



长城汽车
专注 专业 专家

長城汽車股份有限公司

GREAT WALL MOTOR COMPANY LIMITED*

(A joint stock company incorporated in the People's Republic of China with limited liability)

H Share Stock Code: 02333 (HKD counter) and 82333 (RMB counter) A Share Stock Code: 601633



2024
INTERIM REPORT

* For identification purpose only

IMPORTANT NOTICE

I. The Board, the Supervisory Committee and the directors, supervisors and senior management of the Company warrant that the information in this interim report is true, accurate and complete and does not contain any false representations, misleading statements or material omissions, and severally and jointly take legal liability for its contents.

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

III. This interim report has not been audited.

The financial information in this interim report was prepared in accordance with China Accounting Standards for Business Enterprises and the relevant laws and regulations.

IV. Wei Jian Jun, person-in-charge of the Company, Li Hong Shuan, person-in-charge of the accounting affairs and Wang Hai Ping, person-in-charge of the accounting department (head of the accounting department), declare that they warrant the truthfulness, accuracy and completeness of the financial report in this interim report.

V. Proposal of profit distribution or capitalisation of capital reserve during the Reporting Period considered by the Board

No

VI. Risks relating to forward-looking statements

Applicable Not applicable

Forward-looking statements, such as future plans described in this report, do not constitute an actual commitment of the Company to investors. Investors should be aware of the relevant investment risks.

VII. Was there any non-operational appropriation of the Company's funds by its controlling shareholders and other related parties?

No

VIII. Was there any provision of guarantee to external parties in violation of the stipulated decision-making procedures?

No

IX. Was there over half of the directors unable to guarantee the truthfulness, accuracy, and completeness of the interim report disclosed by the Company?

No

X. Reminder of material risks

During the Reporting Period, there were no material risks resulting in any material impact on the production and operation of the Company. Risks that the Company may encounter in the course of its production and operation and its corresponding measures have been detailed in "Other Disclosures" under Item V of Section 3 headed "Management Discussion and Analysis" of this report.

XI. Others

Applicable Not applicable



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Index of Documents
Available for Inspection

Financial statements signed and sealed by the legal representative, the person in charge of the accounting affairs and the person in charge of the accounting department.

The original auditors' review report with the seal of the accounting firm and signatures and seals of the certified public accountants.



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SUV EXPERT

GLOBAL



POPULAR

MAKING
PICKUPS



长城汽车
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NEW ELECTRIC VEHICLES

THAT CARE
MORE ABOUT WOMEN



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SECTION I

DEFINITIONS

In this report, the following expressions shall, unless the context otherwise requires, have the following meanings:

Definitions for commonly used terms

“A Share(s)”	domestic shares with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Shanghai Stock Exchange and traded in Renminbi (Stock Code: 601633);
“A Shareholder(s)”	holder(s) of A Share(s);
“Articles of Association”	Articles of Association of Great Wall Motor Company Limited;
“Board”	the board of directors of the Company;
“Company” or “Great Wall Motor”	Great Wall Motor Company Limited (長城汽車股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively;
“Company Law”	Company Law of the People’s Republic of China;
“Competing Business”	a business that is identical with or similar to the principal business and other businesses of Great Wall Motor Company Limited;
“CSRC”	China Securities Regulatory Commission;
“Great Wall Holdings”	Baoding Great Wall Holdings Co., Ltd. (保定市長城控股集團有限公司);
“Group”	Great Wall Motor Company Limited and its subsidiaries;
“Guiding Opinions”	Guiding Opinions on the Implementation of Pilot Employee Stock Ownership Plan of Listed Companies (《關於上市公司實施員工持股計劃試點的指導意見》);
“H Share(s)”	the overseas-listed foreign shares with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Main Board of the Hong Kong Stock Exchange and traded through HKD or RMB counter (HKD counter Stock Code: 02333; RMB counter Stock Code: 82333);
“H Shareholder(s)”	holder(s) of H Share(s);
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time;

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Management Measures”	Management Measures for Share Incentives of Listed Companies;
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules;
“PRC”	the People’s Republic of China;
“Regulatory Guidelines”	Guidelines No. 1 of the Shanghai Stock Exchange for Self-regulation of Listed Companies – Standardized Operation (《上海證券交易所上市公司自律監管指引第 1 號—規範運作》);
“Reporting Period” or “Current Period”	six months ended 30 June 2024;
“Securities Law”	Securities Law of the People’s Republic of China;
“SFC”	the Securities and Futures Commission in Hong Kong;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Shanghai Stock Exchange”	Shanghai Stock Exchange; and
“Spotlight Automotive”	Spotlight Automotive Limited (光束汽車有限公司).

SECTION 2

CORPORATE PROFILE AND KEY FINANCIAL INDICATORS

I. CORPORATE INFORMATION

Chinese name of the Company	長城汽車股份有限公司
Abbreviation of Chinese name of the Company	長城汽車
English name of the Company	Great Wall Motor Company Limited
Abbreviation of English name of the Company	Great Wall Motor
Legal representative of the Company	Wei Jian Jun

II. CONTACT PERSONS AND CONTACT METHODS

	Secretary to the Board	Representative of Securities Affairs
Name	Li Hong Shuan (Joint Company Secretary)	Chen Yong Jun and Jiang Li
Address	No. 2266 Chaoyang Road South, Lianchi District, Baoding, Hebei Province, the PRC	No. 2266 Chaoyang Road South, Lianchi District, Baoding, Hebei Province, the PRC
Telephone	86(312)-2197813	86(312)-2197813
Fax	86(312)-2197812	86(312)-2197812
E-mail address	zqb@gwm.com.cn	zqb@gwm.com.cn

III. CHANGE IN BASIC INFORMATION

Registered address of the Company	No. 2266 and No. 2299 Chaoyang Road South, Lianchi District, Baoding, Hebei Province, the PRC
Previous changes of the registered address of the Company	Not applicable
Office address of the Company	No. 2266 Chaoyang Road South, Lianchi District, Baoding, Hebei Province, the PRC
Postal code of the office address of the Company	071000
Company's website	www.gwm.com.cn
E-mail address	zqb@gwm.com.cn
Principal place of business in Hong Kong	31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong

IV. INFORMATION DISCLOSURE AND CHANGE IN PLACE OF DOCUMENT INSPECTION

Designated newspapers for information disclosure	China Securities Journal, Shanghai Securities News, Securities Daily
Website for publishing this interim report	www.sse.com.cn
Place for inspection of the Company's interim report	Securities Investment Department of Great Wall Motor Company Limited No. 2266 Chaoyang Road South, Lianchi District, Baoding, Hebei Province, the PRC
Website designated by the Hong Kong Stock Exchange for publishing this interim report	www.hkexnews.hk
The Company's website for publishing this interim report	www.gwm.com.cn

V. INFORMATION ON THE COMPANY'S SHARES

Stock classes	Stock exchanges for the listing of the Company's shares	Stock abbreviation	Stock code	Previous stock abbreviation
A Shares	Shanghai Stock Exchange	Great Wall Motor	601633	–
H Shares (HKD counter)	Hong Kong Stock Exchange	GWMOTOR	02333	–
H Shares (RMB counter)	Hong Kong Stock Exchange	GWMOTOR-R	82333	–

Stock classes	Stock exchanges for the listing of the Company's shares	Listing date	Number of issued shares	Board lot
A Shares	Shanghai Stock Exchange	28 September 2011	6,223,169,790 A Shares ^{note}	100 shares
H Shares (HKD counter)	Hong Kong Stock Exchange	15 December 2003		
H Shares (RMB counter)	Hong Kong Stock Exchange	19 June 2023 ^{note}	2,318,776,000 H Shares ^{note}	500 shares

Note: The Company launched a RMB counter for H Shares in the Hong Kong Stock Exchange on 19 June 2023, which became effective on the same day. As of 30 June 2024, the Company issued 8,541,945,790 shares, including 6,223,169,790 A Shares and 2,318,776,000 H Shares.

VI. OTHER RELEVANT INFORMATION

√ Applicable Not applicable

Domestic accounting firm appointed by the Company	Name Office address Names of the signing accountants	Deloitte Touche Tohmatsu Certified Public Accountants LLP 30/F, 222 Yan An Road East, Huangpu District, Shanghai Li Xu Liu Yu
Sponsoring institution assuming the role of continuous supervision during the Reporting Period	Name Office address Names of signing representatives of the sponsor Period for continuous supervision	Guotai Junan Securities Co., Ltd. Guotai Junan Building, 768 Nanjing West Road, Jing'an District, Shanghai Chen Liang, Wu Tong Xin From 8 July 2021 to 31 December 2022 (if the conversion of convertible corporate bonds was not yet completed upon the expiry of the period for continuous supervision, the period shall be extended to the date of completion of such matters)
Legal adviser to the Company (as to Hong Kong law)	Tian Yuan Law Firm LLP	(served as the Company's legal adviser as to Hong Kong law since 1 January 2024)
Legal adviser to the Company (as to the PRC law)	Jincheng Tongda & Neal Law Firm, Beijing	(served as the Company's legal adviser as to the PRC law since 1 January 2024)

H Share registrar and transfer office in Hong Kong	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
A Share registrar and transfer office	Shanghai Branch of China Securities Depository and Clearing Corporation Limited 14/F, East Tower, China Settlement Building, No. 188 South Yanggao Road, Pudong New Area, Shanghai
Investor and media relations consultant (H Shares)	CorporateLink Limited Unit 1802, 18/F 3 Lockhart Road, Wanchai, Hong Kong
Principal bankers	Bank of China Limited, Baoding Yuhua sub-branch The Industrial and Commercial Bank of China, Baoding Yonghua sub-branch China Construction Bank Corporation, Baoding Hengxiang South Street sub-branch China Everbright Bank Corporation Limited, Shijiazhuang branch China CITIC Bank Corporation Limited, Baoding branch China Merchants Bank Co., Ltd., Shijiazhuang branch Ping An Bank Co., Ltd., Guangzhou branch Shanghai Pudong Development Bank Co., Ltd.
Authorised representatives	Ms. Li Hong Shuan Mr. Zhao Guo Qing
Financial year-end date	31 December
Executive Directors	Mr. Wei Jian Jun (Chairman) Mr. Zhao Guo Qing (Vice Chairman) Ms. Li Hong Shuan
Non-Executive Director	Mr. He Ping

Corporate Profile and Key Financial Indicators

Independent Non-Executive Directors	Mr. Fan Hui Mr. Tom Siulun Chau Ms. Yue Ying
Employee Representative Supervisor	Ms. Lu Cai Juan
Independent Supervisors	Ms. Liu Qian Mr. Ma Yu Bo
Audit Committee	Mr. Fan Hui Mr. He Ping Mr. Tom Siulun Chau Ms. Yue Ying
Remuneration Committee	Mr. Wei Jian Jun Mr. Fan Hui Ms. Yue Ying
Nomination Committee	Mr. Wei Jian Jun Mr. Tom Siulun Chau Ms. Yue Ying
Strategy and Sustainable Development Committee	Mr. Wei Jian Jun Ms. Li Hong Shuan Mr. He Ping Mr. Fan Hui Ms. Yue Ying

VII. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS OF THE COMPANY

(I) Key accounting data

Unit: Yuan Currency: RMB

Key accounting data	Reporting Period (January-June)	Corresponding period of last year	Increase/decrease for the Reporting Period over the corresponding period of last year (%)
Total operating revenue	91,428,957,094.64	69,971,117,162.78	30.67
Operating revenue	91,428,957,094.64	69,971,117,162.78	30.67
Net profit attributable to shareholders of the Company	7,078,549,432.99	1,361,287,795.74	419.99
Net profit attributable to shareholders of the Company after extraordinary gains/losses	5,651,339,835.38	749,476,918.41	654.04
Net cash flow from operating activities	9,406,025,826.39	-2,436,189,836.95	-

	As at the end of the Reporting Period	As at the end of last year	Increase/decrease as at the end of the Reporting Period over the end of last year (%)
Net assets attributable to shareholders of the Company	73,925,813,006.76	68,500,614,410.46	7.92
Total assets	198,623,367,391.89	201,270,288,570.21	-1.32

(II) Key financial indicators

Key financial indicators	Reporting Period (January-June)	Corresponding period of last year	Increase/decrease for the corresponding period of last year (%)
Basic earnings per share (RMB/share)	0.83	0.16	418.75
Diluted earnings per share (RMB/share)	0.83	0.16	418.75
Basic earnings per share after extraordinary gains/losses (RMB/share)	0.66	0.09	633.33
Weighted average return on net assets (%)	10.10	2.10	Increased by 8.00 percentage points
Weighted average return on net assets after extraordinary gains/losses (%)	8.06	1.15	Increased by 6.91 percentage points

Description of key accounting data and financial indicators of the Company

Applicable Not applicable

The growth in performance during the Reporting Period was mainly due to the Company's commitment to high quality development, quality assurance, creating ultimate product experience, realising overseas sales growth, further enhancement of domestic product mix, leading to a significant year-on-year increase in net profit attributable to owners of the parent company.

VIII. DIFFERENCE IN ACCOUNTING DATA UNDER CHINA ACCOUNTING STANDARDS AND OVERSEAS ACCOUNTING STANDARDS

Applicable Not applicable

IX. ITEMS AND AMOUNTS OF EXTRAORDINARY GAINS/LOSSES√ Applicable Not applicable

Unit: Yuan Currency: RMB

Item of extraordinary gains/losses	Amount
Profit or loss from disposal of non-current assets (including the portion written off for provision for impairment on assets)	-17,413,830.74
Government grants accounted for in profit and loss for the Current Period, except for government grants closely related to the Company's normal operations and granted on an ongoing basis at a fixed standard amount or quantity in accordance with the State's policies and regulations	1,355,696,631.08
Gain or loss from changes in fair value arising from the disposal of financial assets and financial liabilities held by subsidiaries and non-financial enterprises, and gain or loss arising from the disposal of financial assets and financial liabilities	64,052,417.51
Gains (losses) on changes in fair values	69,684,496.85
Non-operating income and expenses other than the above items	51,724,540.76
Other profit or loss items that meet the definition of non-recurring profit or loss	6,738,278.28
Less: Effect of income tax	-103,272,936.13
Effect of minority interests (after tax)	-
Total	1,427,209,597.61

Explanation on defining items not illustrated in the Notice on Explanation of Information Disclosure of Companies Publicly Issuing Securities No. 1 – Extraordinary Gain or Loss 《公開發行證券的公司信息披露解釋性公告第 1 號 – 非經常性損益》 as extraordinary gain or loss items with significant amounts and defining extraordinary gain or loss items illustrated in the Notice on Explanation of Information Disclosure of Companies Publicly Issuing Securities No. 1 – Extraordinary Gain or Loss 《公開發行證券的公司信息披露解釋性公告第 1 號 – 非經常性損益》 as recurring gain or loss items.

 Applicable Not applicable**X. OTHERS** Applicable Not applicable

SECTION 3

MANAGEMENT DISCUSSION AND ANALYSIS

I. DESCRIPTION OF THE INDUSTRY IN WHICH THE COMPANY OPERATES AND ITS PRINCIPAL BUSINESS DURING THE REPORTING PERIOD

(I) Principal Business of the Company

Great Wall Motor is one of the largest SUVs and pickup trucks manufacturers in the PRC. It currently owns Haval, WEY, ORA, TANK, Great Wall Pickup and other brands. With respect to product by power type, it offers traditional energy vehicles, plug-in hybrid vehicles, battery electric vehicles and other new energy vehicles. Its products mainly cover four categories, namely SUVs, sedans, pickup trucks and MPVs, as well as the manufacturing and supply of related main auto parts.

(II) Operating Model

In the face of global users, the Company adheres to the original aspiration of vehicle manufacturing and sticks to the bottom-line thinking, bringing back the essence of conscientious and trustworthy vehicle manufacturing. It adopts a long-term perspective and focuses on intelligent new energy to formulate a corporate development strategy that is globally competitive. The Company will also continuously optimize the product structure to create high-quality automotive products that satisfy users, provide better technology to the industry and offer better services to consumers.

1. In respect of R&D, the Company has established 10 technology centres in Baoding and Shanghai, China, and Germany, Japan, U.S., India, Austria, South Korea and other countries around the world, forming a global R&D layout centred in Baoding and covering 7 countries and 10 regions in Europe, Asia and North America. In respect of core technologies in new energy, the Company has maintained high-quality R&D investment and technology accumulation, achieved a complete layout in the core industrial chain of new energy and filed forward-looking R&D projects focusing on powertrain systems, new energy, intelligent cockpits, autonomous driving and intelligent chassis, with over 110 forward-looking projects approved;
 - > In respect of powertrain systems, the Company has developed various technology routes in powertrain system, including gasoline, diesel, electric hybrid PHEV and pure electric BEV;
 - > In respect of new energy technology, the Company has launched all-in-one 800V high-voltage electric driving products and developed 6C technology that can charge a 500-kilometer range in 10 minutes; the Company has also developed solid-state batteries, currently possessing the ability to develop all-solid-state pouch battery cells;
 - > Intelligence: relying on its forest-like ecological system and full-stack software and hardware development capabilities, the Company has launched the all-new generation of intelligent cockpit system Coffee OS 3 with five virtues of being good-looking, useful, fun, pleasant to listen to, and clever, and the new generation of intelligent driving system Coffee Pilot Ultra, and conducted its application in the testing of the NOA function of WEY Blue Mountain Intelligent Driving Edition in various scenarios;

- > AI construction: in the wave of “AI defining vehicles”, the Company was awarded the “Annual Best Data Innovation Benchmark Case Award (年度最佳數據創新標桿案例獎)” at the third China Data Future Summit for the “Che Ying Zhi Hui (車影智繪)” project, a text-to-image product of the Company. In addition, AI technology has been widely applied across the entire intelligent manufacturing chain, including refined vehicle perception and corporate standard Q&As.
- 2. In respect of supply chain system, the Company focuses on the cooperative philosophy of “win-win cooperation and global expansion” and fosters a cooperative environment that is “transparent, open, and conducive to healthy competition”. The Company has established a global supply chain, conducted deep vertical integration, optimized procurement strategies, strengthened supplier management, and enhanced production efficiency to ensure consistent product quality and production. The Company currently possesses strong independent R&D capabilities, covering key automotive components such as engines, transmissions, vehicle bodies, and chassis, which has realized the upstream supply chain integration to a certain extent.
- 3. In respect of production layout, the Company has implemented a “dual-wheel drive” strategy in both domestic and overseas markets, forming a “10+3+N” global production layout. Globally, the Company owns multiple complete vehicle and KD plants. Domestically, it has production bases in Baoding, Xushui, Tianjin, Yongchuan District of Chongqing, Pinghu, Taizhou, Jingmen, etc., covering the production of various models including SUVs, sedans, pickups, and MPVs. Overseas, it has established three complete vehicle production bases in Southeast Asia, Eurasia, Central and South America, and has further expanded its global production network by setting up KD assembly plants through partnerships and acquisitions in various regions.
- 4. In respect of marketing, the Company has established a global sales service network, which currently covers over 170 countries and regions in the overseas market, with over 1,300 overseas sales channels. By transforming the organizational and operational systems and mechanisms, improving the quality of terminal services, and upgrading digital marketing, the Company has built an industry-leading sales service system with outstanding operational quality, providing a high-quality service experience covering the full lifecycle from the purchase to the use of vehicles by users and comprehensively improving the brand reputation.

(III) Industry Overview

(1) In the first half of the year, major economic indicators for the automotive industry showed a growth trend

With the continuation of automobile trade-in activities, the gradual introduction of local support policies and launch of new automobiles, the production and sales of automobiles have maintained steady growth. During the Reporting Period, the production and sales volume of automobiles of the Group were 13,891,000 units and 14,047,000 units, increased by 4.9% and 6.1% year-on-year, respectively.

(2) *The production and sales volume of passenger vehicles grew faster than the industry, driven by exports*

In the first half of 2024, domestic sales increased slightly by 1.6% year-on-year, while passenger car exports continued to grow rapidly by 31.5% year-on-year, contributing significantly to the overall market growth. From January to June 2024, the production and sales volume of passenger vehicles were 11,886,000 units and 11,979,000 units, up by 5.4% and 6.3% year-on-year, respectively.

(3) *The production and sales volume of new energy vehicles continued to grow at a high rate*

From January to June, the production and sales volume of new energy vehicles reached 4,929,000 units and 4,944,000 units, representing a year-on-year increase of 30.1% and 32%, respectively, with a market share of 35.2%, representing an increase of 6.9% as compared to that of the same period last year. The production and sales volume of the three major types of new energy vehicles all grew at different rates. By the end of June this year, the cumulative production and sales volume of domestically produced new energy vehicles exceeded 30 million units.

(4) *Pickup trucks saw a slight growth in sales volume year-on-year*

From January to June, the production and sales volume of pickup trucks were 257,000 units and 273,000 units, up by 1.4% and 5.1% year-on-year, respectively. By fuel type, the production and sales volume of gasoline pickup trucks were 77,000 units and 82,000 units, representing an increase of 9.7% and 16.1% year-on-year, respectively. The production and sales volume of diesel pickup trucks were 173,000 units and 184,000 units, representing a year-on-year decrease of 2.4% in production and a year-on-year increase of 0.4% in sales.

(5) *Automobile exports grew rapidly year-on-year, while the growth rate of new energy vehicle exports has slowed down significantly*

From January to June, automobile companies in the PRC exported 2,793,000 vehicles, representing a year-on-year increase of 30.5%. By vehicle model, the export of passenger vehicles amounted to 2,339,000 units, up by 31.5% year-on-year; the export of commercial vehicles amounted to 454,000 units, up by 25.7% year-on-year. The export of new energy vehicles amounted to 605,000 units, up by 13.2% year-on-year.

Note: The above industry data is sourced from China Association of Automobile Manufacturers.

II. ANALYSIS OF THE CORE COMPETITIVENESS DURING THE REPORTING PERIOD

Applicable Not applicable

(I) Adhering to brand upgrading strategy to enter high-end market

The Company has comprehensively deepened the strategic layout on intelligent new energy vehicles, sped up in returning to the four principal tracks, namely principal products, principal prices, principal grades and principal styles, and empowered the facelift of intelligent new energy products with technological innovation, which will help improve the Company's product mix and enhance its profitability.

(II) A user-centred approach

Given the personalized consumption trend of users, Great Wall Motor adhered to the "user-centred" concept. The Company continued to revamp various aspects such as organizational mechanism, corporate culture and marketing innovation, such that the efficiency and quality of corporate operations were raised quickly. New habits, new spending patterns and new trends have made the Company's new concepts, new ideas and new categories come true. The Company always pursues ultimate user experience, striving to transform from a conventional automaker brand to a lifestyle brand.

(III) Targeted R&D to create value for users

Faced with industry upheavals, Great Wall Motor adheres to its strategies of continuously and intensively developing core technologies, insists on targeted R&D, and devotes itself to providing users with agreeable and relaxed driving experience and new travel solutions. Focusing on the new energy and intelligence fields, it has established a three-pronged parallel development strategy in hybrid, pure electric and hydrogen energy, and made complete industry chain layouts in intelligent driving, intelligent cockpits and smart chassis to form a unique intelligent new energy product matrix and build a unique intelligent new energy technology system and innovation capability.

(IV) “Seeking quality improvement in all aspects” is the foundation for our existence

Providing customers with excellent product quality is the cornerstone of our brands. “Comprehensive To C and doing well on one go” is the foundation for maintaining our stable quality while the ultimate rule is to allow users to perceive quality. Based on the IATF16949 standard, the Company established the overall quality management system globally, applied advanced quality management instruments and methods, continuously improved product quality management, and comprehensively realized the full-link quality operation model for value creation. In product development, supply and manufacturing, sales services and quality improvement, the Company adopted cloud computing, blockchain, AI, digital twin and other advanced technologies to achieve intelligent design, verification and manufacturing. In addition, the Company developed and applied a full lifecycle and quality digital platform to achieve data-driven intelligent decision-making, delivering products that exceed customer expectations.

(V) Forging an integrity-driven and clean business environment

The Company is dedicated to “boosting collaboration with integrity and pursuing development through collaboration”, and on such basis, it provides a fair, impartial, simple and transparent working and development platform for its employees, and furnishes a green and healthy cooperative environment for its business partners to ensure mutual benefits and shared success.

(VI) Talent cultivation

Going globally, Great Wall Motor innovates the talent development mechanism, strengthens the introduction and cultivation of talents, and builds a competitive incentive model to create an incentive atmosphere with “ample awards for outstanding contributions”.

III. DISCUSSION AND ANALYSIS OF THE BUSINESS OPERATION OF THE COMPANY

(I) Operating Environment

In the first half of 2024, competition in the China’s automobile market remained ferocious, with market sales volume rising steadily. Passenger vehicles performed slightly better than commercial cars. Driven by new energy, exports and Chinese brands, China’s automobile market was undergoing significant structural changes. The automobile industry still faced challenges such as key components shortage, intensified new technology competition and ferocious market competition. Changes in international political and economic landscapes also brought forth uncertainty on industry development. Car companies should persevere with innovation-driven development and open cooperation, enhance industry self-discipline and drive collaborative international expansion to jointly promote high-quality development of China’s automobile industry, with the aim to achieve the goal of making China become a “strong automobile nation”.

(II) Financial Review**1. Key financial data**

Unit: Yuan Currency: RMB

	From 1 January 2024 to 30 June 2024 (Unaudited)	From 1 January 2023 to 30 June 2023 (Unaudited)	Changes %
Total operating revenue	91,428,957,094.64	69,971,117,162.78	30.67
Operating revenue (Note 1)	91,428,957,094.64	69,971,117,162.78	30.67
Revenue generated from the sale of automobiles	78,933,006,684.10	60,663,081,099.38	30.12
Revenue generated from the sale of automotive parts and components and others	12,495,950,410.54	9,308,036,063.40	34.25
Selling expenses	3,805,185,651.78	3,253,302,670.39	16.96
Administrative expenses	1,999,695,294.30	2,071,045,814.95	-3.45
Research and development expenses	4,184,560,113.85	3,509,415,452.83	19.24
Financial expenses	-160,115,911.41	-223,566,839.18	
Gross profit (Note 2)	18,961,575,462.13	11,790,759,411.20	60.82
Income tax expenses (Note 3)	1,210,083,870.08	29,600,548.62	3,988.05
Net profit attributable to shareholders of the Company (Note 4)	7,078,549,432.99	1,361,287,795.74	419.99
Basic earnings per share	0.83	0.16	418.75
Diluted earnings per share	0.83	0.16	418.75
Gross profit margin (%)	20.74	16.85	Increased by 3.89 percentage points
Percentage of selling expenses to operating revenue (%)	4.16	4.65	Decreased by 0.49 percentage points
Percentage of administrative expenses to operating revenue (%)	2.19	2.96	Decreased by 0.77 percentage points

Note 1: Increase in operating revenue was mainly due to increase in the sales volume of automobiles and increase in average revenue per vehicle as a result of increase in the proportion of sales of overseas and medium and high-end products during the Reporting Period.

Note 2: Increase in gross profit was mainly due to growth in gross profit driven by increase in overseas sales and further improvement in domestic product mix during the Reporting Period.

Note 3: Increase in income tax expenses was mainly due to increase in income tax expenses as a result of increase in profit for the Reporting Period.

Note 4: Increase in net profit attributable to shareholders of the Company was mainly due to the Company's commitment to high quality development, quality assurance, creating ultimate product experience, realising overseas sales growth, further enhancement of domestic product mix, leading to a significant year-on-year increase in net profit attributable to shareholders of the Company.

2. Current assets and current liabilities

Unit: Yuan Currency: RMB

	As at 30 June 2024 (Unaudited)	As at 31 December 2023 (Audited)
Current Assets	115,747,805,678.60	118,583,843,848.95
Including:		
Cash and bank balances	39,536,531,898.24	38,337,235,066.54
Held-for-trading financial assets	2,458,556,628.03	4,112,386,017.05
Accounts receivable	6,788,849,523.79	7,193,193,843.92
Financing with receivables	27,357,440,724.89	28,923,599,369.45
Prepayments	2,440,358,731.48	3,872,727,438.14
Other receivables	1,621,701,813.29	2,113,975,772.93
Inventories	26,761,360,944.00	26,627,754,349.95
Non-current assets due within one year	1,767,419,416.81	1,827,661,501.49
Other current assets	4,758,497,070.52	2,559,503,451.38
Current Liabilities	105,130,232,971.43	110,835,137,893.78
Including:		
Short-term borrowings	3,447,725,386.65	5,700,850,933.24
Accounts payable	35,221,888,819.93	40,546,651,118.94
Notes payable	29,363,603,551.32	27,939,790,253.08
Contract liabilities	9,428,076,026.32	9,583,075,738.92
Employee benefits payable	1,106,572,405.80	4,393,889,722.37
Taxes payable	3,959,497,989.73	2,390,118,827.57
Other payables	6,228,707,907.76	6,217,886,256.09
Other current liabilities	5,878,053,032.84	7,088,140,056.33

3. Gearing ratio

Unit: Yuan Currency: RMB

	As at 30 June 2024 (Unaudited)	As at 31 December 2023 (Audited)
Total liabilities	124,688,559,362.10	132,761,504,625.02
Total equity	73,934,808,029.79	68,508,783,945.19
Gearing ratio	168.65%	193.79%

Note: Gearing ratio refers to the proportion of total liabilities to total equity in the consolidated balance sheet.

4. Acquisition and disposal of assets

The Company and its subsidiaries did not have material acquisition or disposal of assets during the Reporting Period.

5. Capital structure

The Group primarily finances its day-to-day operations with its own cash and bank borrowings. The Group's liquidity and solvency are in good condition. As at 30 June 2024, the Company had short-term borrowings of RMB3,447,725,386.65 and long-term borrowings of RMB19,941,135,845.59 (including long-term borrowings due within one year), mainly used for the construction of plants and improvement of daily liquidity.

6. Exposure to foreign exchange risk

Foreign exchange risk represents risks of loss incurred as a result of changes in exchange rates. In addition, there are current account balances denominated in foreign currencies between companies under the Group, which also exposes the Group to the foreign exchange risk. Foreign currency assets and liabilities (including internal current account denominated in foreign currency) which may influence the Group's operating results due to foreign exchange risk are set out as below:

Unit: Yuan Currency: RMB

	As at 30 June 2024 (Unaudited)	As at 31 December 2023 (Audited)
Cash and bank balances	3,869,028,175.34	3,336,276,222.56
Accounts receivable	7,817,801,406.04	4,949,191,124.35
Other receivables	1,084,364,653.05	777,920,211.92
Accounts payable	-1,884,471,241.12	-2,310,309,436.13
Other payables	-689,027,163.16	-296,633,563.80
Short-term borrowings	-	-491,460,113.28
Long-term borrowings	-36,586,496.60	-84,409,351.98

The Group paid close attention to the impact of exchange rate changes on the Group's foreign exchange risk. Except for the above items, foreign exchange risk is not involved in the Group's other financial instruments.

7. Employment, training and development

As at 30 June 2024, the Group employed a total of 81,902 employees (30 June 2023: 84,938 employees). Employees were remunerated by the Group based on their performance, experience and prevailing industry practices. The Group's remuneration policies and packages were reviewed on a regular basis. As an incentive for employees, bonus and cash awards may also be given to employees based on individual performance evaluation. Total staff cost (excluding equity incentive costs) accounted for 8.10% of the Group's total operating revenue as at 30 June 2024 (30 June 2023: 10.28%).

8. Segment information

The Group is mainly engaged in the manufacture and sale of automobiles and automotive parts and components in the PRC, and the majority of its assets are located in the PRC. The management determined the reporting segments according to the internal organization structure, management requirements and internal reporting system of the Group for the purposes of resource allocation and performance evaluation. As the resource allocation and performance evaluation of the Group are carried out based on the overall operation of the production and sales of automobiles and automotive parts and components, the Group has only one business segment for internal reporting purpose.

Revenue from external customers by location of revenue sources and non-current assets classified by location of assets:

Unit: Yuan Currency: RMB

	As at 30 June 2024 (Unaudited)	As at 30 June 2023 (Unaudited)
Revenue from external transactions in China	54,668,311,519.28	49,303,858,928.18
Revenue from external transactions in other countries	36,760,645,575.36	20,667,258,234.60
Total	91,428,957,094.64	69,971,117,162.78

Unit: Yuan Currency: RMB

	As at 30 June 2024 (Unaudited)	As at 31 December 2023 (Audited)
Non-current assets located in China	68,289,836,622.11	67,516,132,165.68
Non-current assets located in other countries	5,171,097,188.20	4,792,486,560.85
Total	73,460,933,810.31	72,308,618,726.53

Non-current assets do not include financial instruments and deferred income tax assets.

The Group is not dependent on one or a few major customers.

(III) Business Review**1. Product sales**

Unit: unit

Car classification	Item	Sales volume			Production volume		
		Total for the Reporting Period	Total for the corresponding period of last year	Cumulative year-on-year increase/decrease (%)	Total for the Reporting Period	Total for the corresponding period of last year	Cumulative year-on-year increase/decrease (%)
Pickup truck	Domestic sales	66,414	81,231	-18.24	85,671	96,816	-11.51
	Export	23,624	20,705	14.10			
	Sub-total	90,038	101,936	-11.67			
SUV	Domestic sales	260,820	276,804	-5.77	435,885	380,424	14.58
	Export	168,607	92,750	81.79			
	Sub-total	429,427	369,554	16.20			
Sedan and others (mainly NEV)	Domestic sales	27,775	37,467	-25.87	35,591	47,992	-25.84
	Export	7,616	9,839	-22.59			
	Sub-total	35,391	47,306	-25.19			
Total	Domestic sales	355,009	395,502	-10.24	557,147	525,232	6.08
	Export	199,847	123,294	62.09			
	Sub-total	554,856	518,796	6.95			

The Group focuses on the development and advancement of new energy and intelligent technologies, adheres to the long-term strategic approach, upholds corporate integrity, practices the corporate spirit of "making progress every day", and continues to make efforts in the global market. In the first half of 2024, the Group's cumulative sales volume amounted to 554,856 units, representing an increase of 6.95% year-on-year; overseas sales volume amounted to 199,847 units, representing an increase of 62.09% year-on-year; sales volume of new energy vehicles amounted to 129,755 units, representing an increase of 44.89% year-on-year. The Group continued to rank number one in the sales volume of rugged off-road vehicle models, off-road new energy vehicle models and pickup truck models, respectively.

The Group has five major automobile brands, namely Haval, WEY, ORA, Great Wall Pickup and TANK. Its product portfolio covers four main categories, namely SUVs, sedans, pickup trucks and MPVs. Power type includes traditional energy and new energies such as plug-in hybrid power, pure electric and hydrogen energy. Its production and sales network spans the globe. Since 2024, Great Wall Motor has been adhering to its original aspirations to produce good vehicles, insisting on high-quality development, upholding integrity in automobile manufacturing, and implementing a high-standard quality management system. It also aims to maintain positive growth in sales volume and operating results, avoid myopia and blind conformity, and strives to build a development platform that benefits multiple parties while pursuing stability and sustainable operations.

(1) *WEY brand*

WEY is the pioneering brand of Great Wall Motor aimed at the high-end new energy market. Based on the brand proposition of “Technology for a Better WEY Life”, the WEY brand brings to customers the brand value that emphasizes the delivery of an immersive car-centric interactive experience empowered by intelligent technology. The WEY brand’s intelligence level is at the forefront of the industry. The total sales volume of the WEY brand from January to June amounted to 20,188 units, representing a year-on-year increase of 43.54%. The WEY Blue Mountain Intelligent Driving Edition is equipped with the Coffee Pilot Ultra, the latest-generation intelligent driving system of Great Wall Motor. It realizes all-scenario NOA without the need for high-precision maps. This model is also the first to install the new-generation smart space system Coffee OS 3, providing intelligent and personalized experiences for every family member in the car. The WEY Blue Mountain Intelligent Driving Edition also installs the brand new four-speed Hi4+CDC electronically controlled damping suspension, boasting better driving performance for all scenarios and continuously enhancing the wonderful travel lifestyles of users. In future, the WEY brand will continue Great Wall Motor’s advancement in intelligent technology, fully adopting the smart strategy, and focusing on intelligent technology development that is underpinned by “intelligent driving, smart living, and intelligent IOT”. It will enhance the experience for all scenarios in these three major areas within the realm of intelligent technology based on user driving scenarios, and become a leading high-end intelligent new energy brand.

(2) *TANK brand*

With a brand proposition that combines toughness and soft-riding features, TANK has created a new market segment. It continues to consolidate its leading position in China’s off-road SUV market, and was the first to tap into the global market. TANK accelerates the implementation of global strategy for its entire product portfolio. From January to June, the TANK brand sold a total of 115,710 units, representing a year-on-year increase of 97.66%. With its tough off-road capability and luxurious comfort, the TANK SUV continued to rank No. 1 in sales volume in the China’s off-road SUV market for 42 consecutive months. In February 2024, the TANK 700 Hi4-T was officially launched. With its unique and superior performance powered by the large-displacement hybrid architecture 3.0T Hi4-T, this model stands at the pinnacle of global off-road vehicle excellence, recreating China’s off-road masterpieces and setting new standards for off-road vehicles. TANK has now established a structured and clear system for new energy pathways. It is committed to the “off-road + new energy” technological pathway. Based on the off-road super hybrid architecture Hi4-T, it is establishing a matrix of off-road new energy vehicles.

(3) *Haval brand*

Positioning as a “global SUV expert”, the Haval brand strategically focuses on the SUV sector. From January to June, sales volume amounted to 297,284 units, representing a 0.17% year-on-year growth, while global cumulative sales volume had exceeded 9 million units. It has become the first Chinese professional SUV brand with over 9 million global owners, leading Chinese SUV to shine on the world stage. Haval will continue to emphasise the brand values of “focus”, “technology”, “reassurance” and “enterprising”, centring around three core technologies and strategically managing five key product series, to truly empower and benefit owners through technology. In the first half of the year, the new generation Haval H6 was launched with a full upgrade in design, intelligence features, comfort and power performance, demonstrating Great Wall Motor’s commitment to high-quality car manufacturing for its four million global owners. It thus redefines a popular family SUV in the RMB100,000 price segment. In 2024, the Haval brand introduced new Haval H5, Second-generation Haval Dargo Hi4 edition, 2024 Haval Raptor and other models, further enhancing product competitiveness and brand recognition.

(4) *ORA brand*

ORA positions itself as “the new energy vehicle that cares more about women”, and is a pioneer in the industry by giving its top priority to meeting women’s needs. The ORA brand focuses on the BEV market, and makes continuous overall improvement in four key value dimensions, namely brand, technology, product and service. By adopting a differentiation strategy and offering unique products, the ORA brand thoroughly explores the needs of customers in niche markets. From January to June, ORA sold a total of 31,247 units. The ORA brand continues to step up efforts in three areas: from product portfolio, market planning to overseas expansion approach. Its holistic value system is advancing towards an international ecosystem. The brand ushers in the new era of Globalization 2.0. With respect to product planning for the global market, ORA will, in the next three years, further develop its existing models, and pursue a comprehensive coverage from A0-class to C-class market segments, while having the two product lines of sedan and SUV selling in overseas markets.

(5) *Great Wall Pickup*

Great Wall Pickup has ranked No. 1 for 26 consecutive years in sales volume in China, accounting for almost 50% of the domestic end-user market. From January to June, its cumulative sales volume amounted to 90,038 units; cumulative overseas sales volume reached 23,624 units, representing a year-on-year increase of 14.10%, maintaining the leading position in export sales volume among Chinese brands. Great Wall Cannon had achieved monthly sales of over 10,000 units for 45 months, continuing to be the best-selling pickup truck. In just four years and 10 months, the cumulative sales of Great Wall Cannon has exceeded 600,000 units, making it the first Chinese pickup brand to achieve a sales volume of over 600,000 units, which set a new benchmark for “Great Wall Cannon” in terms of pace of development. With the support of high-performance hybrid technology and a super off-road platform, Great Wall Pickup, as a market leader, offers the optimal solution to off-road new energy pickups, leading the era of “Pickup 4.0: Intelligent, New Energy for All Scenarios” in China with unwavering determination. In future, Great Wall Cannon will continue to insist on product innovation and co-creation with users, igniting the pickup dream in everyone’s heart. It will also represent Chinese pickups to compete with international top brands in the global market, aiming for a spot in the global top 3 and making Chinese pickups popular worldwide.

(IV) Review Highlights

1. ***Established development strategies of multi-pronged development of high-efficient fuel, hybrid power, pure electric and hydrogen energy and various technological pathways, to form a product matrix covering all categories, power options and grades***

In terms of hybrid power, based on the Hi4 system, Hi4 Performance Edition has innovatively designed a four-speed electro-mechanical coupling unit, which effectively solves the problem of insufficient acceleration for medium and large-sized vehicles in scenarios such as starting the car or high-speed overtaking. Through enhancing the efficiency of engine power output and torque, it optimizes fuel consumption in high-speed scenarios. At the same time, it significantly improves the NVH perception under power delivery conditions, and it also possesses the ability of four-wheel drive at all speeds. In terms of electric power, for the third-generation power semiconductor silicon carbide, Great Wall Motor strategically plans and develops module packaging and testing projects, and creates the first CSS technology platform in China that can increase the power density of the module by 50% and reduce the cost by 30%. Simultaneously, the Group has also designed and carried out strategic planning for the core material silicon carbide substrate and deepened industrial chain collaboration. In regard to hydrogen energy, with FTXT Energy as the main support, Great Wall Motor has established an integrated industrial chain development model encompassing production, storage, transportation, refueling, and application. This model achieves comprehensive coverage across various domains and scenarios, aiming to empower the entire industry chain. In the two-wheeler segment, in April 2024, Great Wall SOUO's flat-eight engine made its official debut. This self-developed product, which demonstrates Great Wall Motor's rich experience in power technology, signifies Great Wall Motor's official entry into the motorcycle market and a giant leap for China's motorcycle industry.

2. *Mass production of urban NOA and Coffee OS 3, self-developing full-stack intelligent technology*

In terms of intelligent technology, Great Wall Motor has created a comprehensive smart ecosystem by realising intelligent vehicles, intelligent connectivity, and intelligent platform integration. With respect to intelligent driving, the Group has built the largest computing center in the automobile industry, with data volume and sample types reaching the top tier in the industry. Simultaneously, the Group has developed a set of intelligent driving products covering high, medium and low computing power platforms, which can cater to diverse requirements of various vehicle types and user preferences. Coffee OS is Great Wall Motor's self-developed full-stack intelligent cockpit system, comprising a complete set of cockpit software components, including operating systems, middleware, user interfaces and applications. It is compatible with various high-computing power platforms, and adaptable to major brands and models under Great Wall Motor. It features wide applicability, high efficiency, scalability and prioritization of safety. In terms of smart chassis, Great Wall Motor has incorporated core technologies including steer by wire, braking system by wire, CTC, integrated die-cast aluminum body, etc. Additionally, based on a new electronic and electrical architecture and the IDC3.0 autonomous driving system, the Company has developed a smart chassis with advanced perception, high integration and strong scalability features.

3. *Focus on "Four New Global Localisation Strategies", with plan to achieve overseas sales of over one million units by 2030*

At present, Great Wall Motor has 14 million owners worldwide, with the proportion of high-end vehicle models steadily increasing. Leveraging China's wisdom culture and new quality-driven productivity as scarce global resources, Great Wall Motor focuses on the "Four New Global Localisation Strategies", namely localized production capacity, localized operations, cross-cultural branding and secure supply chains. These strategies drive comprehensive globalisation of research, production, supply, sales, and services, forming a product matrix covering all categories, powertrains, and grades. The Group plans to achieve overseas sales of over one million units by 2030.

(V) Outlook

Looking ahead, Great Wall Motor will continue to adhere to its long-term strategic approach, focus on intelligent and new energy development, strengthen competitive edge in the off-road and pickup truck markets and accelerate the progress of globalisation. The Group aims to contribute value to the healthy development of China's automotive industry through enhanced technological research and development, improved capital cycle and an outstanding industrial ecosystem.

The Group will continue to introduce more competitive models in 2024



TANK 700 Hi4-T

Tank 700 Hi4-T, equipped with the world-leading off-road vehicle technology, is a flagship model among China's off-road vehicles with its unique and superior performance, establishes a new benchmark for luxurious off-road vehicles and provides top-class driving and riding experience for off-road vehicle lovers and urban elites.



New-generation Haval H6

The new-generation Haval H6 was launched to give back to the 4 million users worldwide with comprehensive advancements in design, intelligence, comfort and power output, demonstrating Great Wall Motor's commitment to high-quality vehicle manufacturing. The new-generation Haval H6 features a cloud-like zero-pressure interior that provides a spacious and comfortable driving experience. Equipped with the new-generation Haval Smart Cockpit and a dual-choice powertrain of 1.5T+7DCT or 2.0T+9DCT, which is more suitable for family use, it also provides users with safety protection in all scenarios, redefining the national household SUV at the RMB100,000 price range.



**Blue Mountain Advanced
Intelligent Driving Edition**

WEY Blue Mountain Intelligent Driving Edition is equipped with Coffee Pilot Ultra, the latest generation of intelligent driving system of Great Wall Motor, which supports HD map-free NOA in all scenarios. The vehicle firstly comes equipped with the new generation of Coffee OS 3 intelligent cockpit system, which provides intelligent and personalized experience for each family member in the vehicle. In addition, WEY Blue Mountain Intelligent Driving Edition is equipped with an all-new four-wheel drive technology Hi4 and CDC electronically controlled suspension system, which ensures safer driving in all scenarios and continuously enhances massive users' experience of travelling.



Second-generation Haval H9

The second generation of Haval H9 is positioned as an "off-road vehicle for the whole family". As the flagship model of Haval, it inherits the off-road genes of Great Wall Motor and demonstrates comprehensive adaptability to all road conditions and scenarios, catering to the driving needs for a safe, reliable and comfortable off-road experience. It aspires to transform individual adventures into shared family aspirations, making it the premier choice for families seeking rugged outdoor adventures, scaling mountains and traversing obstacles to explore the world.

Tax Incentives for High-tech Enterprises

In accordance with the announcement on the Filing of the First Batch of High-tech Enterprises Accredited by the Hebei Provincial Accreditation Authority in 2022 《關於對河北省認定機構2022年認定的第一批高新技術企業進行備案的公告》 issued by the Torch High-tech Industry Development Center of the Ministry of Science and Technology (科技部火炬高技術產業開發中心) on 8 November 2022, the Company was re-accredited as a high-tech enterprise in 2022 (valid for three years) and hence was entitled to an applicable income tax rate of 15% from 2022 to 2024.

Major changes in the business operation of the Company during the Reporting Period, and events occurring during the Reporting Period that have a major impact on the business operation of the Company and are expected to have a major impact in the future

Applicable Not applicable

IV. PRINCIPAL OPERATION DURING THE REPORTING PERIOD

(I) Analysis of principal business

1 Analysis of changes of relevant items in the financial statements

Unit: Yuan Currency: RMB

Item	Amount for the Current Period	Amount for the corresponding period of last year	Changes (%)
Total operating revenue	91,428,957,094.64	69,971,117,162.78	30.67
Operating revenue	91,428,957,094.64	69,971,117,162.78	30.67
Operating costs	72,467,381,632.51	58,180,357,751.58	24.56
Selling expenses	3,805,185,651.78	3,253,302,670.39	16.96
Administrative expenses	1,999,695,294.30	2,071,045,814.95	-3.45
Financial expenses	-160,115,911.41	-223,566,839.18	-
Research and development expenses	4,184,560,113.85	3,509,415,452.83	19.24
Net cash flow from operating activities	9,406,025,826.39	-2,436,189,836.95	-
Net cash flow from investing activities	-4,849,869,166.80	-5,109,368,895.07	-
Net cash flow from financing activities	-4,397,758,283.10	6,379,613,823.87	-168.93

The change in operating revenue was mainly due to an increase in the sales volume of automobiles and an increase in average revenue per vehicle as a result of the increase in the proportion of sales of overseas and medium and high-end products during the Reporting Period.

The change in net cash flows from operating activities was mainly due to an increase in cash received from sales of goods as a result of the increase in cash receipts from the growth in overseas sales volume and the increase in cash received from the negotiation of bills upon maturity which was influenced by the domestic sales collection cycle.

The change in net cash flows from financing activities was mainly due to changes in restricted funds.

2 Detailed description of any significant change in business type, profit composition or source of profit of the Company during the Current Period

Applicable Not applicable

(II) Description of significant changes in profit due to non-principal business

Applicable Not applicable

(III) Analysis of assets and liabilities

Applicable Not applicable

1. Assets and liabilities

Currency: RMB Unit: Yuan

Item	Amount as at the end of the Current Period	Amount as at the end of the Current Period as a percentage of total assets (%)	Amount as at the end of the corresponding period of last year	Amount as at the end of the corresponding period of last year as a percentage of total assets (%)	Changes in the amount as at the end of the Current Period as compared with the end of the corresponding period of last year (%)	Description
Cash and bank balances	39,536,531,898.24	19.91	38,337,235,066.54	19.05	3.13	
Held-for-trading financial assets	2,458,556,628.03	1.24	4,112,386,017.05	2.04	-40.22	The change in held-for-trading financial assets was mainly due to a decrease in wealth management products during the Reporting Period.
Derivative financial assets	36,286,285.55	0.02	11,834,681.50	0.01	206.61	The change in derivative financial assets was mainly due to the change in the fair value of derivatives as at the end of the Reporting Period.
Accounts receivable	6,788,849,523.79	3.42	7,193,193,843.92	3.57	-5.62	
Prepayments	2,440,358,731.48	1.23	3,872,727,438.14	1.92	-36.99	The change in prepayments was mainly due to a decrease in prepaid tariffs and payments for goods.

Management Discussion and Analysis

Item	Amount as at the end of the Current Period	Amount as at the end of the Current Period as a percentage of total assets (%)	Amount as at the end of the corresponding period of last year	Amount as at the end of the corresponding period of last year as a percentage of total assets (%)	Changes in the amount as at the end of the Current Period as compared with the end of the corresponding period of last year (%)	Description
Other receivables	1,621,701,813.29	0.82	2,113,975,772.93	1.05	-23.29	
Inventories	26,761,360,944.00	13.47	26,627,754,349.95	13.23	0.50	
Contract assets	17,352,200.00	0.01	52,210,745.00	0.03	-66.77	
Other current assets	4,758,497,070.52	2.40	2,559,503,451.38	1.27	85.91	The change in other current assets was mainly due to an increase in tax to be deducted and deposits with non-banking financial institutions.
Investment properties	454,629,299.25	0.23	449,961,881.17	0.22	1.04	
Long-term equity investments	11,215,156,161.74	5.65	10,751,122,072.61	5.34	4.32	
Fixed assets	29,380,672,143.59	14.79	30,235,058,181.32	15.02	-2.83	
Construction in progress	6,849,757,144.36	3.45	6,477,355,064.20	3.22	5.75	
Right-of-use assets	1,045,370,036.91	0.53	735,708,393.90	0.37	42.09	The change in right-of-use assets was mainly due to additional new leases during the Reporting Period.
Long-term prepaid expenses	335,265,583.37	0.17	256,546,688.91	0.13	30.68	The change in long-term prepaid expenses was mainly due to an increase in renovation and improvement costs of leased assets during the Reporting Period.

Item	Amount as at the end of the Current Period	Amount as at the end of the Current Period as a percentage of total assets (%)	Amount as at the end of the corresponding period of last year	Amount as at the end of the corresponding period of last year as a percentage of total assets (%)	Changes in the amount as at the end of the Current Period as compared with the end of the corresponding period of last year (%)	Description
Other non-current assets	1,149,588,302.09	0.58	1,798,032,216.09	0.89	-36.06	The change in other non-current assets was mainly due to a decrease in purchase deposits receivable which are expected to be recovered over one year during the Reporting Period.
Short-term borrowings	3,447,725,386.65	1.74	5,700,850,933.24	2.83	-39.52	The change in short-term borrowings was mainly due to the repayment of short-term bank borrowings during the Reporting Period.
Derivative financial liabilities	29,417,160.61	0.01	84,400,226.04	0.04	-65.15	The change in derivative financial liabilities was due to changes in the fair value of derivatives as at the end of the Reporting Period.
Contract liabilities	9,428,076,026.32	4.75	9,583,075,738.92	4.76	-1.62	
Employee benefits payable	1,106,572,405.80	0.56	4,393,889,722.37	2.18	-74.82	The change in employee benefits payable was mainly due to the payment of year-end bonuses during the Reporting Period.
Taxes payable	3,959,497,989.73	1.99	2,390,118,827.57	1.19	65.66	The change in taxes payable was mainly due to an increase in taxes payable as a result of the growth in overseas production and sales volume.
Non-current liabilities due within one year	10,466,690,690.47	5.27	6,890,334,761.20	3.42	51.90	The change in non-current liabilities due within one year was mainly due to an increase in long-term borrowings that are expected to be repaid within one year during the Reporting Period.

Management Discussion and Analysis

Item	Amount as at the end of the Current Period	Amount as at the end of the Current Period as a percentage of total assets (%)	Amount as at the end of the corresponding period of last year	Amount as at the end of the corresponding period of last year as a percentage of total assets (%)	Changes in the amount as at the end of the Current Period as compared with the end of the corresponding period of last year (%)	Description
Long-term borrowings	10,555,370,520.37	5.31	13,286,088,708.96	6.60	-20.55	
Lease liabilities	919,669,851.77	0.46	661,565,279.50	0.33	39.01	The change in lease liabilities was mainly due to an increase in negative lease liabilities resulting from new leases during the Reporting Period.
Other non-current liabilities	54,525,904.04	0.03	179,578,980.44	0.09	-69.64	The change in other non-current liabilities was mainly due to a decrease in vehicle payments with repurchase obligations that are expected to due over one year.
Capital reserve	3,068,332,489.16	1.54	2,054,642,157.73	1.02	49.34	The change in capital reserve was mainly due to the increased expenses related to the vesting period for the grant of restricted shares and equity incentives during the Reporting Period.
Treasury shares	1,268,573,018.87	0.64	804,050,463.01	0.40	57.77	The change in treasury shares was mainly due to the grant of restricted shares to participants by the Group during the Reporting Period.
Other comprehensive income	233,304,850.60	0.12	12,192,749.99	0.01	1,813.47	The change in other comprehensive income was mainly due to fluctuations in the translation differences in foreign currency statements during the Reporting Period.
Special reserve	255,747,829.51	0.13	162,768,426.67	0.08	57.12	The change in special reserve was due to the increased provision made for safe production cost during the Reporting Period.

2. Overseas assets

Applicable Not applicable

(1) Asset size

Including: overseas assets of 41,767,686,385.29 (unit: Yuan, currency: RMB), accounting for 21.03% of the total assets.

(2) Description of high proportion of overseas assets

Applicable Not applicable

3. Restrictions on major assets as at the end of the Reporting Period

Applicable Not applicable

Currency: RMB Unit: Yuan

Item	Carrying amount at the end of the Period	Reasons for the restrictions
Cash and bank balances	4,227,564,357.08	Security and margin deposits for bank acceptances and L/C, letter of guarantee deposits and others
Notes receivable	1,900,788,330.75	Used for issuance of notes payable, endorsed, or discounted
Financing with receivables	18,806,058,536.33	Used for issuance of notes payable
Intangible assets	54,173,227.96	Used for short-term borrowings
Fixed assets	126,411,694.59	Used for short-term borrowings
Long-term receivables	1,190,790,087.97	Used for short-term borrowings, long-term borrowings and asset-backed securities
Total	26,305,786,234.68	

4. Description of other matters

Applicable Not applicable

(IV) Analysis of investments**1. Overall analysis of external equity investment**

Applicable Not applicable

During the Reporting Period, the Group had no significant investment matters.

During the Reporting Period, the Group incurred total equity investments amounting to RMB428,767,600, all of which were equity investments in subsidiaries, representing a year-on-year decrease of 50.03% as compared with that of RMB857,993,600 in the corresponding period of last year.

