instruments as accelerated exercise and immediately recognize the remaining amount that should be recognized during the waiting period in the current period's profit and loss, while recognizing capital reserves. However, if a new equity instrument is granted and it is determined on the date of grant that the new equity instrument is intended to replace the cancelled equity instrument, the replacement equity instrument granted shall be treated in the same manner as the modification of the terms and conditions of the original equity instrument.

#### Cash settled share based payments and equity instruments

Cash settled share based payments shall be measured at the fair value of the liabilities assumed by the Company based on shares or other equity instruments. For share based payment transactions with immediate exercise of rights upon grant, the Company shall recognize the relevant costs or expenses at the fair value of the liability assumed on the grant date, and correspondingly increase the liability. For share based payment transactions that require completion of services during the waiting period or fulfillment of specified performance conditions before exercise, on each balance sheet date during the waiting period, the Company will recognize the services obtained in the current period as relevant costs or expenses based on the best estimate of the feasible option situation and the fair value of the liability assumed by the Company, and correspondingly recognize them as liabilities. On each balance sheet date and settlement date prior to the settlement of the relevant liabilities, the fair value of the liabilities shall be remeasured and any changes shall be recognized in the current period's profit or loss.

Our company has modified the terms and conditions of the cash settled share based payment agreement to become an equity settled share based payment. On the date of modification (whether occurring during or after the waiting period), our company will measure the equity settled share based payment at the fair value of the equity instrument granted on the day of modification, and recognize the services obtained as capital reserve. At the same time, the recognized liabilities of the cash settled share based payment on the modification date will be terminated, and the difference between the two will be recognized in the current period's profit and loss. If the waiting period is extended or shortened due to modifications, our company will account for it based on the modified waiting period.

## **24. Revenue**

#### Accounting policies adopted for revenue recognition and measurement

Our company has fulfilled its contractual obligations by recognizing revenue when the customer obtains control of the relevant goods or services. Acquiring control over relevant goods or services refers to being able to dominate the use of such goods or services and obtain almost all economic benefits from them.

If the contract contains two or more performance obligations, the company shall allocate the transaction price to each individual performance obligation on the commencement date of the contract based on the relative proportion of the individual selling prices of the promised goods or services for each individual performance obligation. Our company measures revenue based on the transaction price allocated to each individual performance obligation.

The transaction price refers to the expected amount of consideration that the company is entitled to receive for transferring goods or services to customers, excluding payments collected on behalf of third parties and expected refunds to customers. Our company determines the transaction price based on the terms of the contract and its past practices, taking into account factors such as variable consideration, significant financing elements in the contract, non cash consideration, and payable customer consideration when determining the transaction price. The Company determines the transaction price including variable consideration based on an amount that does not exceed the cumulative recognized income that is highly unlikely to experience a significant reversal at the time of the relevant uncertainty being eliminated. If there is a significant financing component in the contract, the company determines the transaction price based on the assumed payable amount paid in cash by the customer upon obtaining control of the goods or services, and amortizes the difference between the transaction price and the contract consideration using the effective interest rate method during the contract period.

If one of the following conditions is met, it is considered to have fulfilled the performance obligation within a certain period of time; otherwise, it is considered to have fulfilled the performance obligation at a certain point in time:

The customer obtains and consumes the economic benefits brought by the company's performance at the same time as fulfilling the contract.

Customers are able to control the goods under construction during the performance process of our company.

The goods produced by our company during the performance process have irreplaceable uses, and our company has the right to

collect payments for the completed performance portion throughout the entire contract period.

For performance obligations fulfilled during a certain period of time, our company recognizes revenue based on the progress of performance during that period, except for situations where the progress of performance cannot be reasonably determined. Our company considers the nature of goods or services and uses output or input methods to determine the progress of performance. When the progress of performance cannot be reasonably determined and the costs already incurred are expected to be compensated, our company recognizes revenue based on the amount of costs already incurred until the progress of performance can be reasonably determined.

For performance obligations fulfilled at a certain point in time, the company recognizes revenue at the point when the customer obtains control of the relevant goods or services. When determining whether the customer has obtained control of the goods or services, the company considers the following signs:

Our company has the right to receive payment for the goods or services at present, which means that the customer has a current payment obligation for the goods or services.

Our company has transferred the legal ownership of the product to the customer, meaning that the customer already owns the legal ownership of the product.

Our company has transferred the physical item to the customer, meaning that the customer has taken possession of the item.

The company has transferred the main risks and rewards of ownership of the product to the customer, meaning that the customer has acquired the main risks and rewards of ownership of the product.

The customer has accepted the product or service, etc.

Our company determines whether we are the primary responsible party or agent when engaging in transactions based on whether we have control over the goods or services before transferring them to customers. If our company is able to control the goods or services before transferring them to customers, we are the main responsible party and recognize revenue based on the total amount of consideration received or receivable; Otherwise, our company acts as an agent and recognizes revenue based on the expected commission or handling fee amount that we are entitled to receive.

#### Disclose specific revenue recognition and measurement methods by business type

Our company has fulfilled its contractual obligations by recognizing revenue when the customer obtains control of the relevant goods or services. Acquiring control over related goods or services refers to being able to dominate the use of the goods or the provision of the services and obtain almost all economic benefits from them.

##### (1) Sales Contract for Goods

The sales contract between our company and customers usually includes performance obligations such as transferring goods. Our company usually recognizes revenue at the time of fulfilling each individual performance obligation, taking into account the following factors: the current right to receive payment for the goods, the transfer of major risks and rewards of ownership of the goods, the transfer of legal ownership of the goods, the transfer of physical assets of the goods, and the customer's acceptance of the goods.

##### (2) Provide service contract

The performance obligations that should be fulfilled in the service contract between our company and the customer, as the customer obtains and consumes the economic benefits brought by our company's performance at the same time as our company's performance, and our company has the right to collect payment for the accumulated performance portion completed so far during the entire contract period, our company will recognize it as a performance obligation fulfilled during a certain period of time and recognize the income according to the performance progress, except for situations where the performance progress cannot be reasonably determined. Our company determines the performance schedule of providing services based on the completed or delivered products using the output method. When the progress of performance cannot be reasonably determined and the costs already incurred by our company are expected to be compensated, revenue shall be recognized based on the amount of costs already incurred until the progress of performance can be reasonably determined.

##### (3) Variable consideration

Some of our company's contracts with customers involve sales rebate arrangements, resulting in variable consideration. Our company determines the best estimate of variable consideration based on expected values or the most likely amount to occur, but the transaction price that includes variable consideration does not exceed the amount that is highly unlikely to result in a significant reversal of cumulative recognized revenue when the relevant uncertainty is eliminated.

**(4) Warranty obligations**

According to the contract agreement, legal provisions, etc., our company provides quality assurance for the products sold. For service quality assurance that provides a separate service beyond the established standards to ensure the sale of goods to customers, our company regards it as a single performance obligation, and allocates a portion of the transaction price to the service quality assurance based on the relative proportion of the separate selling price of the goods and services provided, and recognizes revenue when the customer obtains control of the service. When evaluating whether quality assurance provides a separate service beyond ensuring that the products sold meet established standards to customers, the company considers factors such as whether the quality assurance is a legal requirement, the quality assurance period, and the nature of the tasks that the company promises to fulfill.

**(5) Reward Points Program**

Our company awards reward points to customers while selling goods or providing services, and customers can use these reward points to exchange for free or discounted goods or services. This reward points program provides customers with a significant right, which the company considers as a single performance obligation. Based on the relative proportion of the separate selling price of the goods or services provided and the reward points, a portion of the transaction price is allocated to the reward points, and revenue is recognized when customers gain control of the points redeemed goods or services or when the points become invalid.

**(6) Main responsible person/agent**

For our company's ability to lead third-party representatives to provide services to customers, we have the right to independently determine the price of the traded goods or services. This means that our company can control the relevant goods before transferring them to customers. Therefore, our company is the main responsible person and recognizes revenue based on the total amount of consideration received or receivable. Otherwise, as an agent, our company shall recognize revenue based on the expected amount of commission or handling fees that we are entitled to receive. This amount shall be determined by deducting the total amount of consideration received or receivable from the amount payable to other relevant parties, or by the established commission amount or proportion. Disclose accounting policies used for revenue recognition and measurement based on business type.

**25. Contract Cost**

Contract costs include contract performance costs and contract acquisition costs.

The costs incurred by our company in fulfilling contracts that do not fall within the scope of relevant standards and regulations such as inventory, fixed assets, or intangible assets shall be recognized as contract performance costs when the following conditions are met:

The cost is directly related to a current or expected contract to be obtained.

This cost increases the resources that our company will have to fulfill its contractual obligations in the future.

The cost is expected to be recovered.

The incremental costs incurred by our company to obtain contracts that are expected to be recovered are recognized as contract acquisition costs as an asset.

Assets related to contract costs are amortized on the same basis as the recognition of revenue from goods or services associated with the asset; However, for contracts with an amortization period of less than one year, the company will include it in the current period's profit and loss when it occurs.

If the book value of assets related to contract costs is higher than the difference between the following two items, the Company shall make an impairment provision for the excess and recognize it as an asset impairment loss:

- (1) The remaining consideration expected to be obtained from the transfer of goods or services related to the asset;
- (2) Estimate the cost that will be incurred for the transfer of the relevant goods or services.

If the factors that caused impairment in previous periods have changed, resulting in the difference being higher than the carrying amount of the asset, the Company shall reverse the impairment provision that has already been made and include it in the current period's profit and loss. However, the reversed carrying amount of the asset shall not exceed the carrying amount of the asset on the date of reversal assuming no impairment provision is made.



## 26. Government grants

### Type

Government subsidies refer to monetary or non monetary assets obtained by our company from the government free of charge, which are divided into asset related government subsidies and income related government subsidies.

Government subsidies related to assets refer to the government subsidies obtained by the company for the purpose of purchasing, constructing, or otherwise forming long-term assets. Government subsidies related to income refer to government subsidies other than those related to assets.

### Confirm time point

Government subsidies are recognized when the company is able to meet the conditions attached and receive them.

### accounting treatment

Our company adopts the net method to account for government subsidies.

Government subsidies related to assets are offset against the book value of related assets or recognized as deferred income. If recognized as deferred income, it shall be recorded in the current period's profit and loss in a reasonable and systematic manner over the useful life of the relevant assets.

Government subsidies related to revenue, used to compensate for future costs, expenses, or losses of the company, shall be recognized as deferred income and included in the current period's profit or loss or offset against related costs, expenses, or losses during the period in which the related costs, expenses, or losses are recognized; For compensation of related costs, expenses or losses incurred by the company, they shall be directly recorded in the current period's profit and loss or offset against related costs, expenses or losses.

The policy based preferential loan interest subsidies obtained by our company are classified into the following two situations and accounted for separately:

- (1) The finance department will allocate the interest subsidy funds to the lending bank. If the lending bank provides a loan to our company at a policy preferential interest rate, our company will use the actual loan amount received as the entry value of the loan, and calculate the relevant loan costs based on the loan principal and the policy preferential interest rate.
- (2) If the finance department directly disburses the interest subsidy funds to our company, we will offset the corresponding interest subsidy against the relevant borrowing costs.

## 27. Deferred tax assets/deferred tax liabilities

Income tax includes current income tax and deferred income tax. Except for income tax arising from business mergers and transactions or events directly recognized in owner's equity (including other comprehensive income), the Company recognizes current income tax and deferred income tax in the current period's profit and loss.

Deferred income tax assets and deferred income tax liabilities are recognized based on the difference (temporary difference) between the tax base of the assets and liabilities and their carrying amounts.

For the recognition of deferred tax assets for deductible temporary differences, the amount of taxable income that is likely to be obtained in future periods to offset the deductible temporary differences shall be limited. For deductible losses and tax deductions that can be carried forward to future years, corresponding deferred income tax assets shall be recognized up to the future taxable income that is likely to be obtained to offset the deductible losses and tax deductions.

For temporary differences in taxable income, except in special circumstances, deferred income tax liabilities are recognized.

Special circumstances where deferred tax assets or deferred tax liabilities are not recognized include:

Initial recognition of goodwill;

Transactions or events that are neither a business merger nor affect accounting profits and taxable income (or deductible losses) at the

time of occurrence, and where the initially recognized assets and liabilities do not result in equal taxable temporary differences or deductible temporary differences.

Deferred income tax liabilities shall be recognized for taxable temporary differences related to investments in subsidiaries, associates, and joint ventures, unless the Company is able to control the timing of the reversal of such temporary differences and it is probable that they will not reverse in the foreseeable future. Deferred income tax assets are recognized for deductible temporary differences related to investments in subsidiaries, associates, and joint ventures when the temporary differences are likely to reverse in the foreseeable future and taxable income is likely to be obtained in the future to offset the deductible temporary differences.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities shall be measured at the applicable tax rate during the expected period of recovery of related assets or settlement of related liabilities in accordance with tax laws.

On the balance sheet date, the Company reviews the carrying amount of deferred tax assets. If it is likely that sufficient taxable income will not be available in the future to offset the benefits of deferred tax assets, the carrying amount of deferred tax assets shall be reduced. When it is likely to obtain sufficient taxable income, the reduced amount shall be reversed.

When having the legal right to settle on a net basis and intending to settle on a net basis or acquire assets and settle liabilities simultaneously, the current income tax assets and current income tax liabilities are reported at the net amount after offsetting.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities are presented at the net amount after offsetting when both of the following conditions are met:

The taxpayer has the legal right to settle current income tax assets and current income tax liabilities on a net basis;

Deferred income tax assets and deferred income tax liabilities are related to income tax levied by the same tax collection and management department on the same taxpayer or on different taxpayers, but in the future, during each significant period of reversal of deferred income tax assets and liabilities, the taxpayers involved intend to settle the current income tax assets and liabilities on a net basis or acquire assets and settle liabilities simultaneously.

## 28. Leases

Leasing refers to a contract in which the lessor transfers the right to use an asset to the lessee for consideration during a certain period of time. On the commencement date of the contract, our company evaluates whether the contract is a lease or includes a lease. If one party in a contract relinquishes the right to control the use of one or more identified assets for a certain period of time in exchange for consideration, then the contract is a lease or includes a lease.

If the contract includes multiple separate leases, the company will split the contract and account for each separate lease separately. If the contract includes both lease and non lease parts, the lessee and lessor shall separate the lease and non lease parts.

### As the lessee

#### (1) Right of Use Assets

On the commencement date of the lease term, the Company recognizes the right of use assets for leases other than short-term leases and leases of low value assets. The right of use assets are initially measured at cost. The cost includes:

The initial measurement amount of lease liabilities;

If there is a lease incentive for the lease payment made on or before the start date of the lease term, the relevant amount of the lease incentive already enjoyed shall be deducted;

The initial direct expenses incurred by our company;

The cost expected to be incurred by our company for dismantling and removing leased assets, restoring the location of leased assets, or restoring leased assets to the state agreed upon in the lease terms, but does not include costs incurred for producing inventory.

Our company will use the straight-line method to depreciate the right of use assets in the future. For leased assets that can be reasonably determined to acquire ownership upon expiration of the lease term, the Company shall depreciate the leased assets over their remaining useful life; Otherwise, the leased asset shall be depreciated during the shorter of the lease term or the remaining useful life of the leased asset.

## (2) Lease liabilities

On the commencement date 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 at the present value of unpaid lease payments. The lease payment amount includes:

Fixed payment amount (including substantial fixed payment amount), if there are lease incentives, deduct the relevant amount of lease incentives;

Variable lease payments based on indices or ratios;

The estimated amount to be paid based on the residual value of the guarantee provided by the company;

The exercise price for purchasing the option, provided that the company reasonably determines that the option will be exercised;

The payment required 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.

Our company uses the lease implicit interest rate as the discount rate, but if the lease implicit interest rate cannot be reasonably determined, we use our incremental borrowing rate as the discount rate.

Our company calculates the interest expenses of lease liabilities during each period of the lease term based on a fixed periodic interest rate, and includes them in the current period's profit and loss or related asset costs.

Variable lease payments that are not included in the measurement of lease liabilities are recognized in the current period's profit or loss or related asset costs when they actually occur.

After the commencement date of the lease term, if any of the following situations occur, the Company shall remeasure the lease liability and adjust 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, the difference shall be recognized in the current period's profit and loss:

When the evaluation results of the purchase option, renewal option, or termination option change, or the actual exercise of the aforementioned options is inconsistent with the original evaluation results, the Company shall remeasure the lease liability based on the present value calculated by the modified lease payment amount and the revised discount rate;

When there is a change in the actual fixed payment amount, a change in the expected payable amount of the guaranteed residual value, or a change in the index or ratio used to determine the lease payment amount, the Company remeasures the lease liability based on the present value calculated using the changed lease payment amount and the original discount rate. However, if the change in lease payments is due to fluctuations in floating interest rates, the revised discount rate should be used to calculate the present value.

## (3) Short term leasing and low value asset leasing

If the company chooses not to recognize right of use assets and lease liabilities for short-term leases and low value asset leases, the relevant lease payments will be recognized in the current period's profit or loss or related asset costs using the straight-line method for each period during the lease term. Short term lease refers to a lease that starts on the lease term, has a lease term of no more than 12 months, and does not include purchase options. Low value asset leasing refers to the leasing of a single leased asset with a lower value when it is a brand new asset. If a company subleases or anticipates subleasing leased assets, the original lease does not belong to a low value asset lease.

## (4) Lease change

If there is a change in the lease and the following conditions are met simultaneously, the company will treat the lease change as a separate lease for accounting purposes:

The lease change expands the lease scope by adding the right to use one or more leased assets;

The increased consideration is equivalent to the individual price of the expanded lease scope adjusted according to the contract

situation.

If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the company shall re allocate the consideration of the contract after the change, re determine the lease term, and re measure the lease liability based on the present value calculated by the modified lease payment amount and the revised discount rate.

If the lease change leads to a reduction in the scope of the lease or a shortened lease term, the Company shall correspondingly adjust the book value of the right of use assets and include the related gains or losses from partial or complete termination of the lease in the current period's profit and loss. If other lease changes result in the remeasurement of lease liabilities, the Company shall adjust the carrying amount of the right of use assets accordingly.

#### As the lessor

On the commencement date of the lease, our company divides the lease into financing lease and operating lease. Financial leasing refers to a lease that, regardless of whether ownership is ultimately transferred or not, essentially transfers almost all risks and rewards related to the ownership of the leased asset. Operating lease refers to leases other than financing leases. When our company acts as a sublessor, we classify sublease based on the right of use assets generated from the original lease.

##### (1) Accounting treatment for operating leases

The lease receipts from operating leases are recognized as rental income using the straight-line method during each period of the lease term. The company will capitalize the initial direct expenses related to operating leases and allocate them to the current period's profit and loss on the same basis as rental income recognition during the lease term. Variable lease payments that are not included in lease receipts are recognized in the current period's profit or loss when they actually occur. If there is a change in the operating lease, the company shall treat it as a new lease for accounting purposes from the effective date of the change, and the prepaid or receivable lease receipts related to the lease before the change shall be regarded as the receipts of the new lease.

##### (2) Accounting treatment for financial leasing

On the commencement date of the lease, the Company recognizes the receivable financing lease payments and terminates the recognition of financing lease assets. When the company initially measures the receivable financing lease payments, the net lease investment is recognized as the entry value of the receivable financing lease payments. The net amount of lease investment is the sum of the unguaranteed residual value and the present value of lease receipts not yet received at the lease commencement date, discounted at the lease implicit interest rate.

Our company calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate. The termination recognition and impairment of financing lease receivables shall be accounted for in accordance with Note 8, Financial Instruments.

Variable lease payments that are not included in the measurement of net lease investments are recognized in the current period's profit or loss when they actually occur.

If there is a change in the financing lease and the following conditions are met simultaneously, the company will treat the change as a separate lease for accounting purposes:

The change expands the lease scope by adding the right to use one or more leased assets;

The increased consideration is equivalent to the individual price of the expanded lease scope adjusted according to the contract situation.

If the change of financing lease is not accounted for as a separate lease, the company will handle the changed lease in the following situations:

If the change takes effect on the lease commencement date, the lease will be classified as an operating lease. The company will treat it as a new lease from the effective date of the lease change and use the net lease investment before the effective date of the lease change as the book value of the leased asset;

If the change takes effect on the lease commencement date, the lease will be classified as a finance lease, and our company will account for it in accordance with the policy of "8. Financial Instruments" regarding the modification or renegotiation of contracts.

Sale and leaseback transaction

The company evaluates and determines whether the asset transfer in the sale leaseback transaction constitutes a sale based on the principles described in Note 24, Revenue.

## (1) As a tenant

The transfer of assets in a sale leaseback transaction is considered a sale, and the company, as the lessee, measures the right of use assets formed by the sale leaseback based on the portion of the original asset book value related to the right of use obtained from the leaseback, and only recognizes gains or losses related to the rights transferred to the lessor.

If the transfer of assets in a sale leaseback transaction is not considered a sale, the company, as the lessee, continues to recognize the transferred assets and also recognizes a financial liability equal to the transfer income. The accounting treatment of financial liabilities is detailed in Note 8, Financial Instruments.

## (2) As a lessor

The asset transfer in the sale leaseback transaction belongs to sales, and the company acts as the lessor to account for the asset purchase, and according to the aforementioned policy of "the company acts as the lessor" to account for the asset leasing; The transfer of assets in a sale leaseback transaction is not considered a sale, and the company, as the lessor, does not recognize the transferred assets, but recognizes a financial asset equal to the transfer income. The accounting treatment of financial assets is detailed in Note 8, Financial Instruments.

**29. Methods for determining importance criteria and selection criteria**

Item	Importance criteria
Important non wholly owned subsidiaries	Subsidiary's net assets account for more than 5% of the company's consolidated net assets or net profit accounts for more than 10% of the company's consolidated net profit.
Important joint venture enterprises	Investment gains and losses under the equity method of long-term equity investments account for more than 10% of the company's consolidated net profit.
Write off of important accounts receivable	The single write off amount accounts for more than 5% of the total bad debt provision for various receivables or the amount is greater than 15 million yuan.
Significant reversal or recovery of bad debt provisions for accounts receivable	The amount of single recovery or reversal accounts for more than 5% of the total bad debt provision for various receivables or the amount is greater than 15 million yuan.
Important prepayments with an aging of over 1 year	The individual amount accounts for more than 5% of the total prepaid accounts or the amount is greater than 15 million yuan.
Important accounts payable with an aging of over 1 year or overdue	The individual amount accounts for more than 5% of the total accounts payable or exceeds 15 million yuan.
Important ongoing construction projects	The final balance of the project is over 50 million yuan.