Management Discussion and Analysis

(1). Major equity investment

Applicable Not applicable

(2). Major investment in non-equity interest

Applicable Not applicable

(3). Financial assets measured at fair value

Applicable Not applicable

Unit: Yuan Currency: RMB

Asset class	Amount at the beginning of the period	Gains or losses from changes in fair value for the Current Period	Accumulated changes in fair value included in equity	Impairment provided during the Current Period	Purchase amount during the Current Period	Sales/redemption amount during the Current Period	Other changes	Balance at the end of the period
Derivative instruments	-72,565,544.54	78,813,885.88	-	-	-	-	620,783.60	6,869,124.94
Private equity funds	207,928,692.28	-6,300,000.00	-	-	12,000,000.00	-	-38,219.75	213,590,472.53
Others	34,956,505,302.32	-2,829,389.02	9,400,321.48	-	62,661,319,830.58	-65,887,878,796.62	1,957,761.88	31,738,475,030.62
Including: Wealth management products	4,112,386,017.05	-2,829,389.02	-	-	16,941,000,000.00	-18,592,000,000.00	-	2,458,556,628.03
Financing with receivables	28,923,599,369.45	-	9,400,321.48	-	45,720,319,830.58	-47,295,878,796.62	-	27,357,440,724.89
Other equity instrument investments	1,920,519,915.82	-	-	-	-	-	1,957,761.88	1,922,477,677.70
Total	35,091,868,450.06	69,684,496.86	9,400,321.48	-	62,673,319,830.58	-65,887,878,796.62	2,540,325.73	31,958,934,628.09

Securities investment

Applicable Not applicable

Securities investment description

Applicable Not applicable

Privately-offered fund investment

Applicable Not applicable

Privately-offered fund investment represents Advanced Manufacturing Industry Investment Fund Phase II (Limited Partnership) invested by the Company

Derivative investment

Applicable Not applicable

The Company held the 5th meeting of the eighth session of the Board and the 4th meeting of the eighth session of the Supervisory Committee on 26 September 2023, at which the Resolution on Conducting Foreign Exchange Derivatives Trading Business was considered and approved, pursuant to which the Group would conduct foreign exchange derivatives trading business within the next twelve months from the date on which the resolution was considered and approved by the Board, during which the maximum contractual value held on any trading day shall not exceed RMB19.5 billion or in other currency equivalent.

According to the principle of risk-neutral management, in order to hedge the risk of exchange rate fluctuation, the Company conducted the foreign exchange derivatives trading business with high correlation with the receipt and payment of major foreign currencies within the next twelve months from the date on which the resolution was considered and approved by the Board.

(1). *Derivative investments for hedging purposes during the Reporting Period*

Applicable Not applicable

(2). *Derivative investments for speculative purposes during the Reporting Period*

Applicable Not applicable

Future plans for material investments or capital assets

The Group had no other future plans for material investments or capital assets as at 30 June 2024.

(V) Disposal of major assets and equity interest

Applicable Not applicable

(VI) Analysis of major subsidiaries and investees

Applicable Not applicable

There were no subsidiaries and investees contributing more than 10% of net profit of the Company during the Reporting Period.

(VII) Structured entities under the control of the Company

Applicable Not applicable

V. OTHER DISCLOSURES

(I) Exposure to potential risks

Applicable Not applicable

Set out below are the risks and challenges that the Company may be exposed to:

1. In 2024, factors such as China's economic transformation and upgrading, and uncertainties in international trade may have a volatile impact on the automotive industry;
2. In 2024, competition within the automotive industry will become more intense, with more diverse product lineups and increased supply, making it more challenging to capture consumers' mindshare;
3. In 2024, new technologies and business models such as new energy vehicles, smart driving, and shared mobility will become mainstream, placing higher demands on automakers' technological leadership, iteration speed, and resource integration capabilities.

In response to the above risks and challenges, the Company will mainly take the following measures:

1. Faced with intense competition in the market, the Company will adhere to a bottom-line mindset, persist in long-termism, and gain market share without compromising on quality. Relying on its strategic framework, the Company will be committed to manufacturing high-quality vehicles and providing cost-effective products to global customers;
2. The Company will promote product innovation and continuously optimize its product structure to create a comprehensive layout covering all powertrains, product categories, and market segments. By enhancing the capabilities and quality of its sales service system, the Company aims to create hit products and deliver premium services;
3. The Company will continuously intensify its investment in R&D activities, with further focus on electrification and intelligence. By continuously promoting technology iteration and upgrading, the Company will leverage the effect of its forest-like ecosystem based on electrification and intelligence to create a superior product experience, achieve better cost management, and maximize ecosystem benefits.

(II) Other disclosures

Applicable Not applicable

1. Interim Dividend

The Board has deferred consideration of whether to distribute an interim dividend to shareholders for the six months ended 30 June 2024.

2. Purchase, Sale or Redemption of the Company's Listed Securities*Repurchase of restricted A Shares*

During the Reporting Period, the Company repurchased its restricted A Shares from the Shanghai Stock Exchange and cancelled them through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. For details, please refer to section 7 "Changes in Shares and Shareholders" of this report.

Save as disclosed above, for the six months ended 30 June 2024, the Company or any of its subsidiaries did not purchase, sell or redeem any listed securities of the Company.

3. Corporate Governance

To the knowledge of the Board, the Company has complied with all the principles and code provisions in the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules during the Reporting Period.

4. Audit Committee

The Company has set up the Audit Committee for the purposes of reviewing and supervising the financial reporting process and internal control of the Group. The Audit Committee comprises three independent non-executive directors and one non-executive director of the Company. At the meeting held on 28 August 2024, the Audit Committee reviewed the 2024 interim results announcement, interim report and interim financial report of the Company and gave its opinions and recommendations to the Board. The Audit Committee is of the opinion that the 2024 interim results announcement, interim report and interim financial report of the Company comply with the applicable accounting standards and the Company has made appropriate disclosure thereof.

5. Remuneration Committee

The Remuneration Committee of the Company comprises two independent non-executive directors and one executive director. The Remuneration Committee is responsible for making recommendations on the remuneration policies in relation to the directors and senior management of the Company, and determining the remuneration packages of executive directors and senior management, including benefits in kind, pensions and compensation payments.

6. Nomination Committee

The Nomination Committee of the Company comprises two independent non-executive directors and one executive director. The Nomination Committee is responsible for making recommendations to the Board regarding its size and composition based on business activities, asset scale and shareholding structure of the Company and making recommendations to the Board on the standards and procedures for selecting directors and management members.

7. Strategy and Sustainable Development Committee

The Strategy and Sustainable Development Committee of the Company comprises two executive directors, one non-executive director and two independent non-executive directors. The Strategy and Sustainable Development Committee makes recommendations to the management from time to time in accordance with the prevailing market environment and changes in policies and is responsible for researching and making recommendations on the Company's long-term development strategies and material investment decisions.

8. Compliance with the Model Code

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by all directors. Having made specific enquiry to the directors and based on the information available, the Board is of the opinion that all directors have complied with the provisions under the Model Code during the Reporting Period.

9. Subsequent Significant Events

The Group did not experience any other significant events subsequent to the Reporting Period.

10. Changes of Information on Directors, Supervisors or Chief Executives

For the six months ended 30 June 2024 and as of the date of this report, the Company is not aware of any other changes of information on directors, supervisors or chief executives required to be disclosed pursuant to any of the requirements under Rule 13.51B of the Hong Kong Listing Rules.

Save as disclosed in this report, information with respect to the Group's other matters as set out in paragraph 32 of Appendix D2 to the Hong Kong Listing Rules has not changed materially from that included in the Company's 2023 annual report.

SECTION 4

CORPORATE GOVERNANCE

I. SUMMARY OF THE GENERAL MEETINGS

Session	Date of meeting	Designated website on which the resolution was published	Publication date of the resolution	Resolution of the meeting
The first extraordinary general meeting in 2024	26 January 2024	Shanghai Stock Exchange www.sse.com.cn ; Hong Kong Stock Exchange www.hkexnews.hk	26 January 2024	The Resolution on the 2023 Restricted Share Incentive Scheme of Great Wall Motor Company Limited (Draft) and Its Summary, the Resolution on the 2023 Share Option Incentive Scheme of Great Wall Motor Company Limited (Draft) and Its Summary, the Resolution on the Appraisal Management Measures for Implementation of the 2023 Restricted Share Incentive Scheme of Great Wall Motor Company Limited, the Resolution on the Appraisal Management Measures for Implementation of the 2023 Share Option Incentive Scheme of Great Wall Motor Company Limited, the Resolution on the General Meeting of Shareholders to Authorize the Board of Directors and its Authorized Persons to Handle Matters relating to the 2023 Restricted Share Incentive Scheme of the Company, the Resolution on the General Meeting of Shareholders to Authorize the Board of Directors and its Authorized Persons to Handle Matters relating to the 2023 Share Option Incentive Scheme of the Company, the Resolution on the Amendments to the Articles of Association, the Resolution on the 2023 Second ESOP of Great Wall Motor Company Limited (Draft) and Its Summary, the Resolution on the Measures for the Administration of the 2023 Second ESOP of Great Wall Motor Company Limited, the Resolution on the Proposal to the General Meeting of Shareholders to Authorize the Board to Deal with Matters in Relation to the 2023 Second ESOP, the Resolution on the Ordinary Related-party Transactions with Spotlight Automotive, the Resolution on the Amendments to Working System for Independent Directors of the Company, the Resolution on the Amendments to Rules of Procedure for General Meeting of the Company and the Resolution on the Amendments to Rules of Procedure for Meetings of the Board of Directors of the Company were considered and approved

Session	Date of meeting	Designated website on which the resolution was published	Publication date of the resolution	Resolution of the meeting
The first H Shareholders' class meeting in 2024	26 January 2024	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	26 January 2024	The Resolution on the 2023 Restricted Share Incentive Scheme of Great Wall Motor Company Limited (Draft) and Its Summary, the Resolution on the 2023 Share Option Incentive Scheme of Great Wall Motor Company Limited (Draft) and Its Summary, the Resolution on the Appraisal Management Measures for Implementation of the 2023 Restricted Share Incentive Scheme of Great Wall Motor Company Limited, the Resolution on the Appraisal Management Measures for Implementation of the 2023 Share Option Incentive Scheme of Great Wall Motor Company Limited, the Resolution on the General Meeting of Shareholders to Authorize the Board of Directors and its Authorized Persons to Handle Matters relating to the 2023 Restricted Share Incentive Scheme of the Company and the Resolution on the General Meeting of Shareholders to Authorize the Board of Directors and its Authorized Persons to Handle Matters relating to the 2023 Share Option Incentive Scheme of the Company were considered and approved
The first A Shareholders' class meeting in 2024	26 January 2024	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	26 January 2024	The Resolution on the 2023 Restricted Share Incentive Scheme of Great Wall Motor Company Limited (Draft) and Its Summary, the Resolution on the 2023 Share Option Incentive Scheme of Great Wall Motor Company Limited (Draft) and Its Summary, the Resolution on the Appraisal Management Measures for Implementation of the 2023 Restricted Share Incentive Scheme of Great Wall Motor Company Limited, the Resolution on the Appraisal Management Measures for Implementation of the 2023 Share Option Incentive Scheme of Great Wall Motor Company Limited, the Resolution on the General Meeting of Shareholders to Authorize the Board of Directors and its Authorized Persons to Handle Matters relating to the 2023 Restricted Share Incentive Scheme of the Company and the Resolution on the General Meeting of Shareholders to Authorize the Board of Directors and its Authorized Persons to Handle Matters relating to the 2023 Share Option Incentive Scheme of the Company were considered and approved

Session	Date of meeting	Designated website on which the resolution was published	Publication date of the resolution	Resolution of the meeting
The second extraordinary general meeting in 2024	24 April 2024	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	24 April 2024	The Resolution on the 2024 Guarantee Plan, the Resolution in Relation to the Bill Pool Business to be Carried out by the Company for the Year 2024, and the Resolution on the Company's Authorisation to Conduct Banking Business were considered and approved
2023 annual general meeting	10 May 2024	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	10 May 2024	The Resolution on the Audited Financial Accounting Report for 2023, the Resolution on the Work Report of Board of Directors for 2023, the Resolution on the Profit Distribution Plan for 2023, the Resolution on the Annual Report for 2023 and Its Summary, the Resolution on the Work Report of Independent Directors for 2023, the Resolution on the Work Report of the Supervisory Committee for 2023, the Resolution on the Corporate Operation Strategy for 2024, the Resolution on the Reappointment of the Accounting Firm, the Resolution on Granting the General Mandate to the Board to Issue A Shares and H Shares and the Resolution on Granting the General Mandate to the Board to Repurchase A Shares and H Shares were considered and approved
The second H Shareholders' class meeting in 2024	10 May 2024	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	10 May 2024	The Resolution on Granting the General Mandate to the Board to Repurchase A Shares and H Shares was considered and approved
The second A Shareholders' class meeting in 2024	10 May 2024	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	10 May 2024	The Resolution on Granting the General Mandate to the Board to Repurchase A Shares and H Shares was considered and approved

Description of the Convening of Extraordinary General Meetings Requested by the Shareholders Holding Preference Shares with Restored Voting Rights

Applicable Not applicable

Description of General Meetings

Applicable Not applicable

II. CHANGE IN THE COMPANY'S DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Applicable Not applicable

Explanation for changes in the directors, supervisors and senior management of the Company

Applicable Not applicable

III. PROPOSAL OF PROFIT DISTRIBUTION OR CAPITALISATION OF CAPITAL RESERVE

Profit distribution proposal and proposal on capitalisation of capital reserve for the first half of the year

Any distribution or capitalisation	No
Number of bonus shares	
for every 10 shares (share)	0
Dividends for every 10 shares	
(RMB) (tax inclusive)	0
Number of capitalisation shares	
for every 10 shares (share)	0

Details of proposal of profit distribution or capitalisation of capital reserve

Nil

IV. SHARE INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER INCENTIVES FOR EMPLOYEES AND THEIR EFFECTS

(I) Share incentives disclosed in preliminary announcements without subsequent development or changes

√ Applicable Not applicable

Event summary	Inquiry index
Announcement of Great Wall Motor Company Limited on Conversion of Convertible Corporate Bonds and Independent Exercise Results and Share Changes of the 2020 Restricted Share and Share Option Incentive Scheme	Details were published in the announcements dated 3 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-001) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Completion of Cancellation of Certain Share Options under the First Grant and the Reserved Grant of the 2021 Share Option Incentive Scheme	Details were published in the announcements dated 5 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-006) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Implementation of Repurchase and Cancellation of Certain Restricted Shares under the First Grant and the Reserved Grant of the 2021 Restricted Share Incentive Scheme	Details were published in the announcements dated 8 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-007) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Opinions of the Supervisory Committee on the Verification and the Public Opinions in relation to the Participant List of the First Grant of the 2023 Restricted Share Incentive Scheme and the 2023 Share Option Incentive Scheme of Great Wall Motor Company Limited	Details were published in the announcements dated 19 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-009) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)

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Participant List of the First Grant of the 2023 Restricted Share Incentive Scheme of Great Wall Motor Company Limited	Details were published in the announcements dated 26 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Participant List of the First Grant of the 2023 Share Option Incentive Scheme of Great Wall Motor Company Limited	Details were published in the announcements dated 26 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
2023 Restricted Share Incentive Scheme of Great Wall Motor Company Limited	Details were published in the announcements dated 26 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Self-examination Report of Great Wall Motor Company Limited on the Inside Information Insiders' Trading of Shares of the Company under the 2023 Restricted Share Incentive Scheme and the 2023 Share Option Incentive Scheme	Details were published in the announcements dated 26 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-015) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Adjustments to the Participant List and the Number of Grant of the 2023 Restricted Share Incentive Scheme and the 2023 Share Option Incentive Scheme	Details were published in the announcements dated 26 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-018) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)

Event summary	Inquiry index
2023 Share Option Incentive Scheme of Great Wall Motor Company Limited	Details were published in the announcements dated 26 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Granting Restricted Shares to Incentive Objects of the 2023 Restricted Share Incentive Scheme and Granting Share Options to Incentive Objects of the 2023 Share Option Incentive Scheme	Details were published in the announcements dated 26 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-019) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Second Employee Stock Ownership Plan for 2023 of Great Wall Motor Company Limited	Details were published in the announcements dated 26 January 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Conversion of Convertible Corporate Bonds and Independent Exercise Results and Share Changes of the 2020 Restricted Share and Share Option Incentive Scheme	Details were published in the announcements dated 2 February 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-020) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on the Completion of Non-trading Transfer of the Second Employee Stock Ownership Plan for 2023	Details were published in the announcements dated 19 February 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-022) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Results of the First Grant of the 2023 Restricted Share Incentive Scheme and the 2023 Share Option Incentive Scheme	Details were published in the announcements dated 21 February 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-024) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)

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Announcement of Great Wall Motor Company Limited on Conversion of Convertible Corporate Bonds and Independent Exercise Results and Share Changes of the 2020 Restricted Share and Share Option Incentive Scheme (Revised)	Details were published in the announcements dated 5 March 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-025) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on the Resolution of the First Meeting of the Holders under the Second Employee Stock Ownership Plan for 2023	Details were published in the announcements dated 22 March 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-028) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Notice to Creditors on Repurchase and Cancellation of Certain Restricted Shares	Details were published in the announcements dated 29 March 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-042) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Cancellation of Certain Share Options under the First Grant and the Reserved Grant of the 2020 Restricted Share and Share Options Incentive Scheme of the Company	Details were published in the announcements dated 29 March 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-043) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Repurchase and Cancellation of Certain Restricted Shares under the First Grant and the Reserved Grant of the 2021 Restricted Share Incentive Scheme of the Company	Details were published in the announcements dated 29 March 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-044) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Cancellation of Certain Share Options under the First Grant and the Reserved Grant of the 2021 Share Option Incentive Scheme of the Company	Details were published in the announcements dated 29 March 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-045) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)

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Announcement of Great Wall Motor Company Limited on Conversion of Convertible Corporate Bonds and Independent Exercise Results and Share Changes of the 2020 Restricted Share and Share Option Incentive Scheme	Details were published in the announcements dated 2 April 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-047) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Conversion of Convertible Corporate Bonds and Independent Exercise Results and Share Changes of the 2020 Restricted Share and Share Option Incentive Scheme	Details were published in the announcements dated 6 May 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-058) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Cancellation of Certain Share Options under the First Grant of the 2020 Restricted Share and Share Option Incentive Scheme of the Company	Details were published in the announcements dated 10 May 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-064) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Cancellation of Certain Share Options under the First Grant and the Reserved Grant of the 2021 Share Option Incentive Scheme of the Company	Details were published in the announcements dated 10 May 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-065) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Implementation of Repurchase and Cancellation of Certain Restricted Shares under the First Grant and the Reserved Grant of the 2021 Restricted Share Incentive Scheme	Details were published in the announcements dated 16 May 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-067) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)

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Announcement of Great Wall Motor Company Limited on Completion of Cancellation of Certain Share Options under the First Grant and the Reserved Grant of the 2020 Restricted Share and Share Option Incentive Scheme and the 2021 Share Option Incentive Scheme	Details were published in the announcements dated 16 May 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-068) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on the Conversion Results and Share Changes of Convertible Corporate Bonds	Details were published in the announcements dated 4 June 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-077) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Adjustments to the Repurchase Price of Restricted Shares under the First Grant under the 2021 Restricted Share Incentive Scheme and the Exercise Price of the Share Options under the First Grant under the 2021 Share Option Incentive Scheme of the Company	Details were published in the announcements dated 4 June 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-080) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Adjustments to the Repurchase Price of Restricted Shares under the Reserved Grant under the 2021 Restricted Share Incentive Scheme and the Exercise Price of the Share Options under the Reserved Grant under the 2021 Share Option Incentive Scheme of the Company	Details were published in the announcements dated 4 June 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-081) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Adjustments to the Repurchase Price of Restricted Shares under the First Grant under the 2023 Restricted Share Incentive Scheme and the Exercise Price of the Share Options under the First Grant under the 2023 Share Option Incentive Scheme of the Company	Details were published in the announcements dated 4 June 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-082) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)

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Announcement of Great Wall Motor Company Limited on Repurchase and Cancellation of Certain Restricted Shares under the First Grant and the Reserved Grant of the 2021 Restricted Share Incentive Scheme of the Company	Details were published in the announcements dated 4 June 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-083) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Repurchase and Cancellation of Certain Restricted Shares under the First Grant of the 2023 Restricted Share Incentive Scheme of the Company	Details were published in the announcements dated 4 June 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-084) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Notice to Creditors on Repurchase and Cancellation of Certain Restricted Shares	Details were published in the announcements dated 4 June 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-085) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Unlocking and Listing of the Second Tranche of Restricted Shares under the Reserved Grant of the 2021 Restricted Share Incentive Scheme	Details were published in the announcements dated 12 June 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-088) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Cancellation of Certain Share Options under the First Grant of the 2021 Share Option Incentive Scheme	Details were published in the announcements dated 20 June 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-091) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)

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Announcement of Great Wall Motor Company Limited on the Fulfilment of the Exercise Conditions of Second Exercise Period of Share Options under the Reserved Grant of the 2021 Share Option Incentive Scheme

Details were published in the announcements dated 20 June 2024 on the websites of the Shanghai Stock Exchange (<http://www.sse.com.cn>) (announcement No.: 2024-092) and the Hong Kong Stock Exchange (<https://www.hkex.com.hk>) and the official website of the Company (<https://www.gwm.com.cn>)

Indicative Announcement of Great Wall Motor Company Limited on Restriction of the Exercise Period of Share Options of the Company

Details were published in the announcements dated 27 June 2024 on the websites of the Shanghai Stock Exchange (<http://www.sse.com.cn>) (announcement No.: 2024-093) and the Hong Kong Stock Exchange (<https://www.hkex.com.hk>) and the official website of the Company (<https://www.gwm.com.cn>)

Announcement of Great Wall Motor Company Limited on Completion of Cancellation of Certain Share Options under the First Grant of the 2021 Share Option Incentive Scheme

Details were published in the announcements dated 27 June 2024 on the websites of the Shanghai Stock Exchange (<http://www.sse.com.cn>) (announcement No.: 2024-094) and the Hong Kong Stock Exchange (<https://www.hkex.com.hk>) and the official website of the Company (<https://www.gwm.com.cn>)

Announcement of Great Wall Motor Company Limited on Conversion of Convertible Corporate Bonds and Independent Exercise Results and Share Changes of the 2021 Share Option Incentive Scheme

Details were published in the announcements dated 2 July 2024 on the websites of the Shanghai Stock Exchange (<http://www.sse.com.cn>) (announcement No.: 2024-096) and the Hong Kong Stock Exchange (<https://www.hkex.com.hk>) and the official website of the Company (<https://www.gwm.com.cn>)

Announcement of Great Wall Motor Company Limited on Repurchase and Cancellation of Certain Restricted Shares under the First Grant of the 2021 Restricted Share Incentive Scheme of the Company

Details were published in the announcements dated 5 July 2024 on the websites of the Shanghai Stock Exchange (<http://www.sse.com.cn>) (announcement No.: 2024-099) and the Hong Kong Stock Exchange (<https://www.hkex.com.hk>) and the official website of the Company (<https://www.gwm.com.cn>)

Event summary	Inquiry index
Announcement of Great Wall Motor Company Limited on Notice to Creditors on Repurchase and Cancellation of Certain Restricted Shares	Details were published in the announcements dated 5 July 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-100) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Unlocking and Listing of the Third Tranche of Restricted Shares under the First Grant of the 2021 Restricted Share Incentive Scheme	Details were published in the announcements dated 16 July 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-103) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on the Fulfilment of the Exercise Conditions of Third Exercise Period of Share Options under the First Grant of the 2021 Share Option Incentive Scheme	Details were published in the announcements dated 16 July 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-104) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Indicative Announcement of Great Wall Motor Company Limited on Restriction of the Exercise Period of Share Options of the Company	Details were published in the announcements dated 18 July 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-105) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)
Announcement of Great Wall Motor Company Limited on Conversion of Convertible Corporate Bonds and Independent Exercise Results and Share Changes of the 2021 Share Option Incentive Scheme	Details were published in the announcements dated 2 August 2024 on the websites of the Shanghai Stock Exchange (http://www.sse.com.cn) (announcement No.: 2024-111) and the Hong Kong Stock Exchange (https://www.hkex.com.hk) and the official website of the Company (https://www.gwm.com.cn)

THE RESTRICTED SHARE AND SHARE OPTION INCENTIVE SCHEME AND EMPLOYEE STOCK OWNERSHIP PLAN

A summary of the 2020 Restricted Share and Share Option Incentive Scheme

1. *Purpose of the Scheme*

To further establish and improve the incentive mechanism, attract and retain talented individuals, fully mobilize the enthusiasm of senior management and other core backbone staff of the Company, bond the interests of shareholders, the Company and core individuals together effectively, improve the Company's operation and management, promote the smooth and rapid improvement of the Company's performance and ensure the successful achievement of the Company's long-term development goals, the Company formulated the 2020 Restricted Share and Share Option Incentive Scheme (hereinafter referred to as the "2020 Incentive Scheme") in compliance with the provisions of the Company Law, the Securities Law, the Management Measures for Share Incentives of Listed Companies 《上市公司股權激勵管理辦法》 ("Management Measures") and other relevant laws, regulations and normative documents and the Articles of Association of the Company.

2. *Participants of the Scheme*

The participants of the Scheme shall be senior management, core technical personnel or core business personnel of the Company, directors of certain subsidiaries, senior management and other employees that the Company believes should be motivated and have a direct impact on the Company's operation performance and future development (excluding the Company's independent directors, supervisors, the shareholders individually or in aggregate holding 5% or more of the shares of the Company or the de facto controllers and their spouses, parents or children).

3. *Total number of shares available for issue under the Scheme and percentage of issued shares that it represents as at the date of the interim report*

The total shares to be granted under the 2020 Incentive Scheme shall be 177,178,200, representing 2.07% of the issued shares as at the date of this interim report. It includes 109,757,400 options and 67,420,800 restricted shares, representing 1.28% and 0.79% of the issued shares as at the date of this interim report, respectively.

4. *Maximum entitlements of each participant under the Scheme*

In the 2020 Incentive Scheme, the cumulative number of the Company's shares obtained by any single participant through the share incentive schemes (including the restricted share scheme and the option scheme) in the validity period has not exceeded 1% of the Company's total shares.

5. *Period within which the grantees may exercise share options under the Scheme*

Note: See the table of the 2020 Restricted Share and Share Option Incentive Scheme – Options under the First Grant/Options under the Reserved Grant in this section.

6. Vesting period of the options granted or shares awarded under the Scheme and performance appraisal targets

(1) Vesting period

See the table of the 2020 Restricted Share and Share Option Incentive Scheme – Options under the First Grant/Options under the Reserved Grant; 2020 Restricted Share and Share Option Incentive Scheme – Restricted Shares under the First Grant/Restricted Shares under the Reserved Grant in this section.

(2) Performance appraisal targets

The performance appraisal targets of the restricted shares and the share options under the first grant are set out in the table below:

Selection of performance indicators	Sales volume	Net profit	Threshold
Weights of performance indicators	40%	60%	–
Combined performance coefficient	Σ (actual value of performance indicator/target value of performance indicator) \times weight of performance indicator		
First exercise/unlocking period	The sales volume of automobiles of the Company shall not be less than 1.02 million units in 2020	The net profit shall not be less than RMB4.05 billion in 2020	Combined performance coefficient ≥ 1
Second exercise/unlocking period	The sales volume of automobiles of the Company shall not be less than 1.21 million units in 2021	The net profit shall not be less than RMB5.0 billion in 2021	Combined performance coefficient ≥ 1
Third exercise/unlocking period	The sales volume of automobiles of the Company shall not be less than 1.35 million units in 2022	The net profit shall not be less than RMB5.5 billion in 2022	Combined performance coefficient ≥ 1

The performance appraisal targets of the restricted shares and the share options under the reserved grant are set out in the table below:

Selection of performance indicators	Sales volume	Net profit	Threshold
Weights of performance indicators	40%	60%	–
First exercise/unlocking period	The sales volume of automobiles of the Company shall not be less than 1.21 million units in 2021	The net profit shall not be less than RMB5.0 billion in 2021	Combined performance coefficient ≥ 1
Second exercise/unlocking period	The sales volume of automobiles of the Company shall not be less than 1.35 million units in 2022	The net profit shall not be less than RMB5.5 billion in 2022	Combined performance coefficient ≥ 1

Note: The “net profit” mentioned above refers to the audited net profit attributable to shareholders of the Company, and the “sales volume” mentioned above refers to the audited annual sales volume.

7. The amount payable on application or acceptance of the options or the awards and the period within which payments or calls must be made or loans for application of the options must be repaid

Not applicable

8. Basis of determination for the exercise price of the options granted or the purchase price of the shares granted

(1) Method of determination of the grant price of the restricted shares under the first grant

The grant price of the restricted shares under first grant is RMB4.37 per share. The grant price of the restricted shares under first grant shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① 50% of the average trading price of the shares of the Company (i.e. RMB4.23 per share) on the trading day preceding the date of the announcement of the draft of the 2020 Incentive Scheme;
- ② 50% of the average trading price of the shares of the Company (i.e. RMB4.37 per share) for 120 trading days preceding the date of the announcement of the draft of the 2020 Incentive Scheme.

(2) Method of determination of the grant price of the reserved restricted shares

The grant price of the reserved restricted shares is RMB21.08 per share. The grant price of the reserved restricted shares shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① 50% of the average trading price of the shares of the Company (i.e. RMB21.08 per share) on the trading day preceding the date of the announcement of the Board resolution on the grant of the reserved restricted shares;
- ② 50% of the average trading price of the shares of the Company (i.e. RMB13.76 per share) for 120 trading days preceding the date of the announcement of the Board resolution on the grant of the reserved restricted shares.

(3) Method of determination of the exercise price of the share options under the first grant

The exercise price of the share options under the first grant is RMB8.73 per share. The exercise price of the share options under the first grant shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① the average trading price of the shares (i.e. RMB8.45 per share) on the trading day preceding the date of the announcement of the draft of the 2020 Incentive Scheme;
- ② the average trading price of the shares (i.e. RMB8.73 per share) for 120 trading days preceding the date of the announcement of the draft of the 2020 Incentive Scheme.

(4) Method of determination of the exercise price of the share options under the reserved grant

The exercise price of the reserved share options is RMB42.15 per share. The exercise price of the reserved share options shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① the average trading price of the shares (i.e. RMB42.15 per share) on the trading day preceding the date of the announcement of the Board resolution on the grant of the reserved share options;
- ② the average trading price of the shares (i.e. RMB27.52 per share) for 120 trading days preceding the date of the announcement of the Board resolution on the grant of the reserved share options.

9. Remaining validity period of the Scheme

The validity period of the 2020 Incentive Scheme shall commence on the date of the first grant and end on the date of unlocking all the restricted shares granted to the participants or the date of the repurchase and cancellation of such restricted shares or completing of the cancellation of such share options, which shall not exceed 48 months. The validity period was from 27 April 2020 to 26 April 2024. As at 30 June 2024, the 2020 Incentive Scheme had ended.

10. Fair values of the restricted shares, options and awards as at the grant date and the accounting standards and policies adopted

(1) *Restricted Shares*

In accordance with the relevant requirements of the Accounting Standards for Enterprises No. 11 – Share-based Payment and the Accounting Standards for Enterprises No. 22 – Recognition and Measurement of Financial Instruments, the Company shall measure the fair value of the restricted shares based on the market prices of the shares. On the measurement date, the fair value of share-based payment per Restricted Share = market price of the shares of the Company – grant price.

The first grant of the restricted shares took place in 27 April 2020. Based on the data on 27 April 2020, the total amount of fair value of the equity instruments first granted by the Company to the participants is RMB184,373,700.

As estimated above, the total cost of 52,678,200 restricted shares first granted under the 2020 Incentive Scheme is RMB184,373,700 and details of amortization from 2020 to 2023 are set out below:

Currency: RMB

Number of the restricted shares under the first grant (0'000 shares)	Total cost to be amortized (RMB0'000)	2020 (RMB0'000)	2021 (RMB0'000)	2022 (RMB0'000)	2023 (RMB0'000)
5,267.82	18,437.37	8,808.97	7,067.66	2,151.03	409.72

Notes:

- ① For the consideration of prudent accounting principle, the cost estimate and amortization above have not taken into consideration the future locking of the restricted shares.
- ② The above results do not represent the final accounting costs. The actual accounting costs are related to the actual grant date, the grant price and the number of grant, as well as the actual effective and lapsed quantities, and the possible dilutive effects are brought to the attention of shareholders.
- ③ The final result of the above impact on the Company's operating results will be subject to the annual audit report issued by the accounting firm.
- ④ The accounting treatment of the reserved restricted shares is the same as that of the restricted shares under the first grant.

(2) *Share Options*

In accordance with the requirements of the Accounting Standards for Enterprises No. 11 – Share-based Payment and the Accounting Standards for Enterprises No. 22 – Recognition and Measurement of Financial Instruments, no accounting treatment will be made by the Company to the share options on the grant date. The Company will use the “Black – Scholes” option pricing model to determine the fair value of the share options on the grant date.

The Company conducted the first grant of share options on 27 April 2020. The Company used the “Black-Scholes” model to measure the fair value of the share options and estimate the fair value of 87,572,800 share options first granted by the Company using such model on 27 April 2020. The theoretical value of 87,572,800 share options first granted by the Company was RMB95,122,600. The value of the options in each exercise period is as follows:

Currency: RMB

Exercise period	Number of options under the first grant (0'000)	Value per option (RMB)	Total value of the options under the first grant (RMB0'000)
First exercise period	2,919.09	0.70	2,054.79
Second exercise period	2,919.09	1.27	3,701.31
Third exercise period	2,919.09	1.29	3,756.17

Selection of specific parameters is as follows:

- a) Current price of subject shares: RMB7.87 per share (the closing price on the grant date, being 27 April 2020);
- b) Exercise price of the share options: RMB8.73 per share as determined under the Management Measures;
- c) Valid period: one, two and three years, respectively (based on the period commencing from the grant date and ending on the first exercisable date for respective period);
- d) Historical volatility: 35.86%, 40.95% and 35.82%, respectively (the volatility of the Company for the latest one, two and three years before the grant date, respectively; source: Wind database);
- e) Risk-free rate: 1.1300%, 1.3775% and 1.4182%, respectively (the yield of PRC treasury bond for one, two and three years);
- f) Dividend yield: 3.68% (the average dividend yield of the Company for the latest 12 months before the grant date).

Note: The calculation results of the value of the share options are subject to the options pricing model adopted and a number of assumptions of the parameters used herein. Therefore, the estimated value of the share options may be subjective and uncertain.

The accounting treatment of the reserved share options is the same as that of the share options under the first grant.

2020 Restricted Share and Share Option Incentive Scheme – Restricted Shares under the First Grant

Name	Position	Number of the restricted shares granted (shares)	Shares not vested at the beginning of the Reporting Period (shares)	Shares vested during the Reporting Period (shares)	Shares cancelled during the Reporting Period (shares)	Shares lapsed during the Reporting Period (shares)	Shares yet to be vested at the end of the Reporting Period (shares)
Hu Shu Jie	Deputy General Manager	2,000,000	0	0	0	0	0
Zhao Guo Qing	Deputy General Manager	1,380,000	0	0	0	0	0
Xu Hui	Board Secretary	430,000	0	0	0	0	0
Liu Yu Xin	Chief Financial Controller	250,000	0	0	0	0	0
Zheng Chun Lai	Director and general manager of subsidiaries	400,000	0	0	0	0	0
Zhang De Hui	Director and general manager of subsidiaries	400,000	0	0	0	0	0
Li Rui Feng	Director and general manager of subsidiaries	1,260,000	0	0	0	0	0
Total	Connected persons	6,120,000	0	0	0	0	0
	Other management, core technical (business) backbone staff (274 people)	43,183,500	0	0	0	0	0
Total		49,303,500	0	0	0	0	0

Notes:

- (1) In respect of the first grant of the 2020 Incentive Scheme, which has been completed prior or subsequent to the Reporting Period, the number of such restricted shares granted was 49,303,500, and the date of grant was 27 April 2020. The closing price of A Shares of the Company immediately prior to the date of grant of such restricted shares was RMB7.91. The vesting periods for the restricted shares under the first grant were 12 months, 24 months and 36 months from the date of grant, respectively. The unlocking period was from 27 April 2021 to 26 April 2024, and the purchase price was RMB3.47;
- (2) During the Reporting Period, the number of the restricted shares unlocked was 0;
- (3) During the Reporting Period, the number of the restricted shares cancelled was 0;
- (4) During the Reporting Period, the number of the restricted shares lapsed was 0;
- (5) Mr. Hu Shu Jie resigned as the Deputy General Manager of the Company on 27 August 2021. Mr. Xu Hui resigned as the Board Secretary of the Company on 23 September 2022. Ms. Liu Yu Xin resigned as the Chief Financial Controller of the Company on 29 June 2020.

The first grant of restricted shares under the 2020 Incentive Scheme was completed prior to the Reporting Period, and there was no grant of restricted shares during the Reporting Period. There were no restricted shares to be granted as at the beginning and end of the Reporting Period.

2020 Restricted Share and Share Option Incentive Scheme – Restricted Shares under the Reserved Grant

Name	Position	Number of the restricted shares granted (shares)	Shares not	Shares vested during the Reporting Period (shares)	Shares cancelled during the Reporting Period (shares)	Shares lapsed during the Reporting Period (shares)	Shares yet
			vested at the beginning of the Reporting Period (shares)				to be vested at the end of the Reporting Period (shares)
Other management, core technical (business) backbone staff (149 people)		1,149,150	0	0	0	0	0
Total		1,149,150	0	0	0	0	0

Notes:

- (1) In respect of the reserved grant of the 2020 Incentive Scheme, which has been completed prior or subsequent to the Reporting Period, the number of such restricted shares granted was 1,149,150, and the date of grant was 28 January 2021. The closing price of A Shares of the Company immediately prior to the date of grant of such restricted shares was RMB42.21. The vesting periods for the restricted shares under the reserved grant were 12 months and 24 months from the date of grant, respectively. The unlocking period was from 28 January 2022 to 27 January 2024, and the purchase price was RMB20.43;
- (2) During the Reporting Period, the number of the restricted shares unlocked was 0;
- (3) During the Reporting Period, the number of the restricted shares cancelled was 0;
- (4) During the Reporting Period, the number of the restricted shares lapsed was 0.

The reserved grant of restricted shares under the 2020 Incentive Scheme was completed prior to the Reporting Period, and there was no grant of restricted shares during the Reporting Period. There were no restricted shares to be granted as at the beginning and end of the Reporting Period.

2020 Restricted Share and Share Option Incentive Scheme – Options under the First Grant

Name	Position	Number of the share options granted (shares)	Options not exercised	Options exercised	Options cancelled	Options lapsed	Options yet to be exercised
			at the beginning of the Reporting Period (shares)	during the Reporting Period (shares)	during the Reporting Period (shares)	during the Reporting Period (shares)	at the end of the Reporting Period (shares)
Core management, core technical (business) backbone staff (1,651 people)							
		87,065,300	1,204,658	1,192,492	65,468	12,166	0
Total		87,065,300	1,204,658	1,192,492	65,468	12,166	0

Notes:

- (1) In respect of the first grant of the 2020 Incentive Scheme, which has been completed prior or subsequent to the Reporting Period, the number of such options granted was 87,065,300, and the date of grant was 27 April 2020. The closing price of A Shares of the Company immediately prior to the date of grant of such options was RMB7.91. The vesting periods for the options under the first grant were 12 months, 24 months and 36 months from the date of grant, respectively. The exercise period was from 27 April 2021 to 26 April 2024, and the exercise price was RMB7.53;
- (2) During the Reporting Period, the number of the share options exercised was 1,192,492; the average closing price of A Shares of the Company immediately prior to the exercise date was RMB26.06;
- (3) During the Reporting Period, the number of the share options cancelled was 65,468, and the exercise price of the share options at the time of cancellation was RMB7.53;
- (4) During the Reporting Period, the number of the share options lapsed was 12,166.

The first grant of share options under the 2020 Incentive Scheme was completed prior to the Reporting Period, and there was no grant of share options during the Reporting Period. There were no share options to be granted as at the beginning and end of the Reporting Period.

2020 Restricted Share and Share Option Incentive Scheme – Options under the Reserved Grant

Name	Position	Number of the share options granted (shares)	Options not exercised at the beginning of the Reporting Period (shares)	Options exercised during the Reporting Period (shares)	Options cancelled during the Reporting Period (shares)	Options lapsed during the Reporting Period (shares)	Options yet to be exercised at the end of the Reporting Period (shares)
Other management, core technical (business) backbone staff (497 people)							
		15,721,000	6,892,500	0	6,892,500	6,892,500	0
Total		15,721,000	6,892,500	0	6,892,500	6,892,500	0

Notes:

- (1) In respect of the reserved grant of the 2020 Incentive Scheme, which has been completed prior or subsequent to the Reporting Period, the number of such options granted was 15,721,000, and the date of grant was 28 January 2021. The closing price of A Shares of the Company immediately prior to the date of grant of such options was RMB42.21. The vesting periods for the options under the reserved grant were 12 months and 24 months from the date of grant, respectively. The exercise period was from 28 January 2022 to 27 January 2024, and the exercise price was RMB41.20;
- (2) During the Reporting Period, the number of the share options exercised was 0; the average closing price of A Shares of the Company immediately prior to the exercise date was RMB26.06;
- (3) During the Reporting Period, the number of the share options cancelled was 6,892,500, and the exercise price of the share options at the time of cancellation was RMB41.20;
- (4) During the Reporting Period, the number of the share options lapsed was 6,892,500.

The reserved grant of options under the 2020 Incentive Scheme was completed prior to the Reporting Period, and there was no grant of options during the Reporting Period. There were no options to be granted as at the beginning and end of the Reporting Period.

A summary of the 2021 Restricted Share Incentive Scheme and the 2021 Share Option Incentive Scheme

1. *Purpose of the Schemes*

Based on long-term development and governance for the future, building an innovative long-term incentive mechanism can entrust the participants with rights and obligations, effectively promote the transformation of employees from “workers” to “partners” with their thought changed from “doing work” into “striving for cause”, and gather a group of contemporary strivers and business leaders with common values, thereby promoting the long-term and steady development of the Company, and aligning the interests of all shareholders. Specifically, the 2021 Restricted Share Incentive Scheme and the 2021 Share Option Incentive Scheme are launched for the following purposes:

- (1) by further establishing and improving its operating mechanism and its incentive and restraint mechanism for senior management, middle management and core technical (business) backbone staff, to fully mobilize their enthusiasm, enhance their cohesion, and effectively align the interests of shareholders, the Company and its key personnel, so as to secure “concerted efforts with common interests” and promote the sustainable, steady and rapid development of the Company.
- (2) by setting challenging performance targets to bring both pressure and motivation, to not only help enhance the Company’s competitiveness but also help mobilize the enthusiasm and creativity of the management and core backbone staff, and ensure the Company to realize its future development strategies and business objectives, so as to create more sustainable and greater returns for shareholders.
- (3) to help attract and retain outstanding management talents and core business staff so that meet the Company’s huge demand for core technical and management talents through comprehensive and accurate coverage of high-value positions and key talents, so as to enhance the Company’s cohesion, establish the Company’s human resources advantages, further stimulate the Company’s innovation vitality, and inject new power into the Company’s sustained and rapid development.

2. *Participants of the Schemes*

The participants shall be the senior management of the Company, directors and senior management working in the controlled subsidiaries of the Company, middle management and core technical (business) backbone staff of the Company (including its controlled subsidiaries) and other employees that the Company believes should be motivated and have a direct impact on the Company’s operation performance and future development, excluding the Company’s independent directors, supervisors, the shareholders individually or in aggregate holding 5% or more of the shares of the Company or the de facto controllers and their spouses, parents or children.

3. Total number of shares available for issue under the Schemes and percentage of issued shares that it represents as at the date of the interim report

The 2021 Restricted Share Incentive Scheme stipulates that: the total number of shares available for issue shall be 43,184,000, representing 0.51% of the issued shares as at the date of the Interim Report;

The 2021 Share Option Incentive Scheme stipulates that: the total number of underlying shares under the share options shall be 397,101,000, representing 4.65% of the issued shares as at the date of the interim report.

4. Maximum entitlements of each participant under the Schemes

The total shares to be granted under the fully effective equity incentive schemes (including the restricted share scheme and the option scheme) to any one of the participants will not exceed 1% of the total number of shares of the Company.

5. Period within which the grantees may exercise share options under the Scheme

Note: See the table of 2021 Share Option Incentive Scheme – Options under the First Grant/Options under Reserved Grant in this section.

6. Vesting period of the options granted or shares awarded under the Scheme and performance appraisal targets

(1) Vesting period

Note: See the tables of 2021 Share Option Incentive Scheme – Options under the First Grant/Options under Reserved Grant; 2021 Restricted Share Incentive Scheme – Restricted Shares under the First Grant/Restricted Shares under Reserved Grant in this section.

(2) *Performance appraisal targets*

The annual performance appraisal targets of the restricted shares and the share options under the first grant are as follows:

Selection of performance indicators	Sales volume	Net profit
Weights of performance indicators	55%	45%
Completion rate of performance targets (P)	Σ (actual value of performance indicator/target value of performance indicator) \times weight of performance indicator	
First unlocking period	The sales volume of automobiles of the Company shall not be less than 1.49 million units in 2021	The net profit shall not be less than RMB6.8 billion in 2021
Second unlocking period	The sales volume of automobiles of the Company shall not be less than 1.90 million units in 2022	The net profit shall not be less than RMB8.2 billion in 2022
Third unlocking period	The sales volume of automobiles of the Company shall not be less than 1.60 million units in 2023	The net profit shall not be less than RMB6.0 billion in 2023

The annual performance appraisal targets of the restricted shares and the share options under the reserved grant are as follows:

Selection of performance indicators	Sales volume	Net profit
Weights of performance indicators	55%	45%
Completion rate of performance targets (P)	Σ (actual value of performance indicator/target value of performance indicator) \times weight of performance indicator	
First unlocking period	The sales volume of automobiles of the Company shall not be less than 1.90 million units in 2022	The net profit shall not be less than RMB8.2 billion in 2022
Second unlocking period	The sales volume of automobiles of the Company shall not be less than 1.60 million units in 2023	The net profit shall not be less than RMB6.0 billion in 2023

Note: The "net profit" mentioned above refers to the audited net profit attributable to shareholders of the Company. The "sales volume" mentioned above refers to the annual sales volume as disclosed in the annual report of the Company.

7. The amount payable on application or acceptance of the options or awards and the period within which payments or calls must be made or loans for application of the options must be repaid

Not applicable

8. Basis of determination for the exercise price of the options granted or the purchase price of the shares granted

1. 2021 Restricted Share Incentive Scheme:

(1) Method of determination of the grant price of restricted shares under the first grant

The grant price of the restricted shares under first grant is RMB16.78 per share. The grant price of the restricted shares under first grant shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① 50% of the average trading price of the shares of the Company (i.e. RMB16.78 per share) on the trading day preceding the date of the announcement of the draft of the 2021 Restricted Share Incentive Scheme;
- ② 50% of the average trading price of the shares of the Company (i.e. RMB16.55 per share) for 20 trading days preceding the date of the announcement of the draft of the 2021 Restricted Share Incentive Scheme.

(2) Method of determination of the grant price of the reserved restricted shares

The grant price of the reserved restricted shares is RMB12.73 per share. The grant price of the reserved restricted shares shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① 50% of the average trading price of the shares of the Company (i.e. RMB11.45 per share) on the trading day preceding the date of the announcement of the Board resolution on the grant of the reserved restricted shares;
- ② 50% of the average trading price of the shares of the Company (i.e. RMB12.73 per share) for 20, 60 or 120 trading days preceding the date of the announcement of the Board resolution on the grant of the reserved restricted shares.

2. 2021 Share Option Incentive Scheme:

(1) Method of determination of the exercise price of the share options under the first grant

The exercise price of the share options under the first grant is RMB33.56 per share. The exercise price of the share options under the first grant shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① the average trading price of the shares (i.e. RMB33.56 per share) on the trading day preceding the date of the announcement of the draft of the 2021 Share Option Incentive Scheme;
- ② the average trading price of the shares (i.e. RMB33.10 per share) for 20 trading days preceding the date of the announcement of the draft of the 2021 Share Option Incentive Scheme.

- (2) Method of determination of the exercise price of the share option under the reserved grant

The exercise price of the reserved share options is RMB25.45 per share. The exercise price of the reserved share options shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① the average trading price of the shares (i.e. RMB22.89 per share) on the trading day preceding the date of the announcement of the Board resolution on the grant of the reserved share options;
- ② the average trading price of the shares (i.e. RMB25.45 per share) for 20, 60 or 120 trading days preceding the date of the announcement of the Board resolution on the grant of the reserved share options.

9. Remaining validity period of the Schemes

The validity period shall commence on the date of the first grant of the restricted shares/share options and end on the date of fully unlocking all the restricted shares granted to the participants or completing of the repurchase and cancellation of such restricted shares/the date of exercising all the share options granted to the participants or the cancellation of such share options, which shall not exceed 48 months. The validity period of the 2021 Restricted Share Incentive Scheme and 2021 Share Option Incentive Scheme is from 22 July 2021 to 21 July 2025.

10. Fair values of the relevant options and awards as at the grant date and the accounting standards and policies adopted

1. 2021 Restricted Share Incentive Scheme:

Pursuant to the Accounting Standards for Business Enterprises No. 11 – Share-based Payment and the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, the Company shall measure the fair value of the restricted shares based on the market prices of the shares. On the measurement date, the fair value of share-based payment per restricted share = market price of the shares of the Company – grant price.

The first grant of the restricted shares took place in 22 July 2021. Based on the data on 22 July 2021, the total amount of fair value of the equity instruments first granted by the Company to the participants is RMB1,166,452,300.

As estimated above, the total cost of 34,057,000 restricted shares first granted under the Scheme is RMB1,166,452,300 and details of amortization from 2021 to 2024 are set out below:

Currency: RMB

Number of the restricted shares under the first grant (0'000 shares)	Total cost to be amortized (RMB0'000)	2021 (RMB0'000)	2022 (RMB0'000)	2023 (RMB0'000)	2024 (RMB0'000)
3,405.70	116,645.23	31,591.42	56,378.53	21,870.98	6,804.30

Notes:

- (1) For the consideration of prudent accounting principle, the cost estimate and amortization above have not taken into consideration the future locking of the restricted shares.
- (2) The above results do not represent the final accounting costs. The actual accounting costs are related to the actual grant date, the Grant Price and the number of grant, as well as the actual effective and lapsed quantities, and the possible dilutive effects are brought to the attention of shareholders.
- (3) The final result of the above impact on the Company's operating results will be subject to the annual audit report issued by the accounting firm.
- (4) The accounting treatment of the reserved restricted shares is the same as that of the restricted shares under the first grant.

2. 2021 Share Option Incentive Scheme:

In accordance with the requirements of the Accounting Standards for Business Enterprises No. 11 – Share-based Payment and the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, no accounting treatment will be made by the Company to the share options on the grant date. The Company will use the “Black – Scholes” option pricing model to determine the fair value of the Share Options on the grant date.

The Company conducted the first grant of share options on 22 July 2021. The Company used the “Black-Scholes” model to measure the fair value of the share options and estimate the fair value of 312,637,000 share options under the first grant by the Company using such model on 22 July 2021. The theoretical value of 312,637,000 share options under the first grant by the Company was RMB6,148,273,800. The value of the options in each exercise period is as follows:

Currency: RMB

Exercise period	Number of options under the first grant (0'000)	Value per option (RMB)	Total value of the options under the first grant (RMB0'000)
First exercise period	10,421.23	18.53	193,064.59
Second exercise period	10,421.23	19.68	205,101.47
Third exercise period	10,421.23	20.79	216,661.32

Selection of specific parameters is as follows:

- Current price of subject shares: RMB51.03 per share (the closing price on the grant date, being 22 July 2021);
- Exercise price of the share options: RMB33.56 per share as determined under the Management Measures;
- Valid period: 1.5, 2.5 and 3.5 years, respectively (based on the period commencing from the grant date and ending on the exercisable date for respective period, assuming even exercise following the exercisable date);
- Historical volatility: 25.02%, 24.80% and 25.12%, respectively (the volatility of the automobile industry for the latest one, two and three years before the grant date, respectively; source: Wind database);
- Risk-free rate: 2.1551%, 2.4958% and 2.5893%, respectively (the yield of PRC treasury bond for one, two and three years);
- Dividend yield: 0.55% (the average dividend yield of the Company for the latest 12 months before the grant date).

Note: The calculation results of the value of the share options are subject to the options pricing model adopted and a number of assumptions of the parameters used herein. Therefore, the estimated value of the share options may be subjective and uncertain.

The accounting treatment of the share options under the reserved grant is the same as that of the share options under the first grant.

2021 Restricted Share Incentive Scheme – Restricted Shares under the First Grant

Name	Position	Number of the restricted shares granted (shares)	Shares not vested at the beginning of the Reporting Period (shares)	Shares vested during the Reporting Period (shares)	Shares cancelled during the Reporting Period (shares)	Shares lapsed during the Reporting Period (shares)	Shares yet to be vested at the end of The Reporting Period (shares)
Zheng Chun Lai	Director and general manager of subsidiaries	200,000	60,000	0	4,176	0	55,824
Zhang De Hui	Director and general manager of subsidiaries	200,000	60,000	0	4,176	0	55,824
Meng Xiang Jun	Director and general manager of subsidiaries	200,000	60,000	0	4,176	0	55,824
Cui Kai	Director and general manager of subsidiaries	80,000	24,000	0	6,136	0	17,864
Zheng Li Peng	Director and general manager of subsidiaries	250,000	75,000	0	5,220	0	69,780
Tang Hai Feng	Director and general manager of subsidiaries for the last 12 months	450,000	135,000	0	9,396	0	125,604
Wu Nan	General manager of subsidiaries	178,000	53,400	0	3,717	0	49,683
Li Jiang	General manager of subsidiaries	104,000	31,200	0	2,172	0	29,028
Chen Biao	Supervisor of the Company for the last 12 months	120,000	36,000	0	2,506	0	33,494
Li Hong Shuan	Chief financial Controller	180,000	54,000	0	3,758	0	50,242
Total	Connected persons	1,962,000	588,600	0	45,433	0	543,167
	Other management, core technical (business) backbone staff (547 people)	30,691,200	8,252,460	0	1,709,606	0	6,542,854
Total		32,653,200	8,841,060	0	1,755,039	0	7,086,021

Notes:

- (1) In respect of the first grant of the 2021 Restricted Share Incentive Scheme, which has been completed prior or subsequent to the Reporting Period, the number of such restricted shares granted was 32,653,200, and the date of grant was 22 July 2021. The closing price of A Shares of the Company immediately prior to the date of grant of such Restricted Share was RMB50.07. The vesting periods for the restricted shares under the first grant are 12 months, 24 months and 36 months from the date of grant, respectively. The unlocking period is from 22 July 2022 to 21 July 2025, and the purchase price is RMB15.81;
- (2) During the Reporting Period, the number of the restricted shares unlocked was 0;
- (3) During the Reporting Period, the number of the restricted shares cancelled was 1,755,039, and the repurchase price of the restricted shares cancelled was RMB16.11, plus the interests for bank deposits for the same period based on the benchmark deposit interest rate as issued by the People's Bank of China for the same period in accordance with the terms of the 2021 Restricted Share Incentive Scheme;
- (4) During the Reporting Period, the number of the Restricted Share lapsed was 0;
- (5) Mr. Chen Biao resigned as the supervisor of the Company on 12 May 2021.

The first grant of restricted shares under the 2021 Restricted Share Incentive Scheme was completed prior to the Reporting Period, and there was no grant of restricted shares during the Reporting Period. There were no Restricted shares to be granted as at the beginning and end of the Reporting Period.