**30. Significant accounting judgments and estimates**

## (1) Significant accounting policy changes

√ Applicable    □ Not applicable

The Ministry of Finance released the "Compilation of Application Guidelines for Enterprise Accounting Standards 2024" in March 2024, which stipulates that warranty fees should be included in operating costs. The main impacts of our company's implementation of this regulation are as follows:

The content and reasons for changes in accounting policies	Affected report items	Merge		Parent company	
		Current Period	Prior Period	Current Period	Prior Period
According to the "Compilation of	Operating costs	1,198,507,902.94	788,037,030.18	607,136,813.52	724,716,121.58

The content and reasons for changes in accounting policies	Affected report items	Merge		Parent company	
		Current Period	Prior Period	Current Period	Prior Period
Application Guidelines for Enterprise Accounting Standards 2024", the company will classify quality assurance as operating costs.	Selling expenses	-1,198,507,902.94	-788,037,030.18	-607,136,813.52	-724,716,121.58

(2) Changes in significant accounting estimates

Applicable  Not applicable

(3) Starting from 2024, the first implementation of the new accounting standards will adjust the financial statements related to the items at the beginning of the year

Applicable  Not applicable

## VI. TAXES

### 1. Main taxes and tax rates

Categories of taxes	tax basis	tax rate (%)
Value added tax ("VAT")	The output tax is calculated based on the sales of goods and taxable service income calculated according to tax laws. After deducting the input tax that can be deducted in the current period, the difference is the payable value-added tax.	6、7、9、13
Consumption tax	Calculated and paid based on taxable sales revenue.	1、3、5
City maintenance and construction tax	Calculated and paid based on the actual value-added tax and consumption tax paid.	5、7
Corporate income tax	Calculated and paid based on taxable income.	15-41
Educational surcharge	Calculated and paid based on the actual value-added tax and consumption tax paid.	3
Local educational surcharge	Calculated and paid based on the actual value-added tax and consumption tax paid.	2

### 2. Tax benefits

1. According to the relevant regulations of national high-tech recognition and relevant tax preferential policies, the following subsidiaries of our company have been recognized as high-tech enterprises and enjoy a preferential corporate income tax rate of 15% during the prescribed period: our company (November 2021 to November 2024), Hebei Changan Automobile Co., Ltd. (2023 to 2025), and Deep Blue Automotive Technology Co., Ltd. (2023 to 2025).

2. According to the Announcement on Continuing the Enterprise Income Tax Policy for Western Development jointly issued by the Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission (Announcement No. 23 of 2020 of the Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission), from January 1, 2021 to December 31, 2030, encouraged industrial enterprises located in the western region will be subject to a reduced corporate income tax rate of 15%. Our subsidiaries, Chongqing Changan Automobile International Sales Service Co., Ltd., Chongqing Changan Special Purpose Vehicle Co., Ltd., Chongqing Changan Automobile Customer Service Co., Ltd., Chongqing Lingyao Automobile Co., Ltd., Chongqing Chemeimei Technology Co., Ltd., Chongqing Changan Automobile Software Technology Co., Ltd., and Chongqing Changan Technology Co., Ltd., meet the above requirements and are subject to corporate income tax at a rate of 15%.

3. According to the Announcement of the Ministry of Finance and the State Administration of Taxation on Further Supporting the Development of Small and Micro Enterprises and Individual Industrial and Commercial Households and Related Tax Policies

(Announcement No. 12 of 2023 of the Ministry of Finance and the State Administration of Taxation), the taxable income of small and micro profit enterprises shall be reduced by 25%, and the enterprise income tax shall be paid at a rate of 20%. Our subsidiaries, Chongqing Xingzhi Technology Co., Ltd., Guangzhou Chang'an New Energy Vehicle Sales and Service Co., Ltd., Nanjing Chang'an New Energy Vehicle Sales and Service Co., Ltd., Xiamen Chang'an New Energy Vehicle Sales and Service Co., Ltd., Shenlan Automobile Nanjing Research Institute Co., Ltd., and Shenlan Automobile Marketing Service (Shenzhen) Co., Ltd., meet the prescribed conditions and enjoy tax preferential policies for small and micro profit enterprises.

4. According to the Announcement of the Ministry of Finance and the State Administration of Taxation on the Policy of Value added Tax Deduction for Advanced Manufacturing Enterprises (Announcement No. 43 of 2023 of the Ministry of Finance and the State Administration of Taxation), from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to deduct an additional 5% of the deductible input tax for the current period to offset the payable value-added tax. Our company and its subsidiary Hebei Changan Automobile Co., Ltd. meet the prescribed conditions in 2024 and are eligible for the additional deduction policy.

## VII. Notes to the consolidated financial statements

### 1. Cash

In RMB Yuan

Item	Ending balance	Beginning balance
Cash	4,998.00	35,257.05
Cash at bank	34,854,105,125.40	29,493,854,273.50
Other cash	1,145,129,617.91	461,131,970.31
Cash at financial company	34,939,896,329.93	34,916,021,247.02
Total	70,939,136,071.24	64,871,042,747.88
Among them: total amount of funds stored overseas	3,482,035,375.40	1,797,894,384.53

Note: The monetary funds deposited by our company with affiliated financial companies are detailed in Note 14, Section 5

### 2. Transactional financial assets

In RMB Yuan

Item	Ending balance	Beginning balance
Financial assets measured at fair value with changes recognized in current profit or loss		
Among them: Equity instrument investment	152,668,417.66	160,744,733.27
Others		6,774,614.02
Total	152,668,417.66	167,519,347.29

### 3. Notes receivable

#### (1) Classification of notes receivable

In RMB Yuan

Item	Ending balance	Beginning balance
Bank acceptance bill	24,414,869,176.41	28,588,687,367.75
Commercial acceptance bill	9,580,659,286.74	9,069,703,846.26
Total	33,995,528,463.15	37,658,391,214.01

#### (2) Disclosure of accounts receivable classified by bad debt provision method

In RMB Yuan

Item	Ending balance
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	Book balance		Bad debt reserves		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Provision for bad debts based on the combination of credit risk characteristics	33,995,528,463.15	100.00			33,995,528,463.15
<b>Total</b>	<b>33,995,528,463.15</b>	<b>100.00</b>			<b>33,995,528,463.15</b>

Item	Beginning balance				
	Book balance		Bad debt reserves		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Provision for bad debts based on the combination of credit risk characteristics	37,658,391,214.01	100.00			37,658,391,214.01
<b>Total</b>	<b>37,658,391,214.01</b>	<b>100.00</b>			<b>37,658,391,214.01</b>

Provision for bad debts based on the combination of credit risk characteristics:

In RMB Yuan

Item	Ending balance		
	Book balance	Bad debt reserves	Provision ratio (%)
Bank acceptance bill	24,414,869,176.41		
Commercial acceptance bill	9,580,659,286.74		
<b>Total</b>	<b>33,995,528,463.15</b>		

### (3) Notes receivable pledged

In RMB Yuan

Item	Pledged amount
Bank acceptance bill	5,897,473,036.76
Commercial acceptance bill	
<b>Total</b>	<b>5,897,473,036.76</b>

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

In RMB Yuan

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptance bill	1,904,671,080.90	
Commercial acceptance bill		
<b>Total</b>	<b>1,904,671,080.90</b>	

## 4. Accounts receivable

### (1) Aging analysis of the accounts receivable

In RMB Yuan

Aging	Ending balance	Beginning balance
Within 1 year	3,003,576,409.95	2,455,130,606.98
1 to 2 years	43,807,168.03	9,231,834.37



2 to 3 years	179,086.17	436,370.13
Over 3 years	190,347,427.76	196,256,136.33
Total	3,237,910,091.91	2,661,054,947.81
Less: Provision	248,678,986.50	249,258,528.74
Total	2,989,231,105.41	2,411,796,419.07

**(2) Accounts receivable are classified and disclosed according to the bad debt provision method**

In RMB Yuan

Category	Ending balance				Book value
	Balance		Provision		
	Amount	Ratio (%)	Amount	Ratio (%)	
Individually analyzed for provision	1,717,957,980.28	53.06	139,066,311.49	8.09	1,578,891,668.79
Accounts receivable analyzed as groups for provision	1,519,952,111.63	46.94	109,612,675.01	7.21	1,410,339,436.62
Total	3,237,910,091.91	100.00	248,678,986.50		2,989,231,105.41

Category	Beginning balance				Book value
	Balance		Provision		
	Amount	Ratio (%)	Amount	Ratio (%)	
Individually analyzed for provision	1,155,752,310.55	43.43	139,066,311.49	12.03	1,016,685,999.06
Accounts receivable analyzed as groups for provision	1,505,302,637.26	56.57	110,192,217.25	7.32	1,395,110,420.01
Total	2,661,054,947.81	100.00	249,258,528.74		2,411,796,419.07

Provision for bad debts based on credit risk characteristics:

In RMB Yuan

Aging	Ending balance		
	Estimated face value for default	Expected credit loss rate (%)	Expected credit loss for the entire duration
Within 1 year	1,380,421,113.86	0.07	954,519.49
1 to 2 years	11,080,482.89	1.67	185,470.95
2 to 3 years			
Over 3 years	128,450,514.88	84.45	108,472,684.57
Total	1,519,952,111.63		109,612,675.01

**(3) Provision for bad debts accrued, recovered or reversed in this period**

In RMB Yuan

Category	Beginning balance	Current period change amount		Ending balance
		Provision	Withdrawal or reversal	
Individually analyzed for provision	139,066,311.49			139,066,311.49
Accounts receivable analyzed as groups for provision	110,192,217.25	10,487,313.94	11,066,856.18	109,612,675.01
Total	249,258,528.74	10,487,313.94	11,066,856.18	248,678,986.50

**(4) Accounts receivable and contract assets of the top five ending balances collected by debtor**

As of June 30, 2024, the top five accounts receivable had a total balance of 1438032537.33 yuan, accounting for 44.41% of the total ending balance of accounts receivable.

## 5. Contract assets

### (1) Contract asset situation

In RMB Yuan

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Contract assets	1,492,931,270.28	670,236,570.38	822,694,699.90	2,104,221,673.68	661,344,707.38	1,442,876,966.30
Total	1,492,931,270.28	670,236,570.38	822,694,699.90	2,104,221,673.68	661,344,707.38	1,442,876,966.30

### (2) Disclosure of Contract Assets Classified by Bad Debt Provision Method

In RMB Yuan

Item	Ending balance				
	Book balance		Bad debt reserves		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Individually analyzed for provision	1,492,931,270.28	100.00	670,236,570.38	44.89	822,694,699.90
Total	1,492,931,270.28	100.00	670,236,570.38		822,694,699.90

Item	Beginning balance				
	Book balance		Bad debt reserves		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Individually analyzed for provision	2,104,221,673.68	100.00	661,344,707.38	31.43	1,442,876,966.30
Total	2,104,221,673.68	100.00	661,344,707.38		1,442,876,966.30

Provision for bad debts based on individual items:

In RMB Yuan

Item	Ending balance		
	Book balance	Bad debt reserves	Provision ratio (%)
Contract assets	1,492,931,270.28	670,236,570.38	44.89
Total	1,492,931,270.28	670,236,570.38	

### (3) Provision for impairment of contract assets in this period

In RMB Yuan

Item	Beginning balance	Provision for this period	Withdrawal or reversal in this period	Ending balance
Contract assets	661,344,707.38	17,506,800.00	8,614,937.00	670,236,570.38
Total	661,344,707.38	17,506,800.00	8,614,937.00	670,236,570.38

**6. Other receivables**

In RMB Yuan

Item	Ending balance	Beginning balance
Dividend receivable	22,469,320.00	
Other receivables	432,539,377.40	894,268,431.82
Total	455,008,697.40	894,268,431.82

**(1) Dividend receivable**

In RMB Yuan

Project (or investee)	Ending balance	Beginning balance
Chongqing Chang'an Kuayue Vehicle Co., Ltd	3,430,000.00	
Zhongfa Lian Investment Co., Ltd	19,039,320.00	
Total	22,469,320.00	

**(2) Other receivables**

## 1) Aging analysis of other receivables

In RMB Yuan

Aging	Ending balance	Beginning balance
Within 1 year	366,712,847.70	832,441,463.15
1 to 2 years	11,024,391.63	7,857,497.78
2 to 3 years	3,555,131.73	50,952,225.85
Over 3 years	58,836,843.69	10,686,669.55
Total	440,129,214.75	901,937,856.33
Less: Provision	7,589,837.35	7,669,424.51
Total	432,539,377.40	894,268,431.82

## 2) Classified disclosure based on bad debt provision method

In RMB Yuan

Item	Beginning balance				
	Book balance		Bad debt reserves		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Individually analyzed for provision	233,971,501.63	53.16	7,256,494.25	3.10	226,715,007.38
Accounts receivable analyzed as groups for provision	206,157,713.12	46.84	333,343.10	0.16	205,824,370.02
Total	440,129,214.75	100.00	7,589,837.35		432,539,377.40

Item	Beginning balance				
	Book balance		Bad debt reserves		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Individually analyzed for provision	720,811,020.18	79.92	7,256,494.25	1.01	713,554,525.93
Accounts receivable analyzed as groups for provision	181,126,836.15	20.08	412,930.26	0.23	180,713,905.89
Total	901,937,856.33	100.00	7,669,424.51		894,268,431.82

## 3) Provision for bad debts

In RMB Yuan

Bad debt reserves	Phase 1	Phase 2	Phase 3	Total
	Expected credit loss for the next 12 months	Expected credit loss for the entire duration (no credit impairment has occurred)	Expected credit loss for the entire duration (credit impairment already occurred)	
Year end balance of the previous year	412,930.26		7,256,494.25	7,669,424.51
Last year's year-end balance in the current period				
— — Entering the second stage				
— — Entering the third stage				
— — Return to the second stage				
— — Return to the first stage				
Provision for this period	15,545.96			15,545.96
Current period reversal	195,133.12			195,133.12
This period's resale				
Verification in this period				
Other changes	-100,000.00			-100,000.00
Total	333,343.10	-	7,256,494.25	7,589,837.35

The changes in the book balance of other receivables are as follows:

In RMB Yuan

Bad debt reserves	Phase 1	Phase 2	Phase 3	Total
	Expected credit loss for the next 12 months	Expected credit loss for the entire duration (no credit impairment has occurred)	Expected credit loss for the entire duration (credit impairment already occurred)	
Year end balance of the previous year	894,681,362.08		7,256,494.25	901,937,856.33
Last year's year-end balance in the current period				
— — Entering the second stage				
— — Entering the third stage				
— — Return to the second stage				
— — Return to the first stage				

stage				
Newly added in this period	3,020,554,950.02			3,020,554,950.02
Termination confirmation for this period	3,482,363,591.60			3,482,363,591.60
Other changes				
<b>Total</b>	<b>432,872,720.50</b>		<b>7,256,494.25</b>	<b>440,129,214.75</b>

## 4) Provision for bad debts accrued, recovered or reversed in this period

In RMB Yuan

Category	Beginning balance	Change amount in the current period			Ending balance
		Provision	Other additions	Write-off	
Individually analyzed for provision	7,256,494.25				7,256,494.25
Accounts receivable analyzed as groups for provision	412,930.26	15,545.96	100,000.00	195,133.12	333,343.10
<b>Total</b>	<b>7,669,424.51</b>	<b>15,545.96</b>	<b>100,000.00</b>	<b>195,133.12</b>	<b>7,589,837.35</b>

## 5) Other receivables are classified by nature

In RMB Yuan

Nature	Ending balance	Beginning balance
Subsidies receivable	103,070,000.00	586,119,720.60
Prepaid equity investment funds	93,753,846.00	95,100,000.00
Reserve fund	14,290,880.49	74,416,322.72
Deposit and earnest money	13,955,872.42	15,176,743.46
Others	215,058,615.84	131,125,069.55
<b>Total</b>	<b>440,129,214.75</b>	<b>901,937,856.33</b>

## 6) Other receivables with the top five ending balances collected by debtor

As of June 30, 2024, the top five ending balances of other receivables amounted to RMB 268,755,223.16, accounting for 61.06% of the total ending balance of other receivables.

## 7. Prepayments

## (1) Prepayments listed by aging

In RMB Yuan

Aging	Ending balance		Beginning balance	
	Amount	Ratio (%)	Amount	Ratio (%)
Within 1 year	580,422,457.73	99.63	281,522,043.69	97.86
1 to 2 years	1,698,426.16	0.29	1,248,976.74	0.43
2 to 3 years	161,358.87	0.03	128,513.87	0.04
Over 3 years	298,916.65	0.05	4,811,476.32	1.67
<b>Total</b>	<b>582,581,159.41</b>	<b>100.00</b>	<b>287,711,010.62</b>	<b>100.00</b>

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

On June 30, 2024, the top five prepaid accounts amounted to 351,100,301.86 yuan, accounting for 60.27% of the total prepaid accounts

## 8. Inventory

### (1) Classification of inventory

In RMB Yuan

Item	Ending balance			Beginning balance		
	Balance	Provision for inventory depreciation/provision for impairment of contract performance costs	Net value	Balance	Provision for inventory depreciation/provision for impairment of contract performance costs	Net value
Commodity stock	12,382,359,309.93	167,078,148.59	12,215,281,161.34	11,890,690,577.52	202,418,376.89	11,688,272,200.63
Work in progress	1,198,938,919.87	68,095,900.34	1,130,843,019.53	1,291,990,811.53	63,870,083.00	1,228,120,728.53
Raw materials	678,385,842.33	320,486,654.84	357,899,187.49	748,776,600.96	378,040,520.19	370,736,080.77
Work in transit	60,000,715.74		60,000,715.74	81,586,613.21		81,586,613.21
Consigned processing material	5,067,865.00		5,067,865.00	27,617,777.37		27,617,777.37
Others	23,770,549.84		23,770,549.84	69,514,296.42		69,514,296.42
Total	14,348,523,202.71	555,660,703.77	13,792,862,498.94	14,110,176,677.01	644,328,980.08	13,465,847,696.93

### (2) Provision for inventory depreciation/provision for impairment of contract performance costs

In RMB Yuan

Item	Beginning balance	Current provision amount	Current reversal or cancellation amount	Ending balance
Raw materials	378,040,520.19	19,020,475.09	76,574,340.44	320,486,654.84
Work in progress	63,870,083.00	23,917,940.57	19,692,123.23	68,095,900.34
Commodity stock	202,418,376.89	94,627,939.52	129,968,167.82	167,078,148.59
Total	644,328,980.08	137,566,355.18	226,234,631.49	555,660,703.77

Our company makes provisions for inventory impairment based on whether the cost exceeds the net realizable value. Net realizable value refers to the estimated selling price of inventory in daily activities, minus the estimated costs to be incurred until completion, estimated sales expenses, and related taxes and fees. The reason for the reversal or cancellation of inventory impairment provisions in this year is that the net realizable value of inventory for which inventory impairment provisions were made in previous years has increased or sales have been realized in the current year.

## 9. Other current assets

In RMB Yuan

Item	Ending balance	Beginning balance
Accrual input tax	1,410,064,211.95	1,393,763,691.38
Prepaid taxes	820,109,176.93	336,795,620.72
Fixed deposits and others	4,561,179.72	8,004,894,049.22
Total	2,234,734,568.60	9,735,453,361.32

**10. Investment in other equity instruments**

In RMB Yuan

Item	Ending balance	Beginning balance	Gains recognized in other comprehensive income for the current period	Losses included in other comprehensive income for this period	Accumulated gains recognized in other comprehensive income at the end of this period	Accumulated losses recognized in other comprehensive income at the end of this period	Dividend income recognized in this period	Reason for being designated as fair value through other comprehensive income
Zhong Fa Lian Investment Co., Ltd.	14,801,858.72	14,801,858.72				6,198,141.28	19,039,320.00	Unlisted equity instruments
China South Industry Group Finance Co., Ltd.	335,540,000.00	335,540,000.00			178,519,200.00			Unlisted equity instruments
Guoqi (Beijing) Intelligent Network Association Automotive Research Institute Co., Ltd.	2,958,223.99	2,958,223.99				41,776.01		Unlisted equity instruments
Guoqi Automobile Power Cell Research Co., Ltd.	39,590,000.00	39,590,000.00				410,000.00		Unlisted equity instruments
China South Industry Group Financial Leasing Co., Ltd.	28,300,000.00	28,300,000.00				2,252,000.00		Unlisted equity instruments
Guoqi (Beijing) Intelligent Connected Vehicle Research Institute Co., Ltd	83,000,000.00	83,000,000.00			33,000,000.00			Unlisted equity instruments
<b>Total</b>	<b>504,190,082.71</b>	<b>504,190,082.71</b>			<b>211,519,200.00</b>	<b>8,901,917.29</b>	<b>19,039,320.00</b>	

**11. Long-term equity investments**

In RMB Yuan

Investee	Beginning balance	Changes in this period					Ending balance	Provision ending balance
		Addition	Investment income under equity method	Other comprehensive income adjustments	Other equity changes	Declare the distribution of cash dividends or profits		
<b>I. Joint Venture</b>								
Nanchang Jiangling Holding Co., Ltd.	2,106,206,520.20		181,840,492.72	2.89			2,288,047,015.81	
Changan Mazda Automobile Co., Ltd.	878,239,492.13		(102,147,632.24)				776,091,859.89	
Changan Mazda Engine Co., Ltd.	805,005,706.40		1,138,226.54				806,143,932.94	
Changan Ford Automobile Co., Ltd.			618,761,192.06				618,761,192.06	
Subtotal	3,789,451,718.73		699,592,279.08	2.89			4,489,044,000.70	
<b>II. Associates</b>								
Changan Automobile Financing Co.,Ltd	3,041,392,973.86		201,365,024.22				3,242,757,998.08	
Nanjing Leading Equity Investment Management Co., Ltd. (Limited Partnership)	2,645,793,326.69		(7,834,395.32)				2,637,958,931.37	
Zhongqi Chuangzhi Technology Co., Ltd.	448,515,220.54		(8,958,355.14)				439,556,865.40	
Chongqing Changan Kuayue Automobile Co., Ltd.	228,765,251.64		2,148,873.70			(3,430,000.00)	227,484,125.34	
Chongqing Changxin Zhiqi Private Equity Investment Fund Partnership (Limited Partnership)	204,518,396.38		8,011,212.22				212,529,608.60	
Shidai Changan Power Battery Co., Ltd	342,065,472.72		(95,914,775.21)				246,150,697.51	
Chongqing Changxian Intelligent Technology Co., Ltd	105,033,367.07		649,948.26				105,683,315.33	
Chongqing Changan Innovation Private Equity Investment Fund Partnership Enterprise (Limited Partnership)	70,104,473.99		308.14				70,104,782.13	