2021 Restricted Share Incentive Scheme – Restricted Shares under the Reserved Grant

Name	Position	Number of the restricted shares granted (shares)	Shares not vested at the beginning of the Reporting Period (shares)	Shares vested during the Reporting Period (shares)	Shares cancelled during the Reporting Period (shares)	Shares lapsed during the Reporting Period (shares)	Shares yet to be vested at the end of the Reporting Period (shares)
Zheng Chun Lai	Director and general manager of subsidiaries	50,000	25,000	0	1,740	0	23,260
Zhang De Hui	Director and general manager of subsidiaries	50,000	25,000	0	1,740	0	23,260
Meng Xiang Jun	Director and general manager of subsidiaries	50,000	25,000	0	1,740	0	23,260
Cui Kai	Director and general manager of subsidiaries	30,000	15,000	0	3,835	0	11,165
Zheng Li Peng	Director and general manager of subsidiaries	50,000	25,000	0	1,740	0	23,260
Chen Biao	Supervisor of the Company for the last 12 months	40,000	20,000	0	1,392	0	18,608
Wang Feng Ying	General manager	2,475,000	0	0	0	0	0
Yang Zhi Juan	Director of the Company for the last 12 months	40,000	20,000	0	1,392	0	18,608
Total	Connected persons	2,785,000	155,000	0	13,579	0	141,421
	Other management, core technical (business) backbone staff (247 people)	5,170,800	2,442,900	0	577,351	0	1,865,549
Total		7,955,800	2,597,900	0	590,930	0	2,006,970

Notes:

- (1) In respect of the reserved grant of the 2021 Restricted Share Incentive Scheme, which has been completed prior or subsequent to the Reporting Period, the number of such restricted shares granted was 7,955,800, and the date of grant was 29 April 2022. The closing price of A Shares of the Company immediately prior to the date of grant of such Restricted Share was RMB22.98. The vesting periods for the restricted shares under the reserved grant are 12 months and 24 months from the date of grant, respectively. The unlocking period is from 29 April 2023 to 28 April 2025, and the purchase price is RMB12.06;
- (2) During the Reporting Period, the number of the restricted shares unlocked was 0;
- (3) During the Reporting Period, the number of the restricted shares cancelled was 590,930, and the repurchase price of the restricted shares cancelled was RMB12.36, plus the interests for bank deposits for the same period based on the benchmark deposit interest rate as issued by the People's Bank of China for the same period in accordance with the terms of the 2021 Restricted Share Incentive Scheme;
- (4) During the Reporting Period, the number of the restricted shares lapsed was 0;
- (5) Mr. Chen Biao resigned as the supervisor of the Company on 12 May 2021. Ms. Wang Feng Ying resigned as the General manager of the Company on 24 July 2022. Ms. Yang Zhi Juan resigned as the director of the Company on 18 March 2022.

The reserved grant of restricted shares under the 2021 Restricted Share Incentive Scheme was completed prior to the Reporting Period, and there was no grant of restricted shares during the Reporting Period. There were no restricted shares to be granted as at the beginning and end of the Reporting Period.

2021 Share Option Incentive Scheme – Options under the First Grant

Name	Position	Number of the shares options granted (shares)	Options not exercised at the beginning of the Reporting Period (shares)	Options exercised during the Reporting Period (shares)	Options cancelled during the Reporting Period (shares)	Options lapsed during the Reporting Period (shares)	Options yet to be exercised at the end of the Reporting Period (shares)
	Core management, core technical (business) backbone staff (8,147 people)	300,594,000	162,482,735	0	97,437,696	0	65,045,039
Total		300,594,000	162,482,735	0	97,437,696	0	65,045,039

Notes:

- (1) In respect of the first grant of the 2021 Share Option Incentive Scheme, the number of such share options granted was 300,594,000, and the date of grant was 22 July 2021. The closing price of A Shares of the Company immediately prior to the date of grant of such share options was RMB50.07. The vesting periods for the share options under the first grant are 12 months, 24 months and 36 months from the date of grant, respectively. The exercising period is from 22 July 2022 to 21 July 2025, and the exercise price is RMB32.59;
- (2) During the Reporting Period, the number of the share options exercised was 0; the average closing price of A Shares of the Company immediately prior to the exercise date was RMB25.07;
- (3) During the Reporting Period, the number of the share options cancelled was 97,437,696, and the exercise price of the share options at the time of cancellation was RMB32.89 (the exercise price of the share options upon cancellation on 4 June 2024 was RMB32.59);
- (4) During the Reporting Period, the number of the share options lapsed was 0.

The first grant of share options under the 2021 Share Option Incentive Scheme was completed prior to the Reporting Period, and there was no grant of share options during the Reporting Period. There were no share options to be granted as at the beginning and end of the Reporting Period.

2021 Share Option Incentive Scheme – Options under the Reserved Grant

Name	Position	Number of the shares options granted (shares)	Options not exercised at the beginning of the Reporting Period (shares)	Options exercised during the Reporting Period (shares)	Options cancelled during the Reporting Period (shares)	Options lapsed during the Reporting Period (shares)	Options yet to be exercised at the end of the Reporting Period (shares)
Zheng Li Peng	Director and general manager of subsidiaries	90,000	45,000	0	3,132	0	41,868
Other management, core technical (business) backbone staff (6,611 people)		75,407,100	34,794,850	12,748	8,477,644	0	26,304,458
Total		75,497,100	34,839,850	12,748	8,480,776	0	26,346,326

Notes:

- (1) In respect of the reserved grant of the 2021 Share Option Incentive Scheme, which has been completed prior or subsequent to the Reporting Period, the number of such share options granted was 75,497,100, and the date of grant was 29 April 2022. The closing price of A Shares of the Company immediately prior to the date of grant of such share options was RMB22.98. The vesting periods for the share options under the reserved grant were 12 months and 24 months from the date of grant, respectively. The exercising period is from 29 April 2023 to 28 April 2025, and the exercise price is RMB24.78;
- (2) During the Reporting Period, the number of the share options exercised was 0;
- (3) During the Reporting Period, the number of the share options cancelled was 8,480,776, and the exercise price of the share options at the time of cancellation was RMB25.08;
- (4) During the Reporting Period, the number of the share options lapsed was 0.

The reserved grant of share options under the 2021 Share Option Incentive Scheme was completed prior to the Reporting Period, and there was no grant of share options during the Reporting Period. There were no share options to be granted as at the beginning and end of the Reporting Period.

As at 30 June 2024, there were 0 outstanding A Share options under the first grant under the Company's 2020 Incentive Scheme, representing approximately 0% of the total issued A Share capital of the Company; and there were 0 outstanding A Share options under the reserved grant, representing approximately 0% of the total issued A Share capital of the Company. There are 65,045,039 outstanding A Share options under the first grant of the Company's 2021 Share Option Incentive Scheme, representing approximately 1.05% of the total issued A Share capital of the Company, and there are 26,346,326 outstanding A Share options under the reserved grant, representing approximately 0.42% of the total issued A Share capital of the Company.

As at 30 June 2024, the total number of A Shares available for issuance under the first grant of the Company's 2020 Incentive Scheme was 0 share, representing approximately 0% of the total issued A Share capital of the Company; and the total number of A Shares available for issuance under the reserved grant was 0 share, representing approximately 0% of the total issued A Share capital of the Company. The total number of A Shares available for issuance under the first grant of the Company's 2021 Restricted Share Incentive Scheme was 0 share, representing approximately 0% of the total issued A Share capital of the Company; and the total number of A Shares available for issuance under the reserved grant was 0 share, representing approximately 0% of the total issued A Share capital of the Company.

A Summary of the 2023 Restricted Share Incentive Scheme and 2023 Share Option Incentive Scheme

1. Purpose of the Schemes

For future-oriented long-term development and governance, the Company has built an innovative long-term incentive mechanism to turn employees from “workers doing work” to “partners doing business” by granting rights and obligations to participants. By doing so, the Company aims to gather a group of fighters and business leaders with common values to promote its long-term and steady development and align the interests of all shareholders. Specifically, the launch of the 2023 Restricted Share Incentive Scheme and 2023 Share Option Incentive Scheme has the following purposes:

- (1) By establishing and improving its operating mechanism and its incentive and restraint mechanism for senior management, middle management and core technical (business) backbone staff, the Company aims to fully mobilize their enthusiasm, enhance their cohesion, and align the interests of shareholders, the Company and its key personnel, in order to secure “concerted efforts with common interests” and promote the sustainable, steady and rapid development of the Company.
- (2) By setting challenging performance targets to bring both pressure and motivation, which not only helps enhance the Company's competitiveness but also helps mobilize the enthusiasm and creativity of the Company's management and core backbone staff, the Company aims to realize its future development strategies and business objectives, so as to create more sustainable and greater returns for shareholders.
- (3) The Schemes, which can help attract and retain outstanding management talents and core business staff, is designed to meet the Company's huge demand for core technical and management talents through comprehensive and accurate coverage of high-value positions and key talents, so as to enhance the Company's cohesion, establish the Company's human resources advantages, further stimulate the Company's innovation vitality, and inject new power into the Company's sustained and rapid development.

2. Participants of the Schemes

The participants of the Schemes shall be the senior management of the Company, the directors and senior management of the Company's holding subsidiaries, the middle management and core technical (business) staff of the Company (including its holding subsidiaries), but excluding the Company's independent directors, supervisors, the shareholders individually or in aggregate holding 5% or more of the shares of the Company or the de facto controllers and their spouses, parents or children.

3. Total number of Shares available for issue under the Schemes and percentage of issued shares that it represents as at the date of the interim report

The 2023 Restricted Share Incentive Scheme stipulates that: the total number of share securities available for issue is 70,000,000 shares, representing 1.12% of the issued shares as at the date of the interim report;

The 2023 Share Option Incentive Scheme stipulates that: the total number of share securities available for issue is 96,875,000 share options, representing 1.56% of the issued shares as at the date of the interim report.

4. Maximum entitlements of each participant under the Schemes

The total shares to be granted to any participant under the fully effective equity incentive schemes (including the restricted share scheme and the option scheme) will not exceed 1% of the total number of shares of the Company.

5. Period within which the grantees may exercise share options under the Schemes

Note: See the table herein of the 2023 Share Option Incentive Scheme – Options under the First Grant/Options under the Reserved Grant

6. Vesting period of the options granted or shares awarded under the Schemes and performance appraisal targets

(1) Vesting period

See the table herein of the 2023 Share Option Incentive Scheme – Options under the First Grant/Options under the Reserved Grant; 2023 Restricted Share Incentive Scheme – Restricted Shares under the First Grant/Restricted Shares under the Reserved Grant

(2) *Performance appraisal targets*

The annual performance appraisal targets of the restricted shares and the share options under the first grant are as follows:

Selection of performance indicators	Sales volume	Net profit
Weights of performance indicators	50%	50%
Completion rate of performance targets (P)	Σ (actual value of performance indicator/target value of performance indicator) \times weight of performance indicator	
First unlocking period	The sales volume of automobiles of the Company shall not be less than 1.90 million units in 2024	The net profit shall not be less than RMB7.2 billion in 2024
Second unlocking period	The sales volume of automobiles of the Company shall not be less than 2.16 million units in 2025	The net profit shall not be less than RMB8.5 billion in 2025
Third unlocking period	The sales volume of automobiles of the Company shall not be less than 2.49 million units in 2026	The net profit shall not be less than RMB10.0 billion in 2026

If the restricted shares and the share options under the reserved grant are granted before the disclosure of the 2024 third quarterly report (the disclosure date inclusive), the performance appraisal of the reserved grant will be consistent with that of the first grant; if the restricted shares and the share options under the reserved grant are granted after the disclosure of the 2024 third quarterly report (the disclosure date exclusive), the annual performance appraisal targets of the restricted shares and the share options under the reserved grant are as follows:

Selection of performance indicators	Sales volume	Net profit
Weights of performance indicators	50%	50%
Completion rate of performance targets (P)	Σ (actual value of performance indicator/target value of performance indicator) \times weight of performance indicator	
First unlocking period	The sales volume of automobiles of the Company shall not be less than 2.16 million units in 2025	The net profit shall not be less than RMB8.5 billion in 2025
Second unlocking period	The sales volume of automobiles of the Company shall not be less than 2.49 million units in 2026	The net profit shall not be less than RMB10.0 billion in 2026

Note: The “net profit” mentioned above refers to the audited net profit attributable to shareholders of the Company. The “sales volume” mentioned above refers to the annual sales volume as disclosed in the annual report of the Company.

7. The amount payable on application or acceptance of the options or the awards and the period within which payments or calls must be made or loans for application of the options must be repaid

Not applicable

8. Basis of determination for the exercise price of the options granted or the purchase price of the shares granted

1. 2023 Restricted Share Incentive Scheme:

(1) Method of determination of the grant price of the restricted shares under the first grant

The grant price of the restricted shares under the first grant shall be RMB13.61 per share. The grant price of the restricted shares under the first grant shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① 50% of the average trading price of the shares of the Company (i.e. RMB13.02 per share) on the trading day preceding the date of the announcement of the draft of the 2023 Restricted Share Incentive Scheme;
- ② 50% of the average trading price of the shares of the Company (i.e. RMB13.61 per share) for 20 trading days preceding the date of the announcement of the draft of the 2023 Restricted Share Incentive Scheme.

(2) Method of determination of the grant price of the reserved restricted shares

The grant of the reserved restricted shares is subject to the consideration and approval of related resolution by the Board and the disclosure of related information. The grant price of the reserved restricted shares shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① 50% of the average trading price of the shares of the Company on the trading day preceding the date of the announcement of the Board resolution on the grant of the reserved restricted shares;
- ② 50% of the average trading price of the shares of the Company for 20, 60 or 120 trading days preceding the date of the announcement of the Board resolution on the grant of the reserved restricted shares.

2. *2023 Share Option Incentive Scheme:*

(1) Method of determination of the exercise price of the share options under the first grant

The exercise price of the share options under the first grant shall be RMB27.22 per share. The exercise price of the share options under the first grant shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① the average trading price of the shares (i.e. RMB26.04 per share) on the trading day preceding the date of the announcement of the draft of the 2023 Share Option Incentive Scheme;
- ② the average trading price of the shares (i.e. RMB27.22 per share) for 20 trading days preceding the date of the announcement of the draft of the 2023 Share Option Incentive Scheme.

(2) Method of determination of the exercise price of the share options under the reserved grant

The grant of the reserved share options is subject to the consideration and approval of related resolution by the Board and the disclosure of related information. The exercise price of the reserved share options shall not be lower than the carrying amount of the shares, and not lower than the higher of the followings:

- ① the average trading price of the shares on the trading day preceding the date of the announcement of the Board resolution on the grant of the reserved share options;
- ② the average trading price of the shares for 20, 60 or 120 trading days preceding the date of the announcement of the Board resolution on the grant of the reserved share options.

9. ***Remaining validity period of the Schemes***

The validity period shall commence on the date of the restricted shares/share options under the first grant and end on the date of unlocking all the restricted shares granted to the participants or the repurchase and cancellation of such shares/exercising all the share options granted to the participants or the cancellation of such share options, which shall not exceed 48 months. The validity period of the 2023 Restricted Share Incentive Scheme and 2023 Share Option Incentive Scheme is from 26 January 2024 to 25 January 2028.

10. Fair values of the relevant options and awards as at the grant date and the accounting standards and policies adopted

1. 2023 Restricted Share Incentive Scheme:

In accordance with the relevant requirements of the Accounting Standards for Enterprises No. 11 – Share-based Payment and the Accounting Standards for Enterprises No. 22 – Recognition and Measurement of Financial Instruments, the Company shall measure the fair value of the restricted shares based on the market prices of the shares. On the measurement date, the fair value of share-based payment per restricted share = market price of the shares of the Company – grant price.

Assuming the first grant of the restricted shares takes place on 26 January 2024, based on the data of the Company on 26 January 2024, the total amount of fair value of the equity instruments first granted by the Company to the participants is RMB458,298,100.

As estimated above, the total cost of 54,886,000 restricted shares first granted under the Scheme is RMB458,298,100 and details of amortization from 2024 to 2027 are set out below:

Currency: RMB

Number of the restricted shares under the first grant (0'000 shares)	Total cost to be amortized (RMB0'000)	2024 (RMB0'000)	2025 (RMB0'000)	2026 (RMB0'000)	2027 (RMB0'000)
5,488.60	45,829.81	22,922.74	15,229.60	6,267.32	1,410.15

Notes:

- (1) For the consideration of prudent accounting principle, the cost estimate and amortization above have not taken into consideration the future locking of the restricted shares.
- (2) The above results do not represent the final accounting costs. The actual accounting costs are related to the actual grant date, the grant price and the number of grant, as well as the actual effective and lapsed quantities, and the possible dilutive effects are brought to the attention of shareholders.
- (3) The final result of the above impact on the Company's operating results will be subject to the annual audit report issued by the accounting firm.

2. 2023 Share Option Incentive Scheme:

In accordance with the relevant requirements of the Accounting Standards for Enterprises No. 11 – Share-based Payment and the Accounting Standards for Enterprises No. 22 – Recognition and Measurement of Financial Instruments, no accounting treatment will be made by the Company to the share options on the grant date. The Company will use the “Black-Scholes” option pricing model to determine the fair value of the share options on the grant date.

Assuming the first grant of share options takes place on 26 January 2024, the Company uses the “Black-Scholes” model to measure the fair value of the share options and estimate the fair value of 70,577,000 share options first granted by the Company using such model based on the data as at on 26 January 2024, the specific parameters are as follows:

- a) Current price of subject shares: RMB21.96 per share (being the closing price of shares on 26 January 2024, the grant date);
- b) Exercise price of the share options: RMB27.22 per share as determined under the Management Measures;
- c) Valid period: two, three and four years, respectively (based on the period commencing from the grant date and ending on the last trading day of each exercise period);
- d) Historical volatility: 26.80%, 29.07% and 30.99%, respectively (the volatility of the Wind automobile manufacturing industry index for the latest two, three and four years);
- e) Risk-free rate: 2.19%, 2.24% and 2.29%, respectively (the yield of PRC treasury bond for two, three and four years);
- f) Dividend yield: 1.36% (the average dividend yield of the Company for the latest 12 months before the announcement).

Note: The calculation results of the value of the share options are subject to the options pricing model adopted and a number of assumptions of the parameters used herein. Therefore, the estimated value of the share options may be subjective and uncertain.

As estimated above, the total cost of 70,577,000 share options first granted under the Scheme is RMB192,826,700 and details of amortization from 2024 to 2027 are set out below:

Currency: RMB

Number of the share options under the first grant (0'000)	Total cost to be amortized (RMB0'000)	2024 (RMB0'000)	2025 (RMB0'000)	2026 (RMB0'000)	2027 (RMB0'000)
7,057.70	19,282.67	8,045.85	6,655.33	3,675.92	905.57

The above results do not represent the final accounting costs. The actual accounting costs are related to the actual grant date, the grant price and the number of grant, as well as the actual effective and lapsed quantities, and the possible dilutive effects are brought to the attention of shareholders. The final result of the above impact on the Company's operating results will be subject to the annual audit report issued by the accounting firm.

The estimate is based on certain parameters, and the Company will disclose specific accounting methods and the impact on the financial data of the Company in the regular reports of the Company.

2023 Restricted Share Incentive Scheme – Restricted Shares under the First Grant

Name	Position	Shares not vested		Shares vested during the Reporting Period (shares)	Shares cancelled during the Reporting Period (shares)	Shares yet to be	
		Number of the restricted shares granted (shares)	at the beginning of the Reporting Period (shares)			Shares lapsed during the Reporting Period (shares)	vested at the end of the Reporting Period (shares)
Mu Feng	General Manager	800,000	800,000	0	0	0	800,000
Other management, core technical (business) backbone staff (714 people)		44,757,500	44,757,500	0	0	0	44,757,500
Total		45,557,500	45,557,500	0	0	0	45,557,500

Notes:

- (1) In respect of the first grant of the 2023 Restricted Shares Incentive Scheme, which has been completed on 26 January 2024, the number of such restricted shares granted was 54,886,000, and the date of grant was 26 January 2024. The closing price of A Shares of the Company immediately prior to the date of grant of such restricted shares was RMB22.30. The vesting periods for the restricted share under the first grant were 12 months, 24 months and 36 months from the date of grant, respectively. The unlocking period is from 26 January 2025 to 25 January 2028, and the purchase price is RMB13.31;
- (2) During the Reporting Period, the number of the restricted shares unlocked was 0;
- (3) During the Reporting Period, the number of the restricted shares cancelled was 0;
- (4) During the Reporting Period, the number of the restricted shares lapsed was 0.

The first grant of restricted shares under the 2023 Restricted Share Incentive Scheme was completed on 26 January 2024.

2023 Share Option Incentive Scheme – Options under the First Grant

Name	Position	Number of the share options granted (shares)	Options not exercised at the beginning of the Reporting Period (shares)	Options exercised during the Reporting Period (shares)	Options cancelled during the Reporting Period (shares)	Options lapsed during the Reporting Period (shares)	Options yet to be exercised at the end of the Reporting Period (shares)
Other management, core technical (business) backbone staff (1,118 people)							
		69,794,000	0	0	0	0	69,794,000
Total		69,794,000	0	0	0	0	69,794,000

Notes:

- (1) In respect of the first grant of the 2023 Share Option Incentive Scheme, the number of such options granted was 70,577,000, and the date of grant was 26 January 2024. The closing price of A Shares of the Company immediately prior to the date of grant of such options was RMB22.30. The vesting periods for the options under the first grant are 12 months, 24 months and 36 months from the date of grant, respectively. The exercise period is from 26 January 2025 to 25 January 2028, and the exercise price is RMB26.92;
- (2) During the Reporting Period, the number of the options exercised was 0;
- (3) During the Reporting Period, the number of the options cancelled was 0;
- (4) During the Reporting Period, the number of the options lapsed was 0.

The first grant of options under the 2023 Share Option Incentive Scheme was completed on 26 January 2024.

A summary of the Employee Stock Ownership Plan for 2023

1. **Purposes of the Plan**

- (I) To further improve the corporate governance structure, improve the Company's long-term incentive and restraint mechanism, and ensure the Company's long-term, stable and healthy developments;
- (II) To improve mechanisms for sharing benefits between workers and owners, align the long-term interests of the Company, shareholders, and employees, and promote the Company's long-term and sustainable development, so as to bring returns to shareholders;
- (III) To attract and to retain outstanding management and key business staffs, meet the Company's demand for core technical talents and management talents through comprehensive and accurate coverage of high-value positions and key talents, establish the Company's human resources advantages, further stimulate the Company's innovation vitality, and inject new impetus into the sustained and rapid development of the Company.

2. **Participants of the Plan**

The participants of the Employee Stock Ownership Plan for 2023 (hereinafter referred to as the "ESOP") are determined by the Company in accordance with the provisions of the Company Law, Securities Law, the Guiding Opinions, the Regulatory Guidelines and other laws, regulations, normative documents and the Articles of Association, and with consideration of the actual situations.

Participants under the ESOP shall be either:

- (I) directors (excluding independent directors), supervisors and senior management of the Company; or
- (II) core management and key employees.

All participants must enter into labor contracts or employment contracts with the Company or its subsidiaries during the term of the ESOP. Qualified employees' participation in the ESOP complies with the principles of lawfulness, voluntary participation and self-bearing of risk. There is no apportionment, forced distribution or other circumstances in which employees are forced to participate in the ESOP. The Company will decide the short list of participants from qualified employees.

3. **Total number of shares available for issue under the Plan and percentage of issued shares that it represents as at the date of the interim report**

The shares of the ESOP come from the ordinary A Shares of Great Wall Motor in the Company's special securities account for repurchase, which is expected to be no more than 40,000,043 shares, representing 0.64% of the issued shares as at the date of the interim report. The final number of shares held by this ESOP shall be subject to the actual number of shares transferred.

4. **Maximum entitlements of each participant under the Plan**

Upon completion of the implementation of the ESOP, the total number of all valid shares held under the ESOP of the Company will not exceed 10% of the total share capital of the Company in aggregate, and the total number of shares corresponding to the equity interest in shares of any individual participant shall not exceed 1% of the total share capital of the Company in aggregate.

5. **Period within which the grantees may exercise share options under the Plan**

Not applicable

6. **Vesting period of the options granted or shares awarded under the Plan and performance appraisal targets**

(1) *Vesting period*

The lock-up period of the ESOP is 12 months. The equity of underlying shares held shall be unlocked in two tranches. The time point of unlocking is 12 months and 24 months respectively from the date of the Company's announcement of the registration of the transfer of the last tranche of the underlying shares to the ESOP, and the proportion of the underlying shares to be unlocked for each tranche is 50% and 50%, respectively. The actual proportion and number of shares to be unlocked for each tranche are determined according to the Company's performance and the results of the individual performance of the participants.

(2) *Performance appraisal targets*

The performance appraisal targets are as follows:

Selection of performance indicators	Sales volume	Net profit
Weights of performance indicators	55%	45%
Completion rate of performance targets (P)	Σ (actual value of performance indicator/target value of performance indicator) \times weight of performance indicator	
First unlocking period	The sales volume of automobiles of the Company shall not be less than 1.60 million units in 2023	The net profit shall not be less than RMB6.0 billion in 2023
Second unlocking period	The sales volume of automobiles of the Company shall not be less than 1.90 million units in 2024	The net profit shall not be less than RMB7.2 billion in 2025

Note: The "net profit" mentioned above refers to the audited net profit attributable to shareholders of the Company. The "sales volume" mentioned above refers to the annual sales volume as disclosed in the annual report of the Company.

7. *The amount payable on application or acceptance of the options or the awards and the period within which payments or calls must be made or loans for application of the options must be repaid*

Not applicable

8. *Basis of determination for the exercise price of the options granted or the purchase price of the shares granted*

The ESOP shall transfer the ordinary A Shares repurchased by the Company through non-trading transfer and other methods permitted by laws and regulations. The transfer price is RMB13.82 per share, which is 50% of average trading price of the Company's shares for the 20 trading days preceding the announcement of the ESOP (Revised Draft).

The transfer price shall not be lower than the nominal value of the shares and shall not be lower than the higher of the following:

- (1) 50% of the average trading price of the Company's shares on the trading day preceding the announcement of the ESOP (Revised Draft), being RMB13.09 per share;
- (2) 50% of the average trading price of the Company's shares for the 20 trading days preceding the announcement of the ESOP (Revised Draft), being RMB13.82 per share.

In the event of any ex-rights or ex-dividend matters of the Company, such as distribution of dividends or shares, conversion of capital reserve into share capital, during the period from the pricing reference date to the date of transferring the underlying shares to the ESOP, the above transfer price shall be adjusted accordingly.

9. *Remaining validity period of the Plan*

The term of the ESOP shall be 36 months commencing from the date on which the ESOP is considered and approved at the general meeting and the Company announces the last tranche of the underlying shares has been transferred to the ESOP. The term of the ESOP may be extended before the expiry of the term of the ESOP, as agreed by the holders holding more than two-thirds (inclusive) of the total units and attending the holders' meeting, and as considered and approved by the Board. The validity term is from 15 August 2023 to 14 August 2026.

10. Fair values of the relevant restricted shares, options and awards as at the grant date and the accounting standards and policies adopted

In accordance with the relevant provisions of the Accounting Standard for Business Enterprises No. 11 – Share-based Payments: as to an equity-settled share-based payment in return for services of employees, if the right cannot be exercised until the vesting period comes to an end or until the prescribed performance conditions are met, then on each balance sheet date within the vesting period, the services obtained in the current period should, based on the best estimate of the number of vested equity instruments, be stated in relevant costs or expenses and the capital reserves at the fair value of the equity instruments on the date of grant.

Assuming that the ESOP would be considered and approved at the general meeting of the Company to be held at the beginning of June 2023, and then the Company will transfer 40,000,043 shares of the Company held in the special securities account for repurchase of the Company to the ESOP through non-trading transfer and other methods permitted by laws and regulations. As estimated based on closing price (RMB26.23 per share) on the day when the Board will consider and approve the ESOP (Draft), it is expected that the Company should recognize the expenses involved in the ESOP of RMB496,400,500, and the amortization of the expenses of the ESOP is calculated as follows:

Currency: RMB Unit: 0'000 Yuan

Total expenses expected to be amortized	2023	2024	2025
49,640.05	21,717.52	22,751.69	5,170.84

Note: The final impact on the operating results of the Company shall be subject to the annual audit report issued by the accounting firm.

The cost of the ESOP shall be charged to the costs and expenses. Without considering the impact of the ESOP on the Company's performance, the amortization of expenses under the ESOP has a certain impact on the net profit of each year during the term of the Plan. If the positive effect of the ESOP on the development of the Company is considered, the ESOP will effectively stimulate the enthusiasm of the Company's employees and improve operational efficiency.

2023 ESOP

Participants	Number of the shares granted (shares)	Shares not vested at the beginning of the Reporting Period (shares)	Shares vested during the Reporting Period (shares)	Shares cancelled during the Reporting Period (shares)	Shares lapsed during the Reporting Period (shares)	Shares yet to be vested at the end of the Reporting Period (shares)
Li Hong Shuan (executive director, chief financial officer, the secretary to the Board) and Lu Cai Juan (chairman of the Supervisory Committee)	117,000	117,000	0	0	0	117,000
Core management and key employees	34,634,400	34,634,400	0	0	0	34,634,400
Total	34,751,400	34,751,400	0	0	0	34,751,400

Notes: (1) In respect of the 2023 ESOP, 34,751,400 ordinary A Shares held in the Company's "Specific Securities Account for Repurchase of Great Wall Motor Company Limited" was transferred to the Company's "Great Wall Motor Company Limited – 2023 ESOP" securities account through non-trading transfer on 15 August 2023. The closing price of A Shares of the Company immediately prior to the date of non-trading transfer of such shares was RMB26.72.

(2) During the Reporting Period, the management committee of the 2023 ESOP recalled a total of 1,288,000 equity shares granted but not yet unlocked.

The transfer of shares under the 2023 ESOP was completed in 2023, and there was no transfer of shares during the Reporting Period. There were no shares to be transferred as at the beginning and end of the Reporting Period.

A summary of the second Employee Stock Ownership Plan for 2023

1. *Purposes of the Plan*

- (I) To further improve the corporate governance structure, improve the Company's long-term incentive and restraint mechanism, and ensure the Company's long-term, stable and healthy development;
- (II) To improve mechanisms for sharing benefits between workers and owners, align the long-term interests of the Company, shareholders, and employees, and promote the Company's long-term and sustainable development, so as to bring returns to shareholders;
- (III) To attract and to retain outstanding management and key business staffs, meet the Company's demand for core technical talents and management talents through comprehensive and accurate coverage of high-value positions and key talents, establish the Company's human resources advantages, further stimulate the Company's innovation vitality, and inject new impetus into the sustained and rapid development of the Company.

2. *Participants of the Plan*

The participants of the second Employee Stock Ownership Plan for 2023 (hereinafter referred to as the "Second ESOP") are determined by the Company in accordance with the provisions of the Company Law, the Securities Law, the Guiding Opinions, the Regulatory Guidelines and other laws, regulations, normative documents and the Articles of Association, and with consideration of the actual situations.

Participants under the Second ESOP shall be either:

- (I) directors (excluding independent directors), supervisors and senior management of the Company;
- (II) core management and key employees.

All the participants must have entered into labor contracts or employment contracts with the Company or its subsidiaries during the term of the Second ESOP. Qualified employees' participation in the Second ESOP complies with the principles of lawfulness, voluntary participation and self-bearing of risk. There is no apportionment, forced distribution or other circumstances in which employees are forced to participate in the Second ESOP. The Company will decide the short list of participants from qualified employees.

3. *Total number of shares available for issue under the Plan and percentage of issued shares that it represents as at the date of the interim report*

The shares of the Second ESOP come from the ordinary A Shares of Great Wall Motor in the Company's special securities account for repurchase, which is expected to be no more than 5,248,643 shares, representing 0.08% of the issued shares as at the date of the interim report. The final number of shares held by the Second ESOP shall be subject to the actual number of shares transferred.

4. Maximum entitlements of each participant under the Plan

Upon completion of the implementation of the Second ESOP, the total number of all valid shares held under the Second ESOP of the Company will not exceed 10% of the total share capital of the Company in aggregate, and the total number of shares corresponding to the equity interest in shares of any individual participant shall not exceed 1% of the total share capital of the Company in aggregate.

5. Period within which the grantees may exercise share options under the Plan

Not applicable

6. Vesting period of the options granted or shares awarded under the Plan and performance appraisal targets

(1) *Vesting period*

The lock-up period of the Second ESOP is 12 months. The equity of underlying shares held shall be unlocked in three tranches. The time point of unlocking is 12 months, 24 months and 36 months respectively from the date of the Company's announcement of the registration of the transfer of the last tranche of the underlying shares to the Second ESOP, and the proportion of the underlying shares to be unlocked for each tranche is 40%, 30% and 30%, respectively. The actual proportion and number of shares to be unlocked for each tranche are determined according to the Company's performance and the results of the individual performance of the participants.

(2) *Performance appraisal targets*

The performance appraisal targets are as follows:

Selection of performance indicators	Sales volume	Net profit
Weights of performance indicators	50%	50%
Completion rate of performance targets (P)	Σ (actual value of performance indicator/target value of performance indicator) \times weight of performance indicator	
First unlocking period	The sales volume of automobiles of the Company shall not be less than 1.90 million units in 2024	The net profit shall not be less than RMB7.2 billion in 2024
Second unlocking period	The sales volume of automobiles of the Company shall not be less than 2.16 million units in 2025	The net profit shall not be less than RMB8.5 billion in 2025
Third unlocking period	The sales volume of automobiles of the Company shall not be less than 2.49 million units in 2026	The net profit shall not be less than RMB10.0 billion in 2026

Note: The "net profit" mentioned above refers to the audited net profit attributable to shareholders of the Company. The "sales volume" mentioned above refers to the annual sales volume as disclosed in the annual report of the Company.

7. *The amount payable on application or acceptance of the options or the awards and the period within which payments or calls must be made or loans for application of the options must be repaid*

Not applicable

8. *Basis of determination for the exercise price of the options granted or the purchase price of the shares granted*

The Second ESOP shall transfer the ordinary A Shares repurchased by the Company through non-trading transfer and other methods permitted by laws and regulations. The transfer price is RMB13.61 per share, which is 50% of average trading price of the Company's shares for the 20 trading days preceding the announcement of the Second ESOP (Revised Draft).

The transfer price shall not be lower than the nominal value of the shares and shall not be lower than the higher of the following:

- (1) 50% of the average trading price of the Company's shares on the trading day preceding the announcement of the Second ESOP (Revised Draft), being RMB13.09 per share;
- (2) 50% of the average trading price of the Company's shares for the 20 trading days preceding the announcement of the Second ESOP (Revised Draft), being RMB13.61 per share.

In the event of any ex-rights or ex-dividend matters of the Company, such as distribution of dividends or shares, conversion of capital reserve into share capital, during the period from the pricing reference date to the date of transferring the underlying shares to the Second ESOP, the above transfer price shall be adjusted accordingly.

9. *Remaining validity period of the Plan*

The term of the Second ESOP shall be 48 months commencing from the date on which the Second ESOP is considered and approved at the general meeting and the Company announces the last tranche of the underlying shares has been transferred to the Second ESOP. The term of the Second ESOP may be extended before the expiry of the term of the Second ESOP, as agreed by the holders holding more than two-thirds (inclusive) of the total units and attending the holders' meeting, and as considered and approved by the Board. The validity term is from 8 February 2024 to 7 February 2028.

10. Fair values of the relevant restricted shares, options and awards as at the grant date and the accounting standards and policies adopted

In accordance with the relevant provisions of the Accounting Standard for Business Enterprises No. 11 – Share-based Payments: as to an equity-settled share-based payment in return for services of employees, if the right cannot be exercised until the vesting period comes to an end or until the prescribed performance conditions are met, then on each balance sheet date within the vesting period, the services obtained in the current period should, based on the best estimate of the number of vested equity instruments, be stated in relevant costs or expenses and the capital reserves at the fair value of the equity instruments on the date of grant.

Assuming that the Second ESOP would be considered and approved at the general meeting of the Company to be held at the beginning of January 2024, and then the Company will transfer 5,248,643 shares of the Company held in the special securities account for repurchase of the Company to the Second ESOP through non-trading transfer and other methods permitted by laws and regulations. As estimated based on closing price (RMB26.88 per share) on the day when the Board will consider and approve the Second ESOP (Draft), it is expected that the Company should recognize the expenses involved in the Second ESOP of RMB69,649,500, and the amortization of the expenses of the Second ESOP is calculated as follows:

Currency: RMB Unit: 0'000 Yuan

Total expenses expected to be amortized	2024	2025	2026	2027
6,964.95	3,483.67	2,314.51	952.47	214.31

Note: The final impact on the operating results of the Company shall be subject to the annual audit report issued by the accounting firm.

The cost of the Second ESOP shall be charged to the costs and expenses. Without considering the impact of the Second ESOP on the Company's performance, the amortization of expenses under the Second ESOP has a certain impact on the net profit of each year during the term of the Plan. If the positive effect of the Second ESOP on the development of the Company is considered, the Second ESOP will effectively stimulate the enthusiasm of the Company's employees and improve operational efficiency.

2023 Second ESOP

Participants	Number of the shares granted (shares)	Shares not vested at the beginning of the Reporting Period (shares)	Shares vested during the Reporting Period (shares)	Shares cancelled during the Reporting Period (shares)	Shares lapsed during the Reporting Period (shares)	Shares yet to be vested at the end of the Reporting Period (shares)
Mu Feng (general manager), Zhao Guo Qing (vice chairman, deputy general manager) and Li Hong Shuan (executive director, chief financial officer, the secretary to the Board) and Lu Cai Juan (chairman of the Supervisory Committee)	1,520,000	1,520,000	0	0	0	1,520,000
Core management and key employees	3,310,000	3,310,000	0	0	0	3,310,000
Total	4,830,000	4,830,000	0	0	0	4,830,000

Note: In respect of the 2023 Second ESOP, 4,830,000 ordinary A Shares held in the Company's "Specific Securities Account for Repurchase of Great Wall Motor Company Limited" was transferred to the Company's "Great Wall Motor Company Limited – 2023 Second ESOP" securities account through non-trading transfer on 8 February 2024. The closing price of A Shares of the Company immediately prior to the date of non-trading transfer of such shares was RMB21.81.

The transfer of shares under the 2023 Second ESOP was completed on 8 February 2024, and there was no transfer of shares during the Reporting Period. There were no shares to be transferred as at the end of the Reporting Period.

(II) Incentives undisclosed in preliminary announcements or followed with subsequent development**Share Option Incentive Scheme**

Applicable Not applicable

Other descriptions

Applicable Not applicable

Employee Stock Ownership Plan

Applicable Not applicable

Other incentives

Applicable Not applicable

SECTION 5

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

I. ENVIRONMENTAL INFORMATION

(I) Description of environmental protection of companies which are defined as key pollutant discharging units by environmental protection authorities and their subsidiaries

√ Applicable Not applicable

1. Pollutant discharge

√ Applicable Not applicable

Name of company or subsidiary	Name of major pollutants or specific pollutants	Way of emission	Number of discharge outlet	Location of discharge outlet	Emission concentration	Adopted emission standards for pollutants	Total emissions (t)	Verified total emissions (t/a)	Excessive emission
Great Wall Motor Company Limited	Sewage	Intermittent emission	2	The discharge outlet in the factory of Great Wall Motor Company Limited at Chaoyang South Avenue	7.8	Integrated Wastewater Discharge Standards (GB8978-1996); Influent water quality requirements for Yindingzhuang Sewage Station	—	—	Nil
					108.34mg/L		7.8664	39.14	Nil
					32.72mg/L		2.7515	13.5	Nil
					2.12mg/L		0.1254	1.41	Nil
					43.11mg/L		3.9141	23.5	Nil
					17mg/L		1.2851	—	Nil
					33.8mg/L		2.3202	—	Nil
					0.22mg/L		0.0032	0.009	Nil
	Exhaust gas	Regular emission	8	Main discharge outlet of exhaust gas from coating and stoving in the coating workshop	13.13mg/m ³	Integrated Emission Standards of Air Pollutants (GB16297-1996); Emission Control Standards of Volatile Organic Compounds for Industrial Enterprises (DB13/2322-2016)	25.605	124.464	Nil
					ND		0	1.49	Nil
					ND		0	26.914	Nil
					1.6mg/m ³		1.547	28.46	Nil
	Environmental risk control	651.27 tons of hazardous waste was generated in the first half of 2024							Nil
	Xushui Branch of Great Wall Motor Company Limited	Sewage	Intermittent emission	3	Main discharge outlets of No. 1 plant and No. 2 plant of Xushui Branch	7.9	Integrated Wastewater Discharge Standards (GB8978-1996); Influent water quality requirements for Dawangdian Sewage Treatment Plant	—	—
56.46mg/L						28.226		69.157	Nil
0.68mg/L						1.873		11.899	Nil
0.544mg/L						0.266		1.24	Nil
11.00mg/L						6.948		27.322	Nil
15mg/L						9.205		—	Nil
12.8mg/L						4.150		—	Nil
0.2mg/L						0.024		0.1901	Nil
3mg/L						1.701		—	Nil
Environmental risk control		1,456.47 tons of hazardous waste was generated in the first half of 2024							Nil

Name of company or subsidiary	Name of major pollutants or specific pollutants		Way of emission	Number of discharge outlet	Location of discharge outlet	Emission concentration	Adopted emission standards for pollutants	Total emissions (t)	Verified total emissions (t/a)	Excessive emission	
Tianjin Haval Branch of Great Wall Motor Company Limited	Sewage	PH	Intermittent emission	2	West side of the factory site	7.3	Integrated Wastewater Discharge Standards (DB12/356-2018)	—	—	Nil	
		Chemical oxygen demand				78mg/L		0.657	86.66	Nil	
		Ammonia nitrogen				0.094mg/L		0.004	5.85	Nil	
		Total phosphorus				0.05mg/L		0.001	1.386	Nil	
		Total nitrogen				0.76mg/L		0.077	12.132	Nil	
		Particulate matter				12mg/L		0.094	—	Nil	
		Five-day BOD				19.2mg/L		0.225	—	Nil	
	Exhaust gas	VOCs	Regular emission	55	Around the factory	25.7mg/m ³	Emission Control Standards of Volatile Organic Compounds for Industrial Enterprises (DB12/524-2020)/Integrated Emission Standards of Air Pollutants (GB16297-1996)	17.623	398.29	Nil	
		Sulfur dioxide				9mg/m ³		1.454	—	Nil	
		Nitrogen oxides				38mg/m ³		7.695	—	Nil	
		Particulates				2.5mg/m ³		2.292	—	Nil	
	Risk source	276.83 tons of hazardous waste was generated in the first half of 2024								Nil	
	Chongqing Branch of Great Wall Motor Company Limited	Exhaust gas	VOCs	Regular emission	24	Around the factory	1.07mg/m ³	Integrated Emission Standards of Air Pollutants (DB50/418-2016); Emission Standards of Air Pollutants from Boilers in Chongqing (DB50/658-2016)	0.81	35.85	Nil
			Sulfur dioxide				8.93mg/m ³		0.82	8.63	Nil
Nitrogen oxides			50.52mg/m ³				4.59		57.16	Nil	
Particulates			4.49mg/m ³				2.43		15.59	Nil	
Environmental risk control		679.43 tons of hazardous waste was generated in the first half of 2024								Nil	
Jingmen Branch of Great Wall Motor Company Limited	Sewage	PH	Intermittent emission	2	Main discharge outlet of domestic/ industrial sewage	8.06	Integrated Wastewater Discharge Standards (GB8978-1996)	—	—	Nil	
		Chemical oxygen demand				63.25mg/L		0.923	6.73	Nil	
		Ammonia nitrogen				0.15mg/L		0.0136	0.673	Nil	
		Total phosphorus				0.82mg/L		0.03	—	Nil	
	Exhaust gas	VOCs	Regular emission	44	Within the factory	13.24mg/m ³	Emission Standards of Volatile Organic Compounds from Surface Coating (Automobile Manufacturing) (DB42/1539-2019); Integrated Emission Standards of Air Pollutants (GB16297-1996)	8.3	39.05	Nil	
		Sulfur dioxide				0.5mg/m ³		0.025	—	Nil	
		Nitrogen oxides				73.84mg/m ³		7.007	—	Nil	
		Particulates				1.46mg/m ³		2.29	—	Nil	
	Environment risk control	1,071.70 tons of hazardous waste was generated in the first half of 2024								Nil	

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Name of company or subsidiary	Name of major pollutants or specific pollutants		Way of emission	Number of discharge outlet	Location of discharge outlet	Emission concentration	Adopted emission standards for pollutants	Total emissions (t)	Verified total emissions (t/a)	Excessive emission
Rizhao Weipai Automobile Co., Ltd. (日照魏牌汽車有限公司)	Sewage	Chemical oxygen demand	Intermittent emission	1	Main discharge outlet of the Company	32.8mg/L	Quality Standards for Sewage Discharged into Urban Sewers (GB/T31962-2015); Water Intake requirements for the sewage treatment plant in the Development Zone of Rizhao Water Group Sewage Treatment Co., Ltd.	0.416	91.62	Nil
		Ammonia nitrogen				2.61mg/L		0.031	2.38	Nil
	Exhaust gas	VOCs	Regular emission	16	Within the factory	4.695mg/m ³	Emission Standards of Volatile Organic Compounds Part 1: Automobile Manufacturing Industry (DB37/2801.1-2016)	0.00979	18.33	Nil
	Environmental risk control	45.01 tons of hazardous waste was generated in the first half of 2024								Nil
Pinghu Branch of Great Wall Motor Company Limited	Environmental risk control	104.30 tons of hazardous waste was generated in the first half of 2024								Nil
Taizhou Branch of Great Wall Motor Company Limited	Exhaust gas	VOCs	Regular emission	17	Within the factory	0.217mg/m ³	Local Standard of Jiangsu under Integrated Emission Standards of Air Pollutants (DB32/4041-2021)	7.0054	21.0275	Nil
	Environmental risk control	489.96 tons of hazardous waste was generated in the first half of 2024								Nil
Molding Workshop of Baoding Yixin Automotive Parts Company Limited	Exhaust gas	Non-methane hydrocarbons	Regular emission	1	Around the factory	2.83mg/m ³	Emission Control Standards of Volatile Organic Compounds for Industrial Enterprises (DB13/2322-2016)	0.75026	40.37	Nil
		Sulfur dioxide				ND		0	—	Nil
		Nitrogen oxides				ND		0	—	Nil
		Particulates				1.6mg/m ³		0.02496	—	Nil
Baoding Yixin Automotive Parts Company Limited (保定億新汽車配件有限公司)	Sewage	PH	Intermittent emission	1	Domestic sewage outlet	7.8	Integrated Wastewater Discharge Standards (GB8978-1996); Influent water quality requirements for Yindingzhuang Sewage Station	—	—	Nil
		Chemical oxygen demand				187.06mg/L		0.0879	5.041	Nil
		Ammonia nitrogen				5.99mg/L		0.0016	0.692	Nil
		Total phosphorus				ND		0	—	Nil
		Particulate matter				17mg/L		0.0023	—	Nil
		Five-day BOD				59.4mg/L		0.0133	—	Nil
	Exhaust gas	Non-methane hydrocarbons	Intermittent emission	12	Around the factory	2.25mg/m ³	Emission Control Standards of Volatile Organic Compounds for Industrial Enterprises (DB13/2322-2016)	1.7314	7.038	Nil
		Sulfur dioxide				ND		0	—	Nil
		Nitrogen oxides				ND		0	—	Nil
		Particulates				2.5mg/m ³		0.3650	—	Nil
Environmental risk control	142.36 tons of hazardous waste was generated in the first half of 2024								Nil	

Name of company or subsidiary	Name of major pollutants or specific pollutants	Way of emission	Number of discharge outlet	Location of discharge outlet	Emission concentration	Adopted emission standards for pollutants	Total emissions (t)	Verified total emissions (t/a)	Excessive emission	
Baoding Xushui Branch of Nobo Automotive Systems Co., Ltd. (諾博汽車系統有限公司保定徐水分公司)	Environmental risk control	345.40 tons of hazardous waste was generated in the first half of 2024							Nil	
Baoding Xushui Vehicle Seats Branch of Nobo Automotive Systems Co., Ltd. (諾博汽車系統有限公司保定徐水座椅分公司)	Environmental risk control	102.40 tons of hazardous waste was generated in the first half of 2024							Nil	
Nobo Automotive Parts (Tianjin) Co., Ltd. (諾博汽車零部件(天津)有限公司)	Sewage	Intermittent emission	1	West side of the factory	PH	Integrated Wastewater Discharge Standards (DB12/356-2018)	—	—	Nil	
					Chemical oxygen demand		0.5857	183.8031	Nil	
					Ammonia nitrogen		0.00528	13.3454	Nil	
					Total phosphorus		0.0102	3.455	Nil	
					Total nitrogen		0.3538	30.227	Nil	
					Particulate matter		0.1209	—	Nil	
					Five-day BOD		0.14	—	Nil	
	Exhaust gas	Regular emission	10	Around the factory	VOCs	Emission Control Standards of Volatile Organic Compounds for Industrial Enterprises (DB12/524-2020)	5.62	18.66	Nil	
					Sulfur dioxide		0.49	—	Nil	
					Nitrogen oxides		0.51	—	Nil	
					Particulates		0.62	—	Nil	
	Risk source	125.75 tons of hazardous waste was generated in the first half of 2024							Nil	
	Baoding Branch of Nobo Rubber Production Co., Ltd. (諾博橡膠製品有限公司保定分公司)	Exhaust gas	Regular emission	4	Around the factory	3.72mg/m ³	Emission Control Standards of Volatile Organic Compounds for Industrial Enterprises (DB13/2322-2016); Emission Standards for Industrial Pollutants of Rubber Products (GB27632-2011); Integrated Emission Standards of Air Pollutants (GB16297-1996)	0.1	—	Nil
						7.7mg/m ³		0.08	—	Nil
	Environmental risk control	12.46 tons of hazardous waste was generated in the first half of 2024							Nil	

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Name of company or subsidiary	Name of major pollutants or specific pollutants	Way of emission	Number of discharge outlet	Location of discharge outlet	Emission concentration	Adopted emission standards for pollutants	Total emissions (t)	Verified total emissions (t/a)	Excessive emission
Nobo Rubber Production Co., Ltd. (諾博橡膠製品有限公司)	Exhaust gas	Regular emission	3	Around the factory	14mg/m ³	Integrated Emission Standards of Air Pollutants (GB16297-1996); Emission Standards for Industrial Pollutants of Rubber Products (GB27632-2011); Emission Control Standards of Volatile Organic Compounds for Industrial Enterprises (DB13/2322-2016); Notice on Printing and Distributing the Plan for Comprehensive Control of Air Pollution in Industrial Furnaces and Kilns (Huan Da Qi [2019] No. 56)	0.0052	0.0588	Nil
					14.33mg/m ³		0.0799	0.669	Nil
					1.47mg/m ³		0.0092	0.0588	Nil
	Environmental risk control	127.04 tons of hazardous waste was generated in the first half of 2024							Nil
Baoding Nobo Auto Decorations Company Limited (保定諾博汽車裝飾件有限公司)	Sewage	Intermittent emission	1	Main discharge outlet of the sewage station in the factory	7.13	Integrated Wastewater Discharge Standards (GB8978-1996); Emission Standards of Electroplating Pollutants (GB21900-2008); Influent water quality requirements for Dawangdian Industrial Park Sewage Treatment Plant	—	—	Nil
					16.67mg/L		0.3791	4.245	Nil
					0.96mg/L		0.0212	0.15	Nil
					0.04mg/L		0.0012	0.036	Nil
					15mg/L		0.4525	—	Nil
	Exhaust gas	Regular emission	6	Around the factory	51.25mg/m ³	Integrated Emission Standards of Air Pollutants (GB16297-1996); Notice on Printing and Distributing the Plan for Comprehensive Control of Air Pollution in Industrial Furnaces and Kilns (Huan Da Qi [2019] No. 56)	0.0749	—	Nil
					2.3mg/m ³		0.2391	—	Nil
					25.5mg/m ³		0.0370	—	Nil
					6.14mg/m ³		0.5656	—	Nil
Nobo Automotive Parts (Chongqing) Co., Ltd. (諾博汽車零部件(重慶)有限公司)	Environmental risk control	139.29 tons of hazardous waste was generated in the first half of 2024							Nil
Nobo Automotive Parts (Jingmen) Co., Ltd. (諾博汽車零部件(荊門)有限公司)	Environment risk control	149.90 tons of hazardous waste was generated in the first half of 2024							Nil
Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司)	Sewage	Intermittent emission	1	Main discharge outlet of the sewage station in the factory	7.66	Integrated Wastewater Discharge Standards (GB8978-1996)	—	—	Nil
					45mg/L		0.01857	3.355	Nil
					0.395mg/L		0.00033	0.191	Nil
					2.122mg/L		0.00054	—	Nil
					7.71mg/L		0.00323	—	Nil
					14.83mg/L		0.00544	—	Nil
					16.45mg/L		0.00487	—	Nil
					0.184mg/L		0.000039	—	Nil
	Environmental risk control	4.59 tons of hazardous waste was generated in the first half of 2024							Nil

Name of company or subsidiary	Name of major pollutants or specific pollutants	Way of emission	Number of discharge outlet	Location of discharge outlet	Emission concentration	Adopted emission standards for pollutants	Total emissions (t)	Verified total emissions (t/a)	Excessive emission	
Baoding Xushui Jinggong Chassis Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司保定徐水精工底盤分公司)	Sewage	Intermittent emission	1	Main discharge outlet of phase 1 of the sewage station, main discharge outlet of the sewage station in No. 2 plant	PH	Integrated Wastewater Discharge Standards (GB8978-1996); Influent water quality requirements for Dawangdian Sewage Treatment Plant	—	—	Nil	
					Chemical oxygen demand		7.02	3.349	15.993	
					Ammonia nitrogen		35.12mg/L	0.320	0.801	
					Total phosphorus		3.73mg/L	0.043	—	
					Total nitrogen		0.83mg/L	1.557	7.997	
					Particulate matter		16.38mg/L	1.589	—	
	Environmental risk control	318.36 tons of hazardous waste was generated in the first half of 2024							Nil	
Baoding Great Machinery Company Limited (保定市格瑞機械有限公司)	Sewage	Intermittent emission	1	Main discharge outlet of the sewage station in the factory	PH	Integrated Wastewater Discharge Standards (GB8978-1996); Influent water quality standard for Lugang Sewage Treatment Plant	—	—	Nil	
					Chemical oxygen demand		7.8	0.5620	3.563	
					Ammonia nitrogen		158mg/L	0.0025	0.2	
					Particulate matter		0.31mg/L	0.0597	—	
					Five-day BOD		16mg/L	0.0655	—	
Jingcheng Engineering Automotive Parts (Chongqing) Co., Ltd. (精誠工科汽車零部件(重慶)有限公司)	Environmental risk control	69.75 tons of hazardous waste was generated in the first half of 2024							Nil	
Baoding Great Wall Scrap Car Recycling & Dismantling Co., Ltd. (保定長城報廢汽車回收拆解有限公司)	Environmental risk control	45.33 tons of hazardous waste was generated in the first half of 2024							Nil	
Shunping Precision Die Casting Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司順平精工鑄造分公司)	Sewage	Intermittent emission	1	Main discharge outlet of the sewage station in the factory	PH	Integrated Wastewater Discharge Standards (GB8978-1996); Influent water quality requirements for Shunping Qingyuan Sewage Treatment Co., Ltd.	—	—	Nil	
					Chemical oxygen demand		7.5	9.792	41.79	
					Ammonia nitrogen		84mg/L	0.394	4.18	
					Total phosphorus		9.14mg/L	0.008	—	
					Total nitrogen		0.14mg/L	0.476	—	
					Particulate matter		15.1mg/L	1.087	—	
					Five-day BOD		13mg/L	1.798	—	
	Exhaust gas	Regular emission	6	Around the factory	VOCs	Integrated Emission Standards of Air Pollutants (GB16297-1996); Emission Standards of Industrial Furnace Kiln Air Pollutants (DB13/1640-2012)	2.47mg/m ³	0.66	—	Nil
					Sulfur dioxide		5.67mg/m ³	0.087	—	Nil
					Nitrogen oxides		33.5mg/m ³	0.917	—	Nil
Particulates	1.63mg/m ³	0.384	—	Nil						
Environmental risk control	60.20 tons of hazardous waste was generated in the first half of 2024							Nil		