Investee	Beginning balance	Changes in this period					Ending balance	Provision ending balance
		Addition	Investment income under equity method	Other comprehensive income adjustments	Other equity changes	Declare the distribution of cash dividends or profits		
Changan Ford New Energy Vehicle Technology Co., Ltd	67,713,664.93		(17,113,068.64)				50,600,596.29	
Anhe Chongqing Dingfeng Automobile Contract Private Equity Investment Fund	61,692,352.41		370,450.00				62,062,802.41	
Hunan Guoxin Semiconductor Technology Co., Ltd.	28,502,232.09		161,981.13				28,664,213.22	
Nanjing Leading Equity Investment Partnership	1,107,400.12		(6,888.58)				1,100,511.54	
Nanjing Chelai Travel Technology Co., Ltd.	584,824.65		(251,725.81)				333,098.84	
Avatr Technology (Chongqing) Co., Ltd	2,295,710,259.79		(590,923,775.44)	(184,358.40)	3,221,300.64		1,707,823,426.59	
Chongqing Changan Kuayue Automobile Sales Co., Ltd.		69,600,000.00	(578,713.15)				69,021,286.85	
Chongqing Changan Kuayue Vehicle Marketing Co., Ltd			1,018,842.33				1,018,842.33	
Hangzhou Chelizi Intelligent Technology Co., Ltd.	1,111,663.20		(22,553.03)				1,089,110.17	
Anhe (Chongqing) Equity Investment Fund Management Co., Ltd.	5,970,815.86		(260,289.22)				5,710,526.64	
Master Changan Automobile Co., Ltd.	43,377,199.66		13,827,379.83	(5,967,137.61)			51,237,441.88	
Time FAW Power Battery Co., Ltd.	276,006,999.87		51,497,228.69				327,504,228.56	
Chongqing Wutong Chelian Technology Co., Ltd.	79,781,303.57		1,774,491.91				81,555,795.48	
Western Car Network (Chongqing) Co., Ltd.	5,183,910.52		(112,511.72)				5,071,398.80	
Chongqing Anda Semiconductor	45,009,157.18		89,737.94				45,098,895.12	

Investee	Beginning balance	Changes in this period					Ending balance	Provision ending balance
		Addition	Investment income under equity method	Other comprehensive income adjustments	Other equity changes	Declare the distribution of cash dividends or profits		
Co., Ltd								
Subtotal	9,997,940,266.74	69,600,000.00	(441,061,572.89)	(6,151,496.01)	3,221,300.64	(3,430,000.00)	9,620,118,498.48	
Total	13,787,391,985.47	69,600,000.00	258,530,706.19	(6,151,493.12)	3,221,300.64	(3,430,000.00)	14,109,162,499.18	

**12. Investment property****(1) Investment real estate using cost measurement model**

Cost Model

In RMB Yuan

Item	Buildings	Total
<b>I. Original cost</b>		
1. Opening balance	10,050,100.00	10,050,100.00
2. Increase in current period		
3. Decrease in current period		
4. Ending balance	10,050,100.00	10,050,100.00
<b>II. Accumulated depreciation and amortization</b>		
1. Opening balance	3,854,096.52	3,854,096.52
2. Increase in current period	113,355.78	113,355.78
(1) Provision or amortization	113,355.78	113,355.78
3. Decrease in current period		
4. Ending balance	3,967,452.30	3,967,452.30
<b>III. Impairment provision</b>		
1. Opening balance		
2. Increase in current period		
3. Decrease in current period		
4. Ending balance		
<b>IV. Net Value</b>		
1. Ending	6,082,647.70	6,082,647.70
2. Beginning	6,196,003.48	6,196,003.48

**13. Fixed assets**

In RMB Yuan

Item	Ending balance	Beginning balance
Fixed assets	19,515,251,831.25	19,994,084,908.14
Total	19,515,251,831.25	19,994,084,908.14

**(1) Details of fixed assets**

In RMB Yuan

Item	Buildings	Machinery	Vehicles	Other Equipment	Total
<b>1. Original book value:</b>					
Opening balance	10,402,849,881.70	28,090,256,805.16	1,669,155,485.79	10,398,235,511.86	50,560,497,684.51
purchase	6,947,419.08	30,268,855.34	342,511.77	9,559,380.24	47,118,166.43
Transfer of ongoing construction projects	59,811,701.10	797,829,206.62	4,125,707.20	283,210,721.10	1,144,977,336.02
Disposal or scrapping	1,102,004.53	587,091,101.53	461,381,244.23	61,225,592.30	1,110,799,942.59
Decrease in exchange		848,949.59		11,264,599.66	12,113,549.25

rate fluctuations					
Closing balance	10,468,506,997.35	28,330,414,816.00	1,212,242,460.53	10,618,515,421.24	50,629,679,695.12
2. Accumulated depreciation					
Opening balance	3,252,045,432.73	17,904,036,679.47	770,934,918.45	5,827,737,532.10	27,754,754,562.75
Provision	173,016,577.99	876,874,872.98	124,174,688.28	291,953,340.10	1,466,019,479.35
Disposal or scrapping	340,561.98	543,273,493.12	237,736,912.80	55,900,526.51	837,251,494.41
Decrease in exchange rate fluctuations	1,120,727.04	724,512.21			1,845,239.25
Closing balance	3,423,600,721.70	18,236,913,547.12	657,372,693.93	6,063,790,345.69	28,381,677,308.44
3. Provision for impairment					
Opening balance	63,168,825.18	2,319,193,144.50	33,357,247.40	395,938,996.54	2,811,658,213.62
Increased amount in this period					
Disposal or scrapping	514,180.92	42,797,195.17	30,456,280.26	5,140,001.84	78,907,658.19
Closing balance	62,654,644.26	2,276,395,949.33	2,900,967.14	390,798,994.70	2,732,750,555.43
4. Book value					
Closing book value	6,982,251,631.39	7,817,105,319.55	551,968,799.46	4,163,926,080.85	19,515,251,831.25
Initial book value	7,087,635,623.79	7,867,026,981.19	864,863,319.94	4,174,558,983.22	19,994,084,908.14

**(2) Fixed assets that are temporarily unused**

On June 30, 2024, fixed assets with a book value of RMB 148,776,035.09 (December 31, 2023: RMB 187074047.38) were temporarily idle due to product upgrades and other reasons.

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

In RMB Yuan

Item	Ending
Buildings	113,748,399.06
Machinery	
Vehicles	415,340,505.59
Other Equipment	
Total	529,088,904.65

**(4) Fixed assets with incomplete property rights certificates**

As of June 30, 2024, our company does not have any fixed assets without property ownership certificates.

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

In RMB Yuan

Item	Ending balance			Beginning balance		
	Balance	Provision	Carrying amount	Balance	Provision	Carrying amount
Engineering construction	1,097,713,624.86		1,097,713,624.86	750,986,351.54		750,986,351.54

project						
Production line construction and technological renovation projects	678,432,023.02		678,432,023.02	626,139,410.60		626,139,410.60
Engine Technical Renovation Project	104,880,824.53	20,921,684.06	83,959,140.47	204,550,269.22	20,921,684.06	183,628,585.16
Environmental relocation project	17,147,783.12		17,147,783.12	59,586,596.48		59,586,596.48
Other projects	426,165,420.83	8,841,139.67	417,324,281.16	302,845,555.72	8,841,139.67	294,004,416.05
<b>Total</b>	<b>2,324,339,676.36</b>	<b>29,762,823.73</b>	<b>2,294,576,852.63</b>	<b>1,944,108,183.56</b>	<b>29,762,823.73</b>	<b>1,914,345,359.83</b>

**(2) Movements of significant construction in progress**

In RMB Yuan

Item	Budget (In 1,000 RMB)	Beginning balance	Addition	Transferred to fixed assets	Ending balance	The project investments' proportion of budget (%)	Progress of construction (%)	Source of funds
Engineering construction project	831,204.00	750,986,351.54	352,473,744.75	5,746,471.43	1,097,713,624.86	53.47	53.47	Self raised
Production line construction and technological renovation projects	683,360.77	626,139,410.60	632,925,898.19	580,633,285.77	678,432,023.02	55.78	55.78	Self raised and additional issuance
Engine Technical Renovation Project	44,276.00	204,550,269.22	80,167,707.44	179,837,152.13	104,880,824.53	69.81	69.81	Self raised
Environmental relocation project	182,476.00	59,586,596.48	39,251,976.96	81,690,790.32	17,147,783.12	78.08	78.08	Self raised
Other projects		302,845,555.72	420,389,501.48	297,069,636.37	426,165,420.83			Self raised and additional issuance
<b>Total</b>		1,944,108,183.56	1,525,208,828.82	1,144,977,336.02	2,324,339,676.36			

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

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance	Reason
Engine Technical Renovation Project	20,921,684.06			20,921,684.06	
Other projects	8,841,139.67			8,841,139.67	
Total	29,762,823.73			29,762,823.73	--

**15. Right-of-use assets**

In RMB Yuan

Item	Buildings	Total
1. Original book value		
Opening balance	338,339,110.19	338,339,110.19
Increased amount in this period	68,030,394.59	68,030,394.59
Decreased amount in this period	36,048,483.65	36,048,483.65
Closing balance	370,321,021.13	370,321,021.13
2. Accumulated depreciation		
Opening balance	128,858,434.15	128,858,434.15
Increased amount in this period	46,388,885.07	46,388,885.07
Decreased amount in this period	22,625,153.07	22,625,153.07
Closing balance	152,622,166.15	152,622,166.15
3. Provision for impairment		
Opening balance		
Increased amount in this period		
Decreased amount in this period		
Closing balance		
4. Book value		
Closing book value	217,698,854.98	217,698,854.98
Initial book value	209,480,676.04	209,480,676.04

**16. Intangible assets**

In RMB Yuan

Item	Land use rights	Patent	Non-patent technology	Software use rights	Trademark use rights	Total
1. Original book value						
Opening balance	2,337,635,635.46	85,581,514.70	18,444,521,672.27	882,238,600.76	2,624,669,183.78	24,374,646,606.97
Purchase			1,537,434.26	13,452,389.23		14,989,823.49
Internal research and development			486,094,425.23			486,094,425.23
Exchange rate fluctuations increase					2,489.73	2,489.73

Management				103,488.02		103,488.02
Closing balance	2,337,635,635.46	85,581,514.70	18,932,153,531.76	895,587,501.97	2,624,671,673.51	24,875,629,857.40
2. Accumulated amortization						
Opening balance	513,880,306.26	15,685,994.98	7,107,014,737.05	762,030,686.88	432,976,863.44	8,831,588,588.61
Provision	21,736,268.40	4,282,675.74	1,062,805,960.74	20,805,182.88	119,544,243.72	1,229,174,331.48
Decrease in exchange rate fluctuations				1,810.06		1,810.06
Management				103,488.02		103,488.02
Closing balance	535,616,574.66	19,968,670.72	8,169,820,697.79	782,730,571.68	552,521,107.16	10,060,657,622.01
3. Provision for impairment						
Opening balance			453,960,028.77	23,617,923.17	19,916,416.63	497,494,368.57
Increased amount in this period						
Decreased amount in this period						
Closing balance			453,960,028.77	23,617,923.17	19,916,416.63	497,494,368.57
4. Book value						
Closing book value	1,802,019,060.80	65,612,843.98	10,308,372,805.20	89,239,007.12	2,052,234,149.72	14,317,477,866.82
Initial book value	1,823,755,329.20	69,895,519.72	10,883,546,906.45	96,589,990.71	2,171,775,903.71	15,045,563,649.79

On June 30, 2024, the proportion of intangible assets formed through internal research and development to the year-end book value of intangible assets was 72.00% (December 31, 2023: 72.34%)

As of June 30, 2024, there were no outstanding land use rights certificates (as of December 31, 2023: none)

## 17. Goodwill

### (1) Original book value of goodwill

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Hebei Changan Automobile Co., Ltd	9,804,394.00			9,804,394.00
Nanjing Changan Automobile Co., Ltd	73,465,335.00			73,465,335.00
Deepal Automobile Technology Co., Ltd	1,800,926,049.16			1,800,926,049.16
Total	1,884,195,778.16			1,884,195,778.16

### (2) Provision for goodwill

In RMB Yuan

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

## 18. Long-term deferred expenses

In RMB Yuan



Item	Beginning balance	Addition	Deduction	Ending balance
Extended insurance premium	21,709,036.17		1,579,704.48	20,129,331.69
other	2,453,183.89		1,396,571.17	1,056,612.72
Total	24,162,220.06		2,976,275.65	21,185,944.41

## 19. Deferred tax assets and liabilities

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

In RMB Yuan

Item	Ending balance		Beginning balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Assets provision	3,275,891,936.80	498,479,912.80	3,326,010,289.07	505,667,423.10
Accrued expenses and contingent liabilities	9,883,630,392.44	1,498,837,537.38	9,745,432,595.40	1,478,634,793.00
Unpaid tech development expense and advertisement expense	151,580,931.46	22,737,139.72	108,882,829.52	16,332,424.43
Deferred income	3,017,975,989.26	495,126,557.40	3,143,730,047.41	516,280,314.00
Unpaid salary and bonus and others	6,132,578,466.67	919,886,770.00	5,069,078,308.78	762,158,961.20
Total	22,461,657,716.63	3,435,067,917.30	21,393,134,070.18	3,279,073,915.73

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

In RMB Yuan

Item	Ending balance		Beginning balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Changes in fair value of trading financial assets	256,285,702.59	38,442,855.38	271,136,632.22	40,670,494.83
Fair value adjustment of business combination not under common control	8,615,125,913.67	1,292,268,887.05	9,077,843,422.40	1,361,676,513.36
Long-term equity investment	1,045,313,517.71	156,797,027.65	1,053,139,619.28	157,970,942.89
Other	820,249,030.60	123,037,354.59	234,662,947.29	36,576,889.00
Total	10,736,974,164.57	1,610,546,124.67	10,636,782,621.19	1,596,894,840.08

### (3) Deferred tax assets or liabilities presented as net amount after offsetting

In RMB Yuan

Item	Deferred tax assets and liabilities offset at the end of the period	Closing balance of deferred income tax assets or liabilities after offsetting	Deferred tax assets and liabilities offset amount at the beginning of the period	Opening balance of deferred income tax assets or liabilities after offsetting
Deferred tax assets	24,987,590.16	3,410,080,327.14	30,819,858.08	3,248,254,057.65
Deferred tax liabilities	24,987,590.16	1,585,558,534.51	30,819,858.08	1,566,074,982.00

**(4) Details of unrecognized deferred tax assets**

In RMB Yuan

Item	Ending balance	Beginning balance
The deductible temporary difference	840,705,561.08	1,764,330,466.02
The deductible tax loss	9,649,464,641.06	10,207,352,860.58
Total	10,490,170,202.14	11,971,683,326.60

**(5) Maturity period for unrecognized deductible tax losses:**

In RMB Yuan

Year	Ending balance	Beginning balance	Notes
2024	943,008,433.37	1,026,714,782.44	
2025	1,414,119,466.19	1,484,227,541.07	
2026	2,597,065,395.18	2,622,637,735.99	
2027	2,195,399,362.36	2,162,063,388.55	
2028 and beyond	2,499,871,983.96	2,911,709,412.53	
Total	9,649,464,641.06	10,207,352,860.58	

**20. Other non-current assets**

In RMB Yuan

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Prepaid project funds	454,756,000.00		454,756,000.00	450,000,000.00		450,000,000.00
Fixed deposits and others	1,400,216,231.98		1,400,216,231.98			
Total	1,854,972,231.98		1,854,972,231.98	450,000,000.00		450,000,000.00

**21 Assets with restricted ownership or use rights**

In RMB Yuan

Item	Ending balance			
	Book balance	Book value	limited type	Restricted situation
Monetary funds	1,389,380,301.41	1,389,380,301.41	Margin and other	Margin and other
Accounts receivable	5,897,473,036.76	5,897,473,036.76	Bill Pledge	Bill Pledge
Total	7,286,853,338.17	7,286,853,338.17		

Item	Beginning balance			
	Book balance	Book value	limited type	Restricted situation
Monetary funds	945,084,846.77	945,084,846.77	Margin and other	Margin and other
Accounts receivable	7,309,419,058.87	7,309,419,058.87	Bill Pledge	Bill Pledge
Total	8,254,503,905.64	8,254,503,905.64		

## 22. Short-term loans

In RMB Yuan

Item	Ending balance	Beginning balance
Guaranteed loan	54,056,333.40	30,039,416.74
Total	54,056,333.40	30,039,416.74

Note: As of June 30, 2024, the annual interest rate for the aforementioned loan is 3.30% -4.50% (December 31, 2023: 3.90% -4.50%).

On June 30, 2024, there were no overdue short-term loans (December 31, 2023: none).

## 23. Trading financial liabilities

In RMB Yuan

Item	Ending balance	Beginning balance
Trading financial liabilities	12,941,513.71	
Total	12,941,513.71	

## 24. Notes payable

In RMB Yuan

Item	Ending balance	Beginning balance
Commercial acceptance bill	2,500,012,398.15	2,943,672,886.95
Bank acceptance bill	38,311,530,205.59	34,512,997,041.12
Total	40,811,542,603.74	37,456,669,928.07

## 25. Accounts payable

In RMB Yuan

Item	Ending balance	Beginning balance
Accounts payable	34,274,539,923.58	38,289,947,321.45
Total	34,274,539,923.58	38,289,947,321.45

As of June 30, 2024, there are no significant accounts payable with an aging of over one year.

**26. Other payables**

In RMB Yuan

Item	Ending balance	Beginning balance
Other payables	5,307,800,744.02	5,880,882,512.97
<b>Total</b>	<b>5,307,800,744.02</b>	<b>5,880,882,512.97</b>

**(1) Other payables**

## 1) Listed by nature of payment

In RMB Yuan

Item	Ending balance	Beginning balance
Purchase and construction of fixed assets, intangible assets, and project guarantee deposits	1,329,509,916.07	1,550,681,604.04
Customer and supplier guarantee deposits	816,298,813.46	874,043,416.71
Advertising expenses	688,245,554.39	648,229,494.43
Storage and shipping fees	491,482,593.10	488,072,948.00
Repair and processing fees	302,513,491.29	295,480,247.86
Treasury stock repurchase obligation	228,624,172.79	382,277,095.96
National subsidy pre allocation	183,954,150.00	138,398,550.00
Advance payment for land and factory disposal	150,000,000.00	150,000,000.00
Others	1,117,172,052.92	1,353,699,155.97
<b>Total</b>	<b>5,307,800,744.02</b>	<b>5,880,882,512.97</b>

**27. Advance receipts****(1) List of advance receipts**

In RMB Yuan

Item	Ending balance	Beginning balance
Unearned rent		686,755.00
<b>Total</b>		<b>686,755.00</b>

**28. Contract liabilities**

In RMB Yuan

Item	Ending balance	Beginning balance
Advance payment	4,827,700,376.12	6,780,177,101.71
Advance service payment	1,168,892,322.30	1,143,615,751.06
<b>Total</b>	<b>5,996,592,698.42</b>	<b>7,923,792,852.77</b>

**29. Payroll payable****(1) Payroll payable**

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Short term salary benefits	2,645,581,324.21	5,731,387,936.46	4,925,702,505.45	3,451,266,755.22
Defined contribution plans	87,255,844.66	521,203,732.21	508,061,843.24	100,397,733.63
Early retirement benefits	17,824,168.39	35,467,165.49	34,250,136.77	19,041,197.11
<b>Total</b>	<b>2,750,661,337.26</b>	<b>6,288,058,834.16</b>	<b>5,468,014,485.46</b>	<b>3,570,705,685.96</b>

**(2) Short term salary benefits:**

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
1. Salary, bonus, allowance and subsidy	2,170,965,985.99	4,701,463,267.89	3,881,089,785.77	2,991,339,468.11
2. Employee benefit	20,125,393.92	132,886,506.91	150,210,174.88	2,801,725.95
3. Social insurance	32,862,900.03	388,916,286.58	374,207,840.72	47,571,345.89
Medical insurance	20,183,997.44	357,138,155.14	341,031,841.88	36,290,310.70
Industrial injury insurance	10,754,834.26	31,778,131.44	31,268,084.82	11,264,880.88
Maternity insurance	1,924,068.33		1,907,914.02	16,154.31
Supplementary medical insurance	22,920,911.36	302,942,993.87	306,402,301.58	19,461,603.65
4. Housing accumulation fund	398,706,132.91	205,178,881.21	213,792,402.50	390,092,611.62
5. Labor fund and employee education fund	2,645,581,324.21	5,731,387,936.46	4,925,702,505.45	3,451,266,755.22
<b>Total</b>	<b>2,170,965,985.99</b>	<b>4,701,463,267.89</b>	<b>3,881,089,785.77</b>	<b>2,991,339,468.11</b>

**(3) Defined contribution plans:**

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
1. Basic retirement security	77,888,132.00	505,111,458.01	492,453,461.57	90,546,128.44
2. Unemployment insurance	9,367,712.66	16,092,274.20	15,608,381.67	9,851,605.19
<b>Total</b>	<b>87,255,844.66</b>	<b>521,203,732.21</b>	<b>508,061,843.24</b>	<b>100,397,733.63</b>

**30. Taxes payable**

In RMB Yuan

Item	Ending balance	Beginning balance
Value-added tax	390,107,324.07	366,815,941.84
Consumption tax	314,588,062.10	307,949,880.80
Corporate income tax	77,516,433.13	1,136,075,075.53
City maintenance and construction tax	37,916,535.31	51,726,243.42
Others	45,662,833.64	66,156,765.79
Total	865,791,188.25	1,928,723,907.38

### 31. Non-current liability within 1 year

In RMB Yuan

Item	Ending balance	Beginning balance
Lease liabilities due within one year	83,760,356.87	74,887,042.88
Long term loans due within one year	40,000,000.00	4,000,000.00
Defined benefit plans that expire within one year		1,190,000.00
Total	123,760,356.87	80,077,042.88

### 32. Other current liabilities

In RMB Yuan

Item	Ending balance	Beginning balance
Accrued commercial discount payable	5,714,368,347.23	5,277,859,952.56
Accrued transportation fee	830,318,163.53	428,540,512.92
Accrued market development expense	701,497,074.01	1,229,871,896.85
Accrued technology royalty	503,093,753.27	712,779,170.48
Accrued labor service fee	88,008,794.01	52,021,714.94
Accrued negative points for fuel consumption	47,548,100.11	76,611,049.98
Others	1,273,710,568.38	1,120,252,102.19
Total	9,158,544,800.54	8,897,936,399.92

### 33. Long-term Loan

In RMB Yuan

Item	Ending balance	Beginning balance
Credit loan	36,000,000.00	72,000,000.00
Total	36,000,000.00	72,000,000.00

Note: As of June 30, 2024, the interest rate for the aforementioned loan is 1.00% (December 31, 2023: 1.00%).

**34. Bonds payable****(1) Bonds payable**

In RMB Yuan

Item	Ending balance	Beginning balance
Corporate bonds	999,656,603.76	999,607,547.16
<b>Total</b>	<b>999,656,603.76</b>	<b>999,607,547.16</b>

**(2) Changes in payable bonds**

In RMB Yuan

Bond Name	Par value	Coupon rate (%)	Release date	Term	Issuance amount	Opening balance	Interest accrued at face value	Excess discount amortization	Beginning balance	Default situation
Technology Innovation Bond	1,000,000,000.00	3.00	2022.12	5 years	1,000,000,000.00	999,607,547.16	15,166,666.66	49,056.60	999,656,603.76	No
<b>Total</b>					<b>1,000,000,000.00</b>	<b>999,607,547.16</b>	<b>15,166,666.66</b>	<b>49,056.60</b>	<b>999,656,603.76</b>	

**35. Lease liabilities**

In RMB Yuan

Item	Ending balance	Beginning balance
Lease liabilities	208,473,707.47	209,141,440.95
Less: Reclassify non current liabilities due within one year	83,760,356.87	74,887,042.88
<b>Total</b>	<b>124,713,350.60</b>	<b>134,254,398.07</b>

**36. Long-term payables**

In RMB Yuan

Item	Ending balance	Beginning balance
Long-term payables	816,282,263.75	804,264,787.97
Special payables	141,609,973.68	148,181,330.60
<b>Total</b>	<b>957,892,237.43</b>	<b>952,446,118.57</b>

**(1) Long-term payables**

In RMB Yuan

Item	Ending balance	Beginning balance
Accounts payable for construction projects	816,282,263.75	804,264,787.97
<b>Total</b>	<b>816,282,263.75</b>	<b>804,264,787.97</b>

**(2) Special payables**

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Intelligent manufacturing project	79,118,517.26	5,958,812.00	10,220,100.85	74,857,228.41
Lightweight design of automobile structure	6,769,952.63		2,513,619.83	4,256,332.80
Others	62,292,860.71	24,037,064.59	23,833,512.83	62,496,412.47
<b>Total</b>	<b>148,181,330.60</b>	<b>29,995,876.59</b>	<b>36,567,233.51</b>	<b>141,609,973.68</b>

**37. Long-term payroll payable**

In RMB Yuan

Item	Ending balance	Beginning balance
1. Post employment benefits - net liabilities for defined benefit plans	23,661,616.49	26,880,000.00
2. Dismissal benefits	3,534,000.00	3,534,000.00
<b>Total</b>	<b>27,195,616.49</b>	<b>30,414,000.00</b>

**38. Contingent liabilities**

In RMB Yuan

Item	Ending balance	Beginning balance
Warranty	6,707,961,419.04	5,976,561,810.09
Contingent liabilities of contract performance	296,312,561.75	300,479,606.70
<b>Total</b>	<b>7,004,273,980.79</b>	<b>6,277,041,416.79</b>

**39. Deferred income**

In RMB Yuan

Liability	Beginning balance	Addition	Deduction	Ending balance
Related to assets:	610,407,171.08		104,408,720.03	505,998,451.05
Production and construction subsidies	610,407,171.08		104,408,720.03	505,998,451.05
Related to gains:	108,433,372.44	115,308,720.03	53,188,720.03	170,553,372.44
R&D technology subsidies	77,651,164.12			77,651,164.12
Other government subsidies	30,782,208.32	115,308,720.03	53,188,720.03	92,902,208.32
<b>Total</b>	<b>718,840,543.52</b>	<b>115,308,720.03</b>	<b>157,597,440.06</b>	<b>676,551,823.49</b>



**40. Other non-current liabilities**

In RMB Yuan

Item	Ending balance	Beginning balance
Advance service payment	1,719,954,719.90	1,497,773,818.69
Net other non-current liabilities	1,719,954,719.90	1,497,773,818.69

**41. Share capital**

In RMB Yuan

	Beginning balance	Changes (+, -)					Ending balance
		Additional issued	Stock dividend	Provident fund transfer	Others	Subtotal	
Total shares	9,919,323,000.00						9,919,323,000.00

**42. Capital reserves**

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Share premium	6,804,368,521.99			6,804,368,521.99
Capital reserve transferred arising from the old standards	44,496,899.00			44,496,899.00
reserve of equity investments	17,015,985.20			17,015,985.20
Share-based payments	678,067,785.52	181,288,200.00		859,355,985.52
Other capital reserves (Note)	707,338,445.99	10,747,882.00		718,086,327.99
Total	8,251,287,637.70	192,036,082.00		8,443,323,719.70

**43. Treasury stock**

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Treasury stock	382,277,095.96		153,652,923.17	228,624,172.79
Total	382,277,095.96		153,652,923.17	228,624,172.79

Note: The annual change in stock capital is due to the unlocking of incentive equity and the distribution of dividends to incentive recipients by our company.

## 44. Other comprehensive income

In RMB Yuan

Item	Beginning balance	Amount for this reporting period					Amount attributable to minority interests	Ending balance
		Amount before tax	Deduct: amounts transferred to income statement which were recognized in other comprehensive income in prior period	Deduct: other comprehensive income in the previous period and transferred to retained earnings in the current period	Deduct: Income tax	Amount attributable to owners		
I. Other comprehensive income that cannot be transferred to profit or loss under the equity method	168,360,416.57	2.89				2.89		168,360,419.46
Change in net liability or assets from defined benefit plan	355,000.00							355,000.00
Other comprehensive income that cannot be transferred to profit or loss under the equity method	(4,219,273.73)	2.89				2.89		(4,219,270.84)
Changes in the fair value of other equity instrument investments	172,224,690.30							172,224,690.30
II. Other comprehensive income will be reclassified to profit or loss in subsequent period	(50,041,632.53)	82,398,381.44				82,398,381.44		32,356,748.91
Other comprehensive income that can be transferred to profit or loss under the equity method	(75,815.98)	(184,358.40)				(184,358.40)		(260,174.38)
Foreign currency translation difference	(49,965,816.55)	82,582,739.84				82,582,739.84		32,616,923.29
Total	118,318,784.04	82,398,384.33				82,398,384.33		200,717,168.37

**45. Special reserves**

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Safety fund	54,323,330.34	63,437,107.75	23,629,939.10	94,130,498.99
Total	54,323,330.34	63,437,107.75	23,629,939.10	94,130,498.99

**46. Surplus reserves**

In RMB Yuan

Item	Beginning balance	Addition	Deduction	Ending balance
Statutory surplus	4,276,245,864.64			4,276,245,864.64
Total	4,276,245,864.64			4,276,245,864.64

**47. Retained earnings**

In RMB Yuan

Item	Current period	Prior period
Retained earnings at beginning of the year	49,617,932,431.73	41,379,489,865.45
Add: Profits attributable to parent company for the current year	2,831,743,111.82	7,652,979,346.80
Less: Ordinary share dividend of cash	3,412,477,663.18	2,341,414,868.12
Retained earnings at the end of year	49,037,197,880.37	46,691,054,344.13

**48. Operating revenue and cost**

In RMB Yuan

Item	Amount for this period		Amount for prior period	
	Revenue	Cost	Revenue	Cost
Main business	75,031,549,290.98	65,087,923,270.42	64,198,056,038.61	54,041,063,818.77
Other business	1,691,100,432.81	1,046,383,884.70	1,294,042,830.40	748,972,479.99
Total	76,722,649,723.79	66,134,307,155.12	65,492,098,869.01	54,790,036,298.76

**49. Tax and surcharges**

In RMB Yuan

Item	Amount for this period	Amount for prior period
Consumption tax	1,592,006,613.71	1,666,317,085.12
City maintenance and construction tax	171,545,523.51	208,432,679.24
Educational surcharge	118,956,790.32	140,534,177.17
Others	170,720,143.87	170,890,307.46
Total	2,053,229,071.41	2,186,174,248.99

**50. General and administrative expenses**

In RMB Yuan

Item	Amount for this period	Amount for prior period
Payroll and welfare	1,892,090,590.24	1,787,629,699.79
Depreciation and amortization	281,069,352.60	231,626,256.31
Traffic expenses and travelling expenses	30,730,486.17	34,511,835.46
Share-based Payment	181,288,200.00	187,899,000.00
Others	41,685,231.78	30,293,616.99
<b>Total</b>	<b>2,426,863,860.79</b>	<b>2,271,960,408.55</b>

**51. Operating expenses**

In RMB Yuan

Item	Amount for this period	Amount for prior period
Promotion, advertising fee	1,074,267,528.42	1,084,798,251.79
Sales service fee	1,010,007,195.86	460,817,474.16
Payroll and welfare	489,933,234.61	430,787,399.64
Transportation and storage fees	343,523,615.84	220,838,227.15
Travelling expenses	74,258,106.92	47,325,735.92
Package expenses	28,828,727.45	11,749,644.92
Others	57,170,005.17	24,080,857.61
<b>Total</b>	<b>3,077,988,414.27</b>	<b>2,280,397,591.19</b>

**52. Research and development expenses**

In RMB Yuan

Item	Amount for this period	Amount for prior period
Payroll and welfare	1,392,005,346.65	1,349,892,332.55
Depreciation and amortization	1,214,228,193.17	1,015,646,669.62
Subcontract fee	129,875,960.49	287,631,512.09
Material fee	100,893,665.34	173,948,774.18
Test fee	36,371,652.96	64,510,633.02
Others	38,717,494.79	72,974,183.02
<b>Total</b>	<b>2,912,092,313.40</b>	<b>2,964,604,104.48</b>

**53. Financial expenses**

In RMB Yuan

Item	Amount for this period	Amount for prior period
Interest expenses	39,521,477.44	36,814,471.44
Less: Interest income	520,495,393.22	532,594,819.89
Net exchange loss (net income indicated by a "-" sign)	(93,277,656.33)	24,815,219.82
Others	24,866,208.10	17,697,023.74
<b>Total</b>	<b>(549,385,364.01)</b>	<b>(453,268,104.89)</b>

**54. Other income**

Government subsidies related to daily activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
Government subsidies related to daily activities		
Among them: Industry support subsidies	1,185,343,468.12	657,988,649.18
Other government subsidies	257,167,183.20	
Total	1,442,510,651.32	657,988,649.18

**55. Fair value change**

In RMB Yuan

Source of income from changes in fair value	Amount for this period	Amount for prior period
Financial assets held for trading	(13,487,271.96)	14,575,284.30
Financial liabilities held for trading	(21,536,907.46)	(37,909,945.45)
Total	(35,024,179.42)	(23,334,661.15)

**56. Investment income**

In RMB Yuan

Item	Amount for this period	Amount for prior period
Long-term equity investment losses accounted for by the equity method	252,582,688.73	(180,436,966.53)
Investment income from disposal of long-term equity investments		1.00
The investment income of financial asset held for trading during its holding period	1,979,999.95	1,406,842.07
Dividend income from remaining investments in other equity instruments	19,039,320.00	180,656,814.04
Investment income obtained from disposing of trading financial assets	7,187,236.08	
Investment income generated from mergers of enterprises not under the same control		5,021,482,128.74
Others	69,922,180.57	
Total	350,711,425.33	5,023,108,819.32

**57. Impairment loss of credit**

In RMB Yuan

Item	Amount for this period	Amount for prior period
Bad debt for account receivable	(579,542.24)	15,463,066.50
Bad debt for other receivables	(179,587.16)	50,421.60
Total	(759,129.40)	15,513,488.10

**58. Impairment loss on assets**

In RMB Yuan

Item	Amount for this period	Amount for prior period
Inventory impairment losses and contract performance cost impairment losses	137,377,672.60	110,345,479.11
Impairment of fixed assets		184,845,379.29
Impairment of intangible assets		41,460,645.81
Impairment of contract assets	8,891,863.00	60,622,656.78
Total	146,269,535.60	397,274,160.99

**59. Gain on disposal of assets**

In RMB Yuan

Item	Amount for this period	Amount for prior period
Gain on disposal of fixed-assets	4,819,641.19	366,667,730.28
Gain on disposal of other assets	139,811.50	
Total	4,959,452.69	366,667,730.28

**60. Non-operating income**

In RMB Yuan

Item	Amount for this period	Amount for prior period	Amount recognized in current period as non-recurring profit and loss
Penalty income and others	46,291,779.69	93,295,575.81	46,291,779.69
Total	46,291,779.69	93,295,575.81	46,291,779.69

**61. Non-operating expenses**

In RMB Yuan

Item	Amount for this period	Amount for prior period	Amount recognized in current period as non-recurring profit and loss
External donation	10,600,000.00	10,600,000.00	10,600,000.00
Fines and late fees	5,489,501.82	52,548.37	5,489,501.82
Others	3,012,325.93	2,846,412.65	3,145,904.28
Total	19,101,827.75	13,498,961.02	19,235,406.10

**62. Income tax expense****(1) Table of income tax expense**

In RMB Yuan

Item	Amount for this period	Amount for prior period
Current income tax expense	207,971,617.76	429,737,792.88

Deferred income tax expense	(142,342,716.98)	(253,116,967.69)
Total	65,628,900.78	176,620,825.19

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

Item	In RMB Yuan	
	Amount for this period	
Total profit	2,312,391,168.47	
Tax at the applicable tax rate	346,858,675.27	
Impact of different tax rates of subsidiaries	53,083,760.33	
Adjustments to current income tax of previous period	15,871,174.52	
Non-taxable income	(97,502,081.20)	
Usage previous deductible losses	(3,849,024.07)	
The impact of deductible temporary differences or deductible losses on unrecognized deferred tax assets in this period	(26,697,076.08)	
Utilize previous deductible losses	(30,776,334.43)	
Additional deduction	(191,360,193.56)	
Income tax expense	65,628,900.78	

**63. Other comprehensive income**

Please refer to notes VII, 44.

**64. Notes to cash flow statement****(1) Cash related to operating activities**

Items of cash received relating to other operating activities

Item	In RMB Yuan	
	Amount for this period	Amount for prior period
Interest income	520,495,393.22	527,001,902.34
Government grants	1,288,500,364.75	863,412,085.63
Others	388,897,857.40	362,804,407.92
Total	2,197,893,615.37	1,753,218,395.89

Items of cash paid relating to other operating activities

Item	In RMB Yuan	
	Amount for this period	Amount for prior period
Selling expense	1,636,259,495.32	1,490,941,650.90
Administrative expense	710,380,390.84	617,746,243.11
Research and development expenses	1,260,318,906.77	1,384,809,950.23
Others	1,053,447,560.15	926,324,359.78
Total	4,660,406,353.08	4,419,822,204.02

**(2) Cash related to investment activities**

Items of cash received relating to other investing activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
Merge Deepal Motors under different control		6,216,944,276.29
Fixed deposits and interest	8,070,357,180.56	
<b>Total</b>	<b>8,070,357,180.56</b>	<b>6,216,944,276.29</b>

Items of cash paid relating to other investing activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
Deposit	1,400,000,000.00	
<b>Total</b>	<b>1,400,000,000.00</b>	

**(3) Cash related to fundraising activities**

Items of cash received relating to other financing activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
Withdraw for deposit of bill	204,348,367.20	362,339,945.61
Others	29,998,629.99	
<b>Total</b>	<b>234,346,997.19</b>	<b>362,339,945.61</b>

Items of cash paid relating to other financing activities

In RMB Yuan

Item	Amount for this period	Amount for prior period
Payment for deposit of bill	127,516,036.02	377,810,786.49
Others	53,497,616.56	40,713,903.53
<b>Total</b>	<b>181,013,652.58</b>	<b>418,524,690.02</b>

**65. Supplementary information of cash flow statement****(1) Supplementary information of cash flow statement**

In RMB Yuan

Supplementary information	Amount for this period	Amount for prior period
1. Cash flows from operating activities calculated by adjusting the net profit		
Net profit	2,246,762,267.69	6,967,013,000.07
Add: Credit impairment loss	(759,129.40)	15,513,488.10
Impairment provision for assets	146,269,535.60	397,274,160.99
Depreciation of fixed assets	1,466,019,479.35	1,492,472,007.62
Right-of-use assets depreciation	46,388,885.07	32,246,838.71
Depreciation and amortization of investment real estate	113,355.78	113,355.78



Amortization of intangible assets	1,229,174,331.48	638,535,490.78
Amortization of long-term deferred expense	2,976,275.65	1,468,484.08
Disposal income on fixed assets, intangible assets and others	(4,959,452.69)	(366,667,730.28)
Income of fair value movement	35,024,179.42	23,334,661.15
Financial expense	39,521,477.44	36,814,471.44
Investment income	(350,711,425.33)	(5,023,108,819.32)
Increase in deferred tax assets	(161,826,269.49)	(182,617,869.82)
Decrease in deferred tax liabilities	19,483,552.51	1,404,707,710.78
Decrease in inventory	(238,346,525.70)	(4,429,633,070.54)
Decrease in operating payables	3,849,999,916.55	1,025,339,747.77
Increase in operating payables	(4,890,306,327.68)	4,918,863,583.73
Others	276,614.28	3,787,202.55
Net cash flows from operating activities	3,435,100,740.53	6,955,456,713.59
2. Movement of cash and cash equivalents:		
Ending balance of cash	69,549,755,769.83	64,153,666,049.54
Less: beginning balance of cash	63,925,957,901.11	52,491,435,047.74
Increase in cash and cash equivalents	5,623,797,868.72	11,662,231,001.80

## (2) Cash and cash equivalents

In RMB Yuan

Item	Ending balance	Beginning balance
I. Cash	69,549,755,769.83	63,925,957,901.11
Including: Cash	4,998.00	35,257.05
Bank deposits that can be readily used	69,524,354,728.43	63,902,699,987.48
Other monetary funds that can be used for payment at any time	25,396,043.40	23,222,656.58
II. Ending balance of cash and cash equivalents	69,549,755,769.83	63,925,957,901.11

## 66. Foreign Monetary Item

In RMB Yuan

Item	Original Currency	Exchange Rate	Translated to RMB
Cash			
Including: USD	36,127,533.31	7.1268	257,473,704.39
EUR	1,398,640.50	7.6500	10,699,599.83
GBP	3,320,521.04	9.0706	30,119,118.15
JPY	184,517,456.00	0.0450	8,303,285.52
RUB	15,595,802,372.85	0.0838	1,306,928,238.84
MXN	59,832,149.70	2.3600	141,203,873.29
THB	2,029,117,935.15	0.1952	396,083,820.94
Accounts receivable			
Including: USD	62,659,531.87	7.1268	446,561,951.73
Other receivables			

Including: JPY	17,408,320.00	0.0450	783,374.40
THB	18,129,869.90	0.1952	3,538,950.60
Accounts Payable			
Including: USD	78,577.88	7.1268	560,008.84
EUR	3,320,521.04	9.0706	30,119,118.15
JPY	184,517,456.00	0.0450	8,303,285.52
RUB	4,477,199,215.15	0.0838	375,189,294.23

## 67. Lease

### (1) As the lessee

In RMB Yuan

Item	Current amount
Interest expenses on lease liabilities	8,326,218.00
Simplified treatment of short-term lease expenses included in relevant asset costs or current profit and loss	15,949,559.83
Simplified treatment of low value asset leasing expenses included in relevant asset costs or current profit and loss (excluding short-term leasing expenses for low value assets)	292,613.20
Total cash outflow related to leasing	56,008,720.71

### (2) As the lessor

Operating lease as a lessor

✓ Applicable  Not applicable

In RMB Yuan

Item	Current amount
Rental Income	175,898,356.02
Total	175,898,356.02

The undiscounted lease receipts received after the balance sheet date are as follows:

In RMB Yuan

Item	Ending balance	Beginning balance
Within 1 year	271,710,550.60	388,255,072.48
1 to 2 years	262,506,229.88	260,689,384.89
2 to 3 years	131,816,053.61	130,967,274.89
3 to 4 years	35,129,298.25	34,577,303.73
4 to 5 years	32,867,502.54	26,810,816.32
More than 5 years	237,874.86	1,506,050.47
Total	734,267,509.74	842,805,902.78

## VIII. R&D expenditure

### 1. R&D expenditure

In RMB Yuan

Item	Current amount incurred	Amount incurred in the previous period
Payroll and welfare	1,847,480,590.73	1,831,037,974.12
Depreciation and amortization	1,215,792,215.05	1,015,663,481.63
Subcontract fee	869,620,089.13	563,448,725.54
Material fee	280,411,158.30	280,999,970.17
Test fee	126,874,613.69	186,684,209.51
Others	269,541,531.16	149,978,855.77
<b>Total</b>	<b>4,609,720,198.06</b>	<b>4,027,813,216.74</b>
Among them: Expensed R&D expenses	2,912,092,313.40	2,964,604,104.48
Capitalized R&D expenses	1,697,627,884.66	1,063,209,112.26

### 2. Development expenditure

In RMB Yuan

Item	Beginning balance	Increased	Decreased		Ending balance
		Internal development expenses	Confirmed as intangible assets	Others	
Automotive development	2,241,820,556.70	1,697,627,884.66	486,094,425.23	157,514,353.09	3,295,839,663.04
<b>Total</b>	<b>2,241,820,556.70</b>	<b>1,697,627,884.66</b>	<b>486,094,425.23</b>	<b>157,514,353.09</b>	<b>3,295,839,663.04</b>

## IX. The change of consolidation scope

None.

## X. Stake in other entities

### 1. Rights in subsidiaries

#### (1) Composition of Enterprise Groups

Company name	Registered capital (ten thousand)	Main operating place	Registered place	Nature of business	Total proportion of shareholders (%)		Acquisition method
					Direct	Indirect	
Chongqing Changan International Automobile Sales Co., Ltd.	118,275.64	Chongqing	Chongqing	Sale	100.00		Establish
Chongqing Changan Vehicle Networking Technology Co., Ltd.	8,850.00	Chongqing	Chongqing	Lease	100.00		Establish
Chongqing Changan Special Automobile Sales Co., Ltd (Note 1)	2,000.00	Chongqing	Chongqing	Sale	50.00		Establish
Chongqing Changan Automobile Supporting Service Co., Ltd.	3,000.00	Chongqing	Chongqing	Sale	99.00	1.00	Establish

Chongqing Zhilaidadao New Energy Vehicle Co., Ltd	2,900.00	Chongqing	Chongqing	Research and development	100.00		Establish
Chongqing Changan Europe Design Center Co., Ltd.	EUR 1,738	Turin, Italy	Turin, Italy	Research and development	100.00		Establish
Changan United Kingdom R&D Center Co., Ltd.	GBP 2,639	Nottingham, UK	Nottingham, UK	Research and development	100.00		Establish
Beijing Changan R&D Center Co., Ltd.	100.00	Beijing	Beijing	Research and development	100.00		Establish
Changan Japan Designing Center Co., Ltd	JYP1,000	Yokohama, Japan	Yokohama, Japan	Research and development	100.00		Establish
Changan United States R&D Center Co., Ltd.	USD154	Novi, USA	Novi, USA	Research and development	100.00		Establish
Changan Automobile Russia Co., Ltd.	RUB 220,382	Moscow, Russia	Moscow, Russia	Sale	100.00		Establish
Changan Automobile Investment (Shenzhen) Co., Ltd.	23,789.00	Shenzhen	Shenzhen	Sale	100.00		Establish
Nanjing Changan New Energy Automobile Sales & Service Co., Ltd.	5,000.00	Nanjing	Nanjing	Sale	100.00		Establish
Chongqing Anyi Automotive Technology Service Co., Ltd.	200.00	Chongqing	Chongqing	Sale	100.00		Establish
Xiamen Changan New Energy Automobile Sales & Service Co., Ltd.	200.00	Xiamen	Xiamen	Sale	100.00		Establish
Guangzhou Changan New Energy Automobile Sales & Service Co., Ltd.	400.00	Guangzhou	Guangzhou	Sale	100.00		Establish
Chongqing Chehemei Technology Co., Ltd.	1,000.00	Chongqing	Chongqing	Sale	100.00		Establish
Chongqing Changan Kaicheng Automobile Technology Co., Ltd.	100,000.00	Chongqing	Chongqing	Sale	83.64		Establish
Chongqing Changan Automobile Software Technology Co., Ltd.	9,900.00	Chongqing	Chongqing	Research and development	100.00		Establish
Chongqing Chehemei Technology Co., Ltd.	4,900.00	Chongqing	Chongqing	Sale	100.00		Establish
Chongqing Changan Technology Co., Ltd	9,000.00	Chongqing	Chongqing	Research and development	100.00		Establish
Chongqing Changan Xing Automobile Co., Ltd	2,000.00	Chongqing	Chongqing	Lease	100.00		Establish
Nanjing Changan Automobile Co., Ltd.(Note 2)	60,181.00	Nanjing	Nanjing	Manufacturing	84.73		Merger of enterprises not under the same control
Chongqing Lingyao Automobile Co., Ltd.	133,764.00	Chongqing	Chongqing	Manufacturing	100.00		Merger of enterprises not under the same control
Deepal Automobile Technology Co., Ltd	32,810.83	Chongqing	Chongqing	Manufacturing	51.00		Merger of enterprises not under the same control
Hefei Changan Automobile Co., Ltd.	227,500.00	Hefei	Hefei	Manufacturing	100.00		Merger of enterprises under the same control

Note 1: The remaining shareholders of Chongqing Changan Special Purpose Vehicle Co., Ltd. have signed concerted action agreements with the company, agreeing to vote according to the company's voting intentions. Therefore, the company can exercise control over them and include them in the scope of the consolidated financial statements.