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Name of company or subsidiary	Name of major pollutants or specific pollutants	Way of emission	Number of discharge outlet	Location of discharge outlet	Emission concentration	Adopted emission standards for pollutants	Total emissions (t)	Verified total emissions (t/a)	Excessive emission
Shunping Precision Casting Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司順平精工鑄造分公司)	Sewage	Intermittent emission	1	Main discharge outlet of the sewage station in the factory	8	Integrated Wastewater Discharge Standards (GB8978-1996); Influent water quality requirements for Shunping Qingyuan Sewage Treatment Co., Ltd.	—	—	Nil
					84mg/L		1.088	1.88	Nil
					9.14mg/L		0.0438	0.188	Nil
					0.14mg/L		0.0009	—	Nil
					15.1mg/L		0.0529	—	Nil
					13mg/L		0.1208	—	Nil
					21.5mg/L		0.1998	—	Nil
Jingcheng Engineering Automotive Parts (Yangzhong) Co., Ltd. (精誠工科汽車零部件(揚中)有限公司)	Environmental risk control	166.09 tons of hazardous waste was generated in the first half of 2024						Nil	
Chassis Business Unit of Tianjin Haval Branch of Great Wall Motor Company Limited	Risk source	13.24 tons of hazardous waste was generated in the first half of 2024						Nil	
Baoding Xushui Optoelectronics Branch of Mind Electronics Company Limited (曼德電子電器有限公司保定徐水光電分公司)	Sewage	Intermittent emission	1	Main discharge outlet of the sewage station in the factory	7.6	Integrated Wastewater Discharge Standards (GB8978-1996); Influent water quality requirements for Dawangdian Industrial Park Sewage Treatment Plant	—	—	Nil
					20mg/L		0.0001570	—	Nil
					1.44mg/L		0.0000053	—	Nil
					0.08mg/L		0.0000007	—	Nil
					9.36mg/L		0.0000439	—	Nil
					15mg/L		0.0000860	—	Nil
	Exhaust gas	Regular emission	5	Around the factory	10.02mg/m ³	Emission Control Standards of Volatile Organic Compounds for Industrial Enterprises (DB13/2322-2016); Integrated Emission Standards of Air Pollutants (GB16297-1996)	0.0000601	—	Nil
					ND		0	—	Nil
					ND		0	—	Nil
					5.1mg/m ³		0.0000423	—	Nil

Name of company or subsidiary	Name of major pollutants or specific pollutants	Way of emission	Number of discharge outlet	Location of discharge outlet	Emission concentration	Adopted emission standards for pollutants	Total emissions (t)	Verified total emissions (t/a)	Excessive emission
Baoding Heating System Branch of Mind Electronics Company Limited (曼德電子電器有限公司保定熱系統分公司)	Environmental risk control	143.37 tons of hazardous waste was generated in the first half of 2024							Nil
Baoding Optoelectronics Branch of Mind Electronics Company Limited (曼德電子電器有限公司保定光電分公司)	Environmental risk control	165.97 tons of hazardous waste was generated in the first half of 2024							Nil
Dingxing Branch of Great Wall Motor Company Limited	Exhaust gas	Regular emission	17	Around the factory	ND	Integrated Emission Standards of Air Pollutants (DB50/418-2016); Emission Standards of Industrial Furnace Kiln Air Pollutants (DB13/1640-2012); Emission Control Standards of Volatile Organic Compounds for Industrial Enterprises (DB13/2322-2016)	0	—	Nil
					8.165mg/m ³		0.0491	0.128	Nil
					ND		0	—	Nil
					18.5mg/m ³		0.0654	0.14	Nil
					7.25mg/m ³		0.0435	0.15	Nil
Honeycomb Power System (Jiangsu) Co., Ltd. (蜂巢動力系統(江蘇)有限公司)	Exhaust gas	Regular emission	9	Around the factory	2mg/m ³	Integrated Emission Standards of Air Pollutants (DB33/4041-2021)	0.0815	0.836	Nil
					6.04mg/m ³		1.1515	2.805	Nil
					7mg/m ³		0.0225	1.68	Nil
	Environmental risk control	58.60 tons of hazardous waste was generated in the first half of 2024							Nil
Xushui Branch of Honeycomb Transmission Technology Hebei Co., Ltd. (蜂巢傳動科技河北有限公司徐水分公司)	Environmental risk control	262.68 tons of hazardous waste was generated in the first half of 2024							Nil

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Name of company or subsidiary	Name of major pollutants or specific pollutants	Way of emission	Number of discharge outlet	Location of discharge outlet	Emission concentration	Adopted emission standards for pollutants	Total emissions (t)	Verified total emissions (t/a)	Excessive emission
Power Business Unit of Tianjin Haval Branch of Great Wall Motor Company Limited	Risk source	24.87 tons of hazardous waste was generated in the first half of 2024							Nil
Honeycomb Transmission System (Jiangsu) Co., Ltd (蜂巢傳動系統(江蘇)有限公司)	Environmental risk control	269.98 tons of hazardous waste was generated in the first half of 2024							Nil
<p>Noise: There are no cultural, educational or other noise-sensitive sites around the factory sites. The noise emitted was lower than the requirements stipulated in Boundary Noise Emission Standards for Industrial Enterprises (GB12348-2008).</p> <p>In the first half of 2024, a total of 7,522.607 tons of hazardous waste consisting mainly of sludge, paint waste and contaminated waste was produced, representing a unit production of 0.014 ton per vehicle. Such waste was transferred in accordance with the Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》), Pollution Control Standards for the Storage of Hazardous Waste (《危險廢物貯存污染控制標準》), Notice on the Application of Dynamic Solid Waste Information Management Platform (《固體廢物動態信息管理平台應用有關工作的通知》), the Notice on the Relevant Procedures of Launching Tianjin's Hazardous Waste Online Transfer Supervision Platform for the Transfer of Hazardous Wastes in the City of Tianjin (《關於啟動天津市危險廢物在線轉移監管平台辦理危險廢物市內轉移相關手續的通知》), Notice of Chongqing Ecological Environment Bureau on Strengthening Information Management of Solid Waste (《重慶市生態環境局關於強化固體廢物信息化管理有關工作的通知》) and the procedures for obtaining approval of transfer established by the competent authorities in Tianjin, Baoding, Chongqing, Rizhao, Jingmen, Taizhou and Jiaxing. Hazardous waste in Tianjin was transferred to Tianjin Hejia Veolia Environmental Services Co., Ltd. (天津合佳威立雅環境服務有限公司), Tianjin Binhai Hejia Veolia Environmental Services Co., Ltd. (天津濱海合佳威立雅環境服務有限公司), Tianjin Huaqing Baisheng Energy Co., Ltd. (天津華慶百勝能源有限公司) and other companies for disposal; Hazardous waste in Baoding was transferred to Baoding Kexiong Environmental Protection Technology Co., Ltd. (保定市科瓊環保科技有限公司), Hebei Fenghua Environmental Protection Technology Co., Ltd. (河北風華環保科技股份有限公司), Tangshan GreenNovo Technology Co., Ltd. (唐山鑫聯環保科技有限公司), Cangzhou Xinghe Environment Technology Co., Ltd. (滄州星河環境技術有限公司) and other companies for disposal; Hazardous waste in Chongqing was transferred to Chongqing Lite Juxin Resource Recycling Technology Co., Ltd. (重慶利特聚欣資源循環科技有限責任公司), Chongqing Zhongming Gangqiao Environmental Protection Co., Ltd. (重慶中明港橋環保有限責任公司), Lvtuo (Hubei) Resources Recycling Co., Ltd. (綠拓(湖北)資源循環利用有限公司), Beikong Urban Environmental Resources (Zigong) Co., Ltd. (北控城市環境資源(自貢)有限公司) and other companies for disposal; Hazardous waste in Shandong was transferred to Qingdao Haiwan New Material Technology Co., Ltd. (青島海灣新材料科技有限公司) and Tai'an Dezheng Haizhong Environmental Protection Technology Co., Ltd. (泰安德正海中環保科技有限公司) for disposal; Hazardous waste in Jingmen was transferred to Beikong Urban Environmental Resources (Yichang) Co., Ltd. (北控城市環境資源(宜昌)有限公司), Hubei Jinglan Environmental Protection Technology Co., Ltd. (湖北京蘭環保科技有限公司), Yichang Zhixiang Environmental Protection Technology Co., Ltd. (宜昌志翔環保科技有限公司), Jingmen Hongxun Renewable Resources Co., Ltd. (荊門市宏勳再生資源有限公司) and Hubei Lvhe Renewable Resources Co., Ltd. (湖北綠合再生資源有限公司) for disposal; Hazardous waste in Taizhou was transferred to Jingjiang Zhonghuanxin Environmental Protection Co., Ltd. (靖江中環信環保有限公司), Jiangsu Hongxiang Environmental Resources Co., Ltd. (江蘇宏祥環境資源有限公司), Taixing Shenlian Environmental Protection Technology Co., Ltd. (泰興市申聯環保科技有限公司), Changzhou Yongbao Green Energy Environment Co., Ltd. (常州市永葆綠能環境有限公司), Jiangsu Yongji Environmental Protection Technology Co., Ltd. (江蘇永吉環保科技有限公司) and Xuzhou Beauty Circle Environmental Protection Technology Co., Ltd. (徐州美利圓環保科技有限公司) for disposal; Hazardous waste in Jiaxing was transferred to Huzhou Jinjie Jingmai Technology Co., Ltd. (湖州金潔靜脈科技有限公司), Zhejiang Jialining Environmental Technology Co., Ltd. (浙江嘉利寧環境科技有限公司) and Hangzhou Dadi Haiyang Environmental Protection Co., Ltd. (杭州大地海洋環保股份有限公司) for disposal.</p> <p>In the first half of 2024, a total of 7,134.3 tons of general solid waste was produced, representing a unit production of 0.013 ton per vehicle, which was disposed of by the qualified waste recycling service providers engaged by the Company.</p>									

2. **Construction and operation of anti-pollution facilities**

√ Applicable Not applicable

In compliance with national laws and regulations as well as emissions standards, the waste emissions indicators of the Company and its major subsidiaries adhered to the most stringent domestic requirements currently in force. Emissions levels of sewage, exhaust gas, noise and solid waste complied with requirements. ① Sewage: sewage from plant sites was fully treated at sewage treatment plants of the Company, undergoing pre-treatment, biochemical treatment, filtering and disinfection procedures, with the treated grey water used for flushing and greening. Licensed discharge of the remaining grey water was made through the municipal sewage network, and the levels of sewage pollutants discharged were much lower than the emissions limits required by laws and regulations; ② Exhaust gas: VOCs produced by stoving were treated by combustion in its RTO, exhaust gas from spraying and coating was treated by zeolite rotor and combustion facilities on top of the existing Giovanni treatment facilities based on their characteristics, undergoing adsorption, desorption and combustion procedures so as to achieve the treatment of VOCs in exhaust gas from spraying and coating. Treated exhaust gas was discharged through exhaust vents at height after meeting the required standards. A real time monitoring system for organic exhaust gas was installed and the discharge situation of VOCs was transmitted to environmental authorities in real time, with supervision by environmental authorities; ③ Noise: in order to reduce noise, the Company proactively adopted various noise prevention and mitigation measures to reduce the impact on the environment. Installation of acoustic shields and anti-vibration bases for noise-generating equipment and constructing green belts in the vicinity of noise sources were the main measures undertaken for preventing and controlling noise. Effectively keeping off and lowering noise ensured eliminating noise efficiently for meeting the required emissions standards; ④ Waste management: the Company tackled the process of waste management at source by storing waste by type and setting up temporary storage sites for solid waste. It also placed emphasis on recycling of resources, with all useful waste of value sold to external parties or re-used and worthless waste handled by dedicated waste disposal companies for compliant disposal. Hazardous waste reduction was implemented to cut hazardous waste at source and at end. Dedicated storage sites meeting requirements, equipped with smart monitoring systems and connected with environmental authorities through the Internet, were set up for all hazardous waste. Real time supervision by government authorities round the clock during the year can ensure that waste storage and disposal meet the required standards.

3. Environmental impact assessment of construction projects and administrative permits concerning environmental protection

Applicable Not applicable

The Company carried out environmental impact assessment for and final environmental protection acceptance check on each of the new construction, conversion and expansion projects, and enforced the requirements of the environmental impact assessment system, the “Three Simultaneities” system and relevant laws and regulations by strictly complying with laws and regulations such as the Regulations on the Administration of Construction Project Environmental Protection 《建設項目環境保護管理條例》 and the Environmental Impact Assessment Law of the People’s Republic of China 《中華人民共和國環境影響評價法》 promulgated by the State Council, and the Interim Measures for the Final Environmental Protection Acceptance Check on Construction Projects 《建設項目竣工環境保護驗收暫行辦法》 promulgated by the Ministry of Ecology and Environment. The Company and its major subsidiaries obtained approval in environmental impact assessment for all projects in accordance with the law while relevant auxiliary environmental facilities passed the respective environmental protection acceptance check and obtained a pollutant discharge permit (permit no.: 91130000105941835E001Z). The Company regularly conducted third-party environmental monitoring in accordance with Technical Specifications for Application and Issuance of Pollutant Discharge Permit – Automobile Manufacturing Industry 《排污許可證申請與核發技術規範汽車製造業》, with all results meeting the required standards.

4. Emergency plan for environmental contingency

Applicable Not applicable

In order to lower and prevent potential environmental risks effectively, the Company established emergency preparation and response procedures, formulated an environmental contingency plan (File No. 130603-2021-025-L), and completed the filings with the local environmental protection bureau. To ensure the feasibility and effectiveness of the contingency plan, the Company developed measures that should be adopted to control incidents and emergencies with previous occurrences or potential ones that might occur, and drills on the internal environmental contingency plan would be conducted on an annual basis.

5. Voluntary environmental monitoring plan

Applicable Not applicable

We would carry out third-party monitoring of pollutant discharge on schedule in accordance with the requirements of Technical Specifications for Application and Issuance of Pollutant Discharge Permit – Automobile Manufacturing Industry (《排污許可證申請與核發技術規範汽車製造業》), including:

- ① Regularly monitoring the discharge of sewage, keeping monitoring records, installing automatic PH scale, flow, chemical oxygen demand (COD), ammoniacal nitrogen, total nitrogen and total phosphorus monitoring equipment, and transmitting data in real-time;
- ② Regularly monitoring the discharge of VOCs, and installing online VOC monitoring equipment;
- ③ Regularly monitoring noise on a voluntary basis and appointing external parties to monitor noise, ensuring that the monitoring results meet the requirements of the relevant standards.

6. Administrative punishment for environmental issues during the Reporting Period

Applicable Not applicable

7. *Other environmental information which shall be disclosed*

Applicable Not applicable

According to the relevant requirements under the Environmental Protection Law of the People's Republic of China 《中華人民共和國環境保護法》 and the Measures for the Lawful Disclosure of Environmental Information by Enterprises (Order No. 24 of the Ministry of Ecological Environment) 《企業環境信息依法披露管理辦法》(生態環境部第 24 號令), the key units of environment supervision announced by the local ecological environment departments in the places where the Company and its major subsidiaries are located are Great Wall Motor Company Limited, Xushui Branch of Great Wall Motor Company Limited, Tianjin Haval Branch of Great Wall Motor Company Limited, Chongqing Branch of Great Wall Motor Company Limited, Jingmen Branch of Great Wall Motor Company Limited, Rizhao Weipai Automobile Co., Ltd. (日照魏牌汽車有限公司), Pinghu Branch of Great Wall Motor Company Limited, Taizhou Branch of Great Wall Motor Company Limited, Baoding Yixin Automotive Parts Company Limited (保定億新汽車配件有限公司), Assembling Workshop of Baoding Yixin Automotive Parts Company Limited, Baoding Xushui Branch of Nobo Automotive System Co., Ltd. (諾博汽車系統有限公司保定徐水分公司), Baoding Xushui Vehicle Seats Branch of Nobo Automotive Systems Co., Ltd. (諾博汽車系統有限公司保定徐水座椅分公司), Nobo Automotive Parts (Tianjin) Co., Ltd. (諾博汽車零部件(天津)有限公司), Baoding Nobo Rubber Production Co., Ltd. (保定市諾博橡膠製品有限公司), Nobo Rubber Production Co., Ltd. (諾博橡膠製品有限公司), Baoding Nobo Auto Decorations Company Limited (保定諾博汽車裝飾件有限公司), Nobo Automotive Parts (Chongqing) Co., Ltd. (諾博汽車零部件(重慶)有限公司), Nobo Automotive Parts (Jingmen) Co., Ltd. (諾博汽車零部件(荊門)有限公司), Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司), Baoding Xushui Jinggong Chassis Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司保定徐水精工底盤分公司), Baoding Great Machinery Company Limited (保定市格瑞機械有限公司), Jingcheng Engineering Automotive Parts (Chongqing) Co., Ltd. (精誠工科汽車零部件(重慶)有限公司), Baoding Great Wall Scrap Car Recycling & Dismantling Co., Ltd. (保定長城報廢汽車回收拆解有限公司), Shunping Precision Die Casting Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司順平精工壓鑄分公司), Shunping Precision Casting Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司順平精工鑄造分公司), Jingcheng Engineering Automotive Parts (Yangzhong) Co., Ltd. (精誠工科汽車零部件(揚中)有限公司), Chassis Business Unit of Tianjin Haval Branch of Great Wall Motor Company Limited, Baoding Xushui Optoelectronics Branch of Mind Electronics Company Limited (曼德電子電器有限公司保定徐水光電分公司), Baoding Optoelectronics Branch of Mind Electronics Company Limited (曼德電子電器有限公司保定光電分公司), Baoding Heating System Branch of Mind Electronics Company Limited (曼德電子電器有限公司保定熱系統分公司), Dingxing Branch of Great Wall Motor Company Limited, Honeycomb Power System (Jiangsu) Co., Ltd. (蜂巢動力系統(江蘇)有限公司), Xushui Branch of Honeycomb Transmission Technology Hebei Co., Ltd. (蜂巢傳動科技河北有限公司徐水分公司), Power Business Unit of Tianjin Haval Branch of Great Wall Motor Company Limited, and Honeycomb Transmission System (Jiangsu) Co., Ltd (蜂巢傳動系統(江蘇)有限公司). Relevant topics and sections on environmental information have been created on the Company's official website to publish the Company's environmental-related information.

(II) Description of environmental protection of companies other than key pollutant discharging units

Applicable Not applicable

In order to build the Company as a green factory, develop it as an environmental-friendly enterprise, apply the concept of green development, advocate the build-up of an ecological system in a disciplined manner and follow the path towards green manufacturing with determination, the Company's subsidiaries focused on accomplishing the following tasks during the Reporting Period:

- ① They stepped up the establishment of management offices and systems to further raise basic management standards. All subsidiaries of the Company had their environmental management offices and management staff, which formed an environmental management network across the Company. Environmental management rules and regulations were formulated and enforced stringently so that environmental work was under management.
- ② In compliance with national laws and regulations as well as emissions standards, the waste emissions indicators of the Company and its major subsidiaries adhered to the most stringent domestic requirements currently in force. Emissions levels of sewage, exhaust gas, noise and solid waste complied with requirements, and sewage from plant sites was fully treated at sewage treatment plants of the Company, undergoing pre-treatment, biochemical treatment, filtering and disinfection procedures, with the treated grey water used for flushing and greening. Licensed discharge of the remaining grey water was made through the municipal sewage network, and the levels of sewage pollutants discharged were much lower than the emissions limits required by laws and regulations. VOCs and RTO produced by stoving were treated by combustion, exhaust gas from spraying and coating was treated by zeolite rotor and combustion facilities on top of the existing Giovanni treatment facilities based on their characteristics, undergoing adsorption, desorption and combustion procedures so as to achieve the treatment of VOCs in exhaust gas from spraying and coating. Treated exhaust gas was discharged through exhaust vents at height after meeting the required standards. In order to reduce noise, the Company proactively adopted various noise prevention and mitigation measures to reduce the impact on the environment. Installation of antivibration bases for noise-generating equipment, constructing green belts in the vicinity of noise sources and provision of acoustic shields (soundproof rooms) were the main measures undertaken for preventing and controlling noise. Effectively keeping off and lowering noise ensured eliminating noise efficiently for meeting the required emissions standards. The Company tackled the process of waste management at source by storing waste by type and setting up temporary storage sites for solid waste. It also placed emphasis on recycling of resources, with all useful waste of value sold to external parties or re-used and worthless waste handled by dedicated waste disposal companies for compliant disposal. Dedicated storage sites meeting requirements, equipped with smart monitoring systems and connected with environmental authorities through the Internet, were set up for all hazardous waste. Real time supervision by government authorities round the clock during the year helped ensure that waste storage and disposal could meet the required standards.

Environmental and Social Responsibility

- ③ They improved the construction of various pollution control facilities by increasing financial commitment to environmental protection on an ongoing basis. All enterprises of the Company had built comprehensive pollution prevention and control facilities for the comprehensive treatment of various types of pollution such as sewage, exhaust gas and noise pollution, and for the lawful and compliant disposal of hazardous waste. In recent years, the Company kept increasing financial commitment to environmental protection, especially the prevention and control of air pollution, thus having made due contributions to improving air quality.
- ④ They gained access to environmental laws and regulations in a timely manner to conduct compliance evaluation. The regulations governing environmental impact assessment on construction projects were enforced stringently for the new, renovation and expansion projects of all enterprises to make sure the “Three Simultaneities” system for environmental protection was enforced. The application for pollutant discharge permit was completed and both self-monitoring and third-party monitoring were carried out.
- ⑤ They participated in more environmental exhibitions at home and abroad so as to learn and bring in new, state-of-the-art environmental technologies, and carried out whole process control over pollutant emissions to achieve the management philosophy of waste reduction at source and treatment at the end simultaneously to raise pollution treatment standards and reduce the generation of pollutants.
- ⑥ The Company had established a sound environmental risk emergency response mechanism. All enterprises had formulated an Emergency Plan for Unexpected Environmental Pollution Incidents. Environmental training and emergency drills for unexpected environmental incidents will be conducted every year to make sure that environmental management staff are familiar with environmental-related skills and that they can handle emergency quickly, orderly and efficiently when these incidents occur.

1. **Administrative punishment for environmental issues**

Applicable Not applicable

2. **Disclosure of other environmental information with reference to key pollutant discharging units**

Applicable Not applicable

- ① Companies other than key pollutant discharging units shall conduct third party monitoring in accordance with the pollutant discharge specifications, and strictly implement the pollutant discharge standards and total amount control requirement to discharge pollutants, ensuring compliance discharge of sewage, exhaust gas, and noise;
- ② There are compliant storage sites for general solid wastes and hazardous wastes in the Company, and all of them are delivered to qualified manufacturers for compliant disposal.

3. **Reasons for failure to disclose other environmental information**

Applicable Not applicable

(III) Description of subsequent development of or changes in disclosed environmental information during the Reporting Period

Applicable Not applicable

(IV) Information on efforts conducive to promoting ecological protection, pollution prevention and control and undertaking environmental responsibility

Applicable Not applicable

The Company has proactively established sound environmental management systems and received the Environmental Management Systems Audit Certification (ISO14001:2004) since 2008. It completed the first supervisory audit in 2024, ensuring the suitability, adequacy and effectiveness of the environmental management system in the Company.

(V) Measures adopted for reducing carbon emissions during the Reporting Period and their effects

Applicable Not applicable

Whether any measure has been taken to reduce carbon emissions	Yes
Reducing emission of CO ₂ equivalents (unit: ton)	158,631
Type of measures to reduce carbon emissions (such as the use of clean energy to generate electricity, application of carbon reduction technology in the production process, and research and development and manufacture of new products contributing to reducing carbon emissions)	See specific explanation for details

Specific Explanation

As a pioneer in the green development of the automotive industry, Great Wall Motor actively responds to the long-term strategies on national “dual-carbon” targets and adheres to the concept of full lifecycle management on energy-saving and carbon reduction in various fields.

In terms of R&D and design, Great Wall Motor adheres to the green concept by incorporating the control over carbon emissions during the entire lifecycle as a key indicator of vehicle performance at the early R&D stage of vehicles, and sets clear carbon emission targets, aiming at creating more environmentally friendly vehicle models. Great Wall Motor strives to minimize the carbon footprint of its products throughout the full lifecycle in the following aspects:

- ① In the raw material selection phase, Great Wall Motor is committed to realizing sustainable material utilization, advocating and adopting recyclable, bio-based and renewable materials to reduce carbon emissions at the raw material stage;
- ② In the parts design phase, Great Wall Motor pursues higher energy efficiency and reduced carbon emissions by promoting the miniaturization, lightweighting, simplification and integration of parts; During the Reporting Period, the carbon emissions of all the Company’s new vehicle models were significantly lower than those of their predecessors. On 15 April 2024, the 2024 Blue Mountain Intelligent Driving Edition was awarded the Level 1 evaluation of the Low-Carbon Label by the Automotive Industry Energy Conservation and Green Development Evaluation Center. We are confident that these measures will reinforce the green development of our products and lead the industry towards a more environmentally friendly future.

In terms of manufacturing, Great Wall Motor continues to reduce carbon emissions in the manufacturing stage of vehicles through measures such as the innovation in process and technology, the improvement of the production efficiency and the alternative use of clean energy. During the Reporting Period, Great Wall Motor achieved an accumulative carbon reduction of 158,631 tons in factories, of which Great Wall Motor promoted factories to reduce carbon emissions through process optimization, production efficiency enhancement, energy saving and energy substitution and achieved a carbon reduction of 86,512 tons during the Reporting Period, and it also actively participated in the green electricity trade and increased the proportion of clean energy by continuously increasing the installed capacity of distributed photovoltaic power systems to achieve a carbon reduction of 72,119 tons during the Reporting Period.

In terms of the supply chain, Great Wall Motor integrates green and low-carbon elements into the supply chain management process and cultivates low-carbon concepts among suppliers to guide the green transformation of the supply chain.

- ① In 2024, Great Wall Motor continued to implement the “Low-Carbon Supplier Evaluation” program. By June, the “Low-Carbon Evaluation” of 24 key suppliers has been completed to raise their awareness of carbon management.
- ② During the Reporting Period, Great Wall Motor completed the innovation of the supplier selection strategy by introducing a new process for part development and supplier selection combined with a digital procurement system to realize the digital management of a green supply chain.
- ③ During the Reporting Period, in order to build a green and sustainable supply chain ecosystem, Great Wall Motor invited nearly 460 partners to exchange views on the theme of “Deepening Roots for Carbon Neutrality” and share their excellent practices, so as to promote the low-carbon development of the supply chain.

In terms of recycling and reuse, Great Wall Motor adheres to the green concept of sustainable development. By utilizing the Internet of Things technology, the Company has built a digital reverse logistics recycling center, achieving transparent and efficient recycling management of scrapped vehicles and waste materials. Additionally, it has established an intelligent remanufacturing center with a light asset model to process remanufactured products with higher quality and lower cost. Such initiatives aim to reduce manufacturing costs, save energy and reduce pollution, achieving a win-win situation for both the Company and society.

In March 2022, Baoding Great Wall Resource Recycling Co., Ltd. (保定長城再生資源利用有限公司) under Great Wall Motor obtained the world's first automobile parts remanufacturing management system certification issued by Rheinland for its remanufactured transmission and headlamp business, and Great Wall Motor became the first vehicle enterprise in China to obtain the remanufacturing quality management system certification.

In October 2022, Great Wall Motor fulfilled its responsibilities as a producer, and after passing the examination of the Ministry of Industry and Information Technology, the Ministry of Science and Technology, the Ministry of Finance and the Ministry of Commerce, it has declared to be a pilot enterprise for the extension of producer responsibility of automobile products.

As of June 2024, Great Wall Motor completed the remanufacturing of key products such as transmissions, engines, headlamps, turbochargers and electric steering gears, and synchronized the planning of key parts of new energy vehicles, such as HAT/HDCT transmissions, electronic control systems and drive motors, so as to realize a diversified sequence of remanufactured products. Specifically, a remanufacturing project demonstration workshop was established for transmissions to carry out standardized production operations, utilizing green laser cleaning, precision high-speed laser additive remanufacturing, intelligent inspection and other technologies, with workstations covering the entire process of parts dismantling and cleaning, surface treatment, finishing, valve body, torque converter, final assembly and testing functions. During the Reporting Period, Great Wall Motor recycled a total of 120,800 tons of waste materials, produced and sold 6,721 units/sets of remanufactured products, thereby reducing carbon emissions by 90.96 tons.

II. DETAILED INFORMATION ON INITIATIVES INCLUDING CONSOLIDATION AND EXPANSION OF POVERTY ALLEVIATION ACHIEVEMENTS AND RURAL REVIVAL

Applicable Not applicable

In February 2024, Great Wall Motor organised caring activities during the Spring Festival to provide material help and spiritual consolation to the elderly in the gerocomium and sanitation workers.

From May to June 2024, Great Wall Motor organised its employees to carry out caring activities at the local children welfare association to provide school supplies and warm wishes for every child. Meanwhile, it also donated caring student grants for children in financial difficulties to assist children to pursue a dream in adverse situation.

During the period, the ORA brand of Great Wall Motor took the opportunity of "2024 GWM Smart Factory Half Marathon" to launch a public welfare marathon project online jointly with China Women's Development Foundation (中國婦女基金會) and Tencent Charity Foundation (騰訊公益). The project fund will be used to finance the "Genius Mom" public welfare project.

SECTION 6

SIGNIFICANT EVENTS

I. PERFORMANCE OF UNDERTAKINGS

(I) Undertakings of the de facto controller, shareholders, related parties, acquiring parties of the Company and the Company and other parties involved during the Reporting Period or subsisting to the Reporting Period

√ Applicable Not applicable

Background of undertakings	Type of undertakings	Undertaking party	Description of undertakings	Date of undertakings	Any time frame for performance (yes/no)	Duration of undertakings	Strict and timely performance (yes/no)	Specific reasons for failure to perform timely	Next step taken due to failure to perform timely
Undertakings relating to the initial public offering	Resolving related party transaction	Great Wall Motor Company Limited	Since 1 January 2012, Great Wall Motor Company Limited (長城汽車股份有限公司) has ceased to enter into any transactions relating to automotive parts and components with Hebei Baoding Tai Hang Group Company Limited (河北保定太行集團有限公司) and Baoding Tai Hang Pump Manufacturing Company Limited (保定市太行製泵有限公司).	From January 2012, permanent	No	From January 2012, permanent	Yes	/	/

Background of undertakings	Type of undertakings	Undertaking party	Description of undertakings	Date of undertakings	Any time frame for performance (yes/no)	Duration of undertakings	Strict and timely performance (yes/no)	Specific reasons for failure to perform timely	Next step taken due to failure to perform timely
Resolving business competition of the same industry		Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司)	<p>1. Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) is not directly or indirectly engaged in any Competing Business.</p> <p>2. As long as Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) remains a related party that has control over Great Wall Motor Company Limited (長城汽車股份有限公司), its directly or indirectly controlled subsidiaries would not in any way, directly or indirectly, engage in any existing or potential Competing Business.</p> <p>3. Subject to the same conditions, Great Wall Motor Company Limited (長城汽車股份有限公司) shall have the right of first refusal on the investment or other business opportunities relating to Competing Businesses that Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) will pursue or may get in the future.</p>	From 10 December 2010, permanent	No	From 10 December 2010, permanent	Yes	/	/

Significant Events

Background of undertakings	Type of undertakings	Undertaking party	Description of undertakings	Date of undertakings	Any time frame for performance (yes/no)	Duration of undertakings	Strict and timely performance (yes/no)	Specific reasons for failure to perform timely	Next step taken due to failure to perform timely
	Resolving business competition of the same industry	Wei Jian Jun	<p>1. The subsidiaries directly or indirectly controlled by Mr. Wei Jian Jun are not directly or indirectly engaged in any Competing Business.</p> <p>2. As long as Mr. Wei Jian Jun remains a related party who has control over Great Wall Motor Company Limited (長城汽車股份有限公司), the subsidiaries directly or indirectly controlled by him would not in any way, directly or indirectly, engage in any existing or potential Competing Business.</p> <p>3. Subject to the same conditions, Great Wall Motor Company Limited (長城汽車股份有限公司) shall have the right of first refusal on the investment or other business opportunities relating to the Competing Businesses that the subsidiaries directly or indirectly controlled by Mr. Wei Jian Jun will pursue or may get in the future.</p>	From 10 December 2010, permanent	No	From 10 December 2010, permanent	Yes	/	/

Significant Events

Background of undertakings	Type of undertakings	Undertaking party	Description of undertakings	Date of undertakings	Any time frame for performance (yes/no)	Duration of undertakings	Strict and timely performance (yes/no)	Specific reasons for failure to perform timely	Next step taken due to failure to perform timely
Undertakings relating to re-financing	Others	Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司), Wei Jian Jun	<p>1. Undertake to exercise its rights as a shareholder in accordance with the relevant laws, regulations and the relevant provisions of the Articles of Association of the Company, not to interfere with the Company's operation or management activities beyond its authority, and not to infringe on the Company's interests.</p> <p>2. Undertake to effectively perform relevant compensation recovery measures developed by the Company and any undertaking made by the undertaking party thereon in relation to the compensation recovery measures. If the undertaking party violates such undertakings and consequently causes any loss to the Company or any investor, the undertaking party is willing to assume relevant legal liabilities to the Company or the investor.</p> <p>3. If China Securities Regulatory Commission ("CSRC") puts forth new regulatory requirements on compensation recovery measures or the relevant undertakings in the period from the date of these undertakings to the completion of the public issuance of A Share convertible corporate bonds, and the undertakings above cannot meet such new regulatory requirements of CSRC, the undertaking party undertakes to make additional undertakings in accordance with the latest requirements of CSRC.</p>	From 6 November 2020, permanent	No	From 6 November 2020, permanent	Yes	/	/

Significant Events

Background of undertakings	Type of undertakings	Undertaking party	Description of undertakings	Date of undertakings	Any time frame for performance (yes/no)	Duration of undertakings	Strict and timely performance (yes/no)	Specific reasons for failure to perform timely	Next step taken due to failure to perform timely
	Other	All Directors and senior management	<ol style="list-style-type: none"> Undertake to perform my duties as a Director and/or a senior management of the Company and uphold the legitimate rights and interests of the Company and all Shareholders of the Company faithfully and diligently. Undertake not to convey any benefits to other entities or individuals for free or under unfair terms or otherwise jeopardise the interests of the Company. Undertake to limit my spending when performing my duties as a director and/or a senior management. Undertake not to use the assets of the Company in making investments or expenditures other than in relation to the performance of my duties. Within the duties and scope of lawful authorisation, I undertake to fully procure that the remuneration system formulated by the Board or the remuneration and assessment committee under the Board will correspond to the implementation of the recovery measures of the Company, and I will vote in favour of the relevant proposals considered by the Board and at the Shareholders' General Meeting (if voting rights are applicable). 	From 6 November 2020, permanent	No	From 6 November 2020, permanent	Yes	/	/

Background of undertakings	Type of undertakings	Undertaking party	Description of undertakings	Date of undertakings	Any time frame for performance (yes/no)	Duration of undertakings	Strict and timely performance (yes/no)	Specific reasons for failure to perform timely	Next step taken due to failure to perform timely
			<p>6. If the Company adopts any share incentive scheme in the future, within my duties and scope of my lawful authorisation, I undertake to fully procure that the conditions for the exercise of the right of the share incentive scheme will correspond to the implementation of the recovery measures of the Company, and I will vote in favour of the relevant proposals considered by the Board and at the Shareholders' General Meetings (if voting rights are applicable).</p> <p>7. From the date of this undertaking letter to the completion of implementation of the Public Issuance of Convertible Corporate Bonds of the Company, if the CSRC promulgates other new regulatory provisions on the recovery measures and the relevant undertakings, and the above undertakings cannot satisfy such new regulatory provisions as promulgated by the CSRC, I undertake to issue supplementary undertakings then according to the latest stipulations of the CSRC.</p>						

Significant Events

Background of undertakings	Type of undertakings	Undertaking party	Description of undertakings	Date of undertakings	Any time frame for performance (yes/no)	Duration of undertakings	Strict and timely performance (yes/no)	Specific reasons for failure to perform timely	Next step taken due to failure to perform timely
			8. Undertake to fully execute the relevant recovery measures formulated by the Company and each undertaking I made in relation to recovery measures. If I breach such undertakings and cause any loss to the Company or investors, I am willing to bear the relevant legal responsibility to the Company or investors in accordance with the laws.						

II. NON-OPERATING FUNDS OCCUPIED BY CONTROLLING SHAREHOLDERS AND OTHER RELATED PARTIES DURING THE REPORTING PERIOD

Applicable Not applicable

III. ILLEGAL GUARANTEES

Applicable Not applicable

IV. AUDIT FOR THE INTERIM REPORT

Applicable Not applicable

(I) Appointment or dismissal of accounting firm

Description of appointment or dismissal of accounting firm

Applicable Not applicable

During the Reporting Period, the Company continued to engage Deloitte Touche Tohmatsu Certified Public Accountants LLP as its auditor and there was no change of the accounting firm.

Change of the accounting firm during the audit period

Applicable Not applicable

(II) Explanation of the Company on “non-standard auditor’s report” issued by the accounting firm

Applicable Not applicable

V. CHANGES AND REMEDIES FOR MATTERS SUBJECT TO NON-STANDARD AUDIT OPINIONS IN LAST YEAR’S ANNUAL REPORT

Applicable Not applicable

VI. BANKRUPTCY AND RESTRUCTURING

Applicable Not applicable

VII. MATERIAL LITIGATIONS AND ARBITRATIONS

The Company had material litigations and arbitrations during the Reporting Period

The Company had no material litigations and arbitrations during the Reporting Period

VIII. ALLEGED VIOLATION OF LAWS AND REGULATIONS AND PUNISHMENT AND CORRECTION OF THE LISTING COMPANY AND ITS DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLER

Applicable Not applicable

IX. INTEGRITY OF THE COMPANY, ITS CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLER DURING THE REPORTING PERIOD

Applicable Not applicable

X. MATERIAL RELATED PARTY TRANSACTIONS**(I) Related party transactions relating to daily operations****1. Matters disclosed in preliminary announcements without subsequent development or changes**

Applicable Not applicable

2. Matters disclosed in preliminary announcements with subsequent development or changes

Applicable Not applicable

Significant Events

(1) *The Group and Great Wall Holdings Company Limited (hereinafter referred to as "Great Wall Holdings")*

On 31 December 2021, the Company held the 30th meeting of the seventh session of the Board, at which the Resolution on the Estimates of Ordinary Related Party Transactions for 2022-2024 was considered and approved in relation to the estimated aggregate amount of ordinary transactions for leasing (short-term), leasing (long-term), provision of leases, purchase of products, sales of products, purchase of services and provision of services between the Group and Great Wall Holdings from 2022 to 2024. The resolution has been considered and approved at the 2022 first extraordinary general meeting held by the Company on 18 March 2022. For details, please refer to relevant announcements published by the Company on 31 December 2021 and 18 March 2022.

On 17 February 2023, the Company held the 58th meeting of the seventh session of the Board, at which the Resolution on the Adjustment of the Cap of Ordinary Related Party Transactions for 2023 in Relation to the Leasing (Long-term) was considered and approved to adjust the amount of transactions for leasing (long-term) between the Group and Great Wall Holdings. For details, please refer to relevant announcement published by the Company on 17 February 2023.

On 30 November 2023, the Company held the 7th meeting of the eighth session of the Board, at which the Resolution on Adjusting the Cap for the Related-party (Connected) Transactions in the Ordinary Course of Business in 2023 was considered and approved to adjust the amount of transactions for provision of services between the Group and Great Wall Holdings. For details, please refer to relevant announcement published by the Company on 30 November 2023.

On 23 January 2024, the Company held the 10th meeting of the eighth session of the Board, at which the Resolution on Adjusting the Cap for the Related-party (Connected) Transactions in the Ordinary Course of Business in 2024 and the Resolution on the Adjustment of the Cap of Ordinary Related-party (Connected) Transactions for 2024 in Relation to the Leasing (Long-term) were considered and approved to adjust the amount of transactions for provision of services and leasing (long-term) between the Group and Great Wall Holdings. For details, please refer to relevant announcement published by the Company on 23 January 2024.

Set out below are the ordinary related party transactions conducted as of 30 June 2024 between the Group and Great Wall Holdings (including companies directly or indirectly controlled by Great Wall Holdings and companies in which the de facto controllers of Great Wall Holdings serve as directors):

Currency: RMB Unit: 0'000 Yuan

Type	Estimated cap for 2024	Actual amount for January to June 2024	Reasons for the relatively large difference between the estimated amount and the actual amount
Purchase of products	2,620,603	275,127.57	Mainly due to the relatively small number of battery packs purchased from related parties as a result of the small sale scale of new energy vehicles of the Company.
Sales of products	435,928	20,513.45	Mainly due to the relatively small number of parts, components and other products of the Company sold in the first half of the year.
Purchase of services	91,607	11,193.94	Mainly due to the relatively small number of service projects of the Company in the first half of the year.
Provision of services	47,000	3,990.21	Mainly due to the relatively small number of service projects of the Company in the first half of the year.
Leasing (short-term)	131,076	41,209.07	Mainly due to the relatively small number of assets leased from related parties by the Company in the first half of the year.
Leasing (long-term)	49,000	12,606.11	Mainly due to the relatively small number of assets leased from related parties by the Company in the first half of the year.

The total amount of the ordinary related party (connected) transactions between the Group and Baoding Great Wall Holdings Company Limited (including companies directly or indirectly under its control and other companies in which the de facto controllers of Great Wall Holdings serve as directors or controlled by such persons) from January to June 2024 did not exceed the estimated cap for 2024. Transactions in relation to the provision of leases are exempt from all requirements of reporting, annual review, announcement, and independent shareholders' approval under Chapter 14A of the Hong Kong Listing Rules.

Significant Events

(2) *The Group and Spotlight Automotive Ltd. (hereinafter referred to as "Spotlight Automotive")*

On 12 June 2020, the Company held the 1st meeting of the seventh session of the Board, at which the Resolution on the Contemplated Ordinary Related Party Transactions with Spotlight Automotive was considered and approved. On 10 July 2020, the Company held the 2020 second extraordinary general meeting, at which the above resolution was considered and approved. For details, please refer to the relevant announcements published by the Company on 12 June 2020 and 10 July 2020, respectively.

On 23 January 2022, the Company held the 31st meeting of the seventh session of the Board, at which the Resolution on the Amendments to Ordinary Related Party Transactions in 2022 with Spotlight Automotive was considered and approved. On 18 March 2022, the Company held the 2022 first extraordinary general meeting, at which the above resolution was considered and approved. For details, please refer to the relevant announcements published by the Company on 23 January 2022 and 18 March 2022, respectively.

On 29 March 2022, the Company held the 34th meeting of the seventh session of the Board and the 31st meeting of the seventh session of the Supervisory Committee, at which the Resolution on Ordinary Related Party Transactions for Sales of Products in 2022 with Spotlight Automobile was considered and approved. For details, please refer to the relevant announcements published by the Company on 29 March 2022.

On 30 December 2022, the Company held the 55th meeting of the seventh session of the Board, at which the Resolution on the Deliberation of Framework Agreement and the Third Amended Agreement entered into with Spotlight Automotive was considered and approved. The resolution has been considered and approved at the first extraordinary general meeting in 2023 held by the Company on 8 February 2023. For details, please refer to relevant announcements published by the Company on 30 December 2022 and 8 February 2023, respectively.

On 29 December 2023, the Company held the 9th meeting of the eighth session of the Board, at which the Resolution on the Ordinary Related Party Transactions with Spotlight Automotive was considered and approved, and the Amendment Agreement IV to the Framework Agreement on Related Party Transactions was entered into with Spotlight Automotive, which specifies the cap of amount of related party transactions by type between the Company and Spotlight Automotive for 2024.

As of 30 June 2024, the related party transactions between the Group and Spotlight Automotive are as follows:

1. The Group sold products to Spotlight Automotive. The actual amount of related party transactions was RMB677.119 million.
2. The Group provided services to Spotlight Automotive. The actual amount of related party transactions was RMB120.6476 million.
3. The Group received services from Spotlight Automotive. The actual amount of related party transactions was RMB55.3164 million.
4. The Group purchased products from Spotlight Automotive. The actual amount of related party transactions was RMB1.3886 million.

The ordinary related party transactions between the Group and Spotlight Automotive from January to June 2024 did not exceed the corresponding estimated caps.

Note: Spotlight Automotive is a related party under the Listing Rules of the Shanghai Stock Exchange. Accordingly, the relevant transactions between the Company and Spotlight Automotive constitute related party transactions under the Listing Rules of the Shanghai Stock Exchange but do not constitute connected transactions under the Hong Kong Listing Rules.

For details of development of ordinary related party transactions of the Company, please refer to Note (XII) Related Parties and Transactions to the financial report in this report.

3. Matters undisclosed in preliminary announcements

Applicable Not applicable

(II) Related party transactions relating to acquisition of assets or acquisition or disposal of equity interest

1. Matters disclosed in preliminary announcements without subsequent development or changes

Applicable Not applicable

2. Matters disclosed in preliminary announcements with subsequent development or changes

Applicable Not applicable

3. Matters undisclosed in preliminary announcements

Applicable Not applicable

For details of related party transactions not disclosed in preliminary announcements of the Company, please refer to Note (XII) Related Parties and Transactions to the financial report.

4. Disclosure about the achievement or otherwise of agreed results during the Reporting Period

Applicable Not applicable

(III) Material related party transactions in respect of joint foreign investments

1. Matters disclosed in preliminary announcements without subsequent development or changes

Applicable Not applicable

2. Matters disclosed in preliminary announcements with subsequent development or changes

Applicable Not applicable

Significant Events

3. *Matters undisclosed in preliminary announcements*

Applicable Not applicable

(IV) Amounts due to or from related parties

1. *Matters disclosed in preliminary announcements without subsequent development or changes*

Applicable Not applicable

2. *Matters disclosed in preliminary announcements with subsequent development or changes*

Applicable Not applicable

3. *Matters undisclosed in preliminary announcements*

Applicable Not applicable

(V) Financial business between the Company and its related financial companies, and between financial companies controlled by the Company and related parties

Applicable Not applicable

(VI) Other material related party transactions

Applicable Not applicable

(VII) Others

Applicable Not applicable

Except for the related party transactions between the Group and Hebei Baocang Expressway Co. Ltd.* (河北保滄高速公路有限公司) and between the Group and Spotlight Automotive, the related party transactions set out in Note (XII) to the financial statements all constitute connected transactions and continuing connected transactions in accordance with Hong Kong Listing Rules. The Company has complied with relevant requirements under the Chapter 14A of the Hong Kong Listing Rules, completed relevant approval, disclosure procedures or has been exempted from complying with the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

XI. MATERIAL CONTRACTS AND PERFORMANCE THEREOF

1. Trust, contracting and leasing

Applicable Not applicable

2. Material guarantees performed during or outstanding as at the end of the Reporting Period

Applicable Not applicable

Unit: Yuan Currency: RMB

External guarantees provided by the Company or its subsidiaries (excluding those provided for its subsidiaries)

Guarantor	Relationship between the guarantor and the listed company	Guaranteed party	Guarantee amount	Date of guarantee (date of agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Principal debt	Guaranty (if any)	Whether the guarantee has been performed	Overdue or not	Amount overdue	Counter guarantee	Related-party guarantee or not	Related relationship
Hebei Changzheng Automobile Manufacturing Co., Ltd. (河北長征汽車製造有限公司)	Wholly-owned subsidiary	Hebei Haoyang Borui Supply Chain Management Co., Ltd. (河北昊陽勃瑞供應鏈管理有限公司)	7,588,320.00	30 June 2023	Date of mortgage/ financial lease contract signed between the guaranteed party and the relevant financial institution	3 years from the date of full repayment	Joint liability guarantee	None	None	No	No	-	After the guarantor performs the joint liability guarantee, it obtains the right of recourse against the guaranteed party, and the legal person of the guaranteed party bears joint liability guarantee to the guarantor for this matter	No	Others
Hebei Changzheng Automobile Manufacturing Co., Ltd. (河北長征汽車製造有限公司)	Wholly-owned subsidiary	Baoding Huilu Cargo Transport Co., Ltd. (保定匯路貨物運輸有限公司)	8,337,800.00	30 June 2023	Date of mortgage/ financial lease contract signed between the guaranteed party and the relevant financial institution	3 years from the date of full repayment	Joint liability guarantee	None	None	No	No	-	After the guarantor performs the joint liability guarantee, it obtains the right of recourse against the guaranteed party, and the legal person of the guaranteed party bears joint liability guarantee to the guarantor for this matter	No	Others

Significant Events

Total guarantee amount incurred during the Reporting Period (excluding guarantees provided for subsidiaries)	0
Total guarantee balance as at the end of the Reporting Period (A) (excluding guarantees provided for subsidiaries)	10,882,751.20
Guarantees provided by the Company for its subsidiaries	
Total guarantee amount incurred to subsidiaries during the Reporting Period	3,356,501,107.47
Total guarantee balance to subsidiaries as at the end of the Reporting Period (B)	6,637,488,666.57
Total guarantees (including guarantees to subsidiaries) provided by the Company	
Total guarantee amount (A+B)	6,648,371,417.77
Total guarantee amount as a percentage of the net asset value of the Company (%)	8.99
Of which:	
Amount of guarantees provided for shareholders, the de facto controller and their related parties (C)	0
Amount of debt guarantees provided directly or indirectly for parties with gearing ratio exceeding 70% (D)	4,656,913,263.46
Total guarantee amount in excess of 50% of net asset value (E)	0
Total guarantee amount of the above three items (C+D+E)	4,656,913,263.46
Statement on the contingent joint liability in connection with unexpired guarantees	Nil

Details of guarantee (See table below)

As of 30 June 2024, the guarantee balances provided by the Company or its controlled subsidiaries to its controlled subsidiaries are set out as follows:

Unit: Yuan Currency: RMB

No.	Guaranteed parties	Guarantee balance
1	Hycet Engine System (Thailand) Company Limited (蜂巢動力系統(泰國)有限公司), Mind Automotive Parts (Thailand) Co., Ltd. (曼德汽車零部件(泰國)有限公司), Exquisite Automotive Parts (Thailand) Co., Ltd. (精誠工科汽車零部件(泰國)有限公司) and Nobo Automotive Systems (Thailand) Co., Ltd. (諾博汽車系統(泰國)有限公司)	570,144,000.00
2	Great Wall Motor Manufacturing (Thailand) Co., Ltd. (長城汽車製造(泰國)有限公司) and Great Wall Motor Sales (Thailand Sales) Co., Ltd. (長城汽車銷售(泰國)有限公司)	641,412,000.00
3	Great Wall Motor Manufacturing (Thailand) Co., Ltd. (長城汽車製造(泰國)有限公司)	351,288,056.20
4	Great Wall Motor Brazil Co., Ltd. (長城汽車巴西有限公司)	1,667,671,200.00
5	Tianjin Oula Financial Leasing Co., Ltd. (天津歐拉融資租賃有限公司)	72,130,200.00
6	Baoding Xushui Optoelectronics Branch of Mind Electronics Company Limited (曼德電子電器有限公司保定徐水光電分公司)	5,000,000.00
7	Mind Electronics Company Limited (曼德電子電器有限公司)	199,900,000.00
8	Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司)	150,000,000.00
9	Jingcheng Engineering Auto Parts (Yangzhong) Co., Ltd. (精誠工科汽車零部件(揚中)有限公司)	213,557,489.88
10	Honeycomb Intelligent Steering System (Jiangsu) Co., Ltd. (蜂巢智能轉向系統(江蘇)有限公司)	140,000,000.00
11	Honeycomb Transmission System (Jiangsu) Co., Ltd. (蜂巢傳動系統(江蘇)有限公司)	158,860,000.00
12	Shanghai Branch of Nobo Automotive Technology Co., Ltd. (諾博汽車科技有限公司上海分公司)	358,200,000.00
13	Zhengtu Online Supply Chain (Hebei) Co., Ltd. (征途在線供應鏈(河北)有限公司)	35,055,422.38
14	HWA Ding International Co., Ltd. (華鼎國際有限公司) and Billion Sunny Development Limited	1,069,020,000.00
15	Nobo Automotive Systems Czech Republic s.r.o. (諾博汽車系統捷克有限公司)	22,165,298.10
16	Nobo Automotive Systems Germany GmbH (諾博汽車系統(德國)有限責任公司)	383,085,000.00
17	Rizhao Weipai Automobile Co., Ltd. (日照魏牌汽車有限公司), Chongqing Yongchuan District Great Wall Auto Parts Co., Ltd. (重慶市永川區長城汽車零部件有限公司), Great Wall Baoding Huabei Automotive Company Limited (保定長城華北汽車有限責任公司), Ruguo Technology Co., Ltd. (如果科技有限公司), Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司), Baoding Xushui Jinggong Chassis Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司保定徐水精工底盤分公司), Daye Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司大冶分公司), Baoding Xushui Precision Punching and Welding Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司保定徐水精工沖焊分公司), Jingcheng Engineering Automotive Parts (Chongqing) Co., Ltd. (精誠工科汽車零部件(重慶)有限公司), Jingcheng Engineering Auto Parts (Taizhou) Co., Ltd. (精誠工科汽車零部件(泰州)有限公司), Jingcheng Engineering Auto Parts (Rizhao) Co., Ltd. (精誠工科汽車零部件(日照)有限公司), Jingcheng Engineering Automotive Systems (Pinghu) Co., Ltd. (精誠工科汽車系統(平湖)有限公司) and Jingcheng Engineering Automotive Parts (Zhangjiagang) Co., Ltd. (精誠工科汽車零部件(張家港)有限公司)	600,000,000.00
Total		6,637,488,666.57

Significant Events

Notes:

- (1) The above “guarantee amount incurred to subsidiaries during the Reporting Period” refers to the utilized amount within the approved guarantee amount during the Reporting Period;
- (2) The above “guarantee balance to subsidiaries (actual guarantee amount incurred) as at the end of the Reporting Period” refers to the sum of the amount unwithdrawn and the amount withdrawn and not repaid among utilized amount within the approved guarantee amount;
- (3) The exchange rate of US dollar against Renminbi was based on the Renminbi central parity rate (USD1 = RMB7.1268) as announced by the People’s Bank of China on 28 June 2024;
- (4) The exchange rate of Euro against Renminbi was based on the Renminbi central parity rate (EUR1 = RMB7.6617) as announced by the People’s Bank of China on 28 June 2024;
- (5) The exchange rate of THB against Renminbi was based on the Renminbi central parity rate (RMB100 = 512.4THB) as announced by the People’s Bank of China on 28 June 2024.

3. Other material contracts

Applicable Not applicable

XII. EXPLANATION ON PROGRESS IN USE OF PROCEEDS

Applicable Not applicable

XIII. OTHER SIGNIFICANT EVENTS

Applicable Not applicable

SECTION 7

CHANGES IN SHARES AND SHAREHOLDERS

I. CHANGES IN SHARE CAPITAL

(I) Table of changes in shares

1. Table of changes in shares

Unit: share

	Before		Changes (+,-)					After	
	Number of shares	Percentage (%)	New issue	Bonus shares	Shares transfer from reserve	Others	Subtotal	Number of shares	Percentage (%)
I. Shares with selling restrictions	11,438,960	0.13	45,557,500	0	0	-4,227,134	41,330,366	52,769,326	0.62
1. State-owned shares	0	0	0	0	0	0	0	0	0
2. State-owned legal person shares	0	0	0	0	0	0	0	0	0
3. Other domestic shares	11,438,960	0.13	45,557,500	0	0	-4,227,134	41,330,366	52,769,326	0.62
Including: Domestic non-state-owned legal person shares	0	0	0	0	0	0	0	0	0
Domestic natural person shares	11,438,960	0.13	45,557,500	0	0	-4,227,134	41,330,366	52,769,326	0.62
4. Foreign shares	0	0	0	0	0	0	0	0	0
Including: Overseas legal person shares	0	0	0	0	0	0	0	0	0
Overseas natural person shares	0	0	0	0	0	0	0	0	0
II. Tradable shares without selling restrictions	8,486,089,637	99.87	1,205,662	0	0	1,881,165	3,086,827	8,489,176,464	99.38
1. Ordinary shares denominated in RMB	6,167,313,637	72.58	1,205,662	0	0	1,881,165	3,086,827	6,170,400,464	72.24
2. Domestic listed foreign shares	0	0	0	0	0	0	0	0	0
3. Overseas listed foreign shares	2,318,776,000	27.29	0	0	0	0	0	2,318,776,000	27.15
4. Others	0	0	0	0	0	0	0	0	0
III. Total number of shares	8,497,528,597	100	46,763,162	0	0	-2,345,969	44,417,193	8,541,945,790	100

2. Explanation for changes in shares

√ Applicable Not applicable

Changes in Shares and Shareholders

I. Repurchase and cancellation of restricted shares and share options under the A Share incentive scheme

During the Reporting Period, the Company repurchased its restricted A Shares from the Shanghai Stock Exchange and cancelled them through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited.