Note 2: Our company holds 91.53% of the voting rights in Nanjing Changan Automobile Co., Ltd. The reason for the inconsistency between our shareholding and voting rights is that some minority shareholders have entrusted our company to exercise their voting rights.

**(2) Important non wholly owned subsidiaries**

In RMB Yuan

Name	Minority shareholder shareholding ratio	Profit and loss attributable to minority shareholders in this period	Dividends declared for distribution to minority shareholders in this period	Closing balance of minority shareholders' equity
Deepal Automotive Technology Co., Ltd	49%	(361,949,218.62)		(1,311,051,621.86)

**(3) Main financial information of important non wholly owned subsidiaries**

In RMB Yuan

Name	Ending balance					
	Current assets	Non current assets	Total assets	Current liabilities	Non current liabilities	Total liabilities
Deepal Automotive	19,587,530,651.25	3,778,868,303.07	23,366,398,954.32	24,213,841,701.44	1,827,954,407.92	26,041,796,109.36

In RMB Yuan

Name	Beginning balance					
	Current assets	Non current assets	Total assets	Current liabilities	Non current liabilities	Total liabilities
Deepal Automotive	19,532,107,979.29	3,335,776,374.16	22,867,884,353.45	23,372,178,834.61	1,464,812,108.74	24,836,990,943.35

In RMB Yuan

Name	Current amount incurred			
	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities
Deepal Automotive	13,981,380,535.82	(738,611,579.92)	(738,611,579.92)	188,860,877.54

In RMB Yuan

Name	Amount incurred in the previous period			
	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities
Deepal Automotive	8,828,401,817.81	(1,058,521,570.86)	(1,058,521,570.86)	(2,577,925,021.38)

**2. Stakes in joint ventures and associates****(1) Significant joint ventures or associates**

Name of joint venture or associated enterprise	Main operating place	Registered place	Nature of business	Total proportion of shareholders (%)		Accounting treatment
				Direct	Indirect	
Changan Ford Automobile Co., Ltd.	Chongqing	Chongqing	Manufacture and sale of automobiles, and components	50.00		Equity

Avatr. Co., Ltd	Chongqing	Chongqing	New energy vehicle manufacturing	40.9940		Equity
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**(2) Key financial information of significant joint ventures**

In RMB Yuan

	Ending balance/Amount for this period	Beginning balance/Amount for prior period
	Changan Ford	Changan Ford
Current assets	14,419,604,004.16	12,331,898,432.45
Non-current assets	12,539,894,934.86	13,881,353,746.59
Total assets	26,959,498,939.02	26,213,252,179.04
Current liabilities	16,426,704,017.90	21,314,464,718.72
Non-current liabilities	9,134,085,691.47	5,328,845,420.37
Total liabilities	25,560,789,709.37	26,643,310,139.09
Minority interests	50,600,596.35	67,713,664.93
Equity attributable to owners	1,348,108,633.30	(497,771,624.98)
Net asset owned according to share proportion	674,054,316.65	(248,885,812.49)
Adjustment	(55,293,124.59)	248,885,812.49
Book value of investment	618,761,192.06	-
Fair value of equity investments in joint ventures with publicly quoted prices		
Net profit	1,821,149,735.52	799,233,915.94
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income	1,821,149,735.52	799,233,915.94
Dividends received from joint ventures this year		

**(3) Key financial information of significant associated ventures**

In RMB Yuan

	Ending balance/Amount for this period	Beginning balance/Amount for prior period
	Avatr	Avatr
Current assets	9,669,463,056.62	10,513,768,163.43
Non-current assets	3,076,806,130.71	2,130,278,114.28
Total assets	12,746,269,187.33	12,644,046,277.71
Current liabilities	11,020,047,720.58	9,864,279,866.61
Non-current liabilities	1,020,245,511.52	685,987,794.52
Total liabilities	12,040,293,232.10	10,550,267,661.13
Minority interests		
Equity attributable to owners	705,975,955.23	2,093,778,616.58
Net asset owned according to share proportion	289,407,783.09	858,321,512.30
Adjustment	1,418,415,643.50	1,437,388,747.49

Book value of investment	1,707,823,426.59	2,295,710,259.79
Fair value of equity investments in joint ventures with publicly quoted prices		
Net profit	(1,395,466,105.15)	(1,756,458,646.69)
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income	(1,395,466,105.15)	(1,756,458,646.69)
Dividends received from joint ventures this year		

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

In RMB Yuan

	Ending balance	Beginning balance
Joint venture:		
Total book value of the investment	3,870,282,808.64	3,789,451,718.73
Total amount calculated by shareholding proportion		
--Net profit	80,831,087.02	50,249,613.41
--Other comprehensive income	2.89	
--Total comprehensive income	80,831,089.91	50,249,613.41
Associates:		
Total book value of the investment	7,912,295,071.89	7,702,230,006.95
Total amount calculated by shareholding proportion		
--Net profit	149,862,202.55	119,453,284.98
--Other comprehensive income	(5,967,137.61)	
--Total comprehensive income	143,895,064.94	119,453,284.98

#### (5) Excessive losses incurred by joint ventures or associates

Our company has no obligation to bear additional losses to Jiangling Holdings Limited. Therefore, when it incurs excess losses, we only write down long-term equity investments to zero and do not recognize excess losses related to investments in the aforementioned companies.

## XI. Government subsidies

### 1. Debt projects involving government subsidies

In RMB Yuan

Ledger Account	Beginning balance	Newly added subsidy amount during the period	Transfer of other income amount in this period	Cost deduction amount for this period	Other decreases in this period	Ending balance	Related to assets/earnings
Deferred income	610,407,171.08				104,408,720.03	505,998,451.05	Asset related
Deferred income	108,433,372.44	115,308,720.03	50,000,000.00	3,188,720.03		170,553,372.44	Income related

## 2. Government subsidies included in current profit and loss

Grants related to income

In RMB Yuan

Projects that offset related cost and expense losses	The amount of offsetting related cost and expense losses	
	Current amount incurred	Amount incurred in the previous period
Operating costs	133,204,096.39	23,614,843.48
selling expenses	1,746,029.54	6,763,467.92
Management expenses	7,743,252.52	8,254,895.38
R&D expenses	5,000,000.00	12,334,313.00
Total	147,693,378.45	50,967,519.78

## XII. Risks associated with financial instruments

### 1. Various risks arising from financial instruments

Our company faces various financial risks in the process of operation, including credit risk, liquidity risk, and market risk (including exchange rate risk, interest rate risk, and other price risks). The above financial risks and the risk management policies adopted by our company to reduce these risks are as follows:

The overall goal of our company's risk management is to develop risk management policies that minimize risks as much as possible without excessively affecting the company's competitiveness and adaptability.

#### Credit risks

Credit risk refers to the risk of financial losses incurred by the company due to the counterparty's failure to fulfill contractual obligations.

The credit risk of our company mainly arises from monetary funds, accounts receivable, accounts receivable financing, other receivables, as well as debt instrument investments measured at fair value with changes recognized in current profit or loss that are not included in the scope of impairment assessment.

Our company's monetary funds are mainly deposited in state-owned banks with good reputation and high credit ratings, affiliated finance companies and automotive finance companies, as well as other large and medium-sized listed banks. We believe that there is no significant credit risk and there will be almost no significant losses caused by bank defaults.

In addition, the company has established relevant policies to control credit risk exposure for accounts receivable, accounts receivable financing, contract assets, and other receivables. Our company evaluates customers' credit qualifications and sets corresponding credit periods based on their financial status, the possibility of obtaining guarantees from third parties, credit records, and other factors such as current market conditions. Our company will regularly monitor customer credit records. For customers with poor credit records, we will use written reminders, shorten credit periods, or cancel credit periods to ensure that our overall credit risk is within a controllable range.

#### Liquidity risk

Liquidity risk refers to the risk of a shortage of funds when an enterprise fulfills its obligation to settle by delivering cash or other financial assets.

Our company's policy is to ensure sufficient cash to repay maturing debts. Liquidity risk is centrally controlled by the finance department of our company. The finance department ensures that the company has sufficient funds to repay its debts under all reasonable forecasts by monitoring cash balances, convertible securities, and rolling forecasts of cash flows for the next 12 months. At the same time, continuously monitor whether the company complies with the provisions of the loan agreement and obtain commitments from major financial institutions to provide sufficient reserve funds to meet short-term and long-term funding needs.

#### Market risk



The market risk of financial instruments refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in market prices, including exchange rate risk, interest rate risk, and other price risks.

#### (1) Interest rate risk

Interest rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in market interest rates.

Fixed rate and floating rate interest bearing financial instruments expose our company to fair value interest rate risk and cash flow interest rate risk, respectively. Our company determines the ratio of fixed rate and floating rate instruments based on market conditions, and maintains an appropriate combination of fixed and floating rate instruments through regular review and supervision. When necessary, our company will use interest rate swap tools to hedge interest rate risk.

Our company's revenue and operating cash flow are basically unaffected by fluctuations in market interest rates. On June 30, 2024, all bank loans and payable bonds of our company will accrue interest at a fixed rate. Our company currently does not hedge against interest rate risk.

#### (2) Exchange rate risk

Exchange rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in foreign exchange rates.

Our company continuously monitors foreign currency transactions and the scale of foreign currency assets and liabilities to minimize the foreign exchange risks we face. In addition, the company may also sign forward foreign exchange contracts or currency swap contracts to avoid exchange rate risks.

#### (3) Other price risks

Other price risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to market price changes other than exchange rate risk and interest rate risk.

Our company's other price risks mainly arise from various equity instrument investments, and there is a risk of changes in equity instrument prices.

On June 30, 2024, assuming all other variables remain constant, if the value of equity instruments increases or decreases by 5%, the Company will increase or decrease its net profit by 6488407.75 yuan. The management believes that 5% reasonably reflects the reasonable range within which the value of equity instruments may change in the next year.

### XIII. Disclosure of fair value

#### 1. Closing fair value of assets and liabilities measured at fair value

In RMB Yuan

Items	Fair value at the end of the period			
	First level fair value measurement	Second level fair value measurement	Third level fair value measurement	Total
Trading financial assets	152,668,417.66			152,668,417.66
Other equity instrument investments			504,190,082.71	504,190,082.71
Trading financial liabilities		12,941,513.71		12,941,513.71

### XIV. Related party relationships and transactions

#### 1. Parent company of the Company

Parent company	Place of registration	Nature of the business	Registered capital	Proportion of shares in the Company (%)	Proportion of voting rights in the company (%)
China Changan Automobile Group Co., Ltd.	Beijing	Manufacture and sale of automobiles, engine, and components	6,092,273,400.00	20.81%	20.81%

The Final controlling party is China South Industries Group corporation

## 2. Subsidiaries

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

## 3. Joint ventures and associates

See Joint ventures and associates in X (2) Stake in other entities.

## 4. Other related parties

Related parties	Relationship
Anhui Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Chengdu Huachuan Electric Equipment Co., Ltd	Controlled by the same ultimate holding company
Chenzhi (Chengdu) Intelligent Suspension Co., Ltd	Controlled by the same ultimate holding company
Chengdu Wanyou Trading Co., Ltd	Controlled by the same ultimate holding company
Chengdu Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Chengdu Wanyou Automobile Trading Service Co., Ltd	Controlled by the same ultimate holding company
Chengdu Wanyou Xiangyu Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Guizhou Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Harbin Dongan Automotive Power Co., Ltd	Controlled by the same ultimate holding company
Harbin Dongan Automotive Engine Manufacturing Co., Ltd	Controlled by the same ultimate holding company
Hunan Tianyan Machinery Co., Ltd	Controlled by the same ultimate holding company
Jiangsu Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Luzhou Wanyou Automobile Service Co., Ltd	Controlled by the same ultimate holding company
CSM Faurecia Automotive Parts Co., Ltd.	Controlled by the same ultimate holding company
Chenzhi (Chongqing) Brake System Co., Ltd	Controlled by the same ultimate holding company
South Inter Air-conditioner Co.,Ltd.	Controlled by the same ultimate holding company
Panzhuhua Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Sichuan Jianan Industrial Co., Ltd	Controlled by the same ultimate holding company
Sichuan Ningjiang Shanchuan Machinery Co., Ltd	Controlled by the same ultimate holding company
Yaan Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Yunnan Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
China Changan Automobile Group Tianjin Sales Co., Ltd	Controlled by the same ultimate holding company
Chongqing Qingshan Industrial Co., Ltd	Controlled by the same ultimate holding company
Chongqing Wanyou Ducheng Auto Sales Service Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Wanyou Economic Development Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Wanyou Zunda Automobile Sales & Service Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Changan Minsheng Logistics Co. Ltd.	Controlled by the same ultimate holding company
Beijing Beiji Electromechanical Industry Co., Ltd	Controlled by the same ultimate holding company
Chengdu Zhongzi Guangming Catalytic Technology Co., Ltd	Controlled by the same ultimate holding company
Chengdu Jialing Huaxi Optical Precision Machinery Co., Ltd	Controlled by the same ultimate holding company
Chengdu Lingchuan Automotive Fuel Tank Co., Ltd	Controlled by the same ultimate holding company
Chengdu Wanyou Filter Co., Ltd	Controlled by the same ultimate holding company
Hubei Huazhong Marelli Automotive Lighting Co., Ltd	Controlled by the same ultimate holding company

Related parties	Relationship
Hubei Xiaogan Huazhong Car Lamp Co., Ltd	Controlled by the same ultimate holding company
Construction Industry Group (Yunnan) Co., Ltd	Controlled by the same ultimate holding company
China Ordnance Equipment Group Human Resources Development Center	Controlled by the same ultimate holding company
China Ordnance Equipment Group Commercial Factoring Co., Ltd	Controlled by the same ultimate holding company
Chongqing Dajiang Jiexin Forging Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Jianshe Automobile Air-conditioner Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Construction Tongda Industrial Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Shangfang Automobile Fittings Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Qingshan Transmission Sales Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Yihong Engineering Plastic Products Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Changan industry (Group) Co., Ltd	Controlled by the same ultimate holding company
Chongqing Changan Property Management Co., Ltd.	Controlled by the same ultimate holding company
Beijing Zhongbing Insurance Brokerage Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Changan Intelligent Industrial Technology Service Co., Ltd.	Controlled by the same ultimate holding company
Longchang Shanchuan Precision Welded Tube Co., Ltd.	Controlled by the same ultimate holding company
Nanyang Lida Optoelectronics Co., Ltd	Controlled by the same ultimate holding company
Chongqing Changrong Machinery Co., Ltd.	Controlled by the same ultimate holding company
Southwest Ordnance Industry Chongqing Environmental Protection Research Institute Co., Ltd.	Controlled by the same ultimate holding company
China Ordnance News	Controlled by the same ultimate holding company
Chongqing Wanyou Zhicheng Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Chongqing Wanyou Chengxing Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Chongqing Changxiang Supply Chain Technology Co., Ltd	Controlled by the same ultimate holding company
China Ordnance Equipment Group Automation Research Institute Co., Ltd	Controlled by the same ultimate holding company
Chongqing Southwest Inspection and Testing Co., Ltd	Controlled by the same ultimate holding company
China South Industries Group Commercial Factoring Co., Ltd.	Controlled by the same ultimate holding company
Wanyou Automobile Investment Co., Ltd	Controlled by the same ultimate holding company
China Ordnance Equipment Group Finance Leasing Co., Ltd	Controlled by the same ultimate holding company
Chongqing Anfu Automobile Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Fuji Supply Chain Management Co., Ltd	Controlled by the same ultimate holding company
Ordnance Equipment Group Finance Co., Ltd	Controlled by the same ultimate holding company
Dali Wanfu Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Hubei Huazhong Changjiang Optoelectronics Technology Co., Ltd	Controlled by the same ultimate holding company
Chenzhi Technology Co., Ltd	Controlled by the same ultimate holding company
Beijing North Changfu Automobile Sales Co., Ltd	Controlled by the same ultimate holding company
China Changan Automobile Group Hefei Investment Co., Ltd	Controlled by the same ultimate holding company
Chongqing Construction Industry (Group) Co., Ltd	Controlled by the same ultimate holding company
Chongqing Jialing Yimin Special Equipment Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Jianshe Mechanical & Electrical Equipment Co., Ltd.	Controlled by the same ultimate holding company
Chongqing Xiyi Automobile Connecting Rod Co., Ltd.	Controlled by the same ultimate holding company
Ordnance Equipment Research Institute of China Ordnance Equipment Group	Controlled by the same ultimate holding company
Bazhong Wanyou Automobile Sales and Service Co., Ltd	Controlled by the same ultimate holding company
Chongqing Changan Construction Co., Ltd.	Controlled by the same ultimate holding company
Hunan Tianyan Machinery Co., Ltd	Controlled by the same ultimate holding company
Chengdu Lingchuan Special Industry Co., Ltd	Controlled by the same ultimate holding company

Related parties	Relationship
Yunnan Wanxing Auto Sales Service Co., Ltd.	Controlled by the same ultimate holding company
Hubei Xiaogan Huazhong Car Lamp Co., Ltd	Controlled by the same ultimate holding company
Chongqing Dajiang Xinda Vehicle Co., Ltd	Controlled by the same ultimate holding company
Hafei Automobile Co., Ltd	Companies in which the company participates
Chongqing Dajiang Yuqiang Plastic Co., Ltd.	Companies in which the company participates
Chongqing Nexteer Steering System Co.,Ltd.	Companies in which the company participates
Lear Changan (Chongqing) Automotive System Co., Ltd	Companies in which the company participates
United Automotive Electronics (Chongqing) Co., Ltd	Companies in which the company participates
GKN HUAYU Driveline Systems (Chongqing) Co., Ltd	Companies in which the company participates
Tiannak Lingchuan (Chongqing) exhaust system Co., Ltd	Companies in which the company participates
Chongqing Dajiang Tongyang Plastics Co., Ltd.	Companies in which the company participates
Chongqing Dajiang Guoli Precision Machinery Manufacturing Co., Ltd.	Companies in which the company participates
Dajiang Yapp Automotive Systems Co., Ltd.	Companies in which the company participates
Chongqing Hanon Jianshe Automotive Thermal Systems Co., Ltd.	Companies in which the company participates
Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	Companies in which the company participates
Chongqing Wanyou Talent Service Co., Ltd	Companies in which the company participates
Changan Laisi (Chongqing) robot intelligent equipment Co., Ltd	Companies in which the company participates

## 5. Related-party transaction

### (1) Transactions of goods and services

Goods purchased and services received

In RMB Yuan

Related parties	Nature of the transaction	Current amount	Approved transaction amount	Whether it exceeds the transaction amount	Prior-period amount
Chongqing Qingshan Industrial Co., Ltd	Purchasing parts and accepting labor services	4,493,367,383.45	11,425,588,256.20	No	4,247,550,166.24
Jiangling Holdings Co., Ltd.	Purchasing parts and accepting labor services	2,169,860,345.56	12,995,016,030.33	No	514,070,488.27
Chongqing Changan Minsheng Logistics Co. Ltd.	Purchasing parts and accepting labor services	2,098,821,621.39	7,997,202,114.58	No	2,685,849,489.33
Times Changan Power Battery Co.,Ltd.	Procurement of parts	821,368,168.15	7,704,110,383.18	No	-
Chenzhi (Chongqing) Brake System Co., Ltd	Procurement of parts	624,315,030.21	748,646,684.89	No	547,250,941.45
Sichuan Jian'an Industrial Co., Ltd	Purchasing parts and accepting labor services	548,125,486.31	1,951,122,305.64	No	569,748,423.73

Related parties	Nature of the transaction	Current amount	Approved transaction amount	Whether it exceeds the transaction amount	Prior-period amount
United Automotive Electronics (Chongqing) Co., Ltd	Purchasing parts and accepting labor services	511,597,954.64	1,478,445,956.29	No	489,858,832.36
Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	Procurement of parts	500,527,166.71	761,922,037.96	No	286,555,317.12
Chongqing Nexteer Steering System Co.,Ltd.	Procurement of parts	477,982,649.73	1,551,409,889.43	No	482,284,076.02
Hubei Huazhong Marelli Automobile Lighting Co., Ltd.	Purchasing parts and accepting labor services	461,129,146.14	1,633,883,190.34	No	425,498,458.56
Sichuan Ningjiang Shanchuan Machinery Co, Ltd.	Procurement of parts	433,060,404.47	961,859,835.88	No	250,225,299.36
Chengdu Huachuan Electric Equipment Co., Ltd.	Procurement of parts	392,829,660.89	821,874,569.68	No	265,398,399.77
South Inter Air-conditioner Co.,Ltd.	Procurement of parts	359,507,403.70	1,917,170,046.97	No	324,599,906.01
Chongqing Dajiang Tongyang Plastics Co., Ltd.	Procurement of parts	343,273,903.25	795,342,283.36	No	251,637,351.95
CSM Faurecia Automotive Parts Co., Ltd.	Procurement of parts	278,100,304.72	996,492,651.38	No	293,507,822.63
Chongqing Dajiang Guoli Precision Machinery Manufacturing Co., Ltd.	Procurement of parts	200,516,763.71	922,918,313.76	No	243,266,094.33
Dajiang Yapp Automotive Systems Co., Ltd.	Procurement of parts	189,047,680.99	568,179,277.18	No	218,898,950.45
Chongqing Wutong Chelian Technology Co., Ltd.	Purchasing parts and accepting labor services	171,231,816.16	682,869,759.95	No	157,766,418.74
GKN HUAYU Driveline Systems (Chongqing) Co., Ltd.	Procurement of parts	168,940,531.23	517,379,244.64	No	175,750,765.78
Lear Changan (Chongqing) Automotive System Co., Ltd	Procurement of parts	157,811,927.34	408,322,221.59	No	186,552,716.15
Harbin Dongan Auto Engine Co., Ltd.	Procurement of parts	151,227,473.28	490,421,895.83	No	201,477,650.66
Chengdu Zhongzi Guangming Catalytic Technology Co., Ltd	Procurement of parts	135,729,566.81	1,001,172,941.16	No	277,552,589.96
Chongqing Changrong Machinery Co., Ltd.	Procurement of parts	111,907,956.90	424,994,542.10	No	136,845,945.08
Chongqing Changxian Intelligent Technology Co., Ltd	Accept labor	99,626,120.31	1,106,539,793.14	No	-
Changan Auto Finance Co., Ltd.	Accept labor	96,613,789.13	71,878,099.63	Yes	40,003,766.38
Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	Procurement of parts	95,858,621.77	252,436,715.62	No	101,723,761.38
Hubei Xiaogan Huazhong Car Lamp Co., Ltd	Purchasing parts and accepting labor services	89,196,328.09	192,786,397.56	No	62,177,934.16
Construction Industry Group	Procurement of	84,007,141.90	18,958,146.72	Yes	65,386,027.01