On 26 September 2023, the Company held the 5th meeting of the eighth session of the Board, at which the Resolution on the Repurchase and Cancellation of Certain Restricted Shares under the First Grant and the Reserved Grant of the 2021 Restricted Share Incentive Scheme of the Company was considered and approved. Pursuant to the above resolution, due to the resignation or job rotation of certain participants, the Company intends to repurchase and cancel certain restricted shares under the first grant and the reserved grant of the 2021 Restricted Share Incentive Scheme in accordance with the relevant requirements of the Management Measures for Long-term Incentive Mechanism of Great Wall Motor Company Limited and the 2021 Restricted Share Incentive Scheme of Great Wall Motor Company Limited (the "2021 Restricted Share Incentive Scheme"). The total numbers of restricted shares under the first grant and the reserved grant repurchased and cancelled by the Company were 331,200 and 123,650, respectively, being 454,850 shares in total, with a total amount of funds used of RMB7,205,177.67. The maximum and minimum repurchase prices were RMB16.11 per share and RMB12.36 per share, respectively, plus the interests for bank deposits for the same period (the benchmark deposit interest rate published by the People's Bank of China for the same period) in accordance with the provisions of the 2021 Restricted Share Incentive Scheme. Cancellation of the abovementioned restricted shares was completed on 11 January 2024, resulting in a decrease in the A Share capital of the Company of 454,850 Shares.

On 29 March 2024, the Company held the 13th meeting of the eighth session of the Board, at which the Resolution on the Repurchase and Cancellation of Certain Restricted Shares under the First Grant and the Reserved Grant of the 2021 Restricted Share Incentive Scheme of the Company was considered and approved. Pursuant to the 2021 Restricted Share Incentive Scheme, restricted shares not yet unlocked at the company level shall be repurchased and cancelled according to the fulfilment of performance at the company level. Meanwhile, due to the resignation, job rotation or demotion of certain participants, or with reference to their annual personal performance appraisal, the Company intends to repurchase and cancel certain restricted shares under the first grant of the 2021 Restricted Share Incentive Scheme in accordance with the relevant requirements of the Management Measures for Long-term Incentive Mechanism of Great Wall Motor Company Limited and the 2021 Restricted Share Incentive Scheme. The total numbers of restricted shares under the first grant and the reserved grant repurchased and cancelled by the Company were 1,423,839 and 467,280, respectively, being 1,891,119 shares in total, with a total amount of funds used of RMB30,540,707.78. The maximum and minimum repurchase prices were RMB16.11 per share and RMB12.36 per share, respectively, plus the interests for bank deposits for the same period (the benchmark deposit interest rate published by the People's Bank of China for the same period) in accordance with the provisions of the 2021 Restricted Share Incentive Scheme. Cancellation of the abovementioned restricted shares was completed on 21 May 2024, resulting in a decrease in the A Share capital of the Company of 1,891,119 Shares.

II. Unlocking of restricted A Shares

On 4 June 2024, the Company held the 17th meeting of the eighth session of the Board, at which the Resolution on the Achievement of the Unlocking Conditions of the Second Tranche of Restricted Shares under the Reserved Grant of the 2021 Restricted Share Incentive Scheme of the Company was considered and approved. Pursuant to the relevant provisions of the 2021 Restricted Share Incentive Scheme, the unlocking conditions of the second tranche of restricted shares under the reserved grant of the 2021 Restricted Share Incentive Scheme of the Company have been fulfilled. The number of restricted shares in the second tranche of restricted shares under the reserved grant unlocked and listed is 1,881,165 shares. The above shares were listed on the Shanghai Stock Exchange on 18 June 2024, resulting in a decrease of 1,881,165 restricted A Shares and an increase of 1,881,165 tradable A Shares of the Company.

III. Completion of registration for restricted A Shares

On 26 January 2024, the Company held the 11th meeting of the eighth session of the Board and the 11th meeting of the eighth session of the Supervisory Committee, at which the Proposal of Great Wall Motor Company Limited on Granting Restricted Shares to Participants of the 2023 Restricted Share Incentive Scheme and Granting Share Options to Participants of the 2023 Share Option Incentive Scheme was considered and approved. Pursuant to the requirements of the Management Measures and the relevant business rules of the Shanghai Stock Exchange and the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, the Company received the Certificate of Change in Registration of Securities from the Shanghai Branch of China Securities Depository and Clearing Corporation Limited on 21 February 2024. According to the Certificate of Change in Registration of Securities, the Company has completed the registration of the first grant for the 2023 Restricted Share Incentive Scheme on 20 February 2024. In this round, the Company granted a total of 45,557,500 restricted shares to 715 participants, resulting in an increase in the A Share capital of the Company of 45,557,500 shares.

Changes in Shares and Shareholders

IV. *Exercise of A Share options*

On 14 April 2023, the Company held the 63rd meeting of the seventh session of the Board, at which the Resolution on the Fulfilment of the Exercise Conditions of Third Exercise Period of Share Options under the First Grant and the Fulfilment of the Exercise Conditions of Second Exercise Period of Share Options under the Reserved Grant of the 2020 Restricted Share and Share Option Incentive Scheme of the Company was considered and approved. Pursuant to the above resolution, the Board is of the view that the exercise conditions of third exercise period of share options under the first grant and second exercise period of share options under the reserved grant of the 2020 Restricted Share and Share Option Incentive Scheme of Great Wall Motor Company Limited have been fulfilled. The number of exercisable share options in the third exercise period under the first grant of share options is 27,079,634 with validity period of exercise from 8 May 2023 to 26 April 2024, and the number of exercisable share options in the second exercise period under the reserved grant is 6,892,500 with validity period of exercise from 8 May 2023 to 27 January 2024. A total of 1,192,492 share options were exercised during the Reporting Period, resulting in an increase in the A Share capital of the Company of 1,192,492 shares.

On 4 June 2024, the Company held the 17th meeting of the eighth session of the Board, at which the Resolution on the Fulfilment of the Exercise Conditions of Second Exercise Period of Share Options under the Reserved Grant of the 2021 Share Option Incentive Scheme of the Company was considered and approved. Pursuant to the relevant provisions of the 2021 Share Option Incentive Scheme, the exercise conditions of second exercise period of share options under the reserved grant of the 2021 Share Option Incentive Scheme have been fulfilled. The number of exercisable share options is 26,359,074 with exercise period from 26 June 2024 to 28 April 2025. 12,748 share options were exercised during the Reporting Period, resulting in an increase in the A Share capital of the Company of 12,748 shares.

V. *Conversion of the Company's convertible bonds into shares*

As approved by the China Securities Regulatory Commission on the Approval of the Public Issuance of Convertible Corporate Bonds by Great Wall Motor Company Limited (Zheng Jian Xu Ke [2021] No. 1353), the Company publicly issued 35,000,000 convertible corporate bonds on 10 June 2021 at a par value of RMB100 each, totalling RMB3.5 billion. The bonds were listed on the Shanghai Stock Exchange from 8 July 2021. The convertible bonds publicly issued by the Company can be converted during the period from 17 December 2021 to 9 June 2027. From 1 January 2024 to 30 June 2024, "Great Wall Motor Convertible Bonds" of RMB17,000 in total have been converted into 422 shares of the Company, resulting in an increase of the A Share capital of the Company of 422 Shares.

3. ***Impact of changes in shares on financial indicators such as earnings per share and net assets per share after the Reporting Period until the date of the interim report (if any)***

Applicable Not applicable

Changes in the Company's shares in the Reporting Period have no significant impact on financial indicators such as earnings per share and net assets per share in the latest year and the latest period.

4. ***Other discloseable information considered as necessary by the Company or required by securities regulatory authorities***

Applicable Not applicable

(II) Changes in shares with selling restrictions

√ Applicable □ Not applicable

Unit: share

Name of shareholder	Number of shares with selling restrictions at the beginning of the Period	Number of shares with selling restrictions released during the Reporting Period	Increase in the number of shares with selling restrictions during the Reporting Period	Number of shares with selling restrictions cancelled during the Reporting Period	Number of shares with selling restrictions at the end of the Reporting Period	Reason for the selling restriction	Date of release of the selling restriction
Holders of third tranche of restricted shares under the first grant of the 2021 Restricted Share Incentive Scheme	8,841,060	0	0	1,755,039	7,086,021	Share incentive	22 July 2024
Holders of second tranche of restricted shares under the reserved grant of the 2021 Restricted Share Incentive Scheme	2,597,900	1,881,165	0	590,930	125,805	Share incentive	18 June 2024
Holders of restricted shares under the first grant of the 2023 Restricted Share Incentive Scheme	0	0	45,557,500	0	45,557,500	Share incentive	26 January 2025 (the earliest date on which selling restrictions can be released)
Total	11,438,960	1,881,165	45,557,500	2,345,969	52,769,326	/	/

II. SHAREHOLDERS**(I) Total number of shareholders:**

Total number of ordinary shareholders as at the end of Reporting Period (person) 148,026

Changes in Shares and Shareholders

(II) Table of shareholding of the top 10 shareholders and the top 10 shareholders of tradable shares or shares without selling restrictions as at the end of the Reporting Period

Unit: share

Shareholding of the top 10 shareholders (excluding the shares lent through refinancing)							
Name of shareholder (full name)	Increase/ decrease during the Reporting Period	Number of shares held at the end of the period	Percentage (%)	Number of shares held with selling restrictions	Pledged, marked or frozen Condition of shares	Number	Type of shareholder
Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司)	0	5,115,000,000 (A Shares)	59.88	0 (A Shares)	Pledged	682,500,000 (A Shares)	Domestic non-state-owned legal person
HKSCC NOMINEES LIMITED (香港中央結算(代理人)有限公司)	80,600	2,302,955,911 (H Shares)	26.96	–	Unknown	–	Overseas legal person
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	0	196,889,089 (A Shares)	2.30	–	Unknown	–	State-owned legal person
HONG KONG SECURITIES CLEARING COMPANY LIMITED (香港中央結算有限公司)	26,205,930	80,338,273 (A Shares)	0.94	–	Unknown	–	Overseas legal person
Agricultural Bank of China Co., Ltd. – E Fund Consumer Industry Equity Securities Investment Fund (中國農業銀行股份有限公司－易方達消費行業股票型證券投資基金)	-1,841,575	45,309,002 (A Shares)	0.53	–	Unknown	–	Other
National Social Security Fund Portfolio 103 (全國社保基金一零三組合)	1,999,920	39,999,920 (A Shares)	0.47	–	Unknown	–	Other
Great Wall Motor Company Limited – 2023 Employee Stock Ownership Plan	0	34,751,400 (A Shares)	0.41	–	Nil	–	Other
China Construction Bank Corporation – Huaxia Energy Reform Equity Securities Investment Fund (中國建設銀行股份有限公司－華夏能源革新股票型證券投資基金)	-2,888,300	26,648,183 (A Shares)	0.31	–	Unknown	–	Other
Industrial and Commercial Bank of China – SSE 50 Exchange-Traded Open-End Index Securities Investment Fund (中國工商銀行－上證50交易型開放式指數證券投資基金)	5,289,800	20,328,906 (A Shares)	0.24	–	Unknown	–	Other
Industrial and Commercial Bank of China – Huatai-Pinebridge CSI 300 Exchange-Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－華泰柏瑞滬深300交易型開放式指數證券投資基金)	5,932,000	14,545,775 (A Shares)	0.17	–	Unknown	–	Other

**Shareholding of the top 10 shareholders holding shares without selling restrictions
(excluding the shares lent through refinancing and locked shares held by senior management)**

Name of shareholder	Number of tradable shares without selling restrictions held	Class and number of shares	
		Class	Number
Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司)	5,115,000,000 (A Shares)	RMB-denominated ordinary shares	5,115,000,000 (A Shares)
HKSCC NOMINEES LIMITED (香港中央結算(代理人)有限公司)	2,302,955,911 (H Shares)	Overseas listed foreign shares	2,302,955,911 (H Shares)
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	196,889,089 (A Shares)	RMB-denominated ordinary shares	196,889,089 (A Shares)
HONG KONG SECURITIES CLEARING COMPANY LIMITED (香港中央結算有限公司)	80,338,273 (A Shares)	RMB-denominated ordinary shares	80,338,273 (A Shares)
Agricultural Bank of China Co., Ltd. – E Fund Consumer Industry Equity Securities Investment Fund (中國農業銀行股份有限公司—易方達消費行業股票型證券投資基金)	45,309,002 (A Shares)	RMB-denominated ordinary shares	45,309,002 (A Shares)
National Social Security Fund Portfolio 103 (全國社保基金—零三組合)	39,999,920 (A Shares)	RMB-denominated ordinary shares	39,999,920 (A Shares)
Great Wall Motor Company Limited – 2023 Employee Stock Ownership Plan	34,751,400 (A Shares)	RMB-denominated ordinary shares	34,751,400 (A Shares)
China Construction Bank Corporation – Huaxia Energy Reform Equity Securities Investment Fund (中國建設銀行股份有限公司—華夏能源革新股票型證券投資基金)	26,648,183 (A Shares)	RMB-denominated ordinary shares	26,648,183 (A Shares)
Industrial and Commercial Bank of China - SSE 50 Exchange-Traded Open-End Index Securities Investment Fund (中國工商銀行—上證50交易型開放式指數證券投資基金)	20,328,906 (A Shares)	RMB-denominated ordinary shares	20,328,906 (A Shares)
Industrial and Commercial Bank of China – Huatai-Pinebridge CSI 300 Exchange-Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司—華泰柏瑞滬深300交易型開放式指數證券投資基金)	14,545,775 (A Shares)	RMB-denominated ordinary shares	14,545,775 (A Shares)
Description of specific accounts for repurchase of the top 10 shareholders	Nil		
The explanation of above shareholders' proxy voting right, entrusted voting right and abandonment of voting right	N/A		
Description of the related party relationship or acting in concert among the above shareholders	There is no related party relationship between Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司), the controlling shareholder of the Company, and other shareholders. In addition, the Company is not aware of any related party relationship among the other shareholders mentioned above.		
Description of the shareholders holding preference shares with restored voting rights and their shareholding	N/A		

Notes:

On 26 July 2024, Innovation Great Wall released 45 million shares of the Company originally pledged to CITIC Securities Co., Ltd. After the release of the share pledge, the cumulative number of shares of the Company pledged by Innovation Great Wall amounted to 637.5 million A Shares.

On 21 August 2024, Innovation Great Wall released 20.5 million shares of the Company originally pledged to Bank of Handan Co., Ltd., Baoding branch. After the release of the share pledge, the cumulative number of shares of the Company pledged by Innovation Great Wall amounted to 617 million A Shares.

Changes in Shares and Shareholders

Shares lent by shareholders holding more than 5% of the shares, the top 10 shareholders, and the top 10 shareholders holding tradable shares without selling restrictions due to their participation in the refinancing business

Applicable Not applicable

Unit: share(s)

Name of shareholder (full name)	Shares lent by shareholders holding more than 5% of the shares, the top 10 shareholders, and the top 10 shareholders holding tradable shares without selling restrictions due to their participation in the refinancing business							
	Shares held in ordinary and credit accounts at the beginning of the Period		Shares lent and not yet returned due to refinancing at the beginning of the Period		Shares held in ordinary and credit accounts at the end of the Period		Shares lent and not yet returned due to refinancing at the end of the Period	
	Total number	Percentage (%)	Total number	Percentage (%)	Total number	Percentage (%)	Total number	Percentage (%)
Industrial and Commercial Bank of China – SSE 50 Exchange-Traded Open-End Index Securities Investment Fund (中國工商銀行—上證50交易型開放式指數證券投資基金)	15,039,106	0.18	118,700	0.00	20,328,906	0.24	0	0.00
Industrial and Commercial Bank of China – Huatai-Pinebridge CSI 300 Exchange-Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司—華泰柏瑞滬深300交易型開放式指數證券投資基金)	8,613,775	0.10	550,400	0.01	14,545,775	0.17	6,600	0.00

Changes from the previous period due to the lending/return of shares by the top 10 shareholders and the top 10 shareholders holding tradable shares without selling restrictions for refinancing purposes

Applicable Not applicable

Number of shares held by the top 10 shareholders holding shares with selling restrictions and the terms of restrictions

Applicable Not applicable

Shares Held by Substantial Shareholders (SFO Requirements)

So far as is known to the directors, supervisors and the chief executives of the Company, as at 30 June 2024, the following shareholders (excluding the directors, supervisors and chief executives of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO:

Name	Capacity/ nature of interest	Number of shares	Approximate percentage of A Shares (%)	Approximate percentage of H Shares (%)	Approximate percentage of total number of shares (%)
Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) (Note 1)	Beneficial owner	5,115,000,000 (L) (A Shares)	82.19	–	59.88
Management Centre of Collective Assets of Nandayuan Town, Lianchi District, Baoding (保定市蓮池區南大園鄉集體資產經管中心) (Note 2)	Interests in controlled companies	5,115,000,000 (L) (A Shares)	82.19	–	59.88
Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司) (Note 3)	Interests in controlled companies	5,152,998,500 (L) (A Shares and H Shares)	–	–	60.33
		5,115,000,000 (L) (A Shares)	82.19	–	59.88
		37,998,500 (L) (H Shares)	–	1.64	0.45
Beijing Lvzhi Chaowan Technology Co., Ltd. (北京綠智潮玩科技有限公司) (Note 4)	Interests in controlled companies	5,152,998,500 (L) (A Shares and H Shares)	–	–	60.33
		5,115,000,000 (L) (A Shares)	82.19	–	59.88
		37,998,500 (L) (H Shares)	–	1.64	0.45
Han Xue Juan (Note 5)	Interests of spouse	5,152,998,500 (L) (A Shares and H Shares)	–	–	60.33
BlackRock, Inc.	Interests in controlled companies	165,469,775 (L) (H Shares)	–	7.14 (L)	1.94
		4,537,500 (S) (H Shares)	–	0.20 (S)	0.05

(L) denotes a long position in shares of the Company

(S) denotes a short position in shares of the Company

Changes in Shares and Shareholders

Notes:

- (1) Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) (formerly known as Baoding Woerte Management Consultant Company Limited (保定市沃爾特管理諮詢有限公司)) was established on 1 December 2005. Its place of incorporation is Baoding, Hebei Province, the PRC and its registered address is No. 2066 Chaoyang Road South, Lianchi District, Baoding, Hebei Province. Its business scope covers investments in manufacturing, real estate and horticulture industries, as well as corporate planning, management consultancies, mechanical equipment leasing, non-residential real estate leasing, office equipment rental services, transport equipment rental services, computer and communication equipment leasing, and production line management services (operations that require pre-approvals according to laws and administrative regulations or as prescribed by the State Council can only be conducted after obtaining approvals).

As at 30 June 2024, 62.854%, 0.125%, 0.001% and 37.02% equity interest in Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) were held by Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司), Mr. Wei Jian Jun, Ms. Han Xue Juan and Management Centre of Collective Assets of Nandayuan Town, Lianchi District, Baoding (保定市蓮池區南大園鄉集體資產經管中心) respectively, while 58.2%, 0.6% and 41.2% equity interest in Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司) were held by Mr. Wei Jian Jun, Ms. Han Xue Juan and Beijing Lvzhi Chaowan Technology Co., Ltd. (北京綠智潮玩科技有限公司), a company held as to 99% and 1% by Mr. Wei Jian Jun and Ms. Han Xue Juan, respectively. Therefore, Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) is a company controlled by Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司) which is in turn controlled by Mr. Wei Jian Jun, and Mr. Wei Jian Jun is deemed to be interested in all the shares of the Company held by Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) pursuant to the SFO.

- (2) Management Centre of Collective Assets of Nandayuan Town, Lianchi District, Baoding (保定市蓮池區南大園鄉集體資產經管中心) was formerly known as Management Centre of Collective Assets of Nandayuan Town, Nanshi District, Baoding (保定市南市區南大園鄉集體資產經管中心). As at 30 June 2024, Management Centre of Collective Assets of Nandayuan Town, Lianchi District, Baoding (保定市蓮池區南大園鄉集體資產經管中心) held 37.02% equity interest in Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) and is deemed to be interested in all the shares of the Company held by Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) pursuant to the SFO.
- (3) As at 30 June 2024, Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司) held 62.854% equity interest in Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) and is deemed to be interested in all the shares of the Company held by Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) pursuant to the SFO. At the same time, Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司) is interested in 37,998,500 H Shares of the Company.
- (4) As at 30 June 2024, Beijing Lvzhi Chaowan Technology Co., Ltd. (北京綠智潮玩科技有限公司) held 41.2% equity interest in Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司), which in turn held 62.854% equity interest in Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司), and is deemed to be interested in all the shares of the Company held by Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司) and Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) pursuant to the SFO.
- (5) As at 30 June 2024, Ms. Han Xue Juan held 0.001% equity interest in Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司), 0.6% equity interest in Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司) and 1% equity interest in Beijing Lvzhi Chaowan Technology Co., Ltd. (北京綠智潮玩科技有限公司), and is the spouse of Mr. Wei Jian Jun. Ms. Han Xue Juan is deemed to be interested in all the shares of the Company in which Mr. Wei Jian Jun is interested pursuant to the SFO.

Save as disclosed above, as at 30 June 2024, so far as the directors, supervisors and chief executives of the Company are aware, no other person (excluding the directors, supervisors and chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept under Section 336 of the SFO.

Directors', supervisors' and chief executives' interests in securities

As at 30 June 2024, the interests and short positions of each of the directors, supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning as defined in Part XV of the SFO), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept as referred to in section 352 of the SFO (including the interests and short positions which they were taken or deemed to have under such provisions of the SFO) or were otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code as set out in Appendix C3 to the Hong Kong Listing Rules, are set out as follows:

Name of director/supervisor	Capacity/ nature of interest	Number of shares	Approximate percentage of A Shares (%)	Approximate percentage of H Shares (%)	Approximate percentage of total number of shares (%)
Mr. Wei Jian Jun (Note 1)	Interests in controlled companies	5,115,000,000 (L) (A Shares)	82.19	–	59.88
Mr. Wei Jian Jun (Note 1)	Interests in controlled companies	37,998,500 (L) (H Shares)	–	1.64	0.45
Total		5,152,998,500 (L) (A Shares and H Shares)	–	–	60.33
Mr. Zhao Guo Qing (Note 2)	Beneficial owner	1,635,000 (L) (A Shares)	0.03	–	0.02
Ms. Li Hong Shuan (Note 3)	Beneficial owner and interests of spouse	869,465 (L) (A Shares)	0.01	–	0.002
Mr. Mu Feng (Note 4)	Beneficial owner	2,100,900 (L) (A Shares)	0.03	–	0.02

(L) denotes a long position in shares of the Company

Changes in Shares and Shareholders

Notes:

- As at 30 June 2024, Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) was controlled by Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司) which was in turn controlled by Mr. Wei Jian Jun. Accordingly, pursuant to the SFO, Mr. Wei Jian Jun is deemed to be interested in the 5,115,000,000 A Shares held by Baoding Innovation Great Wall Asset Management Company Limited (保定創新長城資產管理有限公司) and 37,998,500 H Shares held by Baoding Great Wall Holdings Company Limited (保定市長城控股集團有限公司).
- As at 30 June 2024, Mr. Zhao Guo Qing held 1,035,000 A Shares of the Company and was allocated a share (600,000 A Shares) under the 2023 Second ESOP of the Company. Accordingly, pursuant to the SFO, Mr. Zhao Guo Qing is deemed to be interested in 1,635,000 A Shares of the Company.
- As at 30 June 2024, Ms. Li Hong Shuan held 114,365 A Shares of the Company and was allocated a share (100,000 A Shares) under the 2023 ESOP and a share (480,000 A Shares) under the 2023 Second ESOP of the Company, and her spouse Mr. Wang Xiao Zu held 82,100 A Shares of the Company and was granted 93,000 shares in respect of share options under the first grant of the 2023 Share Option Incentive Scheme of the Company. Accordingly, pursuant to the SFO, Ms. Li Hong Shuan is deemed to be interested in 869,465 A Shares of the Company.
- As at 30 June 2024, Mr. Mu Feng held 1,700,900 A Shares of the Company and was allocated a share (400,000 A Shares) under the 2023 Second ESOP of the Company. Accordingly, pursuant to the SFO, Mr. Mu Feng is deemed to be interested in 2,100,900 A Shares of the Company.

Save as disclosed above, so far as the directors of the Company are aware, as at 30 June 2024, none of the directors, supervisors or chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept as referred to in section 352 of the SFO or were otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code. For this purpose, the relevant provisions of the SFO shall be construed as if they were applicable to the supervisors.

(III) Strategic investor or general legal person becoming top ten shareholders as a result of placing of new shares

Applicable Not applicable

III. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

(I) Changes in the shareholding of current and resigned directors, supervisors and senior management during the Reporting Period

Applicable Not applicable

Unit: share(s)

Name	Position	Number of shares held at the beginning of the period	Number of shares held at the end of the period	Increase/decrease of shares during the Reporting Period	Reasons for such changes
Li Hong Shuan	Executive Director, Chief Financial Controller, and Secretary to the Board	118,123	114,365	-3,758	Share incentive cancellation
Mu Feng	General Manager	900,900	1,700,900	800,000	Share incentive grant

Other explanation

Applicable Not applicable

(II) Stock options granted to directors, supervisors and senior management during the Reporting Period

Applicable Not applicable

1. Share options

Applicable Not applicable

2. Restricted shares

Applicable Not applicable

Unit: share(s)

Name	Position	Number of restricted shares held at the beginning of the period	Number of new restricted shares granted during the Reporting Period	Unlocked shares	Locked shares	Number of restricted shares held at the end of the period
Mu Feng	Senior Officer	900,900	800,000	900,900	800,000	1,700,900
Total	/	900,900	800,000	900,900	800,000	1,700,900

(III) Other Explanations

Applicable Not applicable

IV. CHANGES IN CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

Applicable Not applicable

SECTION 8

DESCRIPTION OF PREFERENCE SHARES

Applicable Not applicable

SECTION 9

DESCRIPTION OF CORPORATE BONDS

I. CORPORATE BONDS, INCLUDING COMPANY BONDS, AND DEBT FINANCING INSTRUMENTS OF NON-FINANCIAL ENTERPRISES

Applicable Not applicable

II. CONVERTIBLE CORPORATE BONDS

Applicable Not applicable

(I) Issuance of convertible bonds

The Company held the 9th meeting of the seventh session of the Board on 6 November 2020, at which the Resolution on Issuance of A Share Convertible Corporate Bonds was considered and approved. Proceeds raised from the proposed issuance of A share convertible corporate bonds will be used for the new models R&D project and the GDC project to enhance the competitiveness of the principal business of the Company.

The A share convertible corporate bonds and the A shares to be converted into will be listed on the Shanghai Stock Exchange and the total proceeds raised therefrom will not exceed RMB8 billion (RMB8 billion inclusive). The A share convertible corporate bonds will be issued at par value of RMB100 each.

The Company held the fourth extraordinary general meeting in 2020, the third H Shareholders' class meeting in 2020 and the third A Shareholders' class meeting in 2020 on 18 December 2020, at which the aforementioned proposed issuance of A share convertible corporate bonds was considered and approved.

The Company held the 14th meeting of the seventh session of the Board on 12 March 2021, at which the revised issuance plan of the aforementioned proposed issuance of A share convertible corporate bonds was considered and approved. The total amount of the convertible bonds proposed to be issued was revised to not exceed RMB3.5 billion (RMB3.5 billion inclusive). The actual amount of the proceeds raised shall be determined by the Board of the Company or its authorised persons within the above range, subject to the authorisation by the shareholders at the shareholders' general meetings of the Company. All of the proceeds are proposed to be used for the following projects after deduction of issuance expenses:

Unit: 0'000 Yuan

Project name	Total project investment	Amount of proceeds raised to be invested
New models R&D project	630,970.81	350,000.00
GDC project	798,002.54	0.00
Total	1,428,973.35	350,000.00

Description of Corporate Bonds

As approved by Zheng Jian Xu Ke [2021] No. 1353, the Company publicly issued 35,000,000 A share convertible corporate bonds on 10 June 2021 at a par value of RMB100 each, totaling RMB3.5 billion with a term of 6 years. The convertible bonds issued can be converted during the period from 17 December 2021 to 9 June 2027. The initial conversion price of the convertible corporate bonds is RMB38.39 per share.

As approved by the Self-regulation Decision [2021] No. 287 of the Shanghai Stock Exchange, the convertible corporate bonds of RMB3.5 billion were listed and traded on the Shanghai Stock Exchange from 8 July 2021 with the abbreviation of "Great Wall Motor Convertible Bonds" and stock code of "113049", and the closing price on 8 July 2021 was RMB142.07 each. The total amount of proceeds raised was RMB3.5 billion, and the actual net proceeds raised were RMB3,487,972,641.51. The utilised proceeds have been used in line with the purposes previously disclosed. As at 31 December 2023, the proceeds had been fully utilised as planned, and the special account of the Company for the proceeds had been cancelled.

Holders of the Company's A share convertible corporate bonds are natural persons holding accounts with Shanghai Branch of China Securities Depository and Clearing Corporation Limited, legal persons, securities investment funds and other investors in compliance with legal requirements.

(II) Holders and guarantors of convertible bonds during the Reporting Period

Name of convertible corporate bonds	GWM Convertible Bonds
Number of holders of convertible bonds at the end of period	11,104
Guarantors of convertible bonds of the Company	Nil
Significant changes in the profitability, assets and credit status of the guarantors	Nil

The top ten convertible bond holders are as follows:

Name of holders of convertible corporate bonds	Convertible bonds held as at the end of the period (RMB)	Proportion (%)
Special accounts for bonds repurchase and pledge under the registration and settlement system (Industrial and Commercial Bank of China) (登記結算系統債券回購質押專用賬戶(中國工商銀行))	490,750,000	14.04
Special accounts for bonds repurchase and pledge under the registration and settlement system (Bank of China) (登記結算系統債券回購質押專用賬戶(中國銀行))	327,197,000	9.36
Special accounts for bonds repurchase and pledge under the registration and settlement system (CITIC Securities Co., Ltd.) (登記結算系統債券回購質押專用賬戶(中信證券股份有限公司))	239,423,000	6.85
Special accounts for bonds repurchase and pledge under the registration and settlement system (China Construction Bank) (登記結算系統債券回購質押專用賬戶(中國建設銀行))	140,728,000	4.03

Name of holders of convertible corporate bonds	Convertible bonds held as at the end of the period (RMB)	Proportion (%)
Special accounts for bonds repurchase and pledge under the registration and settlement system (China Merchants Bank Co., Ltd.) (登記結算系統債券回購質押專用賬戶(招商銀行股份有限公司))	114,582,000	3.28
China Foreign Economy and Trade Trust Co., Ltd. – Foreign Investment Trust – Ruijun Wenxiang Private Security Investment Fund (中國對外經濟貿易信託有限公司－外貿信託－睿郡穩享私募證券投資基金)	111,729,000	3.20
Northwest Investment Management (Hong Kong) Limited – Northwest Feilong Fund Limited (西北投資管理(香港)有限公司－西北飛龍基金有限公司)	92,800,000	2.66
Shanghai Wisdomshire Asset Management Co., Ltd. – Ruijun Ruixiang Private Security Investment Fund (上海睿郡資產管理有限公司－睿郡睿享私募證券投資基金)	87,447,000	2.50
Special accounts for bonds repurchase and pledge under the registration and settlement system (China Galaxy Securities Co., Ltd.) (登記結算系統債券回購質押專用賬戶(中國銀河證券股份有限公司))	81,675,000	2.34
New China Life Insurance Company Ltd. – Dividends – Personal Dividends - 018L - FH002 Hu (新華人壽保險股份有限公司－分紅－個人分紅－018L－FH002滬)	60,862,000	1.74

(III) Changes in convertible bonds during the Reporting Period

Unit: Yuan Currency: RMB

Name of convertible corporate bond	Before this change	Increase/decrease for this change			After this change
		Conversion	Redemption	Buyback	
GWM Convertible Bonds	3,495,289,000	17,000	0	0	3,495,272,000

(IV) Cumulative conversion of convertible bonds to shares during the Reporting Period

Name of convertible corporate bond	GWM Convertible Bonds
Amount of conversion during the Reporting Period (RMB)	17,000
Number of conversion shares during the Reporting Period (share)	422
Cumulative conversion shares (share)	124,197
Percentage of cumulative conversion shares to total issued shares of the Company before conversion (%)	0.001345
Amount of shares not converted (RMB)	3,495,272,000
Ratio of convertible bonds not converted to total issued convertible bonds (%)	99.864914

Description of Corporate Bonds

(V) Previous adjustments to conversion price

Unit: Yuan Currency: RMB

Name of convertible corporate bond

GWM Convertible Bonds

Adjustment date of conversion price	Conversion price after adjustment	Disclosure date	Disclosure media	Description on conversion price adjustment
10 September 2021	38.30	9 September 2021	Shanghai Stock Exchange www.sse.com.cn ; Hong Kong Stock Exchange www.hkexnews.hk	Repurchase and cancellation of certain restricted shares under the first grant of 2020 Incentive Scheme; the independent exercise of the first exercise period of share options under the first grant of the 2020 Incentive Scheme; the completion of registration for the grant of restricted shares of the 2021 Incentive Scheme
21 October 2021	38.00	14 October 2021	Shanghai Stock Exchange www.sse.com.cn ; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of the first exercise period of share options under the first grant of the 2020 Incentive Scheme; the implementation of 2021 interim equity distribution
11 November 2021	38.01	10 November 2021	Shanghai Stock Exchange www.sse.com.cn ; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of the first exercise period of share options under the first grant of the 2020 Incentive Scheme; repurchase and cancellation of certain restricted shares under the first grant and reserved grant of 2020 Incentive Scheme

Adjustment date of conversion price	Conversion price after adjustment	Disclosure date	Disclosure media	Description on conversion price adjustment
20 May 2022	37.89	13 May 2022	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of the first exercise period of share options under the first grant of the 2020 Incentive Scheme; repurchase and cancellation of certain restricted shares under the first grant of 2020 Incentive Scheme; the independent exercise of second exercise period of share options under the first grant and first exercise period of share options under the reserved grant of the 2020 Incentive Scheme; the implementation of 2021 annual equity distribution
27 June 2022	37.84	23 June 2022	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of second exercise period of share options under the first grant and first exercise period of share options under the reserved grant of the 2020 Incentive Scheme; the completion of registration for the grant of reserved restricted shares of the 2021 Incentive Scheme

Description of Corporate Bonds

Adjustment date of conversion price	Conversion price after adjustment	Disclosure date	Disclosure media	Description on conversion price adjustment
22 July 2022	38.00	20 July 2022	Shanghai Stock Exchange www.sse.com.cn ; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of second exercise period of share options under the first grant and first exercise period of share options under the reserved grant of the 2020 Incentive Scheme; the completion of cancellation of H Shares repurchased in June 2022; the repurchase and cancellation of certain restricted shares under the first grant of 2020 Incentive Scheme; the repurchase and cancellation of certain restricted shares under the first grant of 2021 Restricted Share Incentive Scheme
15 August 2022	38.14	11 August 2022	Shanghai Stock Exchange www.sse.com.cn ; Hong Kong Stock Exchange www.hkexnews.hk	The completion of cancellation of H Shares repurchased in July 2022; the independent exercise of second exercise period of share options under the first grant and first exercise period of share options under the reserved grant of the 2020 Incentive Scheme

Adjustment date of conversion price	Conversion price after adjustment	Disclosure date	Disclosure media	Description on conversion price adjustment
28 December 2022	39.47	26 December 2022	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of second exercise period of share options under the first grant of the 2020 Incentive Scheme, first exercise period of share options under the reserved grant of the 2020 Incentive Scheme and first exercise period of share options under the first grant of the 2021 Incentive Scheme; repurchase and cancellation of certain restricted shares under the first grant of 2021 Restricted Share Incentive Scheme; the completion of cancellation of H Shares repurchased since September 2022
12 January 2023	39.76	10 January 2023	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of second exercise period of share options under the first grant of the 2020 Incentive Scheme, first exercise period of share options under the reserved grant of the 2020 Incentive Scheme and first exercise period of share options under the first grant of the 2021 Incentive Scheme; the completion of cancellation of H Shares repurchased from 15 December 2022 to 22 December 2022

Description of Corporate Bonds

Adjustment date of conversion price	Conversion price after adjustment	Disclosure date	Disclosure media	Description on conversion price adjustment
14 March 2023	40.44	10 March 2023	Shanghai Stock Exchange www.sse.com.cn ; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of second exercise period of share options under the first grant of the 2020 Incentive Scheme, first exercise period of share options under the reserved grant of the 2020 Incentive Scheme and first exercise period of share options under the first grant of the 2021 Incentive Scheme; the completion of repurchase and cancellation of certain restricted shares under the first grant and reserved grant of the 2020 Incentive Scheme; the completion of repurchase and cancellation of certain restricted Shares under the first grant and reserved grant of the 2021 Restricted Share Incentive Scheme; the completion of cancellation of H Shares repurchased from 13 February 2023 to 24 February 2023

Adjustment date of conversion price	Conversion price after adjustment	Disclosure date	Disclosure media	Description on conversion price adjustment
12 June 2023	40.40	8 June 2023	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of second exercise period of share options under the first grant of the 2020 Incentive Scheme, first exercise period of share options under the first grant of the 2021 Share Option Incentive Scheme, third exercise period of share options under the first grant of the 2020 Incentive Scheme and second exercise period of share options under the reserved grant of the 2020 Incentive Scheme; the completion of repurchase and cancellation of certain restricted shares under the first grant and reserved grant of the 2020 Incentive Scheme; the completion of repurchase and cancellation of certain restricted Shares under the first grant and reserved grant of the 2021 Restricted Share Incentive Scheme

Description of Corporate Bonds

Adjustment date of conversion price	Conversion price after adjustment	Disclosure date	Disclosure media	Description on conversion price adjustment
13 July 2023	40.09	6 July 2023	Shanghai Stock Exchange www.sse.com.cn ; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of the first exercise period of share options under the first grant of the 2021 Share Option Incentive Scheme, third exercise period of share options under the first grant of the 2020 Incentive Scheme and second exercise period of share options under the reserved grant of the 2020 Incentive Scheme; the implementation of 2022 annual equity distribution
11 October 2023	40.08	9 October 2023	Shanghai Stock Exchange www.sse.com.cn ; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of first exercise period of share options under the first grant of the 2021 Share Option Incentive Scheme, third exercise period of share options under the first grant of the 2020 Incentive Scheme and second exercise period of share options under the reserved grant of the 2020 Incentive Scheme

Adjustment date of conversion price	Conversion price after adjustment	Disclosure date	Disclosure media	Description on conversion price adjustment
23 February 2024	39.93	21 February 2024	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of third exercise period of share options under the first grant of the 2020 Incentive Scheme and second exercise period of share options under the reserved grant of the 2020 Incentive Scheme, the completion of repurchase and cancellation of certain restricted shares under the first grant and reserved grant of the 2021 Restricted Share Incentive Scheme, the completion of registration for restricted shares under the first grant of the 2023 Restricted Share Incentive Scheme
23 May 2024	39.94	21 May 2024	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	The independent exercise of the third exercise period of share options under the first grant of the 2020 Incentive Scheme; the completion of repurchase and cancellation of certain restricted shares under the first grant and reserved grant of 2021 Restricted Share Incentive Scheme
12 June 2024	39.64	4 June 2024	Shanghai Stock Exchange www.sse.com.cn; Hong Kong Stock Exchange www.hkexnews.hk	The implementation of 2023 annual equity distribution
Latest conversion price as at the end of the Reporting Period				RMB39.64 per share

Description of Corporate Bonds

(VI) Information on the Company's liability and credit changes as well as the cash arrangement for future annual debt repayment

According to the 2024 Follow-up Credit Rating Report of Great Wall Motor Company Limited issued by China Chengxin International Credit Rating Co., Ltd. (中誠信國際信用評級有限責任公司) on 24 May 2024, the Company's issuer credit rating is AAA with stable rating outlook, and the credit rating of GWM Convertible Bonds is also AAA. As of 30 June 2024, the total liabilities of the Company were RMB124.689 billion, and the gearing ratio was 62.78%.

The Company maintains an excellent issuer credit rating and sound solvency indicators. Meanwhile, the Company generates stable profitability and has desirable development prospects with strong solvency and risk aversion to ensure the capital requirements for repaying the principal and interest of the current tranche of convertible corporate bonds.

(VII) Other information of convertible bonds

Nil

SECTION 10

FINANCIAL REPORT (UNAUDITED) REVIEW REPORT

De Shi Bao (Yue) Zi (24) No. R00049
(Page 1 of 1)

TO THE SHAREHOLDERS OF GREAT WALL MOTOR COMPANY LIMITED:

We have reviewed the accompanying financial statements of Great Wall Motor Company Limited (hereinafter “Great Wall Motor”), which comprise of the consolidated and the Company’s balance sheets as at 30 June 2024, and the consolidated and the Company’s income statements, the consolidated and the Company’s cash flow statements and the consolidated and the Company’s statements of changes in shareholders’ equity for the six months then ended, and the notes to the financial statements. The management is responsible for the preparation of these interim consolidated financial statements. Our responsibility is to issue a review report on these interim consolidated financial statements based on our review.

We conducted our review in accordance with “Chinese Certified Public Accountants Review Standards No. 2101-Review of Financial Statements”. The standards require us to plan and conduct review procedures, accordingly provide limited assurance that whether there is no material misstatement of the Great Wall Motor’s financial statements. The review is limited to procedures as enquiry of entity’s relevant staff and analytical review of financial data, providing lower level of assurance than an audit. Since we have not conducted audit, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the above interim financial statements of the Company which comprised the consolidated and the Company’s financial position as at 30 June 2024, and the consolidated and the Company’s operating results and cash flows for the six months then ended are not prepared, in all material aspects, in accordance with the “Accounting Standards for Business Enterprises”.

Deloitte Touche Tohmatsu CPA LLP.
Shanghai, China

Chinese Certified Public Accountants:
(Engagement Partner)
Li, Xu

Liu, Yu

29 August 2024

The review report and the accompanying financial statements are English translations of the Chinese review report and statutory financial statements prepared under accounting principles and practices generally accepted in the People’s Republic of China. These financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in other countries and jurisdictions. In case the English version does not conform to the Chinese version, the Chinese version prevails.

CONSOLIDATED BALANCE SHEET

At 30 June 2024

Item	Notes	RMB	
		30/06/2024 (Unaudited)	31/12/2023 (Audited)
Current Assets:			
Cash and bank balances	VI.1	39,536,531,898.24	38,337,235,066.54
Held-for-trading financial assets	VI.2	2,458,556,628.03	4,112,386,017.05
Derivative financial assets		36,286,285.55	11,834,681.50
Notes receivable	VI.4	2,203,450,442.00	2,951,761,611.60
Accounts receivable	VI.3	6,788,849,523.79	7,193,193,843.92
Financing with receivables	VI.4	27,357,440,724.89	28,923,599,369.45
Prepayments	VI.5	2,440,358,731.48	3,872,727,438.14
Other receivables	VI.6	1,621,701,813.29	2,113,975,772.93
Inventories	VI.7	26,761,360,944.00	26,627,754,349.95
Contract assets	VI.8	17,352,200.00	52,210,745.00
Non-current assets due within one year	VI.10	1,767,419,416.81	1,827,661,501.49
Other current assets	VI.9	4,758,497,070.52	2,559,503,451.38
Total Current Assets		115,747,805,678.60	118,583,843,848.95
Non-Current Assets:			
Long-term receivables	VI.10	1,959,002,150.92	1,791,158,697.34
Long-term equity investments	VI.11	11,215,156,161.74	10,751,122,072.61
Other equity instrument investments	VI.12	1,922,477,677.70	1,920,519,915.82
Other non-current financial assets		213,590,472.53	207,928,692.28
Investment properties	VI.13	454,629,299.25	449,961,881.17
Fixed assets	VI.14	29,380,672,143.59	30,235,058,181.32
Construction in progress	VI.15	6,849,757,144.36	6,477,355,064.20
Right-of-use assets	VI.16	1,045,370,036.91	735,708,393.90
Intangible assets	VI.17	12,083,365,513.96	11,310,336,232.21
Development expenditure	VII	11,658,954,567.36	12,064,760,883.35
Goodwill		27,763,359.77	27,763,359.77
Long-term prepaid expenses		335,265,583.37	256,546,688.91
Deferred tax assets	VI.18	4,579,969,299.74	4,660,192,442.29
Other non-current assets	VI.19	1,149,588,302.09	1,798,032,216.09
Total Non-current Assets		82,875,561,713.29	82,686,444,721.26
TOTAL ASSETS		198,623,367,391.89	201,270,288,570.21
Current Liabilities:			
Short-term borrowings	VI.20	3,447,725,386.65	5,700,850,933.24
Derivative financial liabilities		29,417,160.61	84,400,226.04
Notes payable	VI.21	29,363,603,551.32	27,939,790,253.08
Accounts payable	VI.22	35,221,888,819.93	40,546,651,118.94
Contract liabilities	VI.23	9,428,076,026.32	9,583,075,738.92
Employee benefits payable	VI.24	1,106,572,405.80	4,393,889,722.37
Taxes payable	VI.25	3,959,497,989.73	2,390,118,827.57
Other payables	VI.26	6,228,707,907.76	6,217,886,256.09
Non-current liabilities due within one year	VI.27	10,466,690,690.47	6,890,334,761.20
Other current liabilities	VI.28	5,878,053,032.84	7,088,140,056.33
Total Current Liabilities		105,130,232,971.43	110,835,137,893.78

Consolidated Balance Sheet

At 30 June 2024

Item	Notes	RMB	
		30/06/2024 (Unaudited)	31/12/2023 (Audited)
Non-current Liabilities:			
Long-term accounts payables		19,534,739.71	26,013,927.49
Long-term borrowings	VI.20	10,555,370,520.37	13,286,088,708.96
Bonds payable	VI.29	3,657,543,771.03	3,463,059,969.50
Lease liabilities	VI.30	919,669,851.77	661,565,279.50
Deferred income	VI.31	3,170,167,964.28	3,197,720,150.53
Deferred tax liabilities	VI.18	1,131,430,519.85	1,064,463,059.59
Long-term employee benefits payable		50,083,119.62	47,876,655.23
Other non-current liabilities		54,525,904.04	179,578,980.44
Total Non-current Liabilities		19,558,326,390.67	21,926,366,731.24
TOTAL LIABILITIES		124,688,559,362.10	132,761,504,625.02
SHAREHOLDERS' EQUITY:			
Share capital	VI.32	8,541,945,790.00	8,497,528,597.00
Other equity instruments	VI.33	335,558,475.68	335,560,107.73
Capital reserve	VI.34	3,068,332,489.16	2,054,642,157.73
Less: Treasury shares	VI.35	1,268,573,018.87	804,050,463.01
Other comprehensive income	VI.55	233,304,850.60	12,192,749.99
Special reserve		255,747,829.51	162,768,426.67
Surplus reserve	VI.36	5,513,191,992.02	5,513,191,992.02
Undistributed profits	VI.37	57,246,304,598.66	52,728,780,842.33
Total Equity Attributable to Shareholders of the Company		73,925,813,006.76	68,500,614,410.46
Minority Interests		8,995,023.03	8,169,534.73
TOTAL SHAREHOLDERS' EQUITY		73,934,808,029.79	68,508,783,945.19
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		198,623,367,391.89	201,270,288,570.21

The accompanying notes form part of the financial statements.

The financial statements on pages 162 to 342 were signed by:

Wei jian jun
Legal Representative

Li Hong Shuan
Chief Financial Officer

Wang Hai Ping
Head of the Finance Section

BALANCE SHEET OF THE COMPANY

At 30 June 2024

Item	Notes	RMB	
		30/06/2024 (Unaudited)	31/12/2023 (Audited)
Current Assets:			
Cash and bank balances	XVII.1	20,253,508,100.19	21,790,250,416.90
Held-for-trading financial assets		1,307,159,713.97	3,512,120,832.25
Derivative financial assets		33,166,679.08	—
Notes receivable		2,086,047,831.42	2,995,533,050.50
Accounts receivable	XVII.2	22,134,076,644.42	18,015,330,638.93
Financing with receivables		22,426,576,771.16	23,790,767,837.83
Prepayments		1,453,433,098.39	1,534,572,685.10
Other receivables	XVII.3	6,929,851,990.45	10,489,349,148.98
Inventories		9,221,479,123.11	9,441,227,972.78
Contract assets		17,352,200.00	28,806,245.00
Non-current assets due within one year		186,608,247.66	184,082,469.90
Other current assets		2,286,674,397.28	773,326,821.94
Total Current Assets		88,335,934,797.13	92,555,368,120.11
Non-Current Assets:			
Long-term receivables		182,958,948.64	179,480,055.47
Long-term equity investments	XVII.4	29,944,920,050.30	29,373,176,555.63
Other equity instrument investments		7,700,000.00	7,700,000.00
Other non-current financial assets		213,590,472.53	207,928,692.28
Investment properties		2,656,960,144.94	2,700,621,180.62
Fixed assets		13,018,073,100.41	13,530,480,218.14
Construction in progress		2,706,070,799.91	2,910,938,453.89
Right-of-use assets		147,533,500.46	227,688,252.78
Intangible assets		8,252,843,057.95	7,960,556,006.38
Development expenditure		9,043,385,687.00	9,142,136,982.15
Long-term prepaid expenses		29,540,547.08	36,123,857.33
Deferred tax assets		2,045,694,283.25	2,342,230,264.40
Other non-current assets		2,697,055,480.92	779,855,643.00
Total Non-Current Assets		70,946,326,073.39	69,398,916,162.07
TOTAL ASSETS		159,282,260,870.52	161,954,284,282.18

Balance Sheet of the Company

At 30 June 2024

Item	Notes	RMB	
		30/06/2024 (Unaudited)	31/12/2023 (Audited)
Current Liabilities:			
Short-term borrowings		336,932,595.98	1,158,365,113.28
Derivative financial liability		—	31,460,629.87
Notes payable		24,281,781,473.25	19,209,822,521.45
Accounts payable		40,812,170,304.21	44,875,165,579.10
Contract liabilities		7,165,770,850.68	7,993,009,355.69
Employee benefits payable		435,993,020.54	2,152,866,869.66
Taxes payable		738,599,661.31	813,082,294.25
Other payables		4,289,099,937.47	4,253,828,644.09
Non-current liabilities due within one year		8,996,093,993.36	5,736,223,964.95
Other current liabilities		2,348,121,257.22	3,889,703,942.02
Total Current Liabilities		89,404,563,094.02	90,113,528,914.36
Non-current Liabilities:			
Long-term borrowings		10,549,031,977.46	13,258,000,852.60
Bonds payable		3,455,896,171.03	3,418,465,569.50
Lease liabilities		389,807,790.95	390,535,937.11
Deferred income		1,845,040,048.27	1,863,747,991.22
Other non-current liabilities		19,982,787.61	147,649,787.61
Total Non-current Liabilities		16,259,758,775.32	19,078,400,138.04
TOTAL LIABILITIES		105,664,321,869.34	109,191,929,052.40
SHAREHOLDERS' EQUITY:			
Share capital		8,541,945,790.00	8,497,528,597.00
Other equity instruments		335,558,475.68	335,560,107.73
Capital reserve		3,059,955,318.39	2,049,456,279.17
Less: Treasury shares		1,268,573,018.87	804,050,463.01
Other comprehensive income		(58,726,113.23)	(67,957,765.95)
Special reserve		99,250,644.02	69,555,173.00
Surplus reserve		2,699,211,903.76	2,699,211,903.76
Undistributed profits		40,209,316,001.43	39,983,051,398.08
TOTAL SHAREHOLDERS' EQUITY		53,617,939,001.18	52,762,355,229.78
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		159,282,260,870.52	161,954,284,282.18

CONSOLIDATED INCOME STATEMENT

For the period from 1 January to 30 June 2024

Item	Notes	RMB	
		For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
I. Total operating revenue		91,428,957,094.64	69,971,117,162.78
Including: Operating revenue	VI.38	91,428,957,094.64	69,971,117,162.78
Less: Total operating costs		85,678,817,334.28	69,188,920,908.37
Including: Operating costs	VI.38	72,467,381,632.51	58,180,357,751.58
Taxes and levies	VI.39	3,382,110,553.25	2,398,366,057.80
Selling expenses	VI.40	3,805,185,651.78	3,253,302,670.39
Administrative expenses	VI.41	1,999,695,294.30	2,071,045,814.95
Research and development expenses	VI.42	4,184,560,113.85	3,509,415,452.83
Financial expenses	VI.43	(160,115,911.41)	(223,566,839.18)
Including: Interest expenses		447,356,709.68	447,821,889.59
Interest income		484,965,998.39	553,402,713.04
Add: Other income	VI.44	2,048,123,210.71	432,678,578.56
Investment income	VI.45	504,179,478.73	463,657,426.68
Including: Investment income from joint ventures and associates		463,307,147.13	440,933,916.15
Gains (Losses) from changes in fair values	VI.46	69,684,496.85	(132,420,650.66)
Impairment losses on credit	VI.47	(7,577,258.20)	(14,389,467.74)
Impairment losses on assets	VI.48	(213,120,691.06)	(304,198,289.15)
Losses from disposal of assets	VI.49	(17,413,830.74)	(2,154,500.24)
II. Operating profit		8,134,015,166.65	1,225,369,351.86
Add: Non-operating income	VI.50	191,423,268.25	204,887,646.86
Less: Non-operating expenses	VI.51	35,979,643.53	37,988,552.21
III. Total profit		8,289,458,791.37	1,392,268,446.51
Less: Income tax expenses	VI.52	1,210,083,870.08	29,600,548.62
IV. Net profit	VI.53	7,079,374,921.29	1,362,667,897.89
(I) Classification by going concern:			
Net profit under going concern		7,079,374,921.29	1,362,667,897.89
(II) Classification by attribution of ownership:			
1. Net profit attributable to shareholders of the Company		7,078,549,432.99	1,361,287,795.74
2. Profit or loss attributable to minority interests		825,488.30	1,380,102.15

Consolidated Income Statement

For the period from 1 January to 30 June 2024

Item	Notes	For the period from 1 January to 30 June 2024 (Unaudited)	RMB For the period from 1 January to 30 June 2023 (Unaudited)
V. Net other comprehensive income after taxes	VI.55	221,112,100.61	(467,448,498.44)
Net other comprehensive income attributable to shareholders of the Company after taxes		221,112,100.61	(467,448,498.44)
(I) Other comprehensive income that cannot be reclassified into profit or loss in the future		—	8,245,682.06
1. The change of re-measure of defined benefit plan		—	8,245,682.06
2. Changes in fair value of other equity instrument investments		—	—
(II) Other comprehensive income that will be reclassified to profit or loss		221,112,100.61	(475,694,180.50)
1. Translation difference of financial statements denominated in foreign currency		211,711,779.13	(471,637,934.45)
2. Changes in fair value of financial assets classified as at fair value through other comprehensive income		9,400,321.48	(4,056,246.05)
Net other comprehensive income attributable to minority interests		—	—
VI. Total comprehensive income		7,300,487,021.90	895,219,399.45
Total comprehensive income attributable to shareholders of the Company		7,299,661,533.60	893,839,297.30
Total comprehensive income attributable to minority interests		825,488.30	1,380,102.15
VII. Earnings per share:			
(I) Basic earnings per share	VI.54	0.83	0.16
(II) Diluted earnings per share	VI.54	0.83	0.16

INCOME STATEMENT OF THE COMPANY

For the period from 1 January to 30 June 2024

RMB

Item	Notes	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
I. Operating revenue	XVII.5	79,551,568,863.95	63,670,580,147.22
Less: Operating costs	XVII.5	69,250,156,617.03	57,833,408,838.18
Taxes and levies		2,857,958,367.47	2,066,416,369.78
Selling expenses		1,667,419,015.68	2,227,129,605.90
Administrative expenses		953,395,678.20	1,090,743,908.84
Research and development expenses		2,640,025,909.45	2,067,148,921.50
Financial expenses		40,654,849.14	(442,942,884.44)
Including: Interest expenses		307,405,683.07	314,370,676.86
Interest income		265,877,036.03	386,831,591.04
Add: Other income		889,800,546.89	100,189,327.94
Investment income	XVII.6	172,123,975.28	2,571,049,829.34
Including: Investment income from joint ventures and associates		461,981,026.17	462,858,976.89
Gains (Losses) from changes in fair values		53,366,190.67	(178,635,050.31)
Impairment gains on credit impairment losses on assets		1,056,653.47	1,463,995.22
Losses from disposal of assets		(1,418,630.84)	(838,522.46)
II. Operating profit		3,053,638,595.32	654,957,405.68
Add: Non-operating income		35,637,425.84	77,708,175.76
Less: Non-operating expenses		3,862,893.23	26,895,880.99
III. Total profit		3,085,413,127.93	705,769,700.45
Less: Income tax expenses		298,122,847.92	(390,485,823.35)
IV. Net profit		2,787,290,280.01	1,096,255,523.80
Net profit under going concern		2,787,290,280.01	1,096,255,523.80
V. Net other comprehensive income after taxes		9,231,652.72	(6,799,624.65)
Other comprehensive income that will be reclassified into profit or loss		9,231,652.72	(6,799,624.65)
Changes in fair value of financial assets classified as at fair value through other comprehensive income		9,231,652.72	(6,799,624.65)
VI. Total comprehensive income		2,796,521,932.73	1,089,455,899.15

CONSOLIDATED CASH FLOW STATEMENT

For the period from 1 January to 30 June 2024

Item	Notes	RMB	
		For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
I. Cash Flows from Operating Activities:			
Cash receipts from the sales of goods and rendering of services		103,805,801,818.26	72,879,773,422.68
Receipts of tax refunds		3,678,666,749.07	3,079,225,144.52
Other cash receipts relating to operating activities	VI.56(1)	3,060,452,076.85	2,698,042,993.89
Sub-total of cash inflow from operating activities		110,544,920,644.18	78,657,041,561.09
Cash payments for goods purchased and services received		77,245,132,594.10	60,293,497,655.24
Cash payments to and on behalf of employees		9,355,656,439.89	8,606,675,828.82
Payments of various types of taxes		7,339,408,672.19	6,432,436,167.96
Other cash payments relating to operating activities	VI.56(2)	7,198,697,111.61	5,760,621,746.02
Sub-total of cash outflow from operating activities		101,138,894,817.79	81,093,231,398.04
Net Cash Flows from (used in) Operating Activities	VI.57(1)	9,406,025,826.39	(2,436,189,836.95)
II. Cash Flows from Investing Activities:			
Cash receipts from disposal of investments		18,592,038,219.75	6,490,286,600.00
Cash receipts from investment income		73,124,450.81	627,347,506.61
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets		176,218,677.84	110,987,183.29
Other cash receipts relating to investing activities	VI.56(3)	3,500,000.00	—
Sub-total of cash inflow from investing activities		18,844,881,348.40	7,228,621,289.90
Cash payments to purchase and construct fixed assets, intangible assets and other long-term assets		5,740,122,505.13	7,752,967,804.00
Cash payments to acquire investments		17,954,628,010.07	4,559,000,000.00
Other cash payments related to investing activities	VI.56(4)	—	26,022,380.97
Sub-total of cash outflow from investing activities		23,694,750,515.20	12,337,990,184.97
Net Cash Flow from Investing Activities		(4,849,869,166.80)	(5,109,368,895.07)

Consolidated Cash Flow Statement

For the period from 1 January to 30 June 2024

Item	Notes	RMB	
		For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
III. Cash Flows from Financing Activities:			
Cash receipts from capital contributions		695,780,191.04	183,604,793.04
Cash receipts from borrowings		8,189,801,360.02	8,829,275,493.92
Cash receipts from issue of bonds		887,000,000.00	—
Other cash received relating to financing activities	VI.56(5)	—	7,165,726,632.84
Sub-total of cash inflow from financing activities		9,772,581,551.06	16,178,606,919.80
Cash repayments of borrowings		9,233,524,281.06	6,582,059,044.99
Cash payments for distribution of dividends or profits or settlement of interest expenses		2,998,169,196.50	384,436,127.14
Cash repayments of bonds		397,044,500.00	387,119,200.00
Other cash payments relating to financing activities	VI.56(6)	1,541,601,856.60	2,445,378,723.80
Sub-total of cash outflow from financing activities		14,170,339,834.16	9,798,993,095.93
Net Cash Flow (used in) from Financing Activities		(4,397,758,283.10)	6,379,613,823.87
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		(121,608,792.68)	(19,286,449.46)
V. Net Increase (Decrease) in Cash and Cash Equivalents		36,789,583.81	(1,185,231,357.61)
Add: Opening balance of cash and cash equivalents		35,272,177,957.35	26,898,656,878.98
VI. Closing balance of cash and cash equivalents	VI.57(3)	35,308,967,541.16	25,713,425,521.37

CASH FLOW STATEMENT OF THE COMPANY

For the period from 1 January to 30 June 2024

Item	Note	RMB	
		For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
I. Cash Flows from Operating Activities:			
Cash receipts from the sales of goods and rendering of services		73,904,382,566.48	62,827,841,506.82
Receipts of tax refunds		3,208,162,298.56	2,143,579,783.02
Other cash receipts relating to operating activities		388,702,542.76	684,804,588.08
Sub-total of cash inflow from operating activities		77,501,247,407.80	65,656,225,877.92
Cash payments for goods purchased and services received		64,956,239,144.97	58,019,895,074.92
Cash payments to and on behalf of employees		3,772,120,515.21	3,301,134,013.38
Payments of various types of taxes		3,449,213,081.66	4,125,687,678.70
Other cash payments relating to operating activities		4,936,065,680.32	4,025,330,353.83
Sub-total of cash outflow from operating activities		77,113,638,422.16	69,472,047,120.83
Net Cash Flows from (used in) Operating Activities	XVII.7(1)	387,608,985.64	(3,815,821,242.91)
II. Cash Flows from Investing Activities:			
Cash receipts from disposal of investments		16,202,434,446.17	5,000,000,000.00
Cash receipts from investment income		435,829,596.21	1,219,263,778.22
Net cash receipts from disposal of subsidiaries and other business units		270,000.00	—
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets		67,471,805.04	105,822,419.97
Other cash receipts relating to investing activities		1,537,523,280.64	377,535,560.00
Sub-total of cash inflow from investing activities		18,243,529,128.06	6,702,621,758.19
Cash payments to purchase and construct fixed assets, intangible assets and other long-term assets		2,524,487,301.17	4,100,416,968.97
Cash paid for investments		15,522,406,553.12	3,357,993,630.00
Other cash payments relating to investing activities		315,260,380.00	498,280,000.00
Sub-total of cash outflow from investing activities		18,362,154,234.29	7,956,690,598.97
Net Cash Flow used in Investing Activities		(118,625,106.23)	(1,254,068,840.78)

Cash Flow Statement of the Company

For the period from 1 January to 30 June 2024

Item	Note	RMB	
		For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
III. Cash Flows from Financing Activities:			
Cash receipts from capital contributions		695,780,191.04	183,604,793.04
Cash receipts from borrowings		4,996,404,753.10	5,397,908,396.00
Other cash receipts relating to financing activities		—	4,229,520,228.05
Sub-total of cash inflow from financing activities		5,692,184,944.14	9,811,033,417.09
Cash payments for repayments of borrowings		4,479,391,346.94	2,706,350,000.00
Cash payments for distribution of dividends or profits or settlement of interest expenses		2,830,065,373.40	248,605,639.84
Other cash payments relating to financing activities		1,818,718,462.39	2,319,618,357.80
Sub-total of cash outflow from financing activities		9,128,175,182.73	5,274,573,997.64
Net Cash Flow (used in) from Financing Activities		(3,435,990,238.59)	4,536,459,419.45
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		3,408,580.84	70,823,771.40
V. Net Decrease in Cash and Cash Equivalents		(3,163,597,778.34)	(462,606,892.84)
Add: Opening balance of cash and cash equivalents		20,399,084,668.53	12,810,720,693.53
VI. Closing balance of cash and cash equivalents	XVII.7(2)	17,235,486,890.19	12,348,113,800.69

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the period from 1 January to 30 June 2024

RMB

Item	For the period from 1 January to 30 June 2024 (Unaudited)									
	Attributable to shareholders of the Company									
	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Minority interests	Total equity
I. Balance at the beginning of the period	8,497,528,597.00	335,560,107.73	2,054,642,157.73	804,050,463.01	12,192,749.99	162,768,426.67	5,513,191,992.02	52,728,780,842.33	8,169,534.73	68,508,783,945.19
II. Changes in the current period	44,417,193.00	(1,632.05)	1,013,690,331.43	464,522,555.86	221,112,100.61	92,979,402.84	—	4,517,523,756.33	825,488.30	5,426,024,084.60
(I) Total comprehensive income	—	—	—	—	221,112,100.61	—	—	7,078,549,432.99	825,488.30	7,300,487,021.90
(II) Owners' contributions and reduction in capital	44,417,193.00	(1,632.05)	1,007,284,841.99	479,489,090.12	—	—	—	—	—	572,211,312.82
1. Capital contributions from owners	46,762,740.00	—	582,570,195.20	620,037,575.00	—	—	—	—	—	9,295,360.20
2. Impact of conversion of convertible bonds in the period	422.00	(1,632.05)	17,476.63	—	—	—	—	—	—	16,266.58
3. Share-based payments recognized in shareholders' equity	—	—	540,212,836.14	—	—	—	—	—	—	540,212,836.14
4. Impact of canceling expired restricted shares and unlocking restricted shares	(2,345,969.00)	—	(34,584,759.22)	(59,617,578.12)	—	—	—	—	—	22,686,849.90
5. Others	—	—	(80,930,906.76)	(80,930,906.76)	—	—	—	—	—	—
(III) Profit distribution	—	—	—	(14,966,534.26)	—	—	—	(2,562,255,943.20)	—	(2,547,289,408.94)
1. Distributions to shareholders	—	—	—	(14,966,534.26)	—	—	—	(2,562,255,943.20)	—	(2,547,289,408.94)
(IV) Special reserve	—	—	—	—	—	92,979,402.84	—	—	—	92,979,402.84
1. Appropriation for the period	—	—	—	—	—	140,361,717.15	—	—	—	140,361,717.15
2. Use of the period	—	—	—	—	—	(47,382,314.31)	—	—	—	(47,382,314.31)
(V) Others	—	—	6,405,489.44	—	—	—	—	1,230,266.54	—	7,635,755.98
1. Others (Note VI.34 note 2)	—	—	6,405,489.44	—	—	—	—	1,230,266.54	—	7,635,755.98
III. Balance at the end of the period	8,541,945,790.00	335,558,475.68	3,068,332,489.16	1,268,573,018.87	233,304,850.60	255,747,829.51	5,513,191,992.02	57,246,304,598.66	8,995,023.03	73,934,808,029.79

Consolidated Statement of Changes in Shareholders' Equity

For the period from 1 January to 30 June 2024

RMB

Item	For the period from 1 January to 30 June 2023 (Unaudited)									
	Attributable to shareholders of the Company									
	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Minority interests	Total equity
I. Balance at the beginning of the period	8,764,512,467.00	335,579,596.45	2,126,322,573.72	2,459,965,985.56	234,443,844.95	5,673,833.25	7,017,877,861.90	49,176,813,140.82	14,650,782.77	65,215,908,115.30
II. Changes in the current period	(269,613,450.00)	(14,592.54)	346,044,089.35	(1,070,679,956.57)	(467,448,498.44)	89,282,371.79	(2,436,880,832.68)	(1,176,291,584.09)	(12,135,545.44)	(2,856,378,085.48)
(I) Total comprehensive income	—	—	—	—	(467,448,498.44)	—	—	1,361,287,795.74	1,380,102.15	895,219,399.45
(II) Owners' contributions and reduction										
in capital	(269,613,450.00)	(14,592.54)	330,376,893.16	(1,065,984,902.07)	—	—	(2,436,880,319.81)	—	—	(1,310,146,567.12)
1. Capital contributions from owners	23,448,888.00	—	160,155,905.04	—	—	—	—	—	—	183,604,793.04
2. Impact of conversion of convertible bonds in the period	3,802.00	(14,592.54)	53,276.65	—	—	—	—	—	—	42,486.11
3. Share-based payments recognized in shareholders' equity	—	—	392,396,801.87	—	—	—	—	—	—	392,396,801.87
4. Impact of canceling expired restricted shares and unlocking restricted shares	(15,935,640.00)	—	(222,229,090.40)	(278,425,367.05)	—	—	—	—	—	40,260,636.65
5. Repurchase and canceling shares	(277,130,500.00)	—	—	(787,559,535.02)	—	—	(2,436,880,319.81)	—	—	(1,926,451,284.79)
(III) Profit distribution	—	—	—	(4,695,054.50)	—	—	—	(2,535,597,469.70)	—	(2,530,902,415.20)
1. Transfer to statutory surplus reserve	—	—	—	—	—	—	—	—	—	—
2. Transfer to reserve fund	—	—	—	—	—	—	—	—	—	—
3. Distributions to shareholders	—	—	—	(4,695,054.50)	—	—	—	(2,535,597,469.70)	—	(2,530,902,415.20)
(IV) Transfer of shareholders' equity	—	—	—	—	—	—	(512.87)	512.87	—	—
1. others	—	—	—	—	—	—	(512.87)	512.87	—	—
(V) Special reserve	—	—	—	—	—	89,282,371.79	—	—	—	89,282,371.79
1. Appropriation for the period	—	—	—	—	—	130,784,525.01	—	—	—	130,784,525.01
2. Use of the period	—	—	—	—	—	(41,502,153.22)	—	—	—	(41,502,153.22)
(VI) Others	—	—	15,667,196.19	—	—	—	—	(1,982,423.00)	(13,515,647.59)	169,125.60
1. Disposal of subsidiaries	—	—	—	—	—	—	—	—	(13,515,647.59)	(13,515,647.59)
2. Others (Note VI.34 note 4)	—	—	15,667,196.19	—	—	—	—	(1,982,423.00)	—	13,684,773.19
III. Balance at the end of the period	8,494,899,017.00	335,565,003.91	2,472,366,663.07	1,389,286,028.99	(233,004,653.49)	94,956,205.04	4,580,997,029.22	48,000,521,556.73	2,515,237.33	62,359,530,029.82

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY

For the period from 1 January to 30 June 2024

RMB

Item	For the period from 1 January to 30 June 2024 (Unaudited)								
	Share capital	Other equity instruments	Capital reserve	Treasury shares	Less: comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total equity
I. Balance at the beginning of the period	8,497,528,597.00	335,560,107.73	2,049,456,279.17	804,050,463.01	(67,957,765.95)	69,555,173.00	2,699,211,903.76	39,983,051,398.08	52,762,355,229.78
II. Changes in the period	44,417,193.00	(1,632.05)	1,010,499,039.22	464,522,555.86	9,231,652.72	29,695,471.02	—	226,264,603.35	855,583,771.40
(I) Total comprehensive income	—	—	—	—	9,231,652.72	—	—	2,787,290,280.01	2,796,521,932.73
(II) Owners' contributions and reduction in capital	44,417,193.00	(1,632.05)	1,007,284,841.99	479,489,090.12	—	—	—	—	572,211,312.82
1. Capital contributions from owners	46,762,740.00	—	582,570,195.20	620,037,575.00	—	—	—	—	9,295,360.20
2. Impact of conversion of convertible bonds in the current period	422.00	(1,632.05)	17,476.63	—	—	—	—	—	16,266.58
3. Share-based payments recognized in shareholders' equity	—	—	540,212,836.14	—	—	—	—	—	540,212,836.14
4. Impact of canceling expired restricted shares and unlocking restricted shares	(2,345,969.00)	—	(34,584,759.22)	(59,617,578.12)	—	—	—	—	22,686,849.90
5. Others	—	—	(80,930,906.76)	(80,930,906.76)	—	—	—	—	—
(III) Profit distribution	—	—	—	(14,966,534.26)	—	—	—	(2,562,255,943.20)	(2,547,289,408.94)
1. Distributions to shareholders	—	—	—	(14,966,534.26)	—	—	—	(2,562,255,943.20)	(2,547,289,408.94)
(IV) Special reserve	—	—	—	—	—	29,695,471.02	—	—	29,695,471.02
1. Appropriation for the period	—	—	—	—	—	42,653,128.54	—	—	42,653,128.54
2. Use of the period	—	—	—	—	—	(12,957,657.52)	—	—	(12,957,657.52)
(V) Others	—	—	3,214,197.23	—	—	—	—	1,230,266.54	4,444,463.77
1. Others (Note XVIII.18 note 2)	—	—	3,214,197.23	—	—	—	—	1,230,266.54	4,444,463.77
III. Balance at the end of the period	8,541,945,790.00	335,558,475.68	3,059,955,318.39	1,268,573,018.87	(58,726,113.23)	99,250,644.02	2,699,211,903.76	40,209,316,001.43	53,617,939,001.18

Statement of Changes in Shareholders' Equity of the Company

For the period from 1 January to 30 June 2024

RMB

Item	For the period from 1 January to 30 June 2023 (Unaudited)								
	Share capital	Other equity instruments	Capital reserve	Treasury shares	Less: comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total equity
I. Balance at the beginning of the period	8,764,512,467.00	335,579,596.45	2,135,584,074.82	2,459,965,985.56	(60,950,480.39)	993,923.05	4,890,446,242.43	40,309,635,096.26	53,915,834,934.06
II. Changes in the period	(269,613,450.00)	(14,592.54)	325,624,108.29	(1,070,679,956.57)	(6,799,624.65)	38,748,280.05	(2,436,880,319.81)	(1,441,324,368.90)	(2,719,580,010.99)
(I) Total comprehensive income	—	—	—	—	(6,799,624.65)	—	—	1,096,255,523.80	1,089,455,899.15
(II) Owners' contributions and									
reduction in capital	(269,613,450.00)	(14,592.54)	330,376,893.16	(1,065,984,902.07)	—	—	(2,436,880,319.81)	—	(1,310,146,567.12)
1. Capital contributions from owners	23,448,888.00	—	160,155,905.04	—	—	—	—	—	183,604,793.04
2. Impact of conversion of convertible bonds in the current period	3,802.00	(14,592.54)	53,276.65	—	—	—	—	—	42,486.11
3. Share-based payments recognized in shareholders' equity	—	—	392,396,801.87	—	—	—	—	—	392,396,801.87
4. Impact of canceling expired restricted shares and unlocking restricted shares	(15,935,640.00)	—	(222,229,090.40)	(278,425,367.05)	—	—	—	—	40,260,636.65
5. Repurchase and canceling shares	(277,130,500.00)	—	—	(787,559,535.02)	—	—	(2,436,880,319.81)	—	(1,926,451,284.79)
(III) Profit distribution	—	—	—	(4,695,054.50)	—	—	—	(2,535,597,469.70)	(2,530,902,415.20)
1. Distributions to shareholders	—	—	—	(4,695,054.50)	—	—	—	(2,535,597,469.70)	(2,530,902,415.20)
(IV) Special reserve	—	—	—	—	—	38,748,280.05	—	—	38,748,280.05
1. Appropriation for the period	—	—	—	—	—	50,156,845.59	—	—	50,156,845.59
2. Use of the period	—	—	—	—	—	(11,408,565.54)	—	—	(11,408,565.54)
(V) Others	—	—	(4,752,784.87)	—	—	—	—	(1,982,423.00)	(6,735,207.87)
1. Others (Note XVIII.18 note 4)	—	—	(4,752,784.87)	—	—	—	—	(1,982,423.00)	(6,735,207.87)
III. Balance at the end of the period	8,494,899,017.00	335,565,003.91	2,461,208,183.11	1,389,286,028.99	(67,750,105.04)	39,742,203.10	2,453,565,922.62	38,868,310,727.36	51,196,254,923.07

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 January to 30 June 2024

I. BASIC CORPORATE INFORMATION

I. Company overview

Great Wall Motor Company Limited (the “Company”) is registered and headquartered in Baoding, Hebei Province which is the main city for its core business as well. The controlling shareholder of the Company is Baoding Innovation Great Wall Asset Management Company Limited (“Innovation Great Wall”) and the ultimate controlling shareholder is Wei Jian Jun.

The Company was originally named as Baoding Great Wall Motor Group Company Limited. On 5 June 2001, upon the approval by Office of the Stock Reform Leading Panel of *the People’s Government of Hebei Province with Ji Gu Ban [2001] No. 62*, Baoding Great Wall Motor Group Company Limited was reorganized to Baoding Great Wall Motor Company Limited. On 28 May 2003, upon the approval by Hebei Administration for Industry and Commerce, Baoding Great Wall Motor Company Limited was renamed as Great Wall Motor Company Limited.

The Company and its subsidiaries (the “Group”) are actually engaged in the main business activities: manufacturing and sales of automobiles and components and parts of automobiles and related after-sales services, processing and manufacturing of moulds, repairing of automobiles, transportation of general goods and specific transportation (by truck). The legal representative of the Company is Wei Jian Jun.

2. The approval date of issuing financial statements

The Company’s and consolidated financial statements have been approved by the Board of Directors on 29 August 2024.

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Basis of preparation

The Group has applied the ASBEs and related provisions promulgated by the Ministry of Finance (“MoF”). In addition, the Group also discloses relevant financial information according to the requirements of *Rules on Compiling the Information Disclosure of the Company that Issue Stocks Publicly No.15-General Provision on Financial Report* (revised in 2023).

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (continued)

Basis of preparation (continued)

According to the Consultation Summary on Accepting Mainland Accounting and Auditing Standards and Hiring Mainland Accounting Firms for Incorporated Companies Listed in Hong Kong and the corresponding amendments to the Hong Kong Listing Rules issued by the Stock Exchange of Hong Kong Limited in December 2010, as well as the relevant documents of the Ministry of Finance and the CSRC, after deliberation and approval by the shareholders' meeting of the Company, starting from 2011, the Company no longer provides the A-share shareholders and H-share shareholders with financial statements prepared in accordance with the ASBEs and the International Financial Reporting Standards respectively, but provides all shareholders with financial statements prepared in accordance with the ASBEs and has considered the disclosure provisions of the Companies Ordinance of Hong Kong and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited when preparing the financial statements.

Basis of accounting and principle of measurement

The Group's financial statements have been prepared on an accrual basis. Except for certain financial instruments which are measured at fair value, the financial statements are prepared under the historical cost convention. In the event that impairment of assets occurs, a provision for impairment is made accordingly in accordance with the relevant regulations.

Under historical cost method, the amount of assets was measured at the fair value of cash or cash equivalents or consideration paid at the time of purchase. Liabilities were measured at the amount of money or assets and liabilities due to the current obligations actually received, or a present obligation of the contract amount, or the measurement of cash or cash equivalents in accordance with daily activities to repay the debts of the amount expected to be paid.

The fair value refers to the amount, at which both willing parties engaged to a fair transaction who are familiar with the condition exchange their assets or clear off their debts under fair conditions. Whether fair value is observable or measured by valuation techniques, the measurement and disclosure in this financial statement were all based on it.

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

Going concern

The Group has evaluated its ability of going concern for the next 12 months since 30 June 2024. There is no indication of major events that may affect the ability of going concern. Thus, the financial statements have been prepared under the assumption of going concern.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Statement of compliance with the ASBEs

The financial statements have been prepared in compliance with the ASBEs to truly and completely reflect the Company's and the consolidated financial position as at 30 June 2024, and the Company's and the consolidated operating results, the Company's and the consolidated statements of changes in shareholders' equity and the Company's and the consolidated cash flow statements for the six months ended 30 June 2024.

2. Accounting year

The Group has adopted the calendar year as its accounting year, i.e. from 1 January to 31 December.

3. Operating cycle

Operating cycle refers to period from assets purchased for production to cash or cash equivalents realized. The operating cycle of the Company is 12 months.

4. Functional currency

Renminbi ("RMB") is the currency of the primary economic environment in which the Company and its domestic subsidiaries operate. The Company's foreign subsidiary chooses its functional currency on the basis of the primary economic environment in which it operates. The Group adopts RMB to prepare its financial statements.

5. Method and selection basis of the determination of materiality criteria

The item of financial statement is reasonably expected as important item that its omission or misstatement will affect the economic decisions made by the users. The Group determine the materiality criteria from two aspects based on the located specific environment: the item's nature (whether it is part of the Group's daily activities, whether it significantly affects the Group's financial position, operating results and cash flows, etc.) and the item's amount (which accounts for the Group's key financial indicators, including the proportion of operating income, net profit, total assets and total shareholders' equity, etc., or the proportion of the amount of item listed in the statement).

Item	materiality criteria
Significant credit loss provisions assessed on an individual basis of receivables	0.1% of total assets
Significant amount of reversal or written-off credit loss provision	0.1% of total assets
Significant receivables written-off	0.1% of total assets
Significant research and development projects	Individual research and development project accounted for more than 10% of the total R&D investment
Significant construction in progress	10% of carrying amount of the construction in progress
Significant joint ventures or associates	The book value of long-term equity investment in a single investee unit accounts for more than 5% of the Group's net assets and the amount is greater than RMB1 billion

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

6. Accounting treatment of business combinations involving enterprises under common control and business combinations not involving enterprises under common control

Business combination includes business combinations involving enterprises under common control and business combinations not involving enterprises under common control.

6.1 Business combinations involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

Assets and liabilities obtained in the business combination are recognized at their carrying amounts at the date of merger as recorded by the party being combined. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination is adjusted to capital reserves. If the capital reserve is not sufficient to absorb the difference, any excess is adjusted to retained earnings.

Costs that are directly attributable to the combination are charged to profit or loss when incurred.

6.2 Business combinations not involving enterprises under common control and goodwill

A business combination not involving enterprises under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties before and after the combination.

The combination costs of the combining party shall be the fair value of the assets paid, the liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for the control over the acquiree on the acquisition date. The overhead for the business combination of the combining party, including the expenses for audit, legal services, assessment, and other administrative expenses, shall be recorded in profit or loss for the current period when incurred.

Identifiable assets, liabilities and contingent liabilities of acquiree qualifying for the conditions of recognition acquired by the acquirer in business combination are measured at fair value on the acquisition date.

For the difference that the combination cost is larger than the portion of fair value of net identifiable assets of acquiree acquired in combination, it is recognized as goodwill as an asset, and initially measured at cost. For those with combination cost lower than the portion of fair value of net identifiable assets of acquiree acquired in combination, re-verification is first carried out on the measurement of the fair value of all identifiable assets, liabilities and contingent liabilities as well as the combination cost. For those with combination cost still lower than the portion of fair value of net identifiable assets of acquiree acquired in combination after re-verification, they are credited to profit or loss for the current period.

Goodwill occurred as a result of combination shall be recognized separately in the consolidated financial statement and measured at cost less accumulated impairment losses.

6.3 Acquisition of assets by acquisition of subsidiaries

For subsidiary acquisitions but not business acquisitions, the cost of the acquisition is allocated to individual identifiable assets and liabilities on the basis of the fair value of the assets and liabilities at the acquisition date, without generating goodwill or purchase gains.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

7. Determination criteria of control and preparation of consolidated financial statements

7.1 Determination criteria of control

The scope of consolidated financial statements is determined on the basis of control. Control is achieved when the Group has power over the investee; is exposed, or has rights to achieve returns from its involvement with the investee; and has the ability to use its power to affect its returns. Once the relevant facts and situation changed that altered the elements define control, the Group shall re-evaluate control.

7.2 Preparation of consolidated financial statements

The scope of consolidation in the consolidated financial statements is determined on the basis of control.

The combination of subsidiaries begins with controlling the subsidiary by the Group, and ceases with the Group's losing control of the subsidiary.

For a subsidiary disposed of by the Group, the operating results and cash flows before the date of disposal (the date when control is lost) are included in the consolidated income statement and consolidated statement of cash flows, as appropriate.

For a subsidiary acquired through a business combination not involving enterprises under common control, the operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated income statement and consolidated statement of cash flows, as appropriate.

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving enterprises under common control are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the date when they first came under the common control of the ultimate controlling party are included in the consolidated income statement and consolidated statement of cash flows, as appropriate.

Major accounting policies and accounting years adopted by the subsidiaries are defined according to the standardized accounting policies and accounting years stipulated by the Company.

All significant intra-group accounts and transactions between the parent company and its subsidiaries or between subsidiaries are eliminated on consolidation.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

7. Determination criteria of control and preparation of consolidated financial statements (continued)

7.2 Preparation of consolidated financial statements (continued)

The portion of a subsidiary's equity that is not attributable to the parent is treated as minority interests and presented as "minority interest" in the consolidated balance sheet within owners' equity. The portion of net profits or losses of subsidiaries for the period attributable to minority interests is presented in the consolidated income statement under the "net profit" item as profit or losses attributable to "minority interests".

The loss of the subsidiary attributable to minority interest is more than minority interests in that subsidiary at beginning of the period, the minority interest shall be reversed by the balance of the loss of the subsidiary attributable to minority interests.

For the transaction of acquiring minority interests of its subsidiaries, treated as equity transaction, the book value of shareholder's equity attributed the Company and that of minority interest should be adjusted to reflect the change in the company's interest in the subsidiaries. Differences between the adjustment of minority interests and the fair value of consideration are adjusted to capital reserve. If the differences exceed capital reserve, retained earnings shall be adjusted.

When the Group loses control over a subsidiary due to disposal of certain equity interest or other reasons, any retained interest is re-measured at its fair value at the date when control is lost. The difference between (i) the aggregate of the consideration received on disposal and the fair value of any retained interest and (ii) the share of the former subsidiary's net assets cumulatively calculated from the acquisition date according to the original proportion of ownership interest is recognized as investment income in the period in which control is lost, and is offset against goodwill. Other comprehensive income related to an equity investment in an existing subsidiary is accounted for on the same basis at the time of loss of control as when the subsidiary directly disposed of the related asset or liability.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

8. Classification of joint arrangements and accounting treatments of joint operations

A joint arrangement is classified into joint operation and joint venture, depending on the rights and obligations of the parties to the arrangement, which is assessed by considering the structure and the legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

The Group accounts for investments in joint ventures using equity method. Refer to Note (III) 18.3.2 “Long-term equity investments accounted for using the equity method” for details.

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognizes in relation to its interest in a joint operation:

- Its assets, including its share of any assets held jointly;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation; and
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting standards applicable to the particular assets, liabilities, revenues and expenses.

When the Group invest or sell assets (except that such assets constitute a business), only profit or loss arising from the transaction attributable to parties involved in such joint operation is recognized prior to the resale of the assets to third parties by joint operations. When there is an impairment of the asset investment or sale, the Group recognizes such loss in full.

When the Group purchase assets or others from joint operations (except that such assets constitute a business), only profit or loss arising from the transaction attributable to parties involved in such joint operation is recognized prior to the resale of the assets to third parties. When there is an impairment of purchased assets, the Group recognizes such loss based on its share.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

9. Recognition criteria of cash and cash equivalents

Cash comprises cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are the Group's short-term (usually due within three months from the purchase date), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

10.1 Transactions denominated in foreign currencies

On initial recognition, foreign currency transactions are translated into the reporting currency using the spot exchange rate prevailing at the date of transaction.

As at the balance sheet date, monetary items denominated in foreign currency are exchanged to Renminbi by adopting the prevailing exchange rate on that date. Foreign exchange difference arising from the difference between the prevailing exchange rate on that date and the prevailing exchange rate on initial reorganization or on the previous balance sheet date are all credited to profit or loss for the current period, with the exception that foreign exchange differences for specific borrowings denominated in foreign currency and qualifying for conditions of capitalization are capitalized during the capitalization year and credited to the cost of relevant assets.

Non-monetary items denominated in foreign currency that are measured at historical cost are still measured at amount denominated in reporting currency exchanged at the prevailing exchange rate at the transaction date. Foreign currency non-monetary items measured at fair value are translated at the spot exchange rate on the date when the fair value is determined. The difference between the translated functional currency amount and the original functional currency amount is treated as a change in fair value (including exchange rate changes) and included in the current profit and loss or recognized as other comprehensive income.

10.2 Translation of financial statements denominated in foreign currency

To prepare consolidated financial statements, the financial statements denominated in foreign currency of a foreign operation are translated to RMB in compliance with the following requirement: assets and liabilities on the balance sheet are translated at the spot exchange rate prevailing at the balance sheet date; all equity (except undistributed profits) items are translated at the spot exchange rates at the dates on which such items arose; income and expenses and profit appropriation items in the income statement are translated at the spot exchange rate at the date of transaction; Undistributed profits at the beginning of the year is the translated undistributed profits at the end of prior year; undistributed profits at the end of year is presented as the translated items of profit distribution; all exchange differences of assets, liabilities and shareholders' equity resulting from the translation are recognized separately as "other comprehensive income" in the shareholders' equity on the balance sheet.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

10. Translation of transactions and financial statements denominated in foreign currencies (continued)

10.2 Translation of financial statements denominated in foreign currency (continued)

Cash flow dominated in foreign currency or from foreign subsidiaries shall be translated at the spot exchange rate when it incurs. Effects arising from changes of exchange rate of cash and cash equivalents is regarded as a reconciling item and presented separately as "Effect of changes in exchange rates on cash and cash equivalents" in the cash flow statement.

The closing balance at the end of the previous year and the actual figures of the previous year are presented according to the translated amounts of the financial statements of the prior year.

When the control on foreign operation is lost due to the disposal of ownership interests of the Group's foreign operation or partial disposal of equity investment or other reasons, exchange differences of foreign currency statements attributable to the shareholders of the parent company related to such foreign operation and presented under shareholder's equity item in the balance sheet are all transferred to profit or loss for the current period.

II. Financial instruments

The Group shall recognize a financial asset or a financial liability in its statement of financial position when, the Group becomes party to the contractual provisions of the instrument.

Where financial assets are purchased or sold in a regular way, assets to be received and liabilities to be borne for it are recognized on the date of transaction, or sold assets are derecognized on the date of transaction.

The financial assets and liabilities are measured at fair value on initial recognition (the method of determining the fair value of financial assets and financial liabilities is set out in related disclosure of basis of accounting and principle of measurement under Note (II)). For the financial assets and liabilities at fair value through profit or loss (FVTPL), related transaction expenses are directly charged to the profit or loss for the period; for other financial assets and liabilities, related transaction expenses are included in the initial recognized amount. For accounts receivable excluding significant financing components or regardless of financing components of contracts less than one year recognized based on ASBEs No.14 – Revenue ("Revenue Standard"), accounts receivable initially recognized shall be measured at transaction price defined based on the Revenue Standard on initial recognition.

Effective interest method is the method that is used in the calculation of the amortized cost of a financial asset or a financial liability and in the allocation and recognition of the interest revenue or interest expense in profit or loss over the relevant year.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group shall estimate the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but shall not consider the expected credit losses.

Amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization amount using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance (applies to financial assets only).

11.1 Classification, recognition and measurement of financial assets

After initial recognition, the Group shall measure a financial asset at amortized cost, fair value through other comprehensive income or fair value through profit or loss.

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows, the Group shall classify the financial asset into the financial asset measured at amortized cost. Such financial assets mainly include: cash and bank balances, accounts receivable, notes receivable, other receivables, other current assets – deposits in non-bank financial institutions and long-term receivables (excluding financial lease payments).

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows and selling such financial assets, the Group shall classify the financial asset into the financial asset at fair value through other comprehensive income (“FVTOCI”). Notes receivable classified as at FVTOCI upon acquisition are presented as financing with receivables.

On initial recognition, the Group may, based on an individual financial asset, irrevocably designate a non-tradable equity instrument investment which is non-contingent consideration and recognized in business combination not involving enterprises under common control as financial asset measured at FVTOCI. Such financial assets are presented as other equity instrument investments.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

II. Financial instruments (continued)

11.1 Classification, recognition and measurement of financial assets (continued)

The Group's purpose of holding the financial assets is for trading if one of the following conditions is satisfied:

- The purpose of acquiring the financial assets is to sell the assets in the near future.
- The relevant financial assets are, on initial recognition, a part of the centrally-managed identifiable financial instrument portfolio, and the objective evidence indicates that short-term profit model exists in the near future.
- The relevant financial assets are derivative instruments. However, derivatives that meet the definition of financial guarantee contracts and those designated as effective hedging instruments are excluded.

Financial assets measured at FVTPL include those classified as at FVTPL and those designated as at FVTPL:

- Financial assets that are not qualified to be classified as financial assets at amortized cost or financial assets at FVTOCI are classified as financial assets at FVTPL.
- Upon initial recognition, in order to eliminate or significantly reduce accounting mismatch, the Group will irrevocably designate financial assets at FVTPL.

Other than derivative financial assets, the financial assets at FVTPL are presented as held-for – trading financial assets and those due after one year from the balance sheet date (or with no fixed term) and expected to be held for more than one year are presented as other non – current financial assets.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

11.1 Classification, recognition and measurement of financial assets (continued)

11.1.1 Financial assets at amortized cost

The financial asset at amortized cost is subsequently measured at amortized cost using the effective interest method. Gain or loss arising from derecognition, impairment or amortization is recognized in profit or loss.

The Group recognizes interest income on financial assets measured at amortized cost using the effective interest method. The Group calculates interest income based on the Carrying amount of financial assets multiplied by the actual interest rate, except for the following circumstances:

- For purchased or originated credit-impaired financial assets, the Group calculates and recognizes its interest income based on amortized cost of the financial asset and the effective interest through credit adjustment since initial recognition.
- For purchased or originated financial assets that were not credit-impaired but have become credit-impaired in subsequent period, the Group calculates the interest income by applying the effective interest rate to the amortized cost of the financial assets in subsequent period. If the financial instrument is no longer credit-impaired due to improvement of credit risk, and the improvement is linked with an event occurred after application of above provisions, the Group will calculate the interest income by applying effective interest rate to the carrying amount of the financial assets.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

II. Financial instruments (continued)

11.1 Classification, recognition and measurement of financial assets (continued)

11.1.2 Financial assets at FVTOCI

Impairment gains or losses on a financial asset at FVTOCI and the interest income calculated using the effective interest method shall be recognized in profit or loss. Except for them, changes in fair value of such financial assets shall be recognized in other comprehensive income. The amount of such financial asset recognized in profit or loss of each period is equal to the amount deemed as measured at amortized cost all the time and recognized in profit or loss of each period. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is transferred from other comprehensive income to profit or loss.

Changes in fair value of non-tradable equity instrument investment designated as at FVTOCI are recognized in other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income are transferred from other comprehensive income to retained earnings. During the period that the Group holds these non-tradable equity instrument, the Group has established the right of collecting dividends, whose economic benefit is probably flow into the Group, and the amount of the dividends can be reliably measured, then the Group will recognize dividends in profit or loss.

11.1.3 Financial assets at FVTPL

Financial assets at FVTPL shall be subsequently measured at fair value. Gains or losses from change in fair value, dividends and interest income related to such financial assets shall be recognized in profit or loss.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

11.2 Impairment of financial instruments and other items

The Group shall recognize a loss allowance for expected credit losses on financial assets at amortized cost, financial assets at FVTOCI and other items (lease receivables and contract assets).

The Group measures a loss allowance equivalent to the amount of lifetime expected credit losses for the contract assets or accounts receivable arising from transactions adopting Revenue Standards, and lease receivables arising from transactions adopting *ASBEs No. 21 – Leases*.

For other financial instrument, the Group assesses changes in credit risks of the relevant financial asset since initial recognition at each balance sheet date. If the credit risks of the financial instrument has been significantly increased since initial recognition, the Group will make a loss allowance at an amount of lifetime expected credit loss; if not, the Group will make a loss allowance for the financial instrument at an amount in the future 12-month expected credit losses. Increase in or reversal of credit loss provision is included in profit or loss as loss or gain on impairment, except for financial assets classified as at fair value through other comprehensive income. The Group recognizes credit loss provision for financial assets at FVTOCI in other comprehensive income and recognizes loss or gain on impairment in profit or loss for the period, without reducing the carrying amount of the financial assets presented in the balance sheet.

The Group has made a loss allowance against amount of lifetime expected credit losses in the prior accounting period. However, at the balance sheet date, the credit risk on a financial instrument has not increased significantly since initial recognition; the Group will measure the loss allowance for that financial instrument at an amount in the future 12-month expected credit losses. Reversed amount of loss allowance arising from such circumstances shall be included in profit or loss as impairment gains or loss.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

II. Financial instruments (continued)

11.2 Impairment of financial instruments and other items (continued)

11.2.1 Significant increase in credit risk

The Group will make use of reasonable and supportable forward-looking information that is available to determine whether credit risk has increased significantly since initial recognition through comparing the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition.

The Group will take the following factors into consideration when assessing whether credit risk has increased significantly:

- (1) Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations.
- (2) An actual or expected significant change in the operating results of the borrower.
- (3) Significant increases in credit risk on other financial instruments of the same borrower.
- (4) A significant adverse change in the regulatory, economic, or technological environment of the borrower.
- (5) Significant changes in the expected performance and repayment behavior of the borrower.

The Group may assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. If the risk of default of a financial instrument is low, the borrower is highly capable of meeting its contract cash flow obligations in the short term, and the financial instrument is considered to have a lower credit risk even if there is a negative change in the economic situation and operating environment over a longer period of time, but it may not necessarily reduce the borrower's performance of its contract cash obligations.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

11.2 Impairment of financial instruments and other items (continued)

11.2.2 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- (1) Significant financial difficulty of the issuer or the borrower;
- (2) A breach of contract by the debtor, such as a default or delinquency in interest or principal payments;
- (3) The creditor, for economic or legal reasons relating to the debtor's financial difficulty, granting a concession to the debtor that will not be made under any other circumstances;
- (4) It becoming probable that the debtor will enter bankruptcy or other financial reorganizations;
- (5) The disappearance of an active market for that financial asset because of financial difficulties of the issuer or the debtor;

11.2.3 Recognition of expected credit losses

The Group determines expected credit losses of relevant financial instruments using the following methods:

- For financial assets and lease receivables, a credit loss is the present value of the difference between: (a) The contractual cash flows that are due to the Group under the contract; and (b) the cash flows that the Group expects to receive.
- For a financial asset that is credit-impaired at the reporting date, the Group shall measure the expected credit losses as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The factors reflected in methods of measurement of expected credit losses include an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; time value of money; reasonable and supportable information about past events, current conditions and forecasts on future economic status at balance sheet date without unnecessary additional costs or efforts.

11.2.4 Written-off of financial assets

The Group shall directly reduce the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

II. Financial instruments (continued)

11.3 Transfer of financial assets

The Group shall derecognize a financial asset when: (1) the contractual rights to the cash flows from the financial asset expire, (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset is transferred to the transferee; or (3) although the financial asset has been transferred, the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but has not retained control of the financial asset.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between the carrying amount at the derecognition date of the financial asset transferred and the sum of the consideration received from the transfer of the financial asset and the amount correlating to the derecognition part in the accumulated amount originally recognized in changes in fair value of other comprehensive income is recognized in profit or loss. If the transferred financial asset is the non-tradable equity instrument investment designated as at FVTOCI, cumulative gain or loss that has been recognized in other comprehensive income should be removed from other comprehensive income and be recognized in retained earnings.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group will continuously recognize the transferred financial asset in its entirety. Considerations received should be recognized as a financial liability.

11.4 Classification of financial liabilities and equity instruments

Financial instruments issued by the Group are classified into financial liabilities or equity instruments on the basis of the substance of the contractual arrangements and the economic nature not only its legal form, together with the definition of financial liability and equity instruments on initial recognition.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

11.4 Classification of financial liabilities and equity instruments (continued)

11.4.1 Classification, recognition and measurement of financial liabilities

On initial recognition, financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities.

11.4.1.1 Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL include held-for-trading financial liabilities (including derivatives of financial liabilities) and financial liabilities designated as FVTPL. Financial liabilities at FVTPL of the Group comprise held-for-trading financial liabilities.

A financial liabilities meets one of the following conditions, indicating that the purpose of the Group's assumption of the financial liability is transactional:

- The purpose of undertaking related financial liabilities is mainly for the recent repurchase.
- The relevant financial liabilities are, on initial recognition, a part of the centrally-managed identifiable financial instruments portfolio, and the objective evidence indicates that short-term profit model exists in the near future.
- The related financial liabilities are derivative instruments. However, derivatives that meet the definition of financial guarantee contracts and those designated as effective hedging instruments are excluded.

Financial liabilities at FVTPL are subsequently measured at fair value, and gains or losses from changes in fair value and dividends or interest expenses related to these financial liabilities are included in the current profits and losses.

11.4.1.2 Other financial liabilities

Other financial liabilities of the Group are subsequently measured at amortized cost. Gain or loss arising from derecognition or amortization of such financial liabilities is recognized in profit or loss.

Other financial liabilities of the Group mainly include: short-term borrowings, notes payables, accounts payable, other payables, other current liabilities, long-term borrowings and bonds payable, etc.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

II. Financial instruments (continued)

11.4 Classification of financial liabilities and equity instruments (continued)

11.4.2 Derecognition of financial liabilities

The Group derecognizes a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged. An agreement between the Group (an existing debtor) and an existing lender to replace the original financial liability with a new financial liability with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

When the Group derecognizes a financial liability or a part of it, it recognizes the difference between the carrying amount of the financial liability (or part of the financial liability) derecognized and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss.

11.4.3 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The issuance (including refinance), repurchase, selling or cancellation of these instruments are treated as change in equity. The enterprise should not recognize changes in the fair value of the equity instruments. The related transaction costs are deducted from equity.

The Group recognizes the distribution to holders of the equity instruments as distribution of profits, and stock dividends paid do not affect total amount of shareholders equity.

For the restricted stock incentive plan implemented by the Group, the repurchase obligation of the restricted stock granted by the Group to the incentive target shall be recognized as liability and treated as repurchase of treasury stock.

11.5 Derivatives

Derivative financial instruments include forward exchange contracts. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently re-measured at fair value.

11.6 Offsetting a financial asset and a financial liability

Where the Group has a legal right that is currently enforceable to set off the amount of the recognized financial assets and financial liabilities, and intends either to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously, a financial asset and a financial liability shall be offset and the net amount is presented in the balance sheet. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the balance sheet and shall not be offset.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

11.7 Convertible bonds

The convertible bonds issued by the Group, which include both liabilities and conversion options, are separated and recognized respectively at the initial recognition. Among them, the conversion option to exchange a fixed amount of cash or other financial assets for a fixed amount of its own equity instrument settlement is accounted as an equity instrument.

At the time of initial recognition, the fair value of the liability is determined according to the current market price of similar bonds without conversion option. The difference between the overall issue price of convertible bonds and the fair value of the liability part shall be taken as the value of the conversion option of the bondholder to convert the bonds into equity instruments and included in other equity instruments.

During subsequent measurement, the liabilities of convertible bonds are measured at amortized cost using the effective interest rate method; The value of the conversion option divided into equity instruments continues to be retained in equity instruments. There is no loss or gain on the maturity or conversion of convertible bonds.

The transaction costs incurred in issuing convertible bonds shall be apportioned between the components of liabilities and equity instruments according to the distribution method consistent with the overall issuance price. The transaction costs related to the components of equity instruments are directly included in equity instruments; The transaction costs related to the composition of liabilities are included in the book value of liabilities and amortized within the term of convertible bonds using the effective interest rate method.

12. Financing with receivables

12.1 Determination and accounting methods for expected credit losses of notes receivable

The Group assesses, on an individual basis, the credit risk of notes receivable with significantly different credit risks. Other notes receivable are assessed on a portfolio basis according to credit risk characteristics.

The amount of increase in or reversal of allowance for expected credit losses on notes receivable is included in profit or loss for the period as credit impairment losses or gains.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

12. Financing with receivables (continued)

12.2 Categories of portfolios for which bad debt provision is assessed on a portfolio basis according to credit risk characteristics and the basis for determination

In addition to notes receivable for which the credit risk is assessed on an individual basis, the remaining notes receivable are categorized into bank acceptances and commercial acceptances portfolios based on their credit risk characteristics by the Group.

12.3 Aging calculation method for portfolio of credit risk characteristics recognized based on aging

The aging is calculated from the date of initial recognition. If the debtor settles accounts receivable with commercial acceptances or acceptances of finance company, the aging of notes receivable is added to that of the original accounts receivable for calculation.

13. Accounts receivable

13.1 Determination and accounting methods for expected credit losses of accounts receivable

In addition to accounts receivable for which the individual amounts are significant and whose credit risk characteristics are significantly different, the Group assesses the credit loss of the remaining accounts receivable on a portfolio basis using an impairment matrix.

The amount of increase in or reversal of allowance for expected credit losses on accounts receivable is included in profit or loss for the period as credit impairment losses or gains.

13.2 Categories of portfolios for which bad debt provision is assessed on a portfolio basis according to credit risk characteristics and the basis for determination

The accounts receivable are grouped by the Group based on common credit risk characteristics. The common credit risk characteristics adopted by the Group include industry of the debtor, overdue, aging, etc.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

13. Accounts receivable (continued)

13.3 Aging calculation method for portfolio of credit risk characteristics recognized based on aging

As part of the Group's credit risk management, the Group determines the expected credit losses using an impairment matrix base on the overdue age of accounts receivable credit period. The overdue age is calculated from the date the accounts receivable exceed the credit period. If the accounts receivable are converted from contract assets, the overdue age is calculated consecutively from the date on which the corresponding contract assets exceed the credit period.

14. Financing with receivables

For the notes receivable classified as at fair value through other comprehensive income, the portion due within one year (inclusive) since acquisition is presented as financing with receivables.

14.1 Determination and accounting methods for expected credit losses of financing with receivables

The Group assesses the credit loss of financing with receivables on a portfolio basis using an impairment matrix.

The credit loss provision for financing with receivables is recognized in other comprehensive income and the impairment loss or gain is included in profit or loss for the period without reducing the carrying amount of the financing with receivables in the balance sheet.

14.2 Categories of portfolios for which bad debt provision is assessed on a portfolio basis according to credit risk characteristics and the basis for determination

The acceptors of the Group's receivables financing are banks with higher credit ratings and have common credit risk characteristics.

14.3 Aging calculation method for portfolio of credit risk characteristics recognized based on aging

The Group adopts the aging of financing with receivables as a credit risk characteristic to determine the expected credit losses using an impairment matrix. The aging is calculated from the date of initial recognition.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

15. Other receivables

15.1 Determination and accounting methods for expected credit losses of other receivables

In addition to other receivables for which the individual amounts are significant and whose credit risk characteristics are significantly different, the Group assesses the credit loss of the remaining accounts receivable on a portfolio basis using an impairment matrix. The amount of increase in or reversal of allowance for expected credit losses on other receivables is included in profit or loss for the period as credit impairment losses or gains.

15.2 Categories of portfolios for which bad debt provision is assessed on a portfolio basis according to credit risk characteristics and the basis for determination

The other receivables are grouped by the Group based on common risk characteristics. The common credit risk characteristics adopted by the Group include industry of the debtor, nature of other receivables, aging, etc.

15.3 Aging calculation method for portfolio of credit risk characteristics recognized based on aging

The aging is calculated from the date of initial recognition.

16. Inventories

16.1 Categories of inventories, valuation method of inventories upon delivery, inventory count system, and amortization method for low-value consumables and packaging materials

16.1.1 Categories of inventories

Inventories of the Group mainly include raw materials, work-in-progress, finished products and low-value and short-lived consumables. Inventories are initially measured at cost. Cost of inventories includes costs of purchase, costs of conversion and other expenditures incurred in bringing the inventories to their present location and condition.

16.1.2 Valuation method of inventories upon delivery

The actual cost of inventories upon delivery is calculated using the weighted average method.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

16. Inventories (continued)

16.1 Categories of inventories, valuation method of inventories upon delivery, inventory count system, and amortization method for low-value consumables and packaging materials (continued)

16.1.3 Inventory count system

The perpetual inventory system is maintained for stock system.

16.1.4 Amortization method for low-value consumables and other turnover materials

Turnover materials are materials that can be reused many times and still be remained in original condition after gradual transfer of their value but are not recognized as fixed assets, including low-value consumables and other turnover materials.

Low value consumables and other turnover materials are amortized using the immediate write-off method.

16.2 Recognition criteria and provision method for decline in value of inventories

At the balance sheet date, inventories are calculated at the lower of cost and net realizable value. Provision for inventory impairment is made when the net realizable value is lower than the cost.

Net realizable value represents the estimated selling price of inventories minus cost estimated to incur upon completion, estimated selling costs and relevant taxes during normal course of business. When determining the net realizable value of inventory, basis is relied on the actual evidences obtained while the objectives of inventories holding and the impact of post balance sheet date event are also considered.

After the provision for decline in value of inventories is made, if the circumstances that previously caused inventories to be written down below cost no longer exist so that the net realizable value of inventories is higher than their cost, the original provision for decline in value is reversed and the reversal is included in profit or loss for the period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

16. Inventories (continued)

16.3 The portfolios and determination basis of the provision for inventory decline price on a portfolio basis and the determination basis of the net realizable value of different categories of inventories

For large quantity and low value items of inventories, provision for decline in value is made based on categories of inventories. For items of inventories relating to a product line that are produced and marketed in the same geographical area, have the same or similar end uses or purposes, and cannot be practicably evaluated separately from other items in that product line, provision for decline in value is determined on an aggregate basis. Provision for decline in value of other inventories is made based on the excess of cost of inventory over its net realizable value on an item-by-item basis.

17. Contract assets

17.1 Recognition method and criteria of contract assets

Contract asset refers to the Group's right to consideration in exchange for goods or services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time. The Group's unconditional (i.e., depending on the passage of time only) right to receive consideration from the customer is separately presented as receivables.

17.2 Determination and accounting methods for expected credit losses of contract assets

The Group assesses the credit loss of contract assets on a portfolio basis using an impairment matrix. The amount of increase in or reversal of allowance for expected credit losses on contract assets is included in profit or loss for the period as credit impairment losses or gains.

17.3 Categories of portfolios for which bad debt provision is assessed on a portfolio basis according to credit risk characteristics and the basis for determination

The contract assets are grouped by the Group based on common credit risk characteristics. The common credit risk characteristics adopted by the Group include industry of the debtor, nature of contract assets, overdue status, aging, etc.

17.4 Aging calculation method for portfolio of credit risk characteristics recognized based on aging

The Group adopts the aging of contract assets as a credit risk characteristic to determine the expected credit losses using an impairment matrix. The aging is calculated from the date of initial recognition.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

18. Long-term equity investments

18.1 Judgement criterion of determining joint control or significant influence over the investee

Control is the power over the investee, exposures or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the investor's returns. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of an enterprise, except to control or joint control the formulation of such policies together with other parties. In determining whether there is control or significant influence over the investee, potential voting right factors (such as the convertible corporate bonds for the period and the exercisable stock warrants for the period of the investee and other invested units held) were taken into account.

18.2 Determination of initial investment cost

For a long-term equity investment acquired through business combination involving enterprises under common control, shares of book value of owners' equity of combined party in financial statements of ultimate controlling party is recognized as initial investment cost of long-term equity investment at the date of combination. The difference between initial investment cost of long-term equity investment and cash paid, non-cash assets transferred and book value of liabilities assumed, is adjusted in capital reserve. If the balance of capital reserve is not sufficient to absorb the difference, any excess is adjusted to retained earnings.

For a long-term equity investment acquired through business combination involving enterprises not under common control, the initial investment cost of the long-term equity investment acquired shall be the cost of acquisition.

Any audit, legal service, appraisal and other agency expense and other administration expense occurred during combination, the acquiree shall recognize those expenditure in profit or loss.

Long-term equity investment acquired otherwise than through a business combination is initially measured at its cost.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

18. Long-term equity investments (continued)

18.3 Method for subsequent measurement and profit or loss recognition

18.3.1 Long-term equity investments accounted for using the cost method

The Company's separate financial statements adopted cost method to account for the long-term equity investments of subsidiaries. A subsidiary is an investee that is controlled by the Group.

Under the cost method, a long-term equity investment is measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. Investment income is recognized in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

18.3.2 Long-term equity investments accounted for using the equity method

The Group accounts for investments in associates and joint ventures using equity method. Associate refers to the investee that the Group can exert significant influence on Joint venture refers to a joint venture arrangement in which the Group only has rights to the net assets of the arrangement.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the investor's interest in the fair value of the investee's identifiable net assets at the acquisition date, no adjustment shall be made to the initial investment cost. Where the initial investment cost is less than the investor's interest in the fair value of the investee's identifiable net assets at the acquisition date, the difference shall be charged to profit or loss for the current period, and the cost of the long-term equity investment shall be adjusted accordingly.