Related parties	Nature of the transaction	Current amount	Approved transaction amount	Whether it exceeds the transaction amount	Prior-period amount
(Yunnan) Co., Ltd	parts				
Chongqing Shangfang Automobile Fittings Co., Ltd.	Procurement of parts	66,085,066.45	195,574,217.92	No	56,847,951.59
Chongqing Jianshe Automobile Air-conditioner Co., Ltd.	Procurement of parts	63,029,494.51	66,707,582.27	No	30,929,139.50
Chengdu Wanyou Filter Co., Ltd.	Procurement of parts	62,558,707.43	170,247,389.42	No	60,828,232.32
Hunan Tianyan Machinery Co., Ltd	Procurement of parts	57,921,928.22	183,259,652.11	No	59,035,655.33
Chongqing Hanon Jianshe Automotive Thermal Systems Co., Ltd.	Procurement of parts	53,751,899.29	221,965,490.53	No	75,943,637.67
Tiannak Lingchuan (Chongqing) exhaust system Co., Ltd	Procurement of parts	52,478,337.69	95,197,423.91	No	23,033,580.78
Beijing Wutong Chelian Technology Co., Ltd.	Procurement of parts	29,697,349.74	80,644,096.51	No	32,740,169.65
Chongqing Yihong Engineering Plastic Products Co., Ltd.	Procurement of parts	28,672,849.28	89,793,888.52	No	35,614,480.95
Chongqing Qingshan Transmission Sales Co., Ltd.	Procurement of parts	26,758,385.18	84,535,268.03	No	29,495,148.15
Chengdu Lingchuan Vehicle Oil Tank Co., Ltd.	Procurement of parts	25,621,052.62	59,766,079.02	No	22,896,846.34
Chongqing Changan Intelligent Industrial Technology Service Co., Ltd	Accept labor	21,919,338.63	44,322,749.40	No	11,279,433.62
Chongqing Construction Tongda Industrial Co., Ltd.	Procurement of parts	20,559,686.91	75,862,450.69	No	27,756,255.26
Chongqing Wanyou Economic Development Co., Ltd.	Purchasing parts and accepting labor services	16,725,120.28	48,860,186.86	No	14,785,490.80
Yunnan Wanyou Auto Sales and Service Co., Ltd.	Accept labor	14,694,568.91	40,301,439.80	No	10,507,634.88
Chongqing Wanyou Talent Service Co., Ltd	Accept labor	10,534,775.09	15,055,678.38	No	-
Chengdu Wanyou Xiangyu Auto Sales and Service Co., Ltd.	Accept labor	10,504,081.34	21,072,352.03	No	8,781,051.72
Longchang Shanchuan Precision Welded Tube Co., Ltd.	Procurement of parts	10,384,036.29	31,679,559.84	No	12,373,330.60
Guizhou Wanyou Auto Sales and Service Co., Ltd.	Accept labor	9,659,028.54	22,139,865.33	No	6,496,124.73
Southwest Ordnance Industry Chongqing Environmental Protection Research Institute Co., Ltd.	Accept labor	9,504,544.41	14,958,443.14	No	445,897.62
China Changan Automobile Group Co., Ltd	Procurement of parts	8,977,833.80	15,896,254.80	No	-
Chongqing Dajiang Jiexin Forging Co., Ltd	Procurement of parts	6,826,450.87	1,661,216.45	Yes	916,320.42
Chongqing Changan industry (Group) Co., Ltd	Accept labor	6,673,053.09	128,952,000.00	No	6,981,144.30
Jiangsu Wanyou Automobile Sales	Accept labor	6,374,830.46	10,836,359.06	No	3,530,670.99

Related parties	Nature of the transaction	Current amount	Approved transaction amount	Whether it exceeds the transaction amount	Prior-period amount
Service Co., Ltd.					
Chengdu Wanyou Auto Trade Service Co., Ltd.	Accept labor	4,990,765.15	13,194,208.49	No	3,136,714.77
Chongqing Changan Property Management Co., Ltd.	Accept labor	4,582,907.88	25,788,000.00	No	5,556,152.45
Anhui Wanyou Automobile Sales Service Co., Ltd.	Accept labor	3,213,766.01	7,610,801.88	No	2,622,805.44
Changan Mazda Engine Co., Ltd.	Accept labor	3,041,536.34	3,000,000.00	Yes	-
China Changan Automobile Group Tianjin Sales Co., Ltd.	Accept labor	2,677,994.00	7,360,976.57	No	2,515,157.69
Avatr Technology (Chongqing) Co., Ltd	Accept labor	2,204,245.81	5,503,506.90	No	928,938.06
Chongqing Wanyou Ducheng Auto Sales Service Co., Ltd.	Accept labor	1,910,254.33	6,306,041.23	No	973,308.83
AVATR (Chongqing) Automobile Sales & Service Co., Ltd	Procurement of parts	1,269,407.08	2,548,184.93	No	61,949,625.77
Changan Ford Automobile Co., Ltd.	Accept labor	1,247,217.12	2,778,558.26	No	-
Ya'an Wanyou Auto Sales and Service Co., Ltd.	Accept labor	1,075,093.34	3,246,310.23	No	1,014,389.55
Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	Accept labor	1,034,919.72	2,601,495.41	No	810,225.03
Chengdu Wanyou Automobile Sales and Service Co., Ltd	Accept labor	937,608.29	2,558,212.92	No	826,173.26
Chenzhi (Chengdu) Intelligent Suspension Co., Ltd	Procurement of parts	579,769.55	1,644,152.77	No	303,637.08
Chongqing Wanyou Chengxing Automobile Sales and Service Co., Ltd	Accept labor	559,717.94	1,320,000.00	No	-
Nanyang Lida Optoelectronics Co., Ltd	Procurement of parts	482,340.66	652,566.85	No	-
Panzhuhua Wanyou Auto Sales & Service Co., Ltd.	Accept labor	375,355.46	829,087.31	No	148,176.37
Chongqing Changxiang Supply Chain Technology Co., Ltd	Accept labor	268,899.07	678,505.91	No	-
Changan Mazda Automobile Co., Ltd	Accept labor	212,576.11	36,000.00	Yes	1,270,637.36
Chengdu Jialing Huaxi Optical & Precision Machinery Co., Ltd.	Procurement of parts	126,726.31	1,193,438.96	No	501,828.63
Luzhou Wanyou Automobile Service Co., Ltd.	Accept labor	122,798.52	773,578.75	No	208,109.30
Chongqing Wanyou Advertising Co., Ltd.	Accept labor	88,650.00	180,000.00	No	-
Chongqing Dajiang Yuqiang Plastic Co., Ltd.	Procurement of parts	87,580.04	321,227.54	No	196,038.83
China Ordnance Equipment Group Commercial Factoring Co., Ltd	Accept labor	66,037.74	96,000.00	No	-
Chongqing Southwest Inspection and Testing Co., Ltd	Accept labor	56,112.31	90,000.00	No	-
Nanjing LingHang Technology Co., Ltd.	Accept labor	51,413.41	43,200.00	Yes	33,388.14

Related parties	Nature of the transaction	Current amount	Approved transaction amount	Whether it exceeds the transaction amount	Prior-period amount
Beijing Beiji Mechanical and Electrical Industry Co., Ltd.	Procurement of parts	24,494.80	232,339.15	No	55,471.89
China Ordnance Equipment Group Human Resources Development Center	Accept labor	20,783.02	26,366.04	No	5,377.35
Beijing Zhongbing Insurance Brokerage Co., Ltd.	Accept labor	20,505.30	54,000.00	No	179,456.11
Chengdu Wanyou Trading Co., Ltd	Accept labor	19,700.27	142,442.82	No	44,034.79
China Ordnance News Agency	Accept labor	12,311.32	28,718.48	No	18,555.76
Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	Accept labor	11,151.69	25,387.34	No	-
Chongqing Wanyou Zunda Automobile Sales & Service Co., Ltd.	Procurement of parts	5,879.99	13,482.54	No	38,252.00
China Ordnance Equipment Group Automation Research Institute Co., Ltd	Accept labor	1,698.11	3,854.53	No	-
Changan Laisi (Chongqing) robot intelligent equipment Co., Ltd	Procurement of parts	-	-	No	1,756,066.31
Zhongqi Chuangzhi Technology Co., Ltd	Purchasing parts and accepting labor services	-	-	No	480,000.94
China Ordnance Equipment Group Commercial Factoring Co., Ltd	Accept labor	-	-	No	76,040.43
Nanjing Chelai Travel Technology Co., Ltd	Accept labor	-	-	No	15,222.66
Total:		16,916,874,982.66	62,209,113,874.82		14,118,319,574.90

## Goods sold and services offered

In RMB Yuan

Related parties	Nature of the transaction	Current amount	Prior-period Amount
Avatr Technology (Chongqing) Co., Ltd.	Selling parts and providing labor services	1,885,583,221.76	966,811,840.03
Chongqing Wanyou Zunda Automobile Sales & Service Co., Ltd.	Selling parts	1,570,508,038.16	1,211,267,157.57
Chengdu Wanyou Xiangyu Auto Sales and Service Co., Ltd.	Selling vehicle parts and providing labor services	1,288,701,497.02	697,109,803.93
Chongqing Wanyou Economic Development Co., Ltd.	Selling vehicle parts and providing labor services	965,905,313.45	895,356,870.07
Yunnan Wanyou Auto Sales and Service Co., Ltd.	Selling vehicle parts and providing labor services	869,877,002.41	555,923,788.70
Guizhou Wanyou Auto Sales and Service Co., Ltd.	Selling vehicle parts and providing labor services	860,548,335.60	565,501,997.62
Chongqing Wanyou Zhicheng Automobile Sales and Service Co., Ltd	Selling complete vehicles	557,004,163.49	-
Jiangsu Wanyou Automobile Sales Service Co., Ltd.	Selling vehicle parts and providing labor services	534,796,227.54	314,630,817.93



Related parties	Nature of the transaction	Current amount	Prior-period Amount
Pakistan Master Automobile Co., Ltd.	Selling complete vehicles and components	218,606,093.69	109,372,901.50
Anhui Wanyou Automobile Sales Service Co., Ltd.	Selling vehicle parts and providing labor services	186,786,950.91	140,376,222.36
Changan Mazda Automobile Co., Ltd	Selling parts and providing labor services	166,764,218.31	7,133,803.72
Chongqing Fuji Supply Chain Management Co., Ltd	Selling complete vehicles	99,552,970.82	69,216,929.01
China Changan Automobile Group Tianjin Sales Co., Ltd.	Selling vehicle parts and providing labor services	93,391,397.85	131,130,406.12
Changan Automobile Financing Co., Ltd.	Providing labor services	42,002,363.94	174,835,059.92
Chengdu Wanyou Auto Trade Service Co., Ltd.	Selling vehicle parts and providing labor services	36,309,737.11	329,514,962.73
Chongqing Changan Kuayue Automobile Co., Ltd.	Selling parts and providing labor services	31,208,393.21	105,713,055.00
Wanyou Automobile Investment Co., Ltd.	Selling complete vehicles and providing labor services	27,888,149.01	291,309,672.29
Chongqing Anfu Automobile Co., Ltd.	Selling complete vehicles and components	19,682,566.45	29,676,902.67
Jiangling Holdings Co., Ltd.	Providing labor services	17,825,828.22	207,500.00
China South Industries Group Financial Leasing Co., Ltd.	Providing labor services	9,463,220.25	16,343,690.21
Changan Ford Automobile Co., Ltd.	Selling parts and providing labor services	3,987,960.57	2,017,778.68
Chongqing Wanyou Ducheng Auto Sales Service Co., Ltd.	Selling vehicle parts and providing labor services	3,013,592.37	2,029,066.92
Chengdu Wanyou Auto Sales and Service Co., Ltd.	Selling vehicle parts and providing labor services	1,475,407.45	832,930.32
Chongqing Chang'an Intelligent Industrial Technology Service Co., Ltd	Providing labor services	1,105,193.12	-
Chongqing Wanyou Chengxing Automobile Sales and Service Co., Ltd	Selling parts and providing labor services	949,738.94	-
Ya'an Wanyou Auto Sales and Service Co., Ltd.	Selling vehicle parts and providing labor services	924,928.43	1,523,835.89
Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	Selling vehicle parts and providing labor services	919,302.67	914,070.23
Beijing North Changfu Automobile Sales Co., Ltd	Selling complete vehicles and providing labor services	895,852.60	-
China South Industry Group Finance Co., Ltd.	Providing labor services	747,706.78	667,592.00
Harbin Dongan Auto Engine Co., Ltd.	Selling goods	745,500.00	-
Panzhuhua Wanyou Auto Sales & Service Co., Ltd.	Selling complete vehicles and components	565,261.39	329,795.23
Chongqing Changan Minsheng Logistics Co., Ltd.	Selling parts and providing labor services	439,453.69	1,389,240.00
Chongqing Tsingshan Industrial Co., Ltd.	Providing labor services	264,150.94	470,541.17
Beijing Zhongbing Insurance Brokerage Co., Ltd	Providing labor services	228,379.97	-
Chongqing Changan Kuayue Automobile Sales Co., Ltd.	Selling parts	172,047.23	129,155.26
China Ordnance Equipment Group Commercial Factoring Co., Ltd	Providing labor services	141,509.43	-

Related parties	Nature of the transaction	Current amount	Prior-period Amount
Chengdu Wanyou Trading Co., Ltd.	Selling complete vehicles and components	136,003.77	95,348.42
Nanjing LingHang Technology Co., Ltd.	Providing labor services	129,618.84	850,308.10
Times Changan Power Battery Co.,Ltd.	Providing labor services	112,400.00	-
Dali Wanfu Automobile Sales and Service Co., Ltd	Selling parts	108,186.19	11,752.21
Chenzhi Technology Co., Ltd	Providing labor services	108,018.87	-
Hubei Huazhong Changjiang Optoelectronics Technology Co., Ltd	Providing labor services	84,905.66	-
Sichuan Jian'an Industry Co., Ltd	Providing labor services	73,962.26	-
Chongqing Dajiang Guoli Precision Machinery Manufacturing Co., Ltd.	Providing labor services	62,135.77	5,757,279.81
Luzhou Wanyou Automobile Service Co., Ltd.	Selling complete vehicles and components	54,476.22	592,242.82
Chongqing Shangfang Automotive Parts Co., Ltd	Selling goods	22,373.31	-
China Ordnance Equipment Group Human Resources Development Center	Providing labor services	12,452.83	-
Chenzhi (Chongqing) Brake System Co., Ltd	Providing labor services	9,433.96	-
Hubei Xiaogan Huazhong Car Lamp Co., Ltd	Providing labor services	9,433.96	-
Avatr (Chongqing) Automobile Sales & Service Co., Ltd	Providing labor services	3,886.80	660.38
Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	Providing labor services	2,588.62	765,342.53
Chongqing Nexteer Steering System Co.,Ltd.	Selling parts	-	5,921,500.00
United Automotive Electronics (Chongqing) Co., Ltd	Selling parts	-	4,577,309.74
Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	Selling parts	-	1,993,518.61
Tiannak Lingchuan (Chongqing) exhaust system Co., Ltd	Selling parts	-	937,224.65
China Changan Automobile Group Hefei Investment Co., Ltd.	Selling complete vehicles	-	201,106.20
Hunan Tianyan Machinery Co., Ltd	Providing labor services	-	169,811.32
Chengdu Huachuan Electric Equipment Co., Ltd.	Selling complete vehicles and providing labor services	-	99,293.70
Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	Providing labor services	-	91,754.87
China Changan Automobile Group Co., Ltd	Providing labor services	-	23,760.00
Chongqing Jianshe Automobile Air-conditioner Co., Ltd.	Selling parts	-	7,964.60
China South Industries Group Commercial Factoring Co., Ltd.	Provide services	-	5,913.36
Hubei Huazhong Marelli Automotive Lighting Co., Ltd	Selling goods	-	1,313.00
Chongqing Wutong Chelian Technology Co., Ltd	Selling goods	-	271.68
Zhongqi Chuangzhi Technology Co., Ltd	Selling goods	-	0.94

Related parties	Nature of the transaction	Current amount	Prior-period Amount
Total:		9,499,911,551.84	6,643,841,064.02

**(2) Related-party leasing**

Rent assets to related parties

In RMB Yuan

Lessee	Type of leased assets	Report period Amount	Same period of last period Amount
Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	Vehicle	8,597,721.53	22,935,079.52
Chongqing Changan Minsheng Logistics Co. Ltd.	Building and land	575,019.02	348,266.98
Chongqing Wanyou Economic Development Co., Ltd.	Building and land	337,155.96	321,100.92
Avatr Technology (Chongqing) Co., Ltd.	Vehicle	145,119.12	-
Chongqing Changan industry (Group) Co., Ltd	Building	-	3,283,373.71
Nanjing LingHang Technology Co., Ltd.	Vehicle	-	2,624,149.56
Southern Inter Air Conditioning Co., Ltd	Vehicle	-	48,849.56
Chongqing Changan Real Estate Development Co., Ltd	Vehicle	-	24,424.78
Total		9,655,015.63	29,585,245.03

## Rent assets from related parties

In RMB Yuan

Lessor	Type of leased assets	Simplified rental fees for short-term leases and low value asset leases		Variable lease payments not included in the measurement of lease liabilities		Rent paid		Interest expenses on lease liabilities assumed		Increased usage rights assets	
		Report period Amount	Same period of last period Amount	Report period Amount	Same period of last period Amount	Report period Amount	Same period of last period Amount	Report period Amount	Same period of last period Amount	Report period Amount	Same period of last period Amount
Chongqing Changan Minsheng Logistics Co. Ltd.	Warehouse	13,594,921.94	8,133,557.01			9,212,947.56	8,133,557.01				
Chongqing Wanyou Zhicheng Automobile Sales and Service Co., Ltd	Vehicle	88,650.00	-			-	-				
Chongqing Changan Property Management Co., Ltd	Land	-	2,977,660.00			-	2,977,660.00				
Total		13,683,571.94	11,111,217.01			9,212,947.56	11,111,217.01				

**(3) Other related transactions**Integrated service charges

In RMB Yuan

Related parties	Nature of the transaction	Report period Amount	Same period of last period Amount
Chongqing Chang'an Industrial (Group) Co., Ltd	Pay Electricity fee	36,939,118.17	37,806,926.34
Total		36,939,118.17	37,806,926.34

Purchase of project materials

In RMB Yuan

Related parties	Report period Amount	Same period of last period Amount
Chongqing Changan Intelligent Industrial Technology Service Co., Ltd	-	2,743,362.86
Total	-	2,743,362.86

Staff expenses for technical supporting

In RMB Yuan

Related parties	Report period Amount	Same period of last period Amount
Changan Mazda Automobile Co., Ltd	14,208,018.59	9,131,656.92
Changan Ford Automobile Co., Ltd	6,985,634.92	5,605,674.97
Changan Mazda Engine Co., Ltd.	6,670,928.95	6,703,950.04
Changan Ford New Energy Vehicle Co., Ltd.	3,808,404.04	-
Chongqing Changan Crossing Vehicle Co., Ltd	1,561,751.27	1,212,194.63
Jiangling Automobile Co., Ltd	1,029,577.45	826,370.83
Chongqing Chang'an Minsheng Logistics Co., Ltd	557,728.26	-
Chongqing WutongChelian Technology Co., Ltd	550,738.60	208,063.02
Time FAW Power Battery Co., Ltd	450,000.00	-
Chongqing Anda Semiconductor Co., Ltd	291,666.67	-
Jiangling Holdings Limited	81,058.58	7,343,774.35
Avatr Technology (Chongqing) Co., Ltd	-	682,780.43
China Changan Automobile Group Co., Ltd	-	169,811.32
Chongqing Shangshang Automotive Parts Co., Ltd	-	37,002.00
Chongqing Construction Transmission Technology Co., Ltd	-	27,872.04
Chongqing Naishite Steering System Co., Ltd	-	18,026.66
Chongqing Dajiang National Precision Machinery Manufacturing Co., Ltd	-	2,520.00
Total	36,195,507.33	31,969,697.21

Technology development service charges

In RMB Yuan

Related parties	Report period Amount	Same period of last period Amount
Jiangling Automobile Co., Ltd	54,439,370.43	-
Changan Mazda Automobile Co., Ltd	9,055,248.00	397,572.54
Chongqing Tsingshan Industrial Co., Ltd.	4,277,407.02	10,144,721.22
Changan Ford Automobile Co., Ltd	2,153,000.00	-
Chongqing Changxian Intelligent Technology Co., Ltd	571,900.50	-
Western Car Network (Chongqing) Co., Ltd	297,054.72	-
Chongqing wutong Chelian Technology Co., Ltd	126,450.47	-
Sichuan Ningjiang Shanchuan Machinery Co., Ltd	122,641.51	-
Total	71,043,072.65	10,542,293.76

Collection of trademark use rights fees

In RMB Yuan

Related parties	Report period Amount	Same period of last period Amount
Chongqing Changan Kuayue Automobile Co., Ltd.	4,477,600.00	6,009,433.96

Related party monetary funds

In RMB Yuan

Related parties	Ending Amount	Beginning Amount
China South Industries Group Finance Co., Ltd	19,949,896,329.93	19,926,021,247.02
Changan Automobile Finance Co., Ltd	14,990,000,000.00	14,990,000,000.00
Total	34,939,896,329.93	34,916,021,247.02

First half of 2024, the annual interest rate of deposits deposited with related parties is 0.2% - 3.5%, and the term is 0-36 months.

Borrowing

## Long-term borrowing

In RMB Yuan

Related parties	Ending Amount	Beginning Amount
China South Industries Group Finance Co., Ltd	76,000,000.00	76,000,000.00
Total	76,000,000.00	76,000,000.00

Interest income of deferred payment

In RMB Yuan

Related parties	Report period Amount	Same period of last period Amount
Jiangsu Wanyou Automobile Sales Service Co., Ltd	88,348.67	1,380.53
Chongqing Wanyou Economic Development Co., Ltd	72,585.96	-
Guizhou Wanyou Automobile Sales and Service Co., Ltd	53,243.80	-
Chengdu Wanyou Xiangyu Automobile Sales and	41,558.41	-

Service Co., Ltd		
Anhui Wanyou Automobile Sales and Service Co., Ltd	29,850.44	-
Chengdu Wanyou Auto Trade Service Co., Ltd	21,363.77	-
Chengdu Lingchuan Automotive Fuel Tank Co., Ltd	17,969.51	-
Yunnan Wanyou Automobile Sales and Service Co., Ltd	10,661.28	-
Wanyou Automobile Investment Co., Ltd	4,141.59	-
Total	339,723.43	1,380.53

## 6. Payment and receivables of related parties

### (1) Payment receivables of related listed companies

In RMB Yuan

Items	Related parties	Ending balance	Beginning balance
Notes receivable	Wanyou Automobile Investment Co., Ltd.	2,547,150,000.00	2,618,900,000.00
Notes receivable	Avatr Technology (Chongqing) Co., Ltd.	1,502,804,705.57	1,162,667,212.07
Notes receivable	Chongqing Changan Kuayue Automobile Sales Co., Ltd.	18,770,000.00	-
Notes receivable	Yunnan Wanyou Auto Sales and Service Co., Ltd.	15,000,000.00	46,000,000.00
Notes receivable	Chongqing Wanyou Economic Development Co., Ltd.	13,000,000.00	31,000,000.00
Notes receivable	Chengdu Wanyou Auto Trade Service Co., Ltd.	11,200,000.00	22,500,000.00
Notes receivable	Chongqing Tsingshan Industrial Co., Ltd.	7,545,451.11	48,163,692.11
Notes receivable	Guizhou Wanyou Auto Sales and Service Co., Ltd.	3,280,000.00	14,200,000.00
Notes receivable	Chongqing Fuji Supply Chain Management Co., Ltd	-	70,015,971.00
Notes receivable	Chongqing Changan Kuayue Vehicle Co., Ltd	-	37,033,400.00
Notes receivable	Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	-	272,292.05
Subtotal		4,118,750,156.68	4,050,752,567.23
Account receivable	Avatr Technology (Chongqing) Co., Ltd.	548,405,543.30	674,602,846.19
Account receivable	Changan Mazda Automobile Co., Ltd	263,911,957.50	177,061,948.01
Account receivable	Pakistan Master Automobile Co., Ltd.	36,464,365.66	16,553,872.36
Account receivable	Chongqing Changan Kuayue Vehicle Co., Ltd	16,298,457.21	23,099,903.46
Account receivable	Changan Mazda Engine Co., Ltd.	7,032,000.00	15,886,858.18
Account receivable	Changan Ford Automobile Co., Ltd.	4,435,896.87	9,976,923.10

Account receivable	Jiangling Holdings Co., Ltd.	2,947,212.54	9,791,503.74
Account receivable	Changan Auto Finance Co., Ltd.	2,599,736.68	21,019,909.48
Account receivable	Changan Ford New Energy Vehicle Co., Ltd.	1,607,364.58	-
Account receivable	Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	853,200.00	4,300,560.00
Account receivable	Chongqing Changan Minsheng Logistics Co. Ltd.	615,597.74	3,269,852.16
Account receivable	Chongqing Changxian Intelligent Technology Co., Ltd	606,214.53	-
Account receivable	Nanjing LingHang Technology Co., Ltd.	458,959.44	321,563.47
Account receivable	China South Industries Group Financial Leasing Co., Ltd.	411,813.47	5,186,975.56
Account receivable	Western Car Network (Chongqing) Co., Ltd	314,878.00	-
Account receivable	Chongqing Anda Semiconductor Co., Ltd	309,166.67	-
Account receivable	Chongqing Changan industry (Group) Co., Ltd	192,632.17	7,139,838.45
Account receivable	Chengdu Wanyou Xiangyu Automobile Sales and Service Co., Ltd	159,900.00	368
Account receivable	Chengdu Wanyou Auto Trade Service Co., Ltd.	135,900.00	-
Account receivable	Chongqing wutong Chelian Technology Co., Ltd	134,037.50	1,210,700.00
Account receivable	Times Changan Power Battery Co.,Ltd.	119,144.00	-
Account receivable	Chenzhi Technology Co., Ltd	114,500.00	-
Account receivable	Chongqing Changan Kuayue Automobile Sales Co., Ltd.	51,407.64	26,019.30
Account receivable	Chongqing Tsingshan Industrial Co., Ltd.	40,000.00	-
Account receivable	Anhui Wanyou Automobile Sales and Service Co., Ltd	39,265.70	-
Account receivable	China Changan Automobile Group Tianjin Sales Co., Ltd.	31,380.00	-
Account receivable	Chengdu Lingchuan Automotive Fuel Tank Co., Ltd	2,743.94	-
Account receivable	Chongqing Fuji Supply Chain Management Co., Ltd	-	13,934,855.12
Account receivable	Jiangsu Wanyou Automobile Sales Service Co., Ltd	-	6,117,845.18
Account receivable	Chenzhi (Chengdu) Intelligent Suspension Co., Ltd	-	497,845.97
Account receivable	Chongqing Anfu Automobile Marketing Co., Ltd	-	278,200.00
Account receivable	Yunnan Wanyou Auto Sales and Service Co., Ltd.	-	121,200.00
	Subtotal	888,293,275.14	990,399,587.73
Other	Chongqing Changan Innovation Private	68,253,846.00	-



receivable	Equity Investment Fund Partnership Enterprise (Limited Partnership)		
Other receivable	Chongqing Changxin Zhiqi Private Equity Investment Fund Partnership (Limited Partnership)	25,500,000.00	25,500,000.00
Other receivable	Chongqing Changan Kuayue Vehicle Co., Ltd	3,430,000.00	-
Other receivable	China South Industry Group Finance Co., Ltd.	200,118.29	-
Other receivable	Chongqing Changan Minsheng Logistics Co. Ltd.	84.97	-
Other receivable	Chongqing Changyu Private Equity Investment Fund Partnership Enterprise (Limited Partnership)	-	69,600,000.00
Other receivable	Jiangling Holdings Co., Ltd.	-	70
Subtotal		97,384,049.26	95,100,070.00
Advanced payment	Harbin Dongan Auto Engine Co., Ltd.	842,415.00	-
Advanced payment	Beijing Zhongbing Insurance Brokerage Co., Ltd	242,082.77	-
Advanced payment	Chongqing Wanyou Economic Development Co., Ltd.	192,590.00	-
Advanced payment	Chongqing Shangfang Automotive Parts Co., Ltd	25,281.84	-
Advanced payment	China Ordnance Equipment Group Human Resources Development Center	13,200.00	-
Advanced payment	Chongqing Wanyou Zunda Automobile Sales and Service Co., Ltd	5,862.00	-
Subtotal		1,321,431.61	-

## (2) Accounts payable to related parties of listed companies

In RMB Yuan

Items	Related parties	Ending balance	Beginning balance
Notes payable	Jiangling Holdings Co., Ltd.	2,136,874,765.21	1,047,608,994.41
Notes payable	Chongqing Tsingshan Industrial Co., Ltd.	1,690,409,282.84	1,723,679,349.53
Notes payable	Chongqing Changan Minsheng Logistics Co. Ltd.	404,421,728.79	443,503,065.10
Notes payable	Chongqing Nexteer Steering System Co.,Ltd.	344,128,811.22	403,879,297.14
Notes payable	Chongqing Dajiang Tongyang Plastics Co., Ltd.	308,929,970.11	241,360,000.00
Notes payable	Times Changan Power Battery Co.,Ltd.	267,263,260.05	-
Notes payable	Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	261,190,000.00	234,620,000.00
Notes payable	South Inter Air-conditioner Co.,Ltd.	218,167,370.68	243,848,518.33
Notes payable	Dajiang Yapp Automotive Systems Co., Ltd.	186,280,711.23	215,540,000.00
Notes	Sichuan Ningjiang Shanchuan Machinery Co, Ltd.	173,433,371.73	80,902,422.85

payable			
Notes payable	Harbin Dongan Auto Engine Co., Ltd.	170,000,000.00	11,090,000.00
Notes payable	Hubei Huazhong Marelli Automobile Lighting Co., Ltd.	140,210,000.00	122,400,000.00
Notes payable	CDGM Tanaka Environmental Catalyst Co.,Ltd.	127,320,711.30	102,880,000.00
Notes payable	GKN HUAYU Driveline Systems (Chongqing) Co., Ltd	120,250,754.61	122,855,842.38
Notes payable	CSM Faurecia Automotive Parts Co., Ltd.	116,296,520.81	107,251,528.51
Notes payable	Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	79,480,000.00	113,510,000.00
Notes payable	Hunan Tianyan Machinery Co., Ltd	73,850,000.00	-
Notes payable	Chenzhi (Chongqing) Brake System Co., Ltd	67,903,664.67	73,980,457.72
Notes payable	Tiannak Lingchuan (Chongqing) exhaust system Co., Ltd	61,790,000.00	44,930,000.00
Notes payable	Hubei Xiaogan Huazhong Automobile Light Co., Ltd.	52,210,327.25	35,788,907.01
Notes payable	Chongqing Shangfang Automobile Fittings Co., Ltd.	46,353,548.24	41,023,156.32
Notes payable	Chongqing Jianshe Automobile Air-conditioner Co., Ltd.	41,810,000.00	14,260,000.00
Notes payable	Chongqing Hanon Jianshe Automotive Thermal Systems Co., Ltd.	40,310,000.00	77,160,000.00
Notes payable	Chongqing Yihong Engineering Plastic Products Co., Ltd.	29,944,335.73	26,870,000.00
Notes payable	Chengdu Wanyou Filter Co., Ltd.	21,370,000.00	51,120,000.00
Notes payable	Sichuan Jian'an Industrial Co.,Ltd.	15,820,000.00	4,757,300.00
Notes payable	Chongqing Construction Tongda Industrial Co., Ltd.	15,796,711.86	15,579,467.79
Notes payable	China South Industry Group Finance Co., Ltd.	12,450,000.00	-
Notes payable	Chongqing Changrong Machinery Co., Ltd.	9,640,073.64	5,667,059.25
Notes payable	Chengdu Lingchuan Vehicle Oil Tank Co., Ltd.	9,520,000.00	2,640,000.00
Notes payable	Southwest Ordnance Industry Chongqing Environmental Protection Research Institute Co., Ltd.	9,074,966.47	10,355,405.72
Notes payable	Chengdu Huachuan Electric Equipment Co., Ltd.	8,520,000.00	-
Notes payable	Longchang Shanchuan Precision Welded Tube Co., Ltd.	6,960,000.00	6,670,000.00
Notes payable	Chongqing Dajiang Jiexin Forging Co., Ltd.	2,990,000.00	340,000.00
Notes payable	Chongqing Changan Intelligent Industrial Technology Service Co., Ltd	1,427,604.24	-
Notes payable	Chongqing Qingshan Transmission Sales Co., Ltd.	30,000.00	-

Notes payable	Hunan Tianyan Machinery Co., Ltd.	-	97,750,000.00
Subtotal		7,272,428,490.68	5,723,820,772.06
Account payable	Jiangling Holdings Co., Ltd.	1,797,280,504.24	1,354,996,530.62
Account payable	Chongqing Tsingshan Industrial Co., Ltd.	882,955,222.20	1,161,486,369.43
Account payable	Chongqing Nexteer Steering System Co.,Ltd.	369,590,620.19	460,868,914.97
Account payable	Chenzhi (Chongqing) Brake System Co., Ltd	179,516,185.64	146,361,112.11
Account payable	Hubei Huazhong Marelli Automobile Lighting Co., Ltd.	158,141,385.62	304,497,612.19
Account payable	Dajiang Yapp Automotive Systems Co., Ltd.	145,416,430.04	188,849,804.56
Account payable	South Inter Air-conditioner Co.,Ltd.	140,937,227.43	218,167,579.17
Account payable	Chongqing Dajiang Tongyang Plastics Co., Ltd.	129,292,020.43	160,704,720.85
Account payable	Sichuan Jian'an Industrial Co.,Ltd.	124,200,216.89	209,471,637.23
Account payable	Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	120,799,931.15	112,601,705.64
Account payable	Chongqing Dajiang Guoli Precision Machinery Manufacturing Co., Ltd.	115,836,205.55	80,230,007.07
Account payable	CDGM Tanaka Environmental Catalyst Co.,Ltd.	97,688,910.97	288,969,832.65
Account payable	Lear Changan (Chongqing) Automotive System Co., Ltd	93,683,471.39	41,271.92
Account payable	CSM Faurecia Automotive Parts Co., Ltd.	92,039,586.13	133,412,554.27
Account payable	Harbin Dongan Auto Engine Co., Ltd.	82,578,904.46	82,269,854.10
Account payable	United Automotive Electronics (Chongqing) Co., Ltd	63,495,236.60	175,204,866.08
Account payable	GKN HUAYU Driveline Systems (Chongqing) Co., Ltd	62,988,650.63	131,979,852.57
Account payable	Chengdu Huachuan Electric Equipment Co., Ltd.	56,306,690.89	133,533,197.37
Account payable	Hunan Tianyan Machinery Co., Ltd	52,385,063.07	62,751,647.18
Account payable	Chongqing Changrong Machinery Co., Ltd.	46,306,272.20	53,190,098.24
Account payable	Sichuan Ningjiang Shanchuan Machinery Co, Ltd.	39,620,939.17	217,032,427.38
Account payable	Chongqing Jianshe Automobile Air-conditioner Co., Ltd.	37,332,675.88	15,466,830.30
Account payable	Hubei Xiaogan Huazhong Automobile Light Co., Ltd.	36,104,638.63	30,315,072.22
Account payable	Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	34,870,845.88	44,644,512.83
Account payable	Chongqing Changan Minsheng Logistics Co. Ltd.	27,430,966.56	12,682,710.95
Account	Chongqing Shangfang Automobile Fittings Co., Ltd.	27,039,767.01	32,922,573.42

payable			
Account payable	Chengdu Wanyou Filter Co., Ltd.	21,626,491.55	23,915,398.04
Account payable	Construction Industry Group (Yunnan) Co., Ltd	20,984,974.87	327,412.94
Account payable	Chongqing Hanon Jianshe Automotive Thermal Systems Co., Ltd.	20,123,010.47	5,633,908.16
Account payable	Chengdu Lingchuan Vehicle Oil Tank Co., Ltd.	16,119,198.40	18,306,736.20
Account payable	Chongqing Construction Tongda Industrial Co., Ltd.	16,079,337.46	21,293,902.87
Account payable	Tiannak Lingchuan (Chongqing) exhaust system Co., Ltd	11,730,407.33	93,157.04
Account payable	Chongqing Wanyou Economic Development Co., Ltd.	5,049,141.72	7,393,900.62
Account payable	Chongqing Qingshan Transmission Sales Co., Ltd.	4,933,395.59	11,834,165.78
Account payable	Chongqing Yihong Engineering Plastic Products Co., Ltd.	4,823,040.79	22,446,756.72
Account payable	Chongqing Dajiang Jiexin Forging Co., Ltd.	4,650,255.00	421,518.30
Account payable	Beijing Wutong Chelian Technology Co., Ltd.	4,582,954.79	1,781,815.70
Account payable	Longchang Shanchuan Precision Welded Tube Co., Ltd.	3,062,086.17	4,292,608.83
Account payable	China Changan Automobile Group Co., Ltd.	1,954,952.24	1,040,003.18
Account payable	Chongqing Changan Intelligent Industrial Technology Service Co., Ltd	1,443,978.00	1,443,978.00
Account payable	AVATR (Chongqing) Automobile Sales & Service Co., Ltd	1,100,769.80	587,070.80
Account payable	Chenzhi (Chengdu) Intelligent Suspension Co., Ltd	779,332.12	1,220,521.72
Account payable	Avatr Technology (Chongqing) Co., Ltd	643,755.00	914,385.00
Account payable	Chongqing Changxian Intelligent Technology Co., Ltd	558,742.05	-
Account payable	Nanyang Lida Optoelectronics Co., Ltd	545,044.95	-
Account payable	Chongqing Wutong Chelian Technology Co., Ltd	311,014.83	3,636,473.60
Account payable	Chongqing Changan industry (Group) Co., Ltd	154,239.51	601,675.65
Account payable	Chengdu Jialing Huaxi Optical & Precision Machinery Co., Ltd.	139,598.40	242,083.74
Account payable	Chongqing Jialing Yimin Special Equipment Co., Ltd.	104,496.50	104,496.50
Account payable	Times Changan Power Battery Co.,Ltd.	99,460.00	95,181,872.65
Account payable	Chongqing Jianshe Mechanical & Electrical Equipment Co., Ltd.	94,531.82	47,265.91
Account payable	Chongqing Construction Industry (Group) Co., Ltd	90,189.67	575,587.79
Account	Chongqing Xiyi automobile connecting rod Co., Ltd	38,422.14	38,422.14

payable			
Account payable	Chongqing Changan Property Management Co., Ltd.	12,402.00	-
Account payable	Hangzhou Chelizi Intelligent Technology Co., Ltd.	12,350.00	12,350.00
Account payable	Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	11,820.79	32,771.36
Account payable	Chongqing Dajiang Yuqiang Plastic Co., Ltd.	7,068.48	3,588,068.59
Account payable	Hafei Automobile Co., Ltd	344.04	344.04
Account payable	Beijing Beiji Mechanical and Electrical Industry Co., Ltd.	-	141,911.64
Account payable	Chengdu Lingchuan Special Industry Co., Ltd.	-	101,585.16
Account payable	Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	-	20,842.80
Subtotal		5,155,705,375.33	6,039,926,286.79
Contract liabilities	Chengdu Wanyou Xiangyu Auto Sales and Service Co., Ltd.	124,978,443.85	110,584,225.04
Contract liabilities	Jiangsu Wanyou Automobile Sales Service Co., Ltd.	69,459,070.92	26,589,072.67
Contract liabilities	Chongqing Wanyou Economic Development Co., Ltd.	54,366,075.62	62,975,674.47
Contract liabilities	Guizhou Wanyou Auto Sales and Service Co., Ltd.	35,493,993.56	68,070,242.12
Contract liabilities	Anhui Wanyou Automobile Sales Service Co., Ltd.	26,674,923.57	9,994,433.27
Contract liabilities	Yunnan Wanyou Auto Sales and Service Co., Ltd.	22,211,744.68	55,836,423.36
Contract liabilities	Wanyou Automobile Investment Co., Ltd.	17,659,822.55	23,183,182.96
Contract liabilities	China Changan Automobile Group Tianjin Sales Co., Ltd.	7,981,217.13	8,118,237.92
Contract liabilities	Pakistan Master Automobile Co., Ltd.	7,326,740.89	6,452,463.66
Contract liabilities	Nanchang Jiangling Group Tianren Auto Parts Co., Ltd	6,854,200.00	-
Contract liabilities	Chongqing Fuji Supply Chain Management Co., Ltd	6,467,467.30	-
Contract liabilities	Chengdu Wanyou Auto Trade Service Co., Ltd.	5,853,128.95	16,498,448.61
Contract liabilities	Changan Mazda Engine Co., Ltd.	3,256,185.92	-
Contract liabilities	Ordnance Equipment Research Institute of China Ordnance Equipment Group	759,366.75	-
Contract liabilities	Changan Automobile Finance Co., Ltd	685,200.00	606,371.68
Contract liabilities	Hafei Automobile Co., Ltd	471,942.49	417,648.22
Contract liabilities	Chengdu Wanyou Auto Sales and Service Co.,Ltd.	275,094.97	345,372.38
Contract liabilities	Chongqing Changan Minsheng Logistics Co. Ltd.	202,904.23	271,047.12

Contract liabilities	Chongqing Anfu Automobile Co., Ltd.	178,600.00	-
Contract liabilities	Chongqing Wanyou Ducheng Auto Sales Service Co., Ltd.	91,336.65	207,654.20
Contract liabilities	Dali Wanfu Automobile Sales and Service Co., Ltd	45,130.22	46,416.87
Contract liabilities	Beijing North Changfu Automobile Sales Co., Ltd	10,000.00	-
Contract liabilities	Chongqing Shangfang Automobile Fittings Co., Ltd.	3,980.00	3,522.12
Contract liabilities	Luzhou Wanyou Automobile Service Co., Ltd.	121	54,775.96
Contract liabilities	Chongqing Wanyou Zunda Automobile Sales & Service Co., Ltd.	-	89,057,725.73
Contract liabilities	Chongqing Wanyou Zhicheng Automobile Sales and Service Co., Ltd	-	9,803,782.94
Contract liabilities	Avatr Technology (Chongqing) Co., Ltd	-	970,882.61
Contract liabilities	Ya'an Wanyou Auto Sales and Service Co., Ltd.	-	112,302.96
Contract liabilities	Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	-	66,275.60
Contract liabilities	Bazhong Wanyou Auto Sales & Service Co., Ltd.	-	44,625.20
Contract liabilities	Panzhihua Wanyou Auto Sales & Service Co., Ltd.	-	32,689.44
Contract liabilities	Chengdu Wanyou Trading Co., Ltd.	-	15,049.38
Contract liabilities	China Changan Automobile Group Hefei Investment Co., Ltd.	-	9,091.15
Contract liabilities	Yunnan Wanxing Auto Sales Service Co., Ltd.	-	87.61
Contract liabilities	Changan Ford Automobile Co., Ltd.	-	0.32
Subtotal		391,306,691.25	490,367,725.57
Other payables	Chongqing Changan Minsheng Logistics Co. Ltd.	647,744,953.55	500,998,344.99
Other payables	Hafei Automobile Co., Ltd	66,824,300.00	-
Other payables	China Changan Automobile Group Co., Ltd.	9,825,445.99	-
Other payables	Chongqing Tsingshan Industrial Co., Ltd.	9,240,873.90	18,225,258.51
Other payables	Chongqing Changan Construction Co., Ltd.	7,762,873.49	7,120,158.39
Other payables	Changan Reis (Chongqing) Robotic Intelligent Equipment Co., Ltd.	7,439,420.93	7,439,420.93
Other payables	Ald Fortune Auto Leasing & Renting (Shanghai) Co., Ltd.	7,088,464.83	10,098,882.10
Other payables	Chongqing Dajiang Guoli Precision Machinery Manufacturing Co., Ltd.	6,015,690.35	99,087.65
Other payables	Southwest Ordnance Industry Chongqing Environmental Protection Research Institute Co., Ltd.	5,544,649.34	6,567,229.16