Under the equity method, the Group recognizes its share of the net profit or loss and other comprehensive income of the investee for the period as investment income and other comprehensive income for the period. Meanwhile, carrying amount of long-term equity investment is adjusted: the carrying amount of long-term equity investment is decreased in accordance with its share of the investee's declared profit or cash dividends; Other changes in owners' equity of the investee other than net profit or loss and other comprehensive income are correspondingly adjusted to the carrying amount of the long-term equity investment, and recognized in the capital reserve. The Group recognizes its share of the investee's net profit or loss based on the fair value of the investee's individual identifiable assets, etc. at the acquisition date after making appropriate adjustments. If the accounting policies and accounting periods adopted by the investee are inconsistent with those of the company, the financial statements of the investee shall be adjusted according to the accounting policies and accounting periods of the company, and the investment income and other comprehensive income shall be recognized. For transactions between the Group and associated enterprises and joint ventures, if the assets invested or sold do not constitute business, the unrealized internal transaction profits and losses are calculated according to the proportion enjoyed, and the part attributable to the Group is offset, and the investment profits and losses are recognized on this basis. However, the unrealized internal transaction losses between the Group and the investee are not offset if they belong to the impairment loss of the transferred assets.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

18. Long-term equity investments (continued)

18.3 Method for subsequent measurement and profit or loss recognition (continued)

18.3.2 Long-term equity investments accounted for using the equity method (continued)

The Group discontinues recognizing its share of net losses of the investee after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero. If the Group has incurred obligations to assume additional losses of the investee, a provision is recognized according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the investee, the Group resumes recognizing its share of those profits only after its share of the profits exceeds the share of losses previously not recognized.

18.3.3 Disposal of long-term equity investments

On disposal of a long-term investment, the difference between the carrying amount of the investment and the actual consideration paid is recognized in current profit or loss.

Where the Group loses control over investee due to disposal of part of shares, during preparing separate financial statement, if remaining shares after disposal can make joint control or significant influence on investee, they are accounted under equity method, and adjusted as if they are accounted under equity method since the acquisition date; If remaining shares after disposal cannot make joint control or significant influence on investee, they are accounted according to recognition and measurement of financial instruments, and the difference between fair value on date of losing control and book value is recognized in profit or loss of current period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

19. Investment properties

Investment property refers to real estate held to earn rentals or for capital appreciation, or both, including leased land use right, land use right held and provided for transferring after appreciation and leased constructions, etc.

Investment property is initially measured at cost. Subsequent expenditures related to an investment property shall be included in cost of investment property only when the economic benefits associated with the asset will likely flow to the Group and its cost can be measured reliably. All other subsequent expenditures on investment property shall be included in profit or loss for the current period when incurred.

The Group adopts cost method for subsequent measurement of investment property. Investment properties are depreciated over their useful lives using the straight-line method. The depreciation method, depreciation life, estimated residual value rate and annual depreciation rate of each category of investment properties are as follows:

Category	Depreciation life (year)	Residual value rate (%)	Annual depreciation rate (%)
Buildings	8-40	5	2.38-11.88
Land use rights	50	0	2.00

When an investment property is sold, transferred, retired or damaged, the amount of proceeds on disposal of the property net of the carrying amount and related taxes and surcharges is recognized in profit or loss for the current period.

When there is evidence that the Group has converted its own buildings and land use rights to lease, the fixed assets and intangible assets are converted into investment real estate at the book value before conversion. When there is evidence that the buildings and land use rights held to earn rentals or for capital appreciation are converted to self-occupation, the carrying amount of such properties before the conversion are transferred to fixed assets and intangible assets.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

20. Fixed assets

20.1 Recognition criteria

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and have a useful life of more than one accounting year. Fixed assets are only recognized when their related economic benefits are likely to flow to the Group and their cost can be reliably measured. Fixed assets are initially measured at cost.

For subsequent expenses related to fixed assets, if the economic benefits related to such fixed assets is likely to inflow and its cost could be reliably measured, they are capitalized to fixed assets cost and the carrying amount of replacement will be derecognized. Other subsequent expenses other than the above are charged to profit or loss for the current period when incurred.

20.2 Depreciation method

In addition to ownership of land assets, a fixed asset is depreciated over its useful life using the straight-line method since the month subsequent to the one in which it is ready for intended use. The depreciation years, estimated net residual value rate and annual depreciation rate of each category of fixed assets are as follows:

Category	Depreciation (years)	Estimated residual value rate (%)	Annual depreciation rate (%)
Buildings	8-40	5	2.38-11.88
Machinery and equipment	10	5	9.50
Transportation vehicles	4-10	5	9.50-23.75
Electronic equipment and others	3-10	5	9.50-31.67

Estimated net residual value of a fixed asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the stage and in the condition expected at the end of its useful life.

20.3 Other explanations

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognized. When a fixed asset is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the asset net of the carrying amount and related taxes is recognized in profit or loss for the current period.

The Group reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least once at each financial year-end, and account for any change as a change in an accounting estimate.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

21. Construction in progress

Construction in progress is recognized based on the actual construction cost, including all expenditures incurred for construction projects, capitalized borrowing costs for the construction in progress before it has reached the working condition for its intended use, and other related expenses during the construction year. A construction in progress is transferred to fixed assets when it has reached the working condition for its intended use.

22. Borrowing costs

Borrowing costs include interest, amortization of discount or premiums related to borrowings, ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings. For borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, when expenditures for the asset and borrowing costs are being incurred, activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced, such borrowing costs shall be capitalized as part of the cost of that asset; and capitalization shall discontinue when the qualifying asset is ready for its intended use or sale. Other borrowing costs shall be recognized as expense during the current period in which they are incurred.

Where funds are borrowed for a specific purpose, the amount of interest to be capitalized shall be the actual interest expense incurred during the current period less any bank interest earned from depositing the borrowed funds before being used into banks or any investment income on the temporary investment of those funds. Where funds are borrowed for general purpose, the Group shall determine the amount of interest to be capitalized on such borrowings by applying a capitalization rate to the weighted average of the excess amounts of cumulative expenditures on the asset over and above the amounts of specific-purpose borrowings. The capitalization rate shall be the weighted average of the interest rates applicable to the general-purpose borrowings.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

23. Intangible assets

23.1 Useful life and the basis for determination, estimates, amortization method or review procedures

Intangible assets include land use right, software and others and non-patent technology, etc. An intangible asset shall be measured initially at cost.

Land use right acquired shall normally be recognized as an intangible asset. Self-constructed buildings (e.g. plants), related land use right and the buildings shall be separately accounted for as intangible assets and fixed assets. For buildings and structures purchased, the purchase consideration shall be allocated among land use right and the buildings on a reasonable basis. If there is any difficulty in making a reasonable allocation, the consideration shall be recognized in full as fixed assets.

When an intangible asset with a finite useful life is available for use, its original cost less estimated net residual value and any accumulated impairment losses provided is amortized over its estimated useful life using the straight-line method. The intangible assets with infinite useful life are not amortized. The useful life and net residual value rate of various types of intangible assets are as follows:

Category	useful life (years)	Basis of determination	net residual value rate (%)
Land use right	50	Year(s) registered on the certificate of title	0
Software and others	2-10	Year(s) expected to produce economic benefits	0
Non-patent technology	2-10	Year(s) expected to produce economic benefits	0

The Group shall review the finite useful life of an intangible asset and the amortization method applied at the end of the period. A change in the useful life or amortization method used shall be accounted for as a change in accounting estimate.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

23. Intangible assets (continued)

23.2 Scope of research and development expenditure and accounting treatment

The internal research and development expenditures of the Group are classified into research phase expenditure and development phase expenditure.

Expenditure arising from the research phase is accounted for in profit or loss for the current period when incurred.

Expenses incurred during the development phase that satisfy the following conditions are recognized as intangible assets, while those that do not satisfy the following conditions are accounted for in the profit or loss for the current period:

- (1) It is technically feasible that the intangible asset can be used or sold upon completion;
- (2) There is intention to complete the intangible asset for use or sale;
- (3) The intangible asset can produce economic benefits, including there is evidence that the products produced using the intangible asset has a market or the intangible asset itself has a market; if the intangible asset is for internal use, there is evidence that there is usage for the intangible asset;
- (4) There is sufficient support in terms of technology, financial resources and other resources in order to complete the development of the intangible asset, and there is capability to use or sell the intangible asset;
- (5) The expenses attributable to the development phase of the intangible asset can be measured reliably.

If it is impossible to distinguish between expenditures in the research stage and expenditures in the development stage, all R&D expenditures incurred shall be included in the current profit or loss. The cost of intangible assets formed in internal development activities only includes the total amount of expenditures from the time point when the capitalization conditions are met to the time when the intangible assets reach the predetermined uses. For the same intangible asset, the expenditures that have been expensed into profit and loss before the capitalization conditions are met in the development process will not be adjusted.

The scope of research and development expenditure includes salaries and welfare costs of personnel directly engaged in research and development activities, materials, fuel and power costs directly consumed by research and development activities, depreciation of instruments and equipment for research and development activities, rental and maintenance costs of research and development sites, travel, transportation and communication costs for research and test development. The Group's research and development projects enter the development stage and start to be capitalized after meeting the above capitalization conditions, passing the technical feasibility and economic feasibility studies, and reviewing and approving the projects.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

24. Impairment of long-term assets

The Group assesses at each balance sheet date whether there is any indication that any long-term equity investments, investment properties measured at cost, fixed assets, construction in progress and intangible assets and right-of-use assets with a finite useful life may be impaired. If there is any evidence indicating that an asset may be impaired, recoverable amount shall be estimated for the individual asset. Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that the assets may be impaired.

The recoverable amount should be estimated of the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the Group shall determine the recoverable amount of the asset group to which the asset belongs. The recoverable amount of an asset is determined at the higher of the net amount after deducting the disposal expenses from the assets' fair value and the current value of the assets' estimated future cash flow.

If the recoverable amount of an asset or an asset group is less than its carrying amount, a provision for impairment loss of the asset will be made for the reduction and is charged to profit or loss for the current period.

Goodwill is tested for impairment at least at the end of each year. For the purpose of impairment testing, goodwill is considered together with the related assets group(s), i.e., goodwill is reasonably allocated to the related assets group(s) or each of assets group(s) expected to benefit from the synergies of the combination. An impairment loss is recognized if the recoverable amount of the assets group or sets of assets groups (including goodwill) is less than its carrying amount. The impairment loss is firstly allocated to reduce the carrying amount of any goodwill allocated to such assets group or sets of assets groups, and then to the other assets of the group pro-rata on the basis of the carrying amount of each asset (other than goodwill) in the group.

An impairment loss once recognized shall not be reversed in a subsequent year.

25. Long-term prepaid expenses

Long-term prepaid expenses are expenses which have incurred but shall be amortized over the current period and subsequent years of more than one year. Long-term prepaid expenses are amortized evenly over the estimated benefit year.

26. Contract liabilities

Contract liabilities refers to the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. Contract assets and contract liabilities under common contract are presented as net.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

27. Employee benefits

27.1 Accounting treatment of short-term employee benefits

In the accounting year in which employees have rendered services, the Group shall recognize the short-term employee benefits that actually occurred as liability, and charged to profit or loss for the current period or cost of relevant assets. The Group shall recognize the amount of employee welfare that actually occurred and charged to profit or loss for the current period or cost of relevant assets.

During the accounting year which employees rendered service, medical insurance, work-related injury insurance, maternity insurance and other social security contributions and housing provident fund paid by the Group, as well as labor union funds and employees' education expenses extracted by requirement. Based on the required accrual basis and proportions in order to determine the appropriate amount of employee benefits, such employee benefits shall be recognized as corresponding liabilities, and charged to profit or loss during current year or cost of relevant assets.

27.2 Accounting treatment of post-employment benefits

Post-employment benefits within the Group are defined contribution plans and defined benefit plans.

In the accounting year which employees rendered services, the amount of the defined contribution plans shall be recognized as liability and charged to profit or loss during current year or cost of relevant assets.

For defined benefit plans, the Group assigns the benefit obligations generated by the defined benefit plan to the period during which employees provide services according to a formula determined by the expected cumulative benefit unit method, and includes them in the current profit and loss or the cost of related assets. The employee compensation cost incurred by the defined benefit plan is divided into the following components:

- (1) Service costs (including current service costs, past service costs, and settlement gains and losses);
- (2) The net interest of the net liabilities of the defined benefit plan (including the interest income of the plan assets, the interest expense of the defined benefit plan obligations, and the interest affected by the asset ceiling); and
- (3) Re-measure the changes in the net liabilities of the defined benefit plan.

Service costs and the net interest of the net liabilities of the defined benefit plan are included in the current profit and loss or the cost of related assets. Re-measurement of changes in defined benefit plan net liabilities (including actuarial gains or losses, return on plan assets deducted from the amount included in the net debt of the defined benefit plan net assets, changes in the impact of the asset ceiling Excluding the amount included in the net interest of the defined benefit plan's net liabilities or) is included in other comprehensive income.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

28. Provisions

When obligations related to contingencies meet the following conditions simultaneously, they are recognized as Provisions: (1) the obligation is a current obligation undertaken by the group; (2) Fulfilling this obligation is likely to result in an outflow of economic benefits; (3) The amount of this obligation can be reliably measured.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money.

Where all or some of the expenditure required to settle a provision is expected to be reimbursed by a third party, the reimbursement is recognized as a separate asset only when it is virtually certain that reimbursement will be received, and the amount of reimbursement recognized does not exceed the carrying amount of the provision.

29. Share-based payment

A share-based payment is a transaction which the Group grants equity instruments in return for services rendered by employees. All of the Group's share-based payments are equity-settled share – based payments.

Equity-settled share-based payments in exchange for services rendered by employees are measured at the fair value of the equity instruments granted to employees at the grant date. Such amount is recognized as related costs or expenses on a straight-line basis over the vesting period, based on the best estimate of the number of equity instruments expected to vest, with a corresponding increase in capital reserve.

At each balance sheet date during the vesting period, the Group makes the best estimate according to the subsequent latest information of change in the number of employees who are granted with options that may vest, etc. and revises the number of equity instruments expected to vest. The effect of the above estimate is recognized as related costs or expenses, with a corresponding adjustment to capital reserve.

Recognition and measurement of restricted stock repurchase obligations

Under the Group's stock incentive plan of restricted stock, the Group grants non-publicly issued shares of the Company for a restricted sale period (the "Restricted Stock") to the incentive targets. During the restricted sale period, restricted shares shall be restricted for sale and shall not be transferred, use to guarantee or repay debts. When the agreed unlocking conditions are met, the restricted stock will be unlocked. If all or part of the shares expire or be canceled due to unlocking, the Group will repurchase the shares at the agreed price.

On the grant date, the Group recognizes the share capital and capital reserve according to the subscription payment received from the incentive targets. Meanwhile, for the Group obligation of restricted stock repurchase, recognized liabilities calculated by the number of restricted stock and the repurchase price, treat as the acquisition of treasury stock. Recognizing the relevant liabilities in accordance with ASBEs No. 22 – recognition and measurement of financial instruments.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

30. Revenue

The revenue from the Group is mainly from selling automobiles and components and parts of automobiles; processing and manufacturing of models; providing services and so on.

The Group recognizes revenue based on the transaction price allocated to such performance obligation when a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. A performance obligation represents the commitment that a good and service that is distinct shall be transferred by the Group to the customer.

The Group’s sales of motor vehicles, spare parts and mould processing to customers are performance obligations performed at a certain point and revenue is recognised when performance obligations are completed. Should one of the following conditions is satisfied, service provided by the Group, is a performance obligation performed within a certain period of time. The Group recognizes revenue within a period of time in accordance with the progress of contract performance. The conditions are: (1) The customer obtains and consumes the economic benefits brought by the contract at the same time performing the contract; (2) The customer is able to control the products under construction during the Group’s performance; (3) The products of the Group have irreplaceable uses, and the Group has the right to ask for payment for the cumulative part that has been completed so far during the entire contract period. Otherwise, the Group recognizes revenue at the point the customer obtains control of the relevant services.

Transaction price refers to the consideration that the Group is expected to charge due to the transfer of goods or services to the customer, but it does not include payments received on behalf of third parties and amounts that the Group expects to return to the customer. In determining the transaction price, the Group should consider the effects of variable consideration, significant financing components in the contract, non-cash consideration and consideration payable to customers.

If the contract includes two or more performance obligations, at contract inception, the Group allocates the transaction price to single performance obligation according to relative proportion of the stand-alone selling prices of the goods or services promised by single performance obligation. However, where there is conclusive evidence that the contract discount or variable consideration is only related to one or more (not all) performance obligations in the contract, the Group shall allocate the contract discount or variable consideration to relevant one or more performance obligations. The stand-alone selling price is the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group shall consider all information that is reasonably available to the Group and maximize the use of observable inputs and apply estimation methods consistently in similar circumstances.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

30. Revenue (continued)

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using either the expected value method or the most likely amount. The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved. At each balance sheet date, the Group updates the estimated transaction price.

If there is a consideration payable to customers in the contract, unless the consideration is to obtain other clearly distinguishable goods or services from customers, the Group will offset the transaction price with the consideration payable, and offset the current income at the later of the recognition of relevant income and the payment (or commitment) of customer consideration.

For sales with quality assurance terms, if the quality assurance provides a separate service to the customer other than ensuring that the goods or services sold meet the established standards, the quality assurance constitutes a single performance obligation. Otherwise, the Group will account for the quality assurance responsibility in accordance with the No. 13 – Contingencies.

31. Government grants

Government grants are monetary assets and non-monetary assets gratuitous acquired from the government. Government grants are recognized when they meet the requirements of government grants and is receivable.

Government grants are measured in accordance with the amount received or receivable if they are monetary assets.

31.1 Judgement criteria and accounting treatment of government grants related to asset

A government grant related to an asset is charged against carrying amount of related assets or recognized as deferred income and evenly included in profit or loss over the useful life of the related asset.

31.2 Judgement criteria and accounting treatment of government grants related to income

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent years, the grant is recognized as deferred income, and recognized in profit or loss over the period in which the related costs are recognized. If the grant is a compensation for related expenses and losses already incurred, the grant is recognized immediately in profit or loss for the current period.

Government grants related to the Group's daily activities are included in other income in accordance with its economic substance. Otherwise, government grants are included in non – operating income or expense.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

32. Lease

A lease is a contract whereby the lessor conveys to the lessee in return for a consideration the right to use an asset for an agreed period of time.

At inception of the contracts, the Group assesses whether the contract is, or contains, a lease. Unless the terms and conditions of the contract are changed, the Group does not reassess whether a contract is, or contains, a lease.

32.1 The Group as lessee

32.1.1 Separation of a lease

For a contract that contains one or more lease or non-lease components at the same time, the Group separates the individual lease component and non-lease component of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

32.1.2 Right-of-use asset

Except for short-term leases and leases of low-value assets, the Group recognizes right – of-use assets at the commencement date of the lease. The commencement date of a lease is the date that the underlying asset leased out by the lessor is available for use by the Group. Right-of-use assets are initially measured at cost, which includes the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received (if any);
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, exclusive of the cost incurred for production of inventories.

Right-of-use assets is depreciated by the Group in accordance with relevant regulations on depreciation in ASBEs No.4 – Fixed Assets. Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated over the remaining useful life of the leased assets. Otherwise, right-of-use assets are depreciated over the shorter of lease term and the remaining useful life of the leased assets.

The Group determines whether a right-of-use asset is impaired and makes accounting treatments in accordance with relevant regulations in ASBEs No.8 – Impairment of Assets, and account for the identified impairment loss.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

32. Lease (continued)

32.1 The Group as lessee (continued)

32.1.3 Lease liabilities

At the commencement date of a lease, except for short-term lease and leases of low-value assets, the Group initially measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as the discount rate. The Group uses the incremental borrowing rate if the interest rate implicit in the lease is not readily determinable.

Lease payments refers to payments relating to the right to use leased assets during the lease term which are made by the Group to the lessor, including:

- fixed payments and in substance fixed payments, less any lease incentives receivable (if any);
- variable lease payments that depend on an index or a rate;
- the exercise price of a purchase option reasonably certain to be exercised by the Group;
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate the lease; and
- amounts expected to be paid under residual value guarantees provided by the Group.

Variable lease payments that depend on an index or a rate, are initially measured using the index or rate as at the commencement date. Variable lease payments not included in the measurement of the lease liabilities, are recognized in profit or loss, or in the cost of relevant assets, in the period of those payments.

After the commencement date of a lease, the Group calculates interest expenses of lease liabilities for each period of the lease term based on fixed periodic rate and recognizes the expenses in profit or loss or cost of related assets.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

32. Lease (continued)

32.1 The Group as lessee (continued)

32.1.3 Lease liabilities (continued)

Subsequent to the commencement date of a lease, in case of any of the following circumstances, the Group re-measures lease liabilities and makes a corresponding adjustment to the related right-of-use assets, 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 Group calculates the difference in the current profit and loss:

- the Group re-measures the lease liabilities at the present value of revised lease payment discounted at revised discount rate due to the changes of lease term or results of assessment on purchase option.
- the Group re-measures the lease liabilities at the present value of revised lease payment discounted at original discount rate due to the changes in amount payable estimated based on guaranteed residual value or the index or ratio used to determine the amount of lease payment.

32.1.4 Short-term leases and leases of low-value assets

The Group elects not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets of transportation vehicle, machinery and electronic equipment. A short-term lease is a lease that at the commencement date, has a lease term of 12 months or less and does not contain any purchase options. A lease of a low – value asset, is a lease that the single underlying asset, when is new, is of low value. The Group shall recognize the lease payments associated with short-term leases and leases of low-value assets as the cost of the related assets or profit or loss on a straight-line basis over the lease term.

32.1.5 Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the scope of increase which is adjusted based on circumstances of such contract.

For a lease modification that is not accounted for as a separate lease, the Group reallocates the revised contract consideration, re-determines the lease term and re – measures the lease liabilities at the present value of the revised lease payments discounted using the revised discount rate.

If the scope of the lease is narrowed or the lease term is shortened as a result of the lease modification, the Group reduces the carrying amount of the right-of-use assets accordingly, and record the relevant gains or losses of partial or complete termination of the lease into the current profit and loss. In case of re-measurement of lease liabilities due to other lease modifications, the Group adjusts the carrying amount of the right-of-use assets accordingly.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

32. Lease (continued)

32.2 The Group as lessor

32.2.1 Separation of a lease

For a contract that contains lease and non-lease components simultaneously, the Group applies the Revenue Standard to allocate consideration in a contract to lease and non – lease components. The basis of the allocation is the separately stand-alone price of the lease component and the non-lease component.

32.2.2 Classification of lease

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Other leases which are not finance leases are operating leases.

32.2.2.1 The Group as lessor under operating leases

Receipts of lease under operating leases are recognized as rental income on a straight-line basis over the term of the relevant lease. Initial direct costs related to operating leases incurred by the Group are capitalized when incurred, and are recognized in profit or loss for the current period on the same basis as recognition of rental income over the lease term.

The variable receipts of lease received by the Group that are related to operating leases and not included in receipts of lease are recognized in profit or loss for the period when they are incurred.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

32. Lease (continued)

32.2 The Group as lessor (continued)

32.2.2 Classification of lease (continued)

32.2.2.2 The Group as lessor under finance lease

At the commencement date, the Group uses the net lease investment as the accounting value of the finance lease receivables and derecognizes the finance lease assets. The net investment in the lease is the sum of the unguaranteed residual value and the present value of the lease receipts that have not been received at the commencement date, discounted at the interest rate embedded in the lease.

The amount of lease receivable refers to the amount that the Group should collect from the lessee for the purpose of transferring the leased assets during the lease term, including:

- fixed payments and in substance fixed payments to be paid by the lessee, less any lease incentives receivable (if any);
- variable lease payments that depend on an index or rate;
- exercise price of purchase options, if it is reasonably determined that the lessee will exercise the option;
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate the lease; and
- The residual value of the guarantee provided to the Group by the lessee, a party related to the lessee and an independent third party who has the financial ability to perform the guarantee obligation.

The variable lease receipts that are not included in the measurement of net investment in the lease investment are recognized in current profit or loss when actually incurred.

The Group calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

32. Lease (continued)

32.3 Sales and leaseback transaction

32.3.1 The Group as a seller-lessee

The Group assesses whether the transfer of the asset in the sales and leaseback transaction constitutes a sale in accordance with the Revenue Standard. If the transfer of the asset is not a sale, the Group continues to recognize the transferred assets and should recognize a financial liability equal to the transfer proceeds. Such financial liability is accounted for applying ASBEs Enterprises No.22 – Recognition and Measurement of Financial Instruments. If the transfer of an asset constitutes a sale, the Group shall measure the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use and recognize only the amount of any gain or loss that relates to the rights transferred to the lessor.

33. Deferred tax assets and deferred tax liabilities

The income tax expenses include current income tax and deferred income tax.

33.1 Current income tax

At the balance sheet date, current income tax liabilities (or assets) for the current and prior periods shall be measured at the amount expected to be paid (or recovered) according to the requirements of tax laws.

33.2 Deferred tax assets and deferred tax liabilities

For temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the nil carrying amount of those items that are not recognized as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognized using the balance sheet liability method.

Deferred tax is generally recognized for all temporary differences. Deferred tax assets for deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized. However, for temporary differences associated with the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction (not a business combination) that neither affects the accounting profit nor taxable profits (or deductible losses) nor result in equal amounts of taxable temporary differences and deductible temporary differences, no deferred tax asset or liability is recognized.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

33. Deferred tax assets and deferred tax liabilities (continued)

33.2 Deferred tax assets and deferred tax liabilities (continued)

For deductible losses and tax credits that can be carried forward, deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible losses and tax credits can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates, according to tax laws, that are expected to apply in the year in which the asset is realized or the liability is settled.

Current and deferred tax expenses or income are recognized in profit or loss for the period, except when they arise from transactions or events that are directly recognized in other comprehensive income or in shareholders' equity, in which case they are recognized in other comprehensive income or in shareholders equity; and when they arise from business combinations, in which case they adjust the carrying amount of goodwill.

At the balance sheet date, the carrying amount of deferred tax assets is reviewed and reduced if it is no longer probable that sufficient taxable profits will be available in the future to allow the benefit of deferred tax assets to be utilized. Such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

For the expenses related to share based payment, during the period when the costs and expenses are recognized in accordance with the ASBEs, the Group estimates the amount that can be deducted before tax according to the information obtained at the end of the accounting period, calculates and determines its tax basis and the resulting temporary differences, and recognizes the relevant deferred income tax when the recognition conditions are met. If the amount that can be deducted before tax in the future period is expected to exceed the costs and expenses related to share based payment recognized in the ASBEs, the income tax impact of the excess part will be directly included in the owner's equity.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

33. Deferred tax assets and deferred tax liabilities (continued)

33.3 Offsetting of income tax

When the Group has a legal right to settle on a net basis and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities are offset and presented on a net basis.

When the Group has a legal right to settle current tax assets and liabilities on a net basis, and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax assets and liabilities on a net basis or to realize the assets and liabilities simultaneously, in each future year in which significant amounts of deferred tax assets or liabilities are expected to be reversed, deferred tax assets and deferred tax liabilities are offset and presented on a net basis.

34. Other important accounting policies and accounting estimates

Accounting treatment method of asset securitization business

The Group securitizes some financial lease receivables (“trust property”) and trusts assets to specific purpose entities, which issue priority asset-backed securities to investors. The Group holds subordinated asset-backed securities, which cannot be transferred until the principal and interest of the priority asset-backed securities are paid off. As an asset service provider, the Group provides services such as asset maintenance and daily management, formulation of annual asset disposal plan, formulation and implementation of asset disposal plan, signing relevant asset disposal agreements and regularly preparing asset service reports; At the same time, as a liquidity support institution, the Group provides liquidity support when the principal of priority asset – backed securities is not paid in full to make up the difference between interest or principal. After paying the trust tax and related expenses, the trust property is preferentially used to repay the principal and interest of the priority asset-backed securities. After all the principal and interest are repaid, the remaining trust property is owned by the Group as the income of the subordinated asset-backed securities. The Group has actually retained almost all the risks and rewards related to the trust property, so it has not terminated the recognition of the trust property; At the same time, the Group has actual control over specific purpose entities and has included them in the scope of consolidated financial statements.

When applying the accounting policy of securitized financial assets, the Group has considered the risk and reward of assets transferred to other entities and the extent to which the Group exercises control over the entity:

- When the Group has transferred almost all the risks and rewards of the ownership of the financial asset, the Group will derecognize the financial asset;
- When the Group retains almost all the risks and rewards of the ownership of the financial asset, the Group continues to recognize the financial asset;
- If the Group does not transfer or retain almost all the risks and rewards of the ownership of the financial asset, the Group will consider whether there is control over the financial asset. If the Group does not retain control, the Group will derecognize the financial asset and recognize the rights and obligations generated or retained in the transfer as assets or liabilities respectively. If the Group retains control, financial assets are recognized according to the degree of continued involvement in financial assets.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

35. Changes in significant accounting policies

The Interpretation No. 17 of the Accounting Standards for Business Enterprises (the “Interpretation No. 17”) was issued by the Ministry of Finance on 25 October 2023, which stipulated the classification of current and non-current liabilities and the accounting treatment of leaseback transactions. This Interpretation became effective from 1 January 2024.

Classification of current and non-current liabilities

The Interpretation No. 17 amended and refined the principles for the classification of current and non-current liabilities stated in the Accounting Standards for Business Enterprises No. 30 – Presentation of Financial Statements as follows: it specified that if an enterprise had no substantive right on the balance sheet date to defer the settlement of liabilities beyond one year or more from the balance sheet date, such liabilities should be classified as current liabilities and whether an enterprise had the subjective possibility to exercise the aforesaid rights does not affect the classification of liability liquidity; it specified that for liabilities arising from corporate loan arrangements, if the right to defer the settlement of the liability beyond one year from the balance sheet date depended on contractual conditions, the conditions to be followed before and after the balance sheet date should be distinguished, considering whether there was a right to defer the settlement of the liability at the balance sheet date; it specified that if the counterparty to the liability transaction had the option to settle in the enterprise’s own equity instruments, and this option was classified as an equity instrument and recognised separately, then the related settlement terms were irrelevant to the liquidity classification of the liability and it specified disclosure requirements related to loan arrangements classified as non-current liabilities with contractual conditions attached. The Interpretation also required that an enterprise should adjust the comparable period information at its initial implementation of the Interpretation.

Accounting treatment of sale and leaseback transactions

The Interpretation No.17 stipulated that if the transfer of assets in a sale and leaseback transaction is considered a sale, after the commencement date of the lease, the lessee, the lessee should ensure that the determination of lease payments or revised lease payments does not result in the recognition of gains or losses related to the right to use the asset leased back when subsequently measuring the lease liability formed from the sale and leaseback. If a lease modification leads to a reduction in the scope of the lease or a shortening of the lease term, the lessee should recognise the related gains or losses from the partial or complete termination of the lease in the current period’s profit or loss, without being subject to the aforementioned restrictions. When implementing for the first time, the enterprise should retroactively adjust sale and leaseback transactions carried out after the initial adoption of Accounting Standards for Business Enterprises No. 21 – Leases.

Upon assessment, the Group considers that the adoption of this Interpretation has no significant impact on the financial statements of the Group.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

IV. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY ASSUMPTIONS AND UNCERTAINTIES IN ACCOUNTING ESTIMATES

In the application of the Group's accounting policies, which are described in Note III., the Group is required to make judgements, estimates and assumptions about the carrying amounts of items in the financial statements that cannot be measured accurately, due to the internal uncertainty of the operating activities. These judgements, estimates and assumptions are based on historical experience of the Group's management as well as other factors that are considered to be relevant. Actual results may differ from these estimates of the Group.

The aforementioned judgments, estimates and assumptions are reviewed regularly on a going concern basis. The effect of a change in accounting estimate is recognized in the period of the change, if the change affects that period only; or recognized in the period of the change and future periods, if the change affects both.

Critical judgements in applying accounting policies

The Group has made the following critical judgments in applying accounting policies, which had a significant impact on the amounts recognized in the financial statements:

Capitalization of development expenditure

If the expenditure in the development stage meets the conditions as described in Note III. 23.2, it shall be capitalized, or included in profit or loss for the period if not. Whether the expenditure in the development stage is capitalized or expensed requires significant judgment and estimates.

Determination of the lease term of lease contract with renewal option

For the lease contract signed by the Group as the lessee with the renewal option, the Group needs to use judgment to determine the lease term of the lease contract. An assessment of whether the Group is reasonably certain to exercise this option will affect the length of the lease term, which will have a significant impact on the amount of lease liabilities and right-of-use assets recognized.

IV. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY ASSUMPTIONS AND UNCERTAINTIES IN ACCOUNTING ESTIMATES (continued)

Critical assumptions and uncertainties in accounting estimates

The followings are critical assumptions and uncertainties in accounting estimates that may cause significant adjustments to carrying amount of assets and liabilities in future periods at the balance sheet date:

Provision for decline in value of inventories

The Group recognizes the provision for decline in value of inventories based on the net realizable value of inventories. When there is an indication that the net realizable value is lower than the cost, the provision for decline in value of inventories should be recognized. Recognition of net realizable value requires judgment and estimates. If the re-estimate result is different from existing estimates, the difference will affect the carrying amount of inventories in the period in which the estimate is changed.

Useful lives of fixed assets

The useful lives of fixed assets are estimated based on the historical experience on the actual useful lives of fixed assets with similar natures and functions. If the period for use of fixed assets is shorter than estimates, the Group will take measures to accelerate the depreciation of fixed assets or to eliminate the fixed assets that are idle and technically obsolete.

Recognition of deferred tax assets

The realization of deferred tax assets depends on the actual tax rate applied to the actual profits and temporary differences in the future years. If the actual profits are less than estimates in the future, or the actual rate is lower than estimates, the recognized deferred tax assets will be reversed, and recognized in the income statement in the period in which the reversal is incurred. If the actual taxable income in the future is more than estimates, or the actual tax rate is higher than estimates, such deferred tax asset shall be adjusted and recognized in the income statement in the period in which they are incurred.

After-sales service expenses

The Group undertakes the warranty obligation for the vehicles sold within a certain warranty period, and accrues the after-sales service expenses according to the sales volume and estimated cost standards. If the actual after-sales service expenses are greater or less than the expected amount, it will affect the profit or loss of the period in which they are incurred.

Reserve for impairment of development expenditure

The Group determines the impairment provision for development expenses based on the estimated recoverable amount of different vehicle models during the product lifecycle. The recognition and measurement of recoverable amounts require the use of judgment and estimation. If there is a discrepancy between the re-estimated results and the existing estimates, this discrepancy will affect the carrying amount and profit or loss of development expenses during the period of estimation change.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

V. TAXATION

I. Major tax types and rates

Tax type	Basis	Tax rate
Value-added tax	Sales	1%, 3%, 5%, 6%, 7%, 9%, 13%
Consumption tax	Sales	2%, 3%, 4%, 5%, 8%, 12%
Urban maintenance and construction tax	Value-added tax and consumption tax	1%, 5%, 7%
Education surcharge	Value-added tax and consumption tax	3%, 2%
Enterprise income tax	Taxable income	Note 1
Real estate tax	Original cost/rental income of the real estate	For self-occupied real estate of the Group, the tax is calculated at 70% of the original cost with a tax rate of 1.2%. For rented real estate, the tax is calculated at 12% of the rental income
Vehicle retirement tax	Vehicle engine displacement	Fixed amount tax
Land use tax	Land use area	Relevant tax rate
ICMS (Note 2)	Value added to the goods on the circulation of goods is levied at state level based on the total amount of the commercial invoice	4%-18%
PIS (Note 3)	PIS and COFINS are levied at certain percentages of revenue	1.65%
COFINS (Note 3)		7.60%

Note 1: Except for the preferential income tax rate policy for branches and subsidiaries mentioned in Note V. 2, all companies within the Group located in Chinese mainland are subject to the enterprise income tax rate of 25%.

Note 2: ICMS is a type of circulation tax in Brazil. It is applied to the sale and circulation of goods, interstate and intermunicipal transportation, communication and energy services. Value added to the goods on the circulation of goods is levied at state level based on the total amount of the commercial invoice, with tax concessions for interstate sales.

Note 3: According to Brazilian tax laws, PIS and COFINS are levied at certain percentages of revenue. Enterprises may choose to pay levies under the cumulative or non-cumulative system. Under the cumulative system, the tax base is enterprises' revenue without deductible items, and the applicable tax rates for PIS and COFINS are 0.65% and 3.0%, respectively. Under the non-cumulative system, the expenditures incurred by enterprises for the purchase of fixed assets and commodities closely related to its production activities are deductible, and the applicable tax rates for PIS and COFINS are 1.65% and 7.60%, respectively. Great Wall Motor Brazil Co., Ltd. has chosen to make the accrual and payment of PIS and COFINS under the non-cumulative system.

Except for the policy of applying preferential income tax rates for foreign subsidiaries as described in notes (V) and 2.1.6, the Company's foreign subsidiaries are subject to value-added tax (VAT) and enterprise income tax (EIT) calculated on the basis of the statutory rates of the jurisdictions where the subsidiaries operate, with the applicable VAT rates ranging from 4% to 22% and the applicable EIT rates ranging from 15% to 34%.

V. TAXATION (continued)

2. Tax incentives and approvals

2.1 Income tax incentives

2.1.1 Preferential income tax policies for employment of the disabled persons

According to the “Notice on Granting Tax Credit and Exemption Relating to Enterprise Income Tax on the Employment of Disabled Persons” (關於安置殘疾人員就業有關企業所得稅優惠政策問題的通知) (No. 70 [2009] of the MoF) (the “Notice”) issued by the MoF and the State Administration of Taxation, the Company and its subsidiaries of the Company, Great Wall Motor Co., Ltd. Dingxing Branch (長城汽車股份有限公司定興分公司) (“Dingxing Branch”), Baoding Gerui Machinery Co., Ltd. (保定市格瑞機械有限公司) (“Baoding Gerui”), MIND Electronic & Electrical Co., Ltd. (曼德電子電器有限公司) (“MIND Electronics”), Baoding Yixin Auto Parts Co., Ltd. (保定億新汽車配件有限公司) (“Baoding Yixin”), Beijing Great Wall Dongsheng Business Consulting Co., Ltd. (北京長城東晟商務諮詢有限公司) (“Great Wall Dongsheng”), MIND Electronic & Electrical Co., Ltd. Baoding Xushui Electric System Branch (曼德電子電器有限公司保定徐水電氣系統分公司) (“MIND Electronic & Electrical Baoding Xushui Electric”), MIND Electronic & Electrical Co., Ltd. Baoding Xushui Optoelectronics Branch (曼德電子電器有限公司保定徐水光電分公司) (“MIND Electronic and Electric Baoding Xushui Optoelectronics”), MIND Electronic and Electric Co., Ltd. Baoding Optoelectronics Branch (曼德電子電器有限公司保定光電分公司) (“MIND Electronic and Electric Baoding Optoelectronics”), MIND Electronic and Electrical Co., Ltd. Baoding Xushui Thermal System Branch (曼德電子電器有限公司保定徐水熱系統分公司) (“MIND Electronic and Electrical Xushui Thermal System”), MIND Auto Parts (Chongqing) Co., Ltd. (曼德汽車零部件(重慶)有限公司) (“Chongqing MIND Parts”), MIND Auto Parts (Taizhou) Co., Ltd. (曼德汽車零部件(泰州)有限公司) (“MIND Parts Taizhou”), Jingcheng Engineering Auto Parts (Jingmen) Co., Ltd. (精誠工科汽車零部件(荊門)有限公司) (“Jingcheng Engineering Jingmen”), Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司) (“Jingcheng Engineering”), Jingcheng Engineering Automotive Systems Co., Ltd. Baoding Xushui Precision Chassis Branch (精誠工科汽車系統有限公司保定徐水精工底盤分公司) (“Jingong Automobile Xushui Chassis”), Jingcheng Engineering Auto Parts (Rizhao) Co., Ltd. (精誠工科汽車零部件(日照)有限公司) (“Rizhao Jingong”), NOBO Rubber Products Co., Ltd. (諾博橡膠製品有限公司) (“NOBO Rubber”), Baoding NOBO Auto Decoration Co., Ltd. (保定諾博汽車裝飾件有限公司) (“NOBO Decoration”), NOBO Auto Parts (Chongqing) Co., Ltd. (諾博汽車零部件(重慶)有限公司) (“Chongqing NOBO Auto Parts”), NOBO Rubber Products Co., Ltd. Baoding Branch (諾博橡膠製品有限公司保定分公司) (“NOBO Baoding”), NOBO Auto Parts (Rizhao) Co., Ltd. (諾博汽車零部件(日照)有限公司) (“Rizhao NOBO”), NOBO Auto Parts (Ningyang) Co., Ltd. (諾博汽車零部件(寧陽)有限公司) (“Ningyang NOBO Parts”), NOBO Auto Parts (Pinghu) Co., Ltd. (諾博汽車零部件(平湖)有限公司) (“NOBO Pinghu”), NOBO Automotive Technology Co., Ltd. (諾博汽車科技有限公司) (“NOBO Automotive Technology”), NOBO Auto Parts (Shenyang) Co., Ltd. (諾博汽車零部件(瀋陽)有限公司) (“Shenyang NOBO Auto Parts”), NOBO Auto Parts (Zhangjiagang) Co., Ltd. (諾博汽車零部件(張家港)有限公司) (“NOBO Auto Parts Zhangjiagang”), NOBO Automotive Rubber & Plastic (Anhui) Co., Ltd. (諾博汽車橡塑(安徽)有限公司) (“NOBO Rubber & Plastics”), NOBO Auto Parts (Jingmen) Co., Ltd. (諾博汽車零部件(荊門)有限公司) (“NOBO Parts Jingmen”), MIND Auto Parts (Jingmen) Co., Ltd. (曼德汽車零部件(荊門)有限公司) (“MIND Parts Jingmen”), NOBO Auto Parts (Tianjin) Co., Ltd. (諾博汽車零部件(天津)有限公司) (“NOBO Parts Tianjin”) satisfied all conditions as prescribed in the Notice for weighted deduction of 100% of the wages paid to the disabled staff, and when calculating the enterprise income tax, they were entitled to deduct 100% of the actual wages paid to the disabled staff.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

V. TAXATION (continued)

2. Tax incentives and approvals (continued)

2.1 Income tax incentives (continued)

2.1.2 Preferential income tax policies for new and high-tech enterprises

According to the “Enterprise Income Tax Law of the People’s Republic of China” and other relevant regulations, the Company and its subsidiaries, MIND Parts Jingmen, Zhangjiagang Great Wall Motor R&D Co., Ltd. (張家港長城汽車研發有限公司) (“Zhangjiagang R&D”), FIG Intelligent Technology Co., Ltd. (菲格智能科技有限公司) (“FIG Intelligent”), Honeycomb Transmission Technology Pizhou Co., Ltd. (蜂巢傳動科技邳州有限公司) (“Honeycomb Transmission Pizhou”), Jingcheng Engineering Auto Parts (Yangzhong) Co., Ltd. (精誠工科汽車零部件(揚中)有限公司) (“Jingcheng Parts Yangzhong”), Hebei Changzheng Automobile Manufacturing Co., Ltd. (河北長徵汽車製造有限公司) (“Hebei Changzheng”), Honeycomb Transmission Technology Hebei Co., Ltd. (蜂巢傳動科技河北有限公司) (“Honeycomb Transmission Hebei”), Honeycomb Intelligent Steering System (Jiangsu) Co., Ltd. (蜂巢智能轉向系統(江蘇)有限公司) (“Honeycomb Intelligent Jiangsu”) and Honeycomb Power System (Jiangsu) Co., Ltd. (蜂巢動力系統(江蘇)有限公司) (“Honeycomb Power Jiangsu”), NOBO Rubber & Plastics were identified as new high-tech enterprises in 2023 with the validity term of three years, and the applicable income tax rate from 2023 to 2025 is 15%.

The management of the Group expects that the Company’s subsidiaries, Baoding Gerui, MIND Electronics, Honeycomb Transmission Technology (Chongqing) Co., Ltd. (蜂巢傳動科技(重慶)有限公司) (“Honeycomb Transmission Chongqing”), MIND Auto Parts (Rizhao) Co., Ltd (曼德汽車零部件(日照)有限公司) (MIND Parts Rizhao), Honeycomb Weiling Power Technology (Jiangsu) Co., Ltd. (蜂巢蔚領動力科技(江蘇)有限公司) (“Honeycomb Weiling Power Technology (Jiangsu)”), NOBO Automotive Technology, NOBO Rubber, NOBO Decoration, Jingcheng Engineering, NOBO Engineering Automotive Systems Co., Ltd. (諾博汽車系統有限公司) (NOBO Automobile), NOBO Pinghu, HONEYCOMB Transmission System (Jiangsu) Co., Ltd. (蜂巢傳動系統(江蘇)有限公司) (“HONEYCOMB Transmission”), were identified as new high-tech enterprises in 2022 with the validity term of three years, and the applicable income tax rate from 2022 to 2024 is 15%.

V. TAXATION (continued)

2. Tax incentives and approvals (continued)

2.1 Income tax incentives (continued)

2.1.3 Preferential income tax policies for encouraged industry enterprises in the western region

According to the “Notice on Tax Policy Issues concerning Further Implementing the Western China Development Strategy” (關於深入實施西部大開發戰略有關稅收政策問題的通知) (No. 58 [2011]) and the “Announcement on Continuing the Enterprise Income Tax Policies for the Large-Scale Development of Western China” (關於延續西部大開發企業所得稅政策的公告) (Announcement No. 23 [2020]) issued by the MoF, the State Taxation Administration and the National Development and Reform Commission, subsidiaries of the Company including Chongqing Yongchuan District Great Wall Auto Parts Co., Ltd. (重慶市永川區長城汽車零部件有限公司) (“Chongqing Parts”), Chongqing Haval Logistics Co., Ltd. (重慶哈弗物流有限公司) (“Chongqing Haval Logistics”), Chongqing Great Wall Automobile After-sales Service Co., Ltd. (重慶市長城汽車售後服務有限公司) (“Chongqing Great Wall After-sales”), Chongqing MIND Parts, Honeycomb Power System (Chongqing) Co., Ltd. (蜂巢動力系統(重慶)有限公司) (“Honeycomb Power Chongqing”), Jingcheng Engineering Auto Parts (Chongqing) Co., Ltd. (精誠工科汽車零部件(重慶)有限公司) (“Chongqing Jingcheng Engineering”), Chongqing NOBO Auto Parts, Honeycomb Power System (Chongqing) Co., Ltd. Foundry Branch (蜂巢動力系統(重慶)有限公司鑄造分公司) (“Honeycomb Power Casting Chongqing”) are comply with the provisions of the Notice and are therefore subject to the reduced enterprise income tax rate of 15%.

2.1.4 Preferential income tax policies for small low-profit enterprises

According to the “Announcement on Further Implementing the Preferential Income Tax Policies for Micro and Small Enterprises” (關於進一步實施小微企業所得稅優惠政策的公告) (No. 13 [2022]) issued by the MoF and the State Administration of Taxation, the company in the Group as micro and small enterprise, whose annual taxable income exceeding RMB1 million but not more than RMB3 million will reduce to 25% of the annual taxable income to calculate income tax at an income tax rate of 20% from 2022 to 2024.

According to the “Announcement on Further Implementing the Preferential Income Tax Policies for Micro and Small Enterprises” (關於小微企業和個體工商戶所得稅優惠政策的公告) (No. 6 [2023]) issued by the MoF and the State Administration of Taxation, the company in the Group as micro and small enterprise, whose annual taxable income less than RMB1 million will reduce to 25% of the annual taxable income to calculate income tax at an income tax rate of 20% from 2023 to 2024.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

V. TAXATION (continued)

2. Tax incentives and approvals (continued)

2.1 Income tax incentives (continued)

2.1.5 Deducted for Research and Development expenses

According to the Announcement on Further Improving the Policy of Pre-tax Deduction of R&D Expenses (關於進一步完善研發費用稅前加計扣除政策的公告) (No. 7 [2023]) of the State Administration of Taxation of the Ministry of Finance, the Company and its subsidiaries will be deducted before tax at 100% of the actual amount incurred when calculating the taxable income from January 1, 2023, and 200% of the cost of the intangible assets will be amortized before tax from January 1, 2023.

2.1.6 Special investment incentives in Russia

Pursuant to the Special Investment Contract (“SPIC”) signed on September 23, 2020 between Russia Haval Automobile Manufacturing Co., Ltd. (俄羅斯哈弗汽車製造有限責任公司) (“Russia Haval Manufacturing”) with the Ministry of Industry and Trade of the Russian Federation and the Government of the Tula Region, under which, from January 1, 2020 to December 31, 2028, a preferential tax rate of 0% will be applied to the income tax on the business activities of Russia Haval Manufacturing within the framework of the SPIC.

2.2 Value-added tax incentives

2.2.1 Preferential value-added tax policies for employment of disabled persons

According to the “Notice on Preferential VAT Policies for Promoting the Employment of Disabled Persons” (關於促進殘疾人就業增值稅優惠政策的通知) (No. 52 [2016]) issued by the MoF and State Administration of Taxation, Baoding Gerui, Baoding Yixin, NOBO Pinghu, Tianjin Jolion Shuju Information Technology Co., LTD (天津初戀數聚信息科技有限公司)(“Tianjin Jolion Shuju), NOBO Rubber & Plastics subsidiaries of the Company, met the conditions: the ratio of the disabled persons employed by the taxpayer each month to the number of in-service employees is 25% or more, the number of disabled persons employed by the taxpayer is ten or more, and “the income from production and sales of commodities, the provision of processing, repair and maintenance services and provision of modern services of replacing business tax with VAT and life services accounts for 50% of the taxation income for the purpose of value-added tax” as approved by relevant authorities. The tax authorities shall adopt the method of refund immediately after payment of VAT with a limit to the entities and individual industrial and commercial households employing disabled persons (hereinafter referred to as “taxpayers”) according to the number of disabled persons actually employed. The specific limit of VAT refundable to each disabled person employed by a taxpayer shall be determined by the tax authority at or above the county level as quadruple the minimum monthly wage standard applicable in the district or county (including a county-level city or banner) as approved by the people’s government of a province (including an autonomous region, municipality directly under the Central Government, or city under separate state planning).

V. TAXATION (continued)

2. Tax incentives and approvals (continued)

2.2 Value-added tax incentives (continued)

2.2.2 Value-added tax deduction for advanced manufacturing enterprises

In accordance with the provisions of the Ministry of Finance and the State Administration of Taxation "Announcement on the VAT Deduction Policy for Advanced Manufacturing Enterprises" (關於先進製造業企業增值稅加計抵減政策的公告) ([2023] No. 43), the Company's subsidiaries Tianjin Branch of Great Wall Motor Co., Ltd. (長城汽車股份有限公司天津分公司) ("Tianjin Branch"), Xushui Branch of Great Wall Motor Co., Ltd. (長城汽車股份有限公司徐水分公司) ("Xushui Branch"), Dingxing Branch, Chongqing Branch of Great Wall Motor Co., Ltd. (長城汽車股份有限公司重慶分公司) ("Chongqing Branch"), Taizhou Branch of Great Wall Motor Co., Ltd. (長城汽車股份有限公司泰州分公司) ("Taizhou Branch"), Jingmen Branch of Great Wall Motor Co., Ltd. (長城汽車股份有限公司荊門分公司) ("Jingmen Branch"), Daye Branch of Great Wall Motor Co., Ltd. (長城汽車股份有限公司大冶分公司) ("Daye Branch"), Xushui Power Branch of Great Wall Motor Co., Ltd. (長城汽車股份有限公司徐水動力分公司) ("Xushui Power Branch"), Hebei Changzheng, HONEYCOMB Intelligent Jiangsu, HONEYCOMB Power Jiangsu, FIG Intelligent, Qingyuan Renewable Resources Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司清苑再生資源分公司) ("Jingcong Qingyuan Branch"), Jingcheng Parts Yangzhong, NOBO Automotive System Co., Ltd. Baoding Xushui Branch (諾博汽車系統有限公司保定徐水分公司) ("NOBO Xushui Branch"), NOBO Pinghu, NOBO Rubber & Plastics, MIND Parts Jingmen, Baoding Electric System Branch of MIND Electronic & Electrical Co., Ltd. (曼德電子電器有限公司保定電氣系統分公司) ("MIND Baoding Electric System Branch"), Xushui Precision Die-Casting Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司保定徐水精工壓鑄分公司) ("Xushui Jingcong Die-Casting"), Baoding Xushui Branch of Fige Intelligent Technology Co., Ltd. (菲格智慧科技有限公司保定徐水分公司) ("Fige Intelligent Baoding Xushui Branch") meet the conditions prescribed in the aforementioned document, and from January 1, 2024, to December 31, 2027, they are allowed to deduct 5% of the deductible input VAT from the payable VAT amount.

Xushui Branch of HONEYCOMB Intelligent Steering Systems (Jiangsu) Co., Ltd. (蜂巢智慧轉向系統(江蘇)有限公司徐水分公司) ("HONEYCOMB Intelligent Steering (Jiangsu) Xushui Branch"), Baoding Production Branch of HONEYCOMB Transmission Systems (Jiangsu) Co., Ltd. (蜂巢傳動系統(江蘇)有限公司保定生產分公司) ("HONEYCOMB Power (Jiangsu) Baoding Production Branch"), Baoding Gerui, MIND Electronics, MIND Electronic & Electrical Baoding Xushui Electric, MIND Electronic and Electric Baoding Xushui Optoelectronics, MIND Electronic and Electric Baoding Optoelectronics, MIND Electronic and Electrical Xushui Thermal System, Baoding Thermal System Branch of MIND Electronic & Electrical Co., Ltd. (曼德電子電器有限公司保定熱系統分公司) ("MIND Baoding Thermal System Branch"), HONEYCOMB Transmission, Xushui Branch of HONEYCOMB Transmission Technology Hebei Co., Ltd. (蜂巢傳動科技河北有限公司徐水分公司) ("HONEYCOMB Transmission Technology (Xushui)"), HONEYCOMB Transmission Hebei, HONEYCOMB Weiling Power Technology (Jiangsu), HONEYCOMB Transmission Chongqing, Jingcheng Engineering, Baoding Mold Technology Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司保定模具技術分公司) ("Jingcong Mold Branch"), Baoding Automation Technology Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司保定自動化技術分公司) (Jingcheng Automation Branch), Xushui Stamping and Welding Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司保定徐水精工沖焊分公司) ("Jingcong Xushui Stamping and Welding Branch"), Shunping Precision Die-Casting Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司順平精工壓鑄分公司) ("Jingcong Shunping Die-Casting Branch"), Shunping Precision Casting Branch of Jingcheng Engineering Automotive Systems Co., Ltd. (精誠工科汽車系統有限公司順平精工鑄造分公司) ("Jingcong Shunping Casting Branch"), Jingcong Automobile Xushui Chassis, Xushui Seat Branch of NOBO Automotive System Co., Ltd. (諾博汽車系統有限公司保定徐水座椅分公司) ("NOBO Xushui Seat Branch"), NOBO Rubber, NOBO Decoration, NOBO Baoding, NOBO Automotive Technology, Tianjin Electric System Branch of MIND Electronic & Electrical Co., Ltd. (曼德電子電器有限公司天津電氣系統分公司) ("MIND Tianjin Branch") meet the conditions prescribed in the aforementioned document and from January 1, 2023, to December 31, 2027, they are allowed to deduct the VAT payable according to the deductible input tax of the current period plus 5%.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

I. Cash and bank balances

Item	<i>RMB</i>	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Cash:		
RMB	194,123.32	197,478.54
GBP	14,588.35	14,585.28
HKD	7,178.59	7,127.78
Others	22,557.01	16,270.34
Bank balances:		
RMB	29,777,228,839.57	29,525,636,782.60
USD	1,262,138,877.77	1,084,220,252.73
RUB	988,666,542.84	196,646,284.50
AUD	984,202,757.67	1,552,102,888.54
BRL	958,598,584.55	1,424,592,474.16
ZAR	393,012,109.74	488,037,675.51
EUR	355,321,601.54	375,901,949.49
NZD	272,441,749.50	309,944,626.21
Others	317,118,030.71	314,859,561.67
Other cash and bank balances:		
RMB	4,221,676,998.25	3,058,917,292.32
Others	5,887,358.83	6,139,816.87
Total	39,536,531,898.24	38,337,235,066.54
Including: Overseas cash and bank balances	6,670,236,940.80	5,254,416,415.90

As at 30 June 2024, the Group has restricted cash and bank balances of RMB4,227,564,357.08. Of which, the guarantee on bank acceptance notes amount to RMB4,181,249,189.25, guarantee on letter of credit amount to RMB33,576,203.83, guarantee on letter of guarantee amount to RMB5,190,902.89, and other guarantees amount to RMB7,548,061.11.