Other payables	Chongqing Wanyou Talent Service Co., Ltd	5,428,594.36	-
Other payables	Chongqing Changan Property Management Co., Ltd.	4,167,170.61	4,291,910.22
Other payables	Chongqing Wanyou Economic Development Co., Ltd.	4,097,100.00	9,733,185.00
Other payables	China Changan Automobile Group Tianjin Sales Co., Ltd.	3,861,800.00	4,967,547.10
Other payables	Jiangsu Wanyou Automobile Sales Service Co., Ltd.	3,632,500.00	12,433,698.10
Other payables	Hubei Huazhong Marelli Automobile Lighting Co., Ltd.	3,085,295.00	411,875.16
Other payables	Chongqing Changan Intelligent Industrial Technology Service Co., Ltd	2,789,214.26	4,000,701.62
Other payables	Yunnan Wanyou Auto Sales and Service Co., Ltd.	2,723,100.00	7,847,297.00
Other payables	Times Changan Power Battery Co.,Ltd.	2,181,917.60	-
Other payables	Sichuan Jian'an Industrial Co.,Ltd.	2,124,179.80	1,670,420.64
Other payables	South Inter Air-conditioner Co.,Ltd.	1,703,953.02	3,885,605.94
Other payables	CSM Faurecia Automotive Parts Co., Ltd.	1,408,964.50	2,292,829.98
Other payables	Chenzhi (Chongqing) Brake System Co., Ltd	1,192,027.46	81,873.02
Other payables	Chengdu Wanyou Auto Trade Service Co., Ltd.	983,340.00	2,041,261.84
Other payables	Guizhou Wanyou Auto Sales and Service Co., Ltd.	803,436.32	4,854,300.00
Other payables	Chongqing Changan industry (Group) Co., Ltd	791,056.30	875,856.10
Other payables	Chengdu Wanyou Xiangyu Auto Sales and Service Co., Ltd.	634,500.00	9,558,725.84
Other payables	Anhui Wanyou Automobile Sales Service Co., Ltd.	627,800.00	938,180.00
Other payables	Jiangling Holdings Co., Ltd.	487,269.56	-
Other payables	Chongqing Southwest Inspection and Testing Co., Ltd	348,157.54	-
Other payables	Changan Ford Automobile Co., Ltd.	315,404.16	752,549.61
Other payables	Avatr Technology (Chongqing) Co., Ltd	232,238.36	-
Other payables	Chongqing Wanyou Xingjian Auto Sales & Service Co., Ltd.	200,000.00	441,740.00
Other payables	Ya'an Wanyou Auto Sales and Service Co., Ltd.	163,900.00	2,100,513.14
Other payables	Dajiang Yapp Automotive Systems Co., Ltd.	156,286.40	17,514.74
Other payables	Chongqing Wanyou Ducheng Auto Sales Service Co., Ltd.	136,100.00	737,780.00
Other payables	Chengdu Wanyou Filter Co., Ltd.	120,000.00	939,532.50

Other payables	Chengdu Wanyou Auto Sales and Service Co.,Ltd.	120,000.00	3,200,000.00
Other payables	Chenzhi Technology Co., Ltd	107,350.00	-
Other payables	Sichuan Ningjiang Shanchuan Machinery Co, Ltd.	104,511.20	84,283.54
Other payables	Chongqing Wanyou Zhicheng Automobile Sales and Service Co., Ltd	100,174.50	-
Other payables	GKN HUAYU Driveline Systems (Chongqing) Co., Ltd	68,873.50	89,598.75
Other payables	Chengdu Huachuan Electric Equipment Co., Ltd.	65,356.32	237,375.50
Other payables	Harbin Dongan Automotive Engine Manufacturing Co., Ltd.	45,263.28	12,665.04
Other payables	Hubei Xiaogan Huazhong Automobile Light Co., Ltd.	44,971.36	-
Other payables	Chongqing Nexteer Steering System Co.,Ltd.	6,518.69	1,238,092.98
Other payables	United Automotive Electronics (Chongqing) Co., Ltd	4,746.00	159,089.20
Other payables	Chongqing Shangfang Automobile Fittings Co., Ltd.	2,457.06	215,604.00
Other payables	Chongqing Changrong Machinery Co., Ltd.	250.59	88,358.88
Other payables	Chongqing Lingchuan Auto Parts Manufacturing Technology Co., Ltd.	-	681,921.10
Other payables	CDGM Tanaka Environmental Catalyst Co.,Ltd.	-	229,627.31
Other payables	Luzhou Wanyou Automobile Service Co., Ltd.	-	221,800.00
Other payables	Chongqing Wanyou Zunda Automobile Sales & Service Co., Ltd.	-	213,235.41
Other payables	Beijing North Changfu Automobile Sales Co., Ltd	-	200,000.00
Other payables	Chongqing Wanyou Chengxing Automobile Sales and Service Co., Ltd	-	120,000.00
Other payables	Chongqing Dajiang Xinda Vehicles Shares Co., Ltd.	-	100,000.00
Other payables	China Ordnance News	-	44,850.00
Other payables	Hunan Tianyan Machinery Co., Ltd.	-	21,696.00
Other payables	Dali Wanfu Automobile Sales and Service Co., Ltd	-	1,691.00
Other payables	Chongqing Construction Tongda Industrial Co., Ltd.	-	1,343.94
Other payables	Chongqing Yihong Engineering Plastic Products Co., Ltd.	-	159.91
Subtotal		812,552,450.13	632,584,671.84



## XV. Share-based payments

### 1. General information

In RMB Yuan

Grant object category	Grant in current period		Exercise rights in current period		Unlock in current period		Lose efficacy in current period	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Staff					43,135,948.00	132,685,226.16		
Total					43,135,948.00	132,685,226.16		

### 2. Equity settled share based payment

In RMB Yuan

Determination method of fair value of equity instruments on the grant date	Market price method model calculation
Basis for determining the number of exercisable equity instruments	Based on the best estimate of the number of exercisable equity instruments, the relevant expenses and costs are calculated according to the fair value of the equity instruments on the grant date
Cumulative amount of equity settled share based payment included in capital reserve	1,192,614,367.92

### 3. Share based payment expenses for current period

Grant object category	Equity settled share based payment fees	Share based payment fees settled in cash
Staff	181,288,200.00	
Total	181,288,200.00	

## XVI. Commitments and Contingencies

### 1. Important commitments existing on the balance sheet date

Contracted, but not provided for

In RMB Yuan

	ending balance	Beginning balance
Capital commitments	10,101,161,476.92	11,619,677,925.31
Investment commitments	894,050,000.00	1,132,500,000.00
Total	10,995,211,476.92	12,752,177,925.31

## XVII. Events after the balance sheet date

None

## XVIII. Other important events

None

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

### 1. Account Receivables

#### (1) Accounts receivable disclosed by aging

In RMB Yuan

Account receivable age	Ending balance	Beginning balance
Less than 1 year (including 1 year)	12,185,535,712.57	7,757,039,345.74
1 to 2 years (including 2 years)	247,784,277.93	4,629,777.82
2 to 3 years (including 3 years)	222,236,659.88	713,934,590.78
Over 3 years	667,087,783.22	172,295,427.89
Subtotal	13,322,644,433.60	8,647,899,142.23
Minus: Provision	66,499,035.09	68,395,117.00
Total	13,256,145,398.51	8,579,504,025.23

#### (2) Accounts receivable are classified and disclosed according to the bad debt provision method

In RMB Yuan

Item	Ending balance				Book value
	Book balance		Bad debt reserves		
	Amount	Ratio (%)	Amount	Ratio (%)	
Individually analyzed for provision	12,892,811,222.50	96.77	37,652,846.20	0.29	12,855,158,376.30
Accounts receivable analyzed as groups for provision	429,833,211.10	3.23	28,846,188.89	6.71	400,987,022.21
Total	13,322,644,433.60	100.00	66,499,035.09		13,256,145,398.51

In RMB Yuan

Item	Beginning balance				Book value
	Book balance		Bad debt reserves		
	Amount	Ratio (%)	Amount	Ratio (%)	
Individually analyzed for provision	8,521,036,971.35	98.53	37,652,846.20	0.44	8,483,384,125.15
Accounts receivable analyzed as groups for provision	126,862,170.88	1.47	30,742,270.80	24.23	96,119,900.08
Total	8,647,899,142.23	100.00	68,395,117.00		8,579,504,025.23

Provision for bad debts based on credit risk characteristics:

In RMB Yuan

Item	Ending balance		
	Estimated book balance of default	Expected credit loss rate (%)	Expected credit loss for the entire duration

Within 1 year (including 1 year)	389,060,540.22	0.01	30,910.34
1 to 2 years	9,189,589.19	0.16	14,272.48
2 to 3 years			
More than 3 years	31,583,081.69	91.19	28,801,006.07
Total	429,833,211.10		28,846,188.89

**(3) Provision for bad debts accrued, recovered or reversed in this period**

In RMB Yuan

Items	Beginning balance	Report period Amount		Ending balance
		Accrual	Withdrawal or reversal	
Individually analyzed for provision	37,652,846.20			37,652,846.20
Accounts receivable analyzed as groups for provision	30,742,270.80		1,896,081.91	28,846,188.89
Total	68,395,117.00		1,896,081.91	66,499,035.09

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

As of June 30, 2024, the top five accounts receivable had a total balance of 9852015270.32 yuan, accounting for 73.95% of the total ending balance of accounts receivable.

**2. Other receivables**

In RMB Yuan

Items	Ending balance	Beginning balance
Dividends receivable	22,469,320.00	
Other receivables	439,225,446.87	237,247,787.26
Total	461,694,766.87	237,247,787.26

**(1) Dividends receivable****1) Classification of dividends receivable**

In RMB Yuan

Items ( or invested units )	Ending balance	Beginning balance
Chongqing Changan Kuayue Vehicle Co., Ltd	3,430,000.00	
Zhongfa Lian Investment Co., Ltd	19,039,320.00	
Total	22,469,320.00	

**(2) Other receivables****1) Disclosure by aging**

In RMB Yuan

Aging	Ending balance	Beginning balance
Less than 1 year (including 1 year)	429,857,858.95	231,794,668.72
1 to 2 years (including 2 years)	7,545,438.39	3,543,202.13
2 to 3 years (including 3 years)	1,804,946.67	1,987,846.67
Over 3 years	6,930,932.77	6,930,932.77
Subtotal	446,139,176.78	244,256,650.29
Minus: Provision	6,913,729.91	7,008,863.03
Total	439,225,446.87	237,247,787.26

**2) Classified disclosure based on bad debt provision method**

In RMB Yuan

Item	Ending balance				Book value
	Book balance		Bad debt reserves		
	Amount	Ratio (%)	Amount	Ratio (%)	
Individually analyzed for provision	361,296,709.51	80.98	6,842,932.77	1.89	354,453,776.74
Accounts receivable analyzed as groups for provision	84,842,467.27	19.02	70,797.14	0.08	84,771,670.13
Total	446,139,176.78	100.00	6,913,729.91		439,225,446.87

In RMB Yuan

Item	Beginning balance				Book value
	Book balance		Bad debt reserves		
	Amount	Ratio (%)	Amount	Ratio (%)	
Individually analyzed for provision	173,323,245.26	70.96	6,842,932.77	3.95	166,480,312.49
Accounts receivable analyzed as groups for provision	70,933,405.03	29.04	165,930.26	0.23	70,767,474.77
Total	244,256,650.29	100.00	7,008,863.03		237,247,787.26

**3) Provision for bad debts**

In RMB Yuan

Bad debts	Phase 1	Phase 2	Phase 3	Total
	Expected credit loss for the next 12 months	Expected credit loss for the entire duration (no credit impairment has occurred)	Expected credit loss for the entire duration (credit impairment already occurred)	

Ending balance of the previous year	165,930.26		6,842,932.77	7,008,863.03
Last year's ending balance in the current period				
—— Entering the Phase 2				
—— Entering the Phase 3				
—— Return to the Phase 2				
—— Return to the Phase 1				
Provision for this period				
Current period reversal	95,133.12			95,133.12
This period's resale				
Verification in this period				
Other changes				
Ending balance	70,797.14		6,842,932.77	6,913,729.91

The changes in the book balance of other receivables are as follows:

In RMB Yuan

Bad debts	Phase 1	Phase 2	Phase 3	Total
	Expected credit loss for the next 12 months	Expected credit loss for the entire duration (no credit impairment has occurred)	Expected credit loss for the entire duration (credit impairment already occurred)	
Ending balance of the previous year	237,413,717.52		6,842,932.77	244,256,650.29
Last year's ending balance in the current period				
—— Entering the Phase 2				
—— Entering the Phase 3				
—— Return to the Phase 2				
—— Return to the Phase 1				
Newly added in this period	645,616,722.76			645,616,722.76
Termination confirmation for this period	443,734,196.27			443,734,196.27
Other changes				
Ending balance	439,296,244.01		6,842,932.77	446,139,176.78

#### 4) Provision for bad debts accrued, recovered or reversed in this period

In RMB Yuan

Item	Beginning balance	Current period change amount		Ending balance
		Provision	Withdrawal or reversal	
Individually analyzed for provision	6,842,932.77			6,842,932.77
Accounts receivable analyzed as	165,930.26		95,133.12	70,797.14

groups for provision				
Total	7,008,863.03		95,133.12	6,913,729.91

#### 5) Classification of other receivables by nature of payment

In RMB Yuan

Nature of Payment	Ending book balance	Beginning book balance
Prepaid equity investment funds	347,940,427.45	109,286,581.45
Reserve fund	13,796,543.91	69,048,305.62
Internal communication	6,513,349.29	25,410,795.04
Subsidies receivable		31,782,936.00
Others	77,888,856.13	8,728,032.18
Total	446,139,176.78	244,256,650.29

#### 6) Other receivables with the top five ending balances collected by debtor

As of June 30, 2024, the top five ending balances of other receivables amounted to RMB 381,521,764.61, accounting for 85.52% of the total ending balance of other receivables.

**3. Long-term equity investment**

In RMB Yuan

Items	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	7,722,549,139.12	49,194,195.00	7,673,354,944.12	7,722,549,139.12	49,194,195.00	7,673,354,944.12
Investment in joint ventures and associates	12,110,989,687.66		12,110,989,687.66	11,762,095,077.25		11,762,095,077.25
Total	19,833,538,826.78	49,194,195.00	19,784,344,631.78	19,484,644,216.37	49,194,195.00	19,435,450,021.37

**(1) Investment in subsidiaries**

In RMB Yuan

Investee	Opening Balance	Changes during report period				Ending Balance	Ending Balance of provision
		Addition	reduce investment	Provision for impairment	Others		
Hefei Changan Automobile Co.,Ltd.	1,535,367,765.23					1,535,367,765.23	
Chongqing Changan International Automobile Sales Co., Ltd.	1,182,068,581.00					1,182,068,581.00	
Chongqing Changan Kaicheng Automobile Technology Co., Ltd.	977,793,971.55					977,793,971.55	
Chongqing Changan Lingyao Automobile Co., Ltd.	594,949,059.30					594,949,059.30	
Nanjing Changan Automobile Co., Ltd.	422,533,259.00					422,533,259.00	
Changan Automobile Russia Co., Ltd.	251,242,589.15					251,242,589.15	
Changan United Kingdom R&D Center Co., Ltd.	250,093,850.95					250,093,850.95	
Changan Automobile Investment (Shenzhen) Co., Ltd	237,889,511.00					237,889,511.00	
Chongqing Changan Europe Design Center	155,469,913.50					155,469,913.50	

Co., Ltd.							
Chongqing Changan Automobile Software Technology Co., Ltd.	99,000,000.00					99,000,000.00	
Chongqing Changan Technology Co., Ltd	90,000,000.00					90,000,000.00	
Chongqing Changan Connected Car Technology Co., Ltd.	88,500,000.00					88,500,000.00	
Nanjing Changan New Energy Automobile Sales & Service Co., Ltd.	50,000,000.00					50,000,000.00	
Chongqing Zhilaidadao New Energy Co., Ltd	49,194,195.00					49,194,195.00	49,194,195.00
Chongqing Changan Automobile Supporting Service Co., Ltd.	29,700,000.00					29,700,000.00	
Chongqing Changan Xing Automobile Co., Ltd	20,000,000.00					20,000,000.00	
Deepal Automobile Technology Co., Ltd	1,655,606,604.29					1,655,606,604.29	
Changan United States R&D Center Co., Ltd.	10,243,460.00					10,243,460.00	
Chongqing Chehemei Technology Co., Ltd.	10,000,000.00					10,000,000.00	
Guangzhou Changan New Energy Automobile Co. Ltd.	4,000,000.00					4,000,000.00	
Chongqing Changan Special Automobile Co., Ltd.	2,500,000.00					2,500,000.00	
Xiamen Changan New Energy Automobile Co. Ltd.	2,000,000.00					2,000,000.00	
Chongqing Anyi Automobile Technical Service Co., Ltd.	2,000,000.00					2,000,000.00	
Changan Japan Designing Center Co.,Ltd.	1,396,370.15					1,396,370.15	
Beijing Changan R&D Center Co., Ltd.	1,000,000.00					1,000,000.00	
Changan Automobile Southeast Asia Co., Ltd	3.00					3.00	
Changan Automotive Parts (Thailand) Co., Ltd	3.00					3.00	
Changan Automobile Sales (Thailand) Co., Ltd	3.00					3.00	
Total	7,722,549,139.12					7,722,549,139.12	49,194,195.00



## (2) Investment in associates and joint ventures

In RMB Yuan

Investee	Opening Balance	Changes during report period					Ending Balance	Closing balance of impairment provision
		Addition	Investment income/loss under equity method	Other comprehensive income adjustments	Other equity changes	Declare the distribution of cash dividends or profits		
1. Joint ventures								
Nanchang Jiangling Investment Co., Ltd.	2,106,206,520.20		181,840,492.72	2.89			2,288,047,015.81	
Changan Mazda Automobile Co., Ltd.	878,239,492.13		(102,147,632.24)				776,091,859.89	
Changan Mazda Engine Co., Ltd.	805,005,706.40		1,138,226.54				806,143,932.94	
Changan Ford Automobile Co., Ltd.			618,761,192.06				618,761,192.06	
Subtotal	3,789,451,718.73		699,592,279.08	2.89			4,489,044,000.70	
2. Associates								
Changan Automobile Financing Co., Ltd.	3,041,392,973.86		201,365,024.22				3,242,757,998.08	
Nanjing Leading Equity Investment Partnership (Limited Partnership)	2,645,793,326.69		(7,834,395.32)				2,637,958,931.37	
Zhongqi Chuangzhi Technology Co., Ltd.	448,515,220.54		(8,958,355.14)				439,556,865.40	
Chongqing Changan Kuayue Automobile Co., Ltd.	228,765,251.64		2,148,873.70			(3,430,000.00)	227,484,125.34	
Chongqing Changxin Zhiqi Private Equity Investment Fund Partnership (Limited Partnership)	204,518,396.38		8,011,212.22				212,529,608.60	
Era Chang'an Power Battery Co., Ltd	132,637,632.28		(37,137,975.00)				95,499,657.28	
Chongqing Changxian	103,217,635.38		524,784.92				103,742,420.30	

Intelligent Technology Co., Ltd								
Chongqing Changan Innovation Private Equity Investment Fund Partnership Enterprise (Limited Partnership)	70,104,473.99		308.14				70,104,782.13	
Changan Ford New Energy Vehicle Technology Co., Ltd	67,713,664.93		(17,113,068.64)				50,600,596.29	
Anhe Chongqing Dingfeng Automobile Contract Private Equity Investment Fund	61,692,352.41		370,450.00				62,062,802.41	
Coresing Semiconductor Technology Co., Ltd.	28,502,232.09		161,981.13				28,664,213.22	
Nanjing Leading Equity Investment Management Co., Ltd.	1,107,400.12		(6,888.58)				1,100,511.54	
Nanjing Chelai Travel Technology Co., Ltd.	584,824.65		(251,725.81)				333,098.84	
Avatr Technology (Chongqing) Co., Ltd.	938,097,973.56		(561,624,968.82)	(184,358.40)	3,221,300.64		379,509,946.98	
Chongqing Changyu Private Equity Investment Fund Partnership Enterprise (Limited Partnership)		69,600,000.00	(578,713.15)				69,021,286.85	
Chongqing Changan Kuayue Vehicle Marketing Co., Ltd			1,018,842.33				1,018,842.33	
Subtotal	7,972,643,358.52	69,600,000.00	(419,904,613.80)	(184,358.40)	3,221,300.64	(3,430,000.00)	7,621,945,686.96	
Total	11,762,095,077.25	69,600,000.00	279,687,665.28	(184,355.51)	3,221,300.64	(3,430,000.00)	12,110,989,687.66	

#### 4. Operating revenue and cost

In RMB Yuan

Items	Report period		Same period of last year	
	Revenue	Cost	Revenue	Cost
Main business	51,569,910,876.74	47,417,805,945.42	51,607,236,773.22	44,981,068,323.56
Other business	3,250,931,919.13	1,606,192,812.26	2,769,138,423.99	1,060,042,185.33
Total	54,820,842,795.87	49,023,998,757.68	54,376,375,197.21	46,041,110,508.89

#### 5. Investment income

In RMB Yuan

Items	Current amount	Prior-period amount
Long-term equity investment losses accounted for by the cost method	297,000,000.00	544,650,000.00
Long-term equity investment losses accounted for by the equity method	279,687,665.28	(141,552,078.57)
Investment income from disposal of long-term equity investments		1.00
The investment income of financial asset held for trading during its holding period	1,979,999.95	1,406,842.07
Dividend income from remaining investments in other equity instruments	19,039,320.00	180,656,814.04
Others	52,306,889.42	
Total	650,013,874.65	585,161,578.54

## XX. Additional information

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

In RMB Yuan

Item	Amount	Illustration
Non-recurring items and amounts	4,959,452.69	
Government subsidies included in the profit and loss of the current period (Except closely related to business operations, in accordance with the national unified standard quota or quantitative enjoyment of government subsidies)	1,470,786,451.16	
In addition to the effective hedging business related to the normal business of the company, the gains and losses from changes in fair value arising from the holding of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities, and disposal of transactional financial assets, derivative finance Investment income from assets, trading financial liabilities, derivative financial liabilities and other debt investments	(27,836,943.34)	
Capital occupation fees charged to non-financial enterprises included in the current profit and loss	35,416,356.91	
Reversal of impairment provision for accounts receivable separately tested for impairment	8,614,937.00	
Other non-operating income and expenses other than the above items	27,056,373.59	
Other profit and loss items that meet the definition of non recurring gains and losses	215,878,122.13	
Subtotal	1,734,874,750.14	

Subtract: Influenced amount of income tax	37,405,904.07	
Influenced amount of minority shareholders' equity (after tax)	34,405,791.12	
Total	1,663,063,054.95	--

## 2. Return on equity and earnings per share

Profit in report period	Weighted average return on equity (%)	Earnings per share (yuan/share)	
		Basic EPS	Diluted EPS
Net profit belonging to the Company's common stockholders	3.94	0.29	0.28
Net profit belonging to the Company's common stockholders after deducting non-recurring profit and loss	1.63	0.12	0.12