As at 31 December 2023, the Group has restricted cash and bank balances of RMB3,065,057,109.19. Of which, the guarantee on bank acceptance notes amount to RMB3,003,629,203.68, guarantee on letter of credit amount to RMB45,660,266.01, guarantee on letter of guarantee amount to RMB5,272,042.50, and other guarantees amount to RMB10,495,597.00.

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. Held-for-trading financial assets

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Financial assets classified as at fair value through profit or loss	2,458,556,628.03	4,112,386,017.05
Including: Wealth management products	2,458,556,628.03	4,112,386,017.05
Total	2,458,556,628.03	4,112,386,017.05

3. Accounts receivable

(1) Disclosed by aging:

Aging	RMB	
	30/06/2024 Amount (Unaudited)	31/12/2023 Amount (Audited)
Within 1 year	6,841,615,942.36	7,280,924,698.20
1 to 2 years	89,290,958.82	36,866,796.57
2 to 3 years	19,500,277.27	27,569,006.12
Over 3 years	366,478,548.09	376,389,616.26
Total	7,316,885,726.54	7,721,750,117.15

The analysis of aging of accounts receivable is based on the time of revenue recognition.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. Accounts receivable (continued)

(2) Disclosed by classification of method of credit loss provision

RMB

Classifications	30/06/2024 (Unaudited)					31/12/2023 (Audited)				
	Carrying amount		Credit loss provision		Book value	Carrying amount		Credit loss provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)		Amount	Ratio (%)	Amount	Ratio (%)	
Credit loss provision assessed by single	353,258,160.37	4.83	(353,258,160.37)	100.00	—	351,072,230.52	4.55	(351,072,230.52)	100.00	—
Credit loss provision assessed by portfolios	6,963,627,566.17	95.17	(174,778,042.38)	2.51	6,788,849,523.79	7,370,677,886.63	95.45	(177,484,042.71)	2.41	7,193,193,843.92
Total	7,316,885,726.54	100.00	(528,036,202.75)	7.22	6,788,849,523.79	7,721,750,117.15	100.00	(528,556,273.23)	6.85	7,193,193,843.92

Credit loss provision assessed by single

RMB

Entity	30/06/2024 (Unaudited)			reason
	Carrying amount	Credit loss provision	Ratio (%)	
Entity 1	353,258,160.37	(353,258,160.37)	100.00	The debtor goes bankrupt
Total	353,258,160.37	(353,258,160.37)		

Description of accounts receivable for which credit loss provision has been assessed by portfolios:

As part of the Group's credit risk management, the Group base on the credit period of receivables and overdue aging to assess the expected credit losses of various receivables.

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. Accounts receivable (continued)

(2) Disclosed by classification of method of credit loss provision (continued)

The expected credit loss provision of accounts receivable for which credit loss provision has been assessed by portfolios is as follows:

RMB

Aging	30/06/2024 (Unaudited)				31/12/2023 (Audited)			
	Expected average loss rate	Carrying amount	Credit loss provision	Book value	Expected average loss rate	Carrying amount	Credit loss provision	Book value
Within credit period	0.00%-4.00%	6,740,137,166.14	(34,819,716.57)	6,705,317,449.57	0.00%-4.00%	7,151,007,821.52	(23,137,378.26)	7,127,870,443.26
1 to 180 days overdue	14.62%-50.00%	97,835,645.61	(14,303,571.39)	83,532,074.22	14.62%-50.00%	76,513,064.50	(11,189,663.84)	65,323,400.66
Overdue more than 180 days	100.00%	125,654,754.42	(125,654,754.42)	—	100.00%	143,157,000.61	(143,157,000.61)	—
Total		6,963,627,566.17	(174,778,042.38)	6,788,849,523.79		7,370,677,886.63	(177,484,042.71)	7,193,193,843.92

RMB

Credit loss provision	For the period from 1 January to 30 June 2024 (Unaudited)		
	Lifetime ECL (not occurred credit-impairment)	Lifetime ECL (occurred credit-impairment)	Total
Balance at 1 January 2024	34,327,042.10	494,229,231.13	528,556,273.23
– Transfer to occurred credit impairment	(23,608,213.23)	23,608,213.23	—
Provision for the period	38,617,719.93	7,430,753.68	46,048,473.61
Reversal for the period	(213,260.84)	(52,678,159.75)	(52,891,420.59)
Write-off for the period	—	4,136,946.65	4,136,946.65
Foreign currency translation differences	—	2,185,929.85	2,185,929.85
Balance at 30 June 2024	49,123,287.96	478,912,914.79	528,036,202.75

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. Accounts receivable (continued)

(3) Provision, collection or reversal of credit loss provision for the period:

Category	1/1/2024 (Audited)	Provision	Movement			RMB
			Reversal	Write-off	others	30/06/2024 (Unaudited)
Credit loss provision assessed by single	351,072,230.52	—	—	—	2,185,929.85	353,258,160.37
Credit loss provision assessed by portfolios	177,484,042.71	46,048,473.61	(52,891,420.59)	4,136,946.65	—	174,778,042.38
total	528,556,273.23	46,048,473.61	(52,891,420.59)	4,136,946.65	2,185,929.85	528,036,202.75

(4) Accounts receivable actually written-off during the period

Item	RMB
	written-off amount
Accounts receivable actually written-off	4,136,946.65

(5) Top five entities with the largest balances of accounts receivable:

Name of entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion of the amount to the total accounts receivable and contract assets (%)	Closing balance of credit loss provision
Customer 1	902,016,382.19	—	902,016,382.19	12.30	—
Customer 2	600,888,078.96	—	600,888,078.96	8.19	—
Customer 3	359,297,406.46	—	359,297,406.46	4.90	—
Customer 4	353,258,160.37	—	353,258,160.37	4.82	(353,258,160.37)
Customer 5	275,779,907.31	—	275,779,907.31	3.76	—
Total	2,491,239,935.29	—	2,491,239,935.29	33.97	(353,258,160.37)

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Notes receivable and financing with receivables

4.1 Notes receivable

(1) Classification of notes receivable

Category	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Bank acceptances	2,161,625,770.66	2,924,961,144.14
Commercial acceptances	41,824,671.34	26,800,467.46
Total	2,203,450,442.00	2,951,761,611.60

The Group pledged notes receivable amount to RMB1,592,455,194.09 at the end of this period to issue notes payable.

(2) Financing with receivables endorsed or discounted by the Group at the end of the period and not yet due on the balance sheet date

Item	RMB	
	The amount of derecognition at the end of the period	The amount of not derecognition at the end of the period
Bank acceptances	–	271,871,494.21
Commercial acceptances	–	36,461,642.45
Total	–	308,333,136.66

4.2 Financing with receivables

(1) Classification

Category	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Bank acceptances	27,357,440,724.89	28,923,599,369.45
Total	27,357,440,724.89	28,923,599,369.45

The Group classifies notes as financial assets at fair value through other comprehensive income based on the business model in which the Group manages such notes.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Notes receivable and financing with receivables (continued)

4.2 Financing with receivables (continued)

(2) The pledged financing with receivables at the end of the period

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Bank acceptances	18,806,058,536.33	18,302,701,191.70
Total	18,806,058,536.33	18,302,701,191.70

Note: The Group pledged receivables financing of RMB18,806,058,536.33 at the end of the period for the issuance of bills payable.

(3) Financing with receivables endorsed or discounted by the Group at the end of the period and not yet due on the balance sheet date

Project	RMB	
	The amount of derecognition at the end of the period	The amount of not derecognition at the end of the period
Bank acceptances	24,369,546,386.12	–
Total	24,369,546,386.12	–

Financing with receivables endorsed or discounted by the Group at the end of the period and not yet due on the balance sheet date amount to RMB24,369,546,386.12 (31 December 2023: RMB35,121,032,072.26). Due to the good reputation of the acceptor, the risk that the acceptor will not be able to redeem on the maturity date is very low, the Group considers that almost all of the risks and rewards in the ownership of such discounted or endorsed notes receivable have been transferred and de-recognizes such notes receivable.

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. Prepayments

(1) Prepayments by aging:

Aging	30/06/2024 (Unaudited)		31/12/2023 (Audited)	
	Amount	Ratio (%)	Amount	Ratio (%)
Within 1 year	2,368,864,659.37	97.07	3,279,002,568.52	84.67
1 to 2 years	50,583,999.86	2.07	575,181,932.64	14.85
2 to 3 years	17,766,117.35	0.73	14,405,749.31	0.37
Over 3 years	3,143,954.90	0.13	4,137,187.67	0.11
Total	2,440,358,731.48	100.00	3,872,727,438.14	100.00

Description of aging of prepayments:

Prepayments with aging over one year are mainly amounts prepaid to raw material suppliers which are not settled.

(2) Top five entities with the largest balances of prepayments:

Name of entity	Amount	Proportion of the amount to the total prepayments (%)
Supplier 1	319,146,865.41	13.08
Supplier 2	311,970,918.36	12.78
Supplier 3	288,900,708.53	11.84
Supplier 4	210,000,000.00	8.61
Supplier 5	107,939,380.98	4.42
Total	1,237,957,873.28	50.73

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

6. Other receivables

6.1 Summary of other receivables

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Interest receivable	256,318.58	1,330,708.90
Other receivables	1,621,445,494.71	2,112,645,064.03
Total	1,621,701,813.29	2,113,975,772.93

6.2 Interest receivable

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Interest of bank deposits	256,318.58	1,330,708.90
Total	256,318.58	1,330,708.90

6.3 Other receivables

(1) Disclosed by aging:

Aging	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Within 1 year	1,416,794,312.72	1,892,538,305.37
1 to 2 years	8,155,686.81	80,184,221.57
2 to 3 years	179,187,502.19	118,917,812.61
Over 3 years	17,307,992.99	21,004,724.48
Total	1,621,445,494.71	2,112,645,064.03

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

6. Other receivables (continued)

6.3 Other receivables (continued)

(2) Other receivables classified by nature are as follows:

Nature	RMB	
	Carrying amount at 30/06/2024 (Unaudited)	Carrying amount at 31/12/2023 (Audited)
Taxes refunds	1,143,131,411.13	1,323,389,238.20
Security and margin deposits	25,948,670.29	79,891,332.04
Pretty cash	17,815,823.79	29,557,303.29
Others	435,665,961.78	681,431,926.79
Total	1,622,561,866.99	2,114,269,800.32

(3) Analysis of credit loss provision

Credit loss provision	RMB			Total
	Phase 1 Future 12- month ECL	Phase 2 Lifetime ECL (not occurred credit impairment)	Phase 3 Lifetime ECL (occurred credit impairment)	
Balance at 1 January 2024	—	—	1,624,736.29	1,624,736.29
Provision for the period	—	80,400.00	—	80,400.00
Reversal for the period	—	—	(287,856.20)	(287,856.20)
Write-off for the period	—	—	(300,907.81)	(300,907.81)
Transfer to occurred credit impairment	—	—	—	—
Balance at 30 June 2024	—	80,400.00	1,035,972.28	1,116,372.28

The Group determines the expected credit losses for other receivables based on historical experience data and forward-looking information. For the six months ended 30 June 2024 and 2023, the Group's assessment methods and major assumptions have not changed.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

6. Other receivables (continued)

6.3 Other receivables (continued)

(4) Credit loss provision

Category	1/1/2024 (Audited)	Provision	Movement			30/06/2024
			Reversal	Write-off	others	(Unaudited)
Credit loss provision assessed by portfolios	1,624,736.29	80,400.00	(287,856.20)	(300,907.81)	—	1,116,372.28
Total	1,624,736.29	80,400.00	(287,856.20)	(300,907.81)	—	1,116,372.28

(5) Top five entities with the largest balances of other receivables:

Name of entity	Amount	Proportion of the amount to the total other receivables (%)	Nature	Aging	Closing balance of credit loss provision
Entity 1	1,136,970,801.18	70.07	Export Taxes refunds	Within 1 year	—
Entity 2	166,747,657.93	10.28	Advance payments	Within 1 year, 1 to 2 years, 2 to 3 years	—
Entity 3	41,282,010.32	2.54	Withholding of social security contributions or housing funds	Within 1 year	—
Entity 4	28,194,482.33	1.74	Withholding of social security contributions or housing funds	Within 1 year,	—
Entity 5	18,041,948.14	1.11	Other	Within 1 year, 1 to 2 years,	—
Total	1,391,236,899.90	85.74			

The Group has no other receivables related to government grant.

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Inventories

(1) Inventories by category

RMB

Item	30/06/2024 (Unaudited)		
	Carrying amount	Provision for decline in value of inventories	Book value
Raw materials	6,202,495,782.29	(33,638,744.99)	6,168,857,037.30
Work-in-progress	1,887,040,818.81	(2,951,249.59)	1,884,089,569.22
Finished goods	18,024,504,711.59	(162,217,325.03)	17,862,287,386.56
Low-valued and short-lived consumables	846,526,194.21	(399,243.29)	846,126,950.92
Total	26,960,567,506.90	(199,206,562.90)	26,761,360,944.00

RMB

Item	31/12/2023 (Audited)		
	Carrying amount	Provision for decline in value of inventories	Book value
Raw materials	6,559,497,056.31	(77,941,880.18)	6,481,555,176.13
Work-in-progress	2,061,163,374.58	(2,975,884.58)	2,058,187,490.00
Finished goods	17,563,112,796.51	(125,784,964.85)	17,437,327,831.66
Low-valued and short-lived consumables	651,147,053.32	(463,201.16)	650,683,852.16
Total	26,834,920,280.72	(207,165,930.77)	26,627,754,349.95

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Inventories (continued)

(2) Provision for decline in value of inventories

Inventories by category	1/1/2024 (Audited)	Provision for the period	Decrease for the period		Other increase (decrease) for the period	RMB
			Reversals	Written-off or Reversals		30/06/2024 (Unaudited)
Raw materials	77,941,880.18	15,812,346.14	(20,713,392.23)	(38,524,932.56)	(877,156.54)	33,638,744.99
Work-in-progress	2,975,884.58	2,898,570.14	—	(2,923,205.13)	—	2,951,249.59
Finished goods	125,784,964.85	193,760,141.70	(18,250,909.11)	(138,152,980.59)	(923,891.82)	162,217,325.03
Low-valued and short-lived consumables	463,201.16	—	(55,860.46)	(8,097.41)	—	399,243.29
Total	207,165,930.77	212,471,057.98	(39,020,161.80)	(179,609,215.69)	(1,801,048.36)	199,206,562.90

(3) Analysis of provision for decline in value of inventories

Item	Basis of provision for decline in value of inventories	Reasons for reversal or written-off of provision for decline in value of inventories during the period	Percentage of the reversal to the closing balance of the inventory during the period (%)
Raw materials	Note 1	Note 2	0.33
Work-in-progress	Note 1	Note 2	—
Finished goods	Note 1	Note 2	0.10
Low-valued and short-lived consumables	Note 1	Note 2	0.01

Descriptions of inventories:

Note 1: As the estimated net realizable value of some vehicle products was lower than the inventories costs as at the end of the period, provision for decline in value of inventories had been made for raw materials, work-in-progress, and finished goods correspondingly.

Note 2: As the estimated net realizable value of part of the inventory was higher than the inventories costs as at the end of the period, the provision for decline in value of inventories for the previous period has been reversed. In addition, as the inventories for which provision for decline in value has been made in the previous period was sold during the period, the provision for decline in value of inventories has been written off.

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Contract assets

Item	30/06/2024 (Unaudited)			31/12/2023 (Audited)			<i>RMB</i>
	Carrying amount	Credit loss provision	Book value	Carrying amount	Credit loss provision	Book value	
State subsidies receivable	367,094,624.05	—	367,094,624.05	159,478,424.00	—	159,478,424.00	
Less: Reclassified as other non-current assets	349,742,424.05	—	349,742,424.05	107,267,679.00	—	107,267,679.00	
Total	17,352,200.00	—	17,352,200.00	52,210,745.00	—	52,210,745.00	

9. Other current assets

Details of other current assets:

Item	30/06/2024 (Unaudited)	31/12/2023 (Audited)	<i>RMB</i>
Taxes to be deducted	2,417,532,335.97	1,660,699,347.19	
Mould (Note 1)	680,050,073.63	685,279,060.12	
Prepaid enterprise income tax	46,306,092.54	59,246,481.51	
Brazil pre-pays social integration tax, social security financing contribution, and industrial products tax.	150,395,602.60	4,478,111.39	
Deposits in non-bank financial institutions	1,000,000,000.00	—	
Others	464,212,965.78	149,800,451.17	
Total	4,758,497,070.52	2,559,503,451.38	

Note 1: The estimated useful life is less than one year.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. Long-term receivables

(1) Long-term receivables

RMB

Item	30/06/2024 (Unaudited)			31/12/2023 (Audited)			Discount rate range
	Carrying amount	Credit loss provision	Book value	Carrying amount	Credit loss provision	Book value	
Land advances	368,932,877.79	—	368,932,877.79	362,926,261.22	—	362,926,261.22	2.21%
Finance lease receivables	3,408,657,587.34	(61,116,142.69)	3,347,541,444.65	3,313,084,567.05	(58,851,833.81)	3,254,232,733.24	0.00-15.00%
Including: Unearned finance income	(372,144,094.79)	—	(372,144,094.79)	(341,691,325.14)	—	(341,691,325.14)	
Subtotal	3,777,590,465.13	(61,116,142.69)	3,716,474,322.44	3,676,010,828.27	(58,851,833.81)	3,617,158,994.46	
Less: Long-term receivables due within one year	1,796,271,010.04	(38,798,838.52)	1,757,472,171.52	1,856,492,759.94	(30,492,462.82)	1,826,000,297.12	
Total	1,981,319,455.09	(22,317,304.17)	1,959,002,150.92	1,819,518,068.33	(28,359,370.99)	1,791,158,697.34	

(2) Credit loss provision

RMB

Category	30/06/2024 (Unaudited)					31/12/2023 (Audited)				
	Carrying amount	Ratio (%)	Credit loss provision	Ratio (%)	Book value	Carrying amount	Ratio (%)	Credit loss provision	Ratio (%)	Book value
Credit loss provision by portfolios										
Including: Performance bond and Land advances	368,932,877.79	9.77	—	—	368,932,877.79	362,926,261.22	9.87	—	—	362,926,261.22
Finance lease receivables	3,408,657,587.34	90.23	(61,116,142.69)	1.79	3,347,541,444.65	3,313,084,567.05	90.13	(58,851,833.81)	1.78	3,254,232,733.24
Total	3,777,590,465.13	100.00	(61,116,142.69)	1.62	3,716,474,322.44	3,676,010,828.27	100.00	(58,851,833.81)	1.60	3,617,158,994.46

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**10. Long-term receivables** (continued)**(2) Credit loss provision** (continued)

Credit loss provision assessed by portfolios

provision by portfolios	Performance bond and Land advance
provision by portfolios	Finance lease receivables

In order to reduce the credit risk of finance lease receivables, the Group uses the credit risk rating system to divide the finance lease receivables into five risk levels: normal, concerned, subordinate, suspicious and loss based on the transaction records and relevant external information available. During the period from 1 January to 30 June 2024 and the year of 2023, the Group's assessment methods and major assumptions have not changed.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. Long-term receivables (continued)

(3) Provision for bad debts according to the model of expected credit losses

Credit loss provision	For the period from 1 January to 30 June 2024 (Unaudited)		
	Lifetime ECL (not occurred credit-impairment)	Lifetime ECL (occurred credit- impairment)	Total
Balance at 1 January 2024	34,553,588.46	24,298,245.35	58,851,833.81
– Transfer to credit impairment occurred	(4,593,444.78)	4,593,444.78	—
Provision for the period	42,386,345.94	7,553,617.23	49,939,963.17
Reversal for the period	(33,011,417.76)	(2,300,884.03)	(35,312,301.79)
Write-off for the period	—	(12,363,352.50)	(12,363,352.50)
Balance at 30 June 2024	39,335,071.86	21,781,070.83	61,116,142.69

RMB

(4) Credit loss provision

Category	1/1/2024 (Audited)	Movement				30/06/2024 (Audited)
		Provision	Reversal	Write-off	others	
Finance lease receivables	58,851,833.81	49,939,963.17	(35,312,301.79)	(12,363,352.50)	—	61,116,142.69
Total	58,851,833.81	49,939,963.17	(35,312,301.79)	(12,363,352.50)	—	61,116,142.69

RMB

(5) Long-term receivables actually written-off during the period

Item	written-off amount
Finance lease receivables	12,363,352.50
Total	12,363,352.50

RMB

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

II. Long-term equity investments

The details of long-term equity investments are as follows:

Investee	Changes in the period										30/06/2024 (Unaudited)	Closing balance of impairment provision
	1/1/2024	Increase for	Decrease in	Investment	profit or loss	Other	Declared	cash	Provision	Others		
	(Audited)	the period	investment	under the	comprehensive	income	equity	dividends	for			
Joint ventures												
Tianjin Great Wall Binyin Automotive Finance Co., Ltd (天津長城濱銀汽車金融有限公司) ("automotive finance")	10,676,293,014.10	—	—	465,269,542.78	—	—	—	—	—	—	11,141,562,556.88	—
Chongqing PetroChina Haval Energy Co., Ltd. (重慶中油哈弗能源有限公司)	959,988.70	—	—	94,599.69	—	—	—	—	—	—	1,054,588.39	—
Subtotal	10,677,253,002.80	—	—	465,364,142.47	—	—	—	—	—	—	11,142,617,145.27	—
Associates												
Haomo Zhixing Technology Co., Ltd. (毫末智行科技有限公司) ("Haomo Zhixing")	—	—	—	—	—	—	—	—	—	—	—	—
Jiangsu Baojie Electromechanical Co., Ltd (江蘇寶捷機電有限公司) ("Jiangsu Baojie")	14,643,376.23	—	—	1,125,109.96	—	—	—	—	—	—	15,768,486.19	—
Jiangsu Longcheng Alloy Material Co. LTD (江蘇隆誠合金材料有限公司) ("Jiangsu Longcheng")	53,377,368.53	—	—	454,062.16	—	379,291.15	—	—	—	—	54,210,721.84	—
Wuxi Xindong Semiconductor Technology Co., Ltd (無錫芯動半導體科技有限公司) ("Wuxi Xindong")	5,848,325.05	—	—	(3,288,516.61)	—	—	—	—	—	—	2,559,808.44	—
Subtotal	73,869,069.81	—	—	(1,709,344.49)	—	379,291.15	—	—	—	—	72,539,016.47	—
Total	10,751,122,072.61	—	—	463,654,797.98	—	379,291.15	—	—	—	—	11,215,156,161.74	—

As for the loss of Haomo Zhixing in the current year, the Group recognizes the investment loss according to the loss share of the associated enterprise, and the unrecognized loss share in the current year is RMB61,078,653.40. The share of accumulated losses at the end of the period is RMB287,285,924.25.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

12. Other equity instrument investments

RMB

Item	1/1/2024 (Audited)	Movement				Others	30/06/2024 (Unaudited)	Dividend income of current period	Accumulated other comprehensive income	Accumulated other comprehensive loss	Reason of other designated as financial asset at FVOCI
		Increase in of investment	Decrease in investment	Other comprehensive income of current period	Other comprehensive loss of current period						
Unlisted equity instrument investment	1,920,519,915.82	—	—	—	—	1,957,761.88	1,922,477,677.70	—	1,254,668,220.61	—	Held for non-trading
Total	1,920,519,915.82	—	—	—	—	1,957,761.88	1,922,477,677.70	—	1,254,668,220.61	—	/

The above unlisted equity instrument investments are equity investments in unlisted enterprises held by the Group and the Company.

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

13. Investment properties

The investment properties measured at cost:

Item			<i>RMB</i>
	Buildings	Land use right	Total
I. Original carrying amount			
1 January 2024 (Audited)	720,067,123.98	18,155,144.76	738,222,268.74
Additions for the period	41,758,398.43	375,007.52	42,133,405.95
1. Acquisition	8,375,546.39	—	8,375,546.39
2. Transfer from intangible assets	—	375,007.52	375,007.52
3. Transfer from fixed assets Decrease for the period	33,382,852.04	—	33,382,852.04
Disposal	(20,917,199.83)	(93,781.35)	(21,010,981.18)
1. Transfer to intangible assets	—	(93,781.35)	(93,781.35)
2. Transfer to fixed assets Foreign currency translation differences	(20,917,199.83)	—	(20,917,199.83)
	(4,508,612.02)	—	(4,508,612.02)
30 June 2024 (Unaudited)	736,399,710.56	18,436,370.93	754,836,081.49
II. Accumulated amortization and depreciation			
1 January 2024 (Audited)	283,814,851.39	4,445,536.18	288,260,387.57
Additions for the period	21,412,655.69	268,833.83	21,681,489.52
1. Provision or amortization	11,807,416.86	222,692.01	12,030,108.87
2. Transfer from intangible assets	—	46,141.82	46,141.82
3. Transfer from fixed assets Decrease for the period	9,605,238.83	—	9,605,238.83
Disposal	(9,448,787.23)	(11,134.11)	(9,459,921.34)
1. Transfer to intangible assets	—	(11,134.11)	(11,134.11)
2. Transfer to fixed assets Foreign currency translation differences	(9,448,787.23)	—	(9,448,787.23)
	(275,173.51)	—	(275,173.51)
30 June 2024 (Unaudited)	295,503,546.34	4,703,235.90	300,206,782.24
III. Book value			
1 January 2024 (Audited)	436,252,272.59	13,709,608.58	449,961,881.17
30 June 2024 (Unaudited)	440,896,164.22	13,733,135.03	454,629,299.25

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. Fixed assets

(1) Information of fixed assets:

						RMB
Item	Buildings	Machinery and equipment	Transportation vehicles	Land assets	Other equipment	Total
I.	Original carrying amount					
1 January 2024 (Audited)	17,218,181,413.62	31,149,315,293.91	1,373,143,363.60	422,246,674.50	13,196,630,107.19	63,359,516,852.82
Additions for the period	76,384,227.68	1,396,057,188.10	182,710,320.44	—	633,043,178.76	2,288,194,914.98
1. Acquisition	34,166,422.03	11,616,455.51	125,630,406.26	—	175,560,052.03	346,973,335.83
2. Transfer from construction in progress	21,300,605.82	1,342,015,854.92	28,394,922.55	—	451,292,980.75	1,843,004,364.04
3. Transfer from inventories	—	42,424,877.67	28,684,991.63	—	6,190,145.98	77,300,015.28
4. Transfer from investment properties	20,917,199.83	—	—	—	—	20,917,199.83
Decrease for the period	(88,321,428.16)	(651,427,700.42)	(84,543,530.96)	—	(293,817,102.00)	(1,118,109,761.54)
1. Disposal or retired	(53,451,623.48)	(90,181,175.60)	(18,220,989.15)	—	(192,718,137.06)	(354,571,925.29)
2. Decrease for transferring to construction in progress	—	(352,131,668.26)	—	—	(2,433,630.97)	(354,565,299.23)
3. Transfer to investment properties	(33,382,852.04)	—	—	—	—	(33,382,852.04)
4. Other transfer-out	(1,486,952.64)	(209,114,856.56)	(66,322,541.81)	—	(98,665,333.97)	(375,589,684.98)
Reclassification	—	(156,391,874.91)	(44,000.00)	—	156,435,874.91	—
Foreign currency translation differences	12,187,945.26	12,248,963.00	(4,244,011.41)	(25,046,166.88)	12,587.36	(4,840,682.67)
30 June 2024 (Unaudited)	17,218,432,158.40	31,749,801,869.68	1,467,022,141.67	397,200,507.62	13,692,304,646.22	64,524,761,323.59
II.	Accumulated depreciation					
1 January 2024 (Audited)	4,979,070,611.40	18,443,504,798.61	422,441,982.57	—	8,591,900,344.54	32,436,917,737.12
Additions for the period	319,092,250.26	1,229,818,590.73	107,050,377.89	—	646,676,421.03	2,302,637,639.91
1. Provision for the period	309,643,463.03	1,229,818,590.73	107,050,377.89	—	646,676,421.03	2,293,188,852.68
2. Transfer from investment properties	9,448,787.23	—	—	—	—	9,448,787.23
Decrease for the period	(23,806,874.27)	(89,283,409.47)	(16,578,317.94)	—	(182,993,301.70)	(312,661,903.38)
1. Disposal or retired	(14,201,635.44)	(67,441,358.78)	(16,320,653.75)	—	(152,334,073.88)	(250,297,721.85)
2. Decrease for transferring to construction in progress	—	(20,232,042.10)	—	—	(1,882,807.77)	(22,114,849.87)
3. Transfer to investment	(9,605,238.83)	—	—	—	—	(9,605,238.83)
4. Other transfer-out	—	(1,610,008.59)	(257,664.19)	—	(28,776,420.05)	(30,644,092.83)
Reclassification	—	(69,285,495.39)	—	—	69,285,495.39	—
Foreign currency translation differences	6,293,233.29	4,400,925.10	(253,964.85)	—	3,868.61	10,444,062.15
30 June 2024 (Unaudited)	5,280,649,220.68	19,519,155,409.58	512,660,077.67	—	9,124,872,827.87	34,437,337,535.80

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. Fixed assets (continued)

(1) Information of fixed assets: (continued)

							RMB
Item	Buildings	Machinery and equipment	Transportation vehicles	Land assets	Other equipment	Total	
III. Provision for impairment							
1 January 2024 (Audited)	204,878.87	157,525,616.76	3,690,022.01	—	526,120,416.74	687,540,934.38	
Additions for the period	—	1,299,348.87	—	—	32,422,079.83	33,721,428.70	
1. Provision for the period (Note)	—	1,299,348.87	—	—	32,422,079.83	33,721,428.70	
2. Transfer from construction in progress	—	—	—	—	—	—	
Decrease for the period	—	(1,919,280.37)	—	—	(12,591,438.51)	(14,510,718.88)	
1. Disposal or retired	—	(1,919,280.37)	—	—	(12,351,309.89)	(14,270,590.26)	
2. Decrease for transferring to construction in progress	—	—	—	—	(161,471.43)	(161,471.43)	
3. Transfer from others	—	—	—	—	(78,657.19)	(78,657.19)	
Reclassification	—	(15,185,003.49)	—	—	15,185,003.49	—	
30 June 2024 (Unaudited)	204,878.87	141,720,681.77	3,690,022.01	—	561,136,061.55	706,751,644.20	
IV. Book value							
1 January 2024 (Audited)	12,238,905,923.35	12,548,284,878.54	947,011,359.02	422,246,674.50	4,078,609,345.91	30,235,058,181.32	
30 June 2024 (Unaudited)	11,937,578,058.85	12,088,925,778.33	950,672,041.99	397,200,507.62	4,006,295,756.80	29,380,672,143.59	

Note: Provision of impairment for the period amount to RMB33,721,428.70 as a result of some automobiles model discontinued, change of production techniques, fixed assets damaging and aging.

(2) Fixed assets of which certificates of title have not been obtained

As at 30 June 2024, the net value of the house property in the fixed assets that has not obtained the house property certificate is RMB1,256,303,015.40 (31 December 2023: RMB1,282,954,400.03), and the relevant house property certificate is in progress.

			RMB
Item	Book value	Reason for not obtaining certificates of title	
Item I	454,513,666.97	In progress	
Item II	88,557,052.55	In progress	
Item III	81,542,146.37	In progress	
Item IV	77,461,165.34	In progress	
Others	554,228,984.17	In progress	
Total	1,256,303,015.40		

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. Construction in progress

(1) The breakdown of construction in progress is as follows:

Item	30/06/2024 (Unaudited)			31/12/2023 (Audited)		
	Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
Parts and Components						
Department reconstruction project	2,353,279,961.08	(6,316,977.62)	2,346,962,983.46	1,998,215,560.34	(368,611.44)	1,997,846,948.90
Overseas automotive project	1,096,049,215.77	—	1,096,049,215.77	923,661,896.54	—	923,661,896.54
Shangrao automotive project	646,987,120.41	—	646,987,120.41	647,136,908.77	—	647,136,908.77
Xushui automotive project	531,058,769.33	—	531,058,769.33	677,299,067.60	(334,523.67)	676,964,543.93
Daye automotive project	252,366,504.56	—	252,366,504.56	292,381,747.01	—	292,381,747.01
Industrial Park Phase I, II and III expansion	205,428,126.60	(3,259,513.29)	202,168,613.31	301,498,651.90	(3,259,513.29)	298,239,138.61
Tianjin parts and components project	196,738,702.63	(306,627.78)	196,432,074.85	74,706,709.08	(306,627.78)	74,400,081.30
Tianjin automotive project	181,142,863.75	(123,262.86)	181,019,600.89	159,819,290.43	(123,262.86)	159,696,027.57
New technology center	156,500,307.70	—	156,500,307.70	77,091,614.54	—	77,091,614.54
Xushui parts and components project	126,616,192.71	(29,784.92)	126,586,407.79	233,985,757.78	(75,351.06)	233,910,406.72
Chongqing Great Wall automotive project	11,940,190.40	—	11,940,190.40	161,986,055.19	—	161,986,055.19
Rizhao automotive project	8,683,330.88	—	8,683,330.88	6,225,276.31	—	6,225,276.31
Other automotive projects	992,720,025.91	(233,018.75)	992,487,007.16	864,909,918.44	(233,018.75)	864,676,899.69
Other construction in progress projects	100,515,017.85	—	100,515,017.85	63,137,519.12	—	63,137,519.12
Total	6,860,026,329.58	(10,269,185.22)	6,849,757,144.36	6,482,055,973.05	(4,700,908.85)	6,477,355,064.20

RMB

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. Construction in progress (continued)

(2) Changes in major construction in progress

Project	Budget amount	01/01/2024 (Audited)	Additions for the period	Transferred to fixed assets	Other Decreases	Proportion of investment to budget (%)	Accumulated capitalized interest amount	Sources of fund	RMB
									30/06/2024 (Unaudited)
Parts and Components									
Department reconstruction									
project	12,748,656,986.60	1,998,215,560.34	1,260,330,900.50	(824,962,252.85)	(80,304,246.91)	67.72	—	Own	2,353,279,961.08
Overseas automotive project	5,428,518,119.80	923,661,896.54	465,946,290.83	(281,766,841.51)	(11,792,130.09)	94.37	—	Own	1,096,049,215.77
Xushui automotive project	13,349,458,320.91	677,299,067.60	8,853,483.25	(102,008,792.15)	(53,084,989.37)	85.24	—	Own	531,058,769.33
Shangrao automotive project	1,379,598,551.93	647,136,908.77	2,287,960.61	—	(2,437,748.97)	47.76	—	Own	646,987,120.41
Total	32,906,231,979.24	4,246,313,433.25	1,737,418,635.19	(1,208,737,886.51)	(147,619,115.34)				4,627,375,066.59

(3) Provision for impairment of construction in progress for the period

Item	1/1/2024 (Audited)	Additions for the period	Decrease for the period	30/06/2024 (Unaudited)	RMB
					Reason of provision
Tianjin automotive project	123,262.86	—	—	123,262.86	Discontinued of the car model
Xushui automotive project	334,523.67	—	(334,523.67)	—	Change of process
Tianjin parts and components project	306,627.78	—	—	306,627.78	Discontinued of the car model
Parts and Components Department reconstruction project	368,611.44	5,948,366.18	—	6,316,977.62	Discontinued of the car model
Industrial Park Phase I, II and III expansion	3,259,513.29	—	—	3,259,513.29	Discontinued of the car model
Xushui parts and components project	75,351.06	—	(45,566.14)	29,784.92	Discontinued of the car model
Other projects in automotive	233,018.75	—	—	233,018.75	Discontinued of the car model
Total	4,700,908.85	5,948,366.18	(380,089.81)	10,269,185.22	

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. Right-of-use assets

Item	<i>RMB</i>				
	Land use right	Buildings	Machine equipment	Transportation vehicle	Total
I. Original carrying amount:					
1 January 2024 (Audited)	69,328,883.58	1,105,822,622.15	362,491,297.38	13,802,153.45	1,551,444,956.56
Additions for the period	3,657,081.35	598,999,160.09	5,561,458.71	2,197,039.09	610,414,739.24
Deductions for the period	(5,956,202.35)	(47,090,341.89)	(168,871,156.75)	(612,117.89)	(222,529,818.88)
Foreign currency translation differences	—	(9,699,249.78)	—	—	(9,699,249.78)
30 June 2024 (Unaudited)	67,029,762.58	1,648,032,190.57	199,181,599.34	15,387,074.65	1,929,630,627.14
II. Accumulated depreciation					
1 January 2024 (Audited)	48,392,512.82	526,251,723.70	232,124,408.20	8,967,917.94	815,736,562.66
Additions for the period	10,457,128.00	203,195,359.04	58,089,033.20	2,452,636.75	274,194,156.99
1. Provision	10,457,128.00	203,195,359.04	58,089,033.20	2,452,636.75	274,194,156.99
Deductions for the period	(5,727,037.56)	(31,427,616.96)	(165,136,055.87)	(359,358.75)	(202,650,069.14)
Foreign currency translation differences	—	(3,020,060.28)	—	—	(3,020,060.28)
30 June 2024 (Unaudited)	53,122,603.26	694,999,405.50	125,077,385.53	11,061,195.94	884,260,590.23
III. Provision for Impairment					
1 January 2024 (Audited)	—	—	—	—	—
30 June 2024 (Unaudited)	—	—	—	—	—
IV. Book value					
1 January 2024 (Audited)	20,936,370.76	579,570,898.45	130,366,889.18	4,834,235.51	735,708,393.90
30 June 2024 (Unaudited)	13,907,159.32	953,032,785.07	74,104,213.81	4,325,878.71	1,045,370,036.91

Other notes:

The Group has leased a number of assets, including land use right, buildings, machinery equipment and transportation vehicles, with a lease period ranging from 2 to 10 years. The short-term lease expenses and low-value assets lease expenses included in the simplified processing of current profit or loss for the period are RMB468,129,578.24. The total cash outflow related to leases for the period is RMB991,719,378.17.

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. Intangible assets

(1) Intangible assets

Item	RMB			
	Land use right	Software and others	Non-patent technology	Total
I. Original carrying amount				
1 January 2024 (Audited)	3,817,487,497.68	1,981,240,846.96	14,367,050,000.54	20,165,778,345.18
Additions for the period	77,001,651.26	277,892,536.94	2,493,022,558.67	2,847,916,746.87
1. Acquisition	24,599,298.91	112,740,908.09	—	137,340,207.00
2. Internal research and development	—	106,325,708.54	2,493,022,558.67	2,599,348,267.21
3. Transferred from construction in progress	52,308,571.00	58,825,920.31	—	111,134,491.31
4. Transferred from investment properties	93,781.35	—	—	93,781.35
Deductions for the period	(4,375,007.52)	(16,394,320.02)	(228,248.28)	(20,997,575.82)
1. Other transfer-out	(4,000,000.00)	(148,858.41)	(228,248.28)	(4,377,106.69)
2. Disposal	—	(16,245,461.61)	—	(16,245,461.61)
3. Transferred to investment properties	(375,007.52)	—	—	(375,007.52)
Foreign currency translation differences	—	986,771.84	—	986,771.84
30 June 2024 (Unaudited)	3,890,114,141.42	2,243,725,835.72	16,859,844,310.93	22,993,684,288.07
II. Accumulated amortization				
1 January 2024 (Audited)	830,365,154.54	451,846,047.93	7,573,230,910.50	8,855,442,112.97
Additions for the period	39,691,321.47	121,988,667.72	1,895,328,972.37	2,057,008,961.56
1. Provision	39,680,187.36	121,988,667.72	1,895,328,972.37	2,056,997,827.45
2. Transferred from investment properties	11,134.11	—	—	11,134.11
Deductions for the period	(46,141.82)	(3,313,054.66)	—	(3,359,196.48)
1. Disposal	—	(3,164,196.25)	—	(3,164,196.25)
2. Transferred to investment properties	(46,141.82)	—	—	(46,141.82)
3. Other transfer-out	—	(148,858.41)	—	(148,858.41)
Foreign currency translation differences	—	1,226,896.06	—	1,226,896.06
30 June 2024 (Unaudited)	870,010,334.19	571,748,557.05	9,468,559,882.87	10,910,318,774.11
III. Book value				
1 January 2024 (Audited)	2,987,122,343.14	1,529,394,799.03	6,793,819,090.04	11,310,336,232.21
30 June 2024 (Unaudited)	3,020,103,807.23	1,671,977,278.67	7,391,284,428.06	12,083,365,513.96

The proportion of intangible assets arising from internal research and development at the end of the period to balance of total intangible assets is 61.17% (31 December 2023: 59.90%).

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. Intangible assets (continued)

(2) Land use right of which certificates of title has not been obtained

As at 30 June 2024, among the intangible assets, the net book value of land use right without land use right certificates amounted to RMB1,308,811.63 (31 December 2023: RMB1,322,258.32), and the application of relevant land use right certificates is in progress.

Item	Book value	Reason for not obtaining certificates of title
Item I	1,308,811.63	Certificate is in progress
Total	1,308,811.63	

18. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets before offsetting

Item	30/06/2024 (Unaudited)		31/12/2023 (Audited)	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Credit loss provision	518,659,716.11	87,771,624.16	547,006,780.11	94,933,081.18
Provision for decline in value of inventories	178,815,738.12	11,025,263.70	157,615,714.53	10,907,004.08
Impairment of fixed assets	493,460,054.45	79,396,023.74	476,638,526.27	74,349,652.67
Impairment of construction in progress	9,517,840.86	1,982,628.73	4,302,838.46	645,425.77
Temporary difference of amortization of intangible assets	5,674,113,262.01	855,257,767.94	4,602,662,190.98	691,362,961.77
Accrued expenses which are deductible upon payment	1,123,751,302.18	251,611,051.17	1,258,574,647.47	290,684,284.38
Contract liabilities	6,237,587,486.87	1,028,542,714.54	6,041,529,946.16	967,765,783.63
Deductible loss	12,995,780,854.43	2,283,734,149.66	16,559,538,338.89	2,792,092,689.84
Deferred income	2,852,765,639.33	442,501,919.51	1,492,267,247.10	237,262,628.32
Share-based payments	487,649,403.61	85,502,538.41	160,350,327.89	18,436,876.18
Lease liabilities	1,098,193,660.70	228,946,812.80	945,150,826.78	167,600,127.86
Unrealized profit arising from internal transactions	4,186,157,712.18	956,673,397.14	4,188,578,029.02	900,642,402.14
Others	100,293,155.72	31,270,079.20	153,757,323.41	36,352,502.00
Total	35,956,745,826.57	6,344,215,970.70	36,587,972,737.07	6,283,035,419.82

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

18. Deferred tax assets and deferred tax liabilities (continued)

(2) Deferred tax liabilities before offsetting

Item	30/06/2024 (Unaudited)		31/12/2023 (Restated)	
	Taxable temporary difference	Deferred tax liabilities	Taxable temporary difference	Deferred tax liabilities
The impact of accelerated depreciation of fixed assets under tax law	14,139,568,086.36	2,310,492,270.03	13,639,189,979.00	2,207,519,872.61
Right-of-use assets	1,025,294,459.72	233,214,977.56	699,421,224.87	131,228,955.07
Unrealized earnings of financial assets	1,309,499,022.38	321,891,675.44	1,258,570,427.44	314,541,286.12
The value added of assets appraisal of Business combination not involving enterprise under common control	111,906,848.58	16,786,027.29	112,566,799.23	16,885,019.88
Temporary difference of interest receivable	79,481,390.18	13,292,240.49	103,791,745.36	17,130,903.44
Total	16,665,749,807.22	2,895,677,190.81	15,813,540,175.90	2,687,306,037.12

(3) Deferred tax assets and deferred tax liabilities at net amount after offsetting

Item	30/06/2024 (Unaudited)		31/12/2023	
	Offset amount of deferred tax assets and liabilities	Deferred tax assets (liabilities) after offsetting	Offset amount of deferred tax assets and liabilities (Restated)	Deferred tax assets (liabilities) after offsetting (Audited)
Deferred tax assets	(1,764,246,670.96)	4,579,969,299.74	(1,622,842,977.53)	4,660,192,442.29
Deferred tax liabilities	1,764,246,670.96	(1,131,430,519.85)	1,622,842,977.53	(1,064,463,059.59)

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

18. Deferred tax assets and deferred tax liabilities (continued)

(4) Details of unrecognized deferred tax assets

Item	<i>RMB</i>	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Deductible loss	3,574,839,099.11	2,908,689,486.35
Total	3,574,839,099.11	2,908,689,486.35

The deductible losses of the unrecognized deferred tax assets will expire in the following years:

Years	<i>RMB</i>	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
2024	7,791,195.21	8,170,286.78
2025	65,314,812.75	70,263,612.00
2026	660,264,867.47	686,166,243.80
2027	805,780,536.17	805,993,071.16
2028	1,337,901,557.79	1,338,096,272.61
2029	697,786,129.72	—
Total	3,574,839,099.11	2,908,689,486.35

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

19. Other non-current assets

Item	30/06/2024 (Unaudited)			31/12/2023 (Audited)		
	Carrying amount	Impairment provision	Net book value	Carrying amount	Impairment provision	Net book value
Purchase margin	410,000,000.00	—	410,000,000.00	1,420,000,000.00	—	1,420,000,000.00
Receivable from land transfer	270,758,568.00	—	270,758,568.00	270,758,568.00	—	270,758,568.00
State subsidies receivable	349,742,424.05	—	349,742,424.05	107,267,679.00	—	107,267,679.00
Others	119,087,310.04	—	119,087,310.04	5,969.09	—	5,969.09
Total	1,149,588,302.09	—	1,149,588,302.09	1,798,032,216.09	—	1,798,032,216.09

20. Short-term borrowings and long-term borrowings

(1) Short-term borrowings

Item	30/06/2024	31/12/2023
	(Unaudited)	(Audited)
Credit loans	2,250,127,323.97	3,867,147,964.90
Guaranteed loans (Note 1)	1,047,458,739.94	1,318,597,968.34
Pledge loans (Note 2)	50,139,322.74	515,105,000.00
Mortgage loan (Note 3)	100,000,000.00	—
Total	3,447,725,386.65	5,700,850,933.24

Note 1: The guaranteed loan is the loan obtained by the Company's subsidiaries Great Wall Motor Brazil Co., Ltd. (長城汽車巴西有限公司) ("Great Wall Brazil"), Honeycomb Intelligent Jiangsu, Jingcheng Parts Yangzhong, Honeycomb Transmission, HONEYCOMB Power Jiangsu, HWA Ding International Co., Ltd. (華鼎國際有限公司) ("HWA Ding International"), Great Wall Motor Sales (Thailand) Co., LTD. (長城汽車銷售(泰國)有限公司)(Thailand Sale), Great Wall Motor Manufacturing (Thailand) Co., Ltd. (長城汽車製造(泰國)有限公司) ("Great Wall Motor Thailand"), Jingcheng Engineering Auto Parts (Thailand) Co., Ltd. (精誠工科汽車零部件(泰國)有限公司) ("Seiko Auto Thailand"), NOBO Automotive Systems (Thailand) Co., Ltd. (諾博汽車系統(泰國)有限公司) ("NOBO Auto Thailand"), Honeycomb Power System (Thailand) Co., Ltd. (蜂巢動力系統(泰國)有限公司) ("Honeycomb Power Thailand") and Mind Automotive Parts (Thailand) Co., Ltd.(曼德汽車零部件(泰國)有限公司) ("Mind Thailand") with the Company as the guarantor.

Note 2: The pledged loan obtained from discounted and unexpired notes receivable that did not meet the conditions for derecognition at the end of the reporting period.

Note 3: The secured borrowings were obtained by the Company's subsidiary, Hebei Changzheng, by mortgaging land use rights and properties.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

20. Short-term borrowings and long-term borrowings (continued)

(2) Long-term borrowings

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Credit loans	18,052,147,916.42	16,929,559,388.06
Guaranteed loans (Note 1)	1,851,187,929.17	2,401,674,583.34
Pledge loan (Note 2)	37,800,000.00	63,573,730.56
Less: Long-term loans due within one year	9,385,765,325.22	6,108,718,993.00
Total	10,555,370,520.37	13,286,088,708.96

Note 1: The guaranteed loan at the end of the period is the loan obtained by the Company with Great Wall Venture and Investment, and the loan obtained by the Company's subsidiaries Jingcheng Parts Yangzhong , Jingcheng Engineering and MIND Electronics with the Company as the guarantor.

Note 2: The pledged loan is the loan obtained from the pledge of long-term receivables by the Company's subsidiary Tianjin Oula Financial Leasing Co., Ltd. (天津歐拉融資租賃有限公司) ("Tianjin Oula").

21. Notes payable

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Bank acceptances	29,310,388,234.77	27,870,084,140.78
Commercial acceptances	53,215,316.55	69,706,112.30
Total	29,363,603,551.32	27,939,790,253.08

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

22. Accounts payable

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Within 1 year	34,680,166,067.24	40,066,698,691.61
1 to 2 years	446,383,178.29	399,643,934.31
2 to 3 years	77,545,737.68	60,563,204.75
Over 3 years	17,793,836.72	19,745,288.27
Total	35,221,888,819.93	40,546,651,118.94

The aging analysis of accounts payable is based on the time of purchasing materials, goods or receiving services.

23. Contract liabilities

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Receipts in advance	6,763,875,203.39	6,880,832,035.00
Maintenance service	1,924,048,568.19	1,977,249,635.75
Warranty service	716,121,578.10	690,927,118.57
Transportation service	24,030,676.64	34,066,949.60
Total	9,428,076,026.32	9,583,075,738.92

Note:

Revenue included in the opening book value of contract liabilities recognized in the current period

An amount of RMB7,192,665,691.49, representing the carrying amount of contract liabilities at the beginning of the period, has been recognised as revenue in the current period. The carrying amount of contract liabilities at the end of the period is expected to be recognised as revenue within one year.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Employee benefits payable

(1) Employee benefits payable disclosed as follows:

Item				RMB
	1/1/2024 (Audited)	Increase	Decrease	30/06/2024 (Unaudited)
1. Short-term employee benefits	4,385,261,123.99	6,763,585,836.16	(10,062,545,036.43)	1,086,301,923.72
2. Post-employment benefits-defined contribution plan	8,324,254.90	625,997,648.37	(614,128,248.38)	20,193,654.89
3. Termination benefits	304,343.48	20,510,779.08	(20,738,295.37)	76,827.19
Total	4,393,889,722.37	7,410,094,263.61	(10,697,411,580.18)	1,106,572,405.80

(2) Short-term employee benefits payable disclosed as follows:

Item				RMB
	1/1/2024 (Audited)	Increase	Decrease	30/06/2024 (Unaudited)
I. Salaries, bonuses, allowances and subsidies	4,017,929,755.38	5,197,011,040.19	(8,274,430,166.39)	940,510,629.18
II. Staff welfare	185,454,249.26	371,527,351.88	(550,659,583.21)	6,322,017.93
III. Staff bonuses and welfare fund	318,630.53	22,255.06	(22,255.06)	318,630.53
IV. Social insurance premiums	11,959,890.81	333,749,877.96	(330,068,332.72)	15,641,436.05
Including: Medical insurance	10,990,913.94	305,901,179.92	(302,478,619.47)	14,413,474.39
Work-related injury insurance	669,442.50	23,001,576.17	(22,633,318.03)	1,037,700.64
Maternity insurance	299,534.37	4,847,121.87	(4,956,395.22)	190,261.02
V. Housing provident funds	(9,670,629.73)	194,881,735.63	(181,890,882.95)	3,320,222.95
VI. Labor union expenditures	20,362,621.45	11,869,541.69	(20,057,860.62)	12,174,302.52
VII. Employees' education expenses	1,691,760.53	2,612,767.09	(3,436,428.03)	868,099.59
VIII. Service charge	157,214,845.76	651,911,266.66	(701,979,527.45)	107,146,584.97
Total	4,385,261,123.99	6,763,585,836.16	(10,062,545,036.43)	1,086,301,923.72

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Employee benefits payable (continued)

(3) Defined contribution plan

Item	1/1/2024 (Audited)	Increase	Decrease	RMB
				30/06/2024 (Unaudited)
1. Basic endowment insurance	17,694,726.73	604,755,079.39	(602,059,020.17)	20,390,785.95
2. Unemployment insurance	(9,370,471.83)	21,242,568.98	(12,069,228.21)	(197,131.06)
Total	8,324,254.90	625,997,648.37	(614,128,248.38)	20,193,654.89

Employees of the Group are required to join a pension plan implemented by the local government. Under such plan, the Group is required to make contribution at a fixed percentage of the salaries of its employees. Except for the monthly payment and deposit fees, the Group no longer undertakes further payment obligations. The corresponding expenditure is included in the relevant asset cost or current profit or loss when incurred.

For the period from 1 January to 30 June 2024, basic endowment insurance payable of the Group amounted to RMB604,755,079.39 (for the period from 1 January to 30 June 2023: RMB560,727,110.26); the unemployment insurance payable amounted to RMB21,242,568.98 (for the period from 1 January to 30 June 2023: RMB20,955,623.85). As at 30 June 2024, basic endowment insurance payable of RMB20,390,785.95 (31 December 2023: RMB17,694,726.73) and unemployment insurance payable of RMB197,131.06 (31 December 2023: RMB9,370,471.83) of the Group have not yet been paid. Such payables have been paid after the report period.

25. Taxes payable

Item	RMB	31/12/2023 (Audited)
	30/06/2024 (Unaudited)	
Value added tax	703,235,454.55	476,857,763.04
Consumption tax	396,087,724.85	344,831,029.41
Enterprise income tax	437,387,214.13	594,380,979.31
Individual income tax	63,068,827.47	35,605,505.08
City maintenance and construction tax	45,829,282.13	32,491,842.24
Education surcharges	33,047,835.02	23,578,134.26
Stamp duty	70,193,624.14	81,943,828.96
Real estate tax	7,055,635.34	6,925,656.30
Vehicle scrappage tax	2,036,528,306.75	627,095,876.62
Others	167,064,085.35	166,408,212.35
Total	3,959,497,989.73	2,390,118,827.57

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

26. Other payables

Other payables disclosed by nature are as follows:

Item	<i>RMB</i>	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Construction payment	135,686,668.91	166,181,154.48
Equipment payment	1,904,618,269.94	2,503,631,643.76
Margin or deposit	879,421,760.68	868,709,411.19
Restricted share repurchase obligations	1,238,078,993.31	637,503,647.20
Output tax related to receipts in advance	813,693,256.88	900,599,453.84
Sales with buyback agreements	593,757,626.73	543,279,125.00
Others	663,451,331.31	597,981,820.62
Total	6,228,707,907.76	6,217,886,256.09

27. Non-current liabilities due within one year

Item	Notes	<i>RMB</i>	
		30/06/2024 (Unaudited)	31/12/2023 (Audited)
Long-term loans due within one year	VI.20	9,385,765,325.22	6,108,718,993.00
Bonds payable due within one year	VI.29	744,055,084.22	411,628,192.04
Lease liabilities due within one year	VI.30	321,972,056.10	354,365,561.26
Others		14,898,224.93	15,622,014.90
Total		10,466,690,690.47	6,890,334,761.20

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

28. Other current liabilities

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Accrued advertising and media service expenses	1,570,464,035.53	2,356,555,681.19
Accrued after-sales service expenses	1,647,342,796.10	1,357,253,618.29
Accrued transportation expenses	1,074,295,375.44	1,046,202,618.43
Accrued technology development expenditure	361,337,814.43	484,797,131.13
Accrued utilities fees	87,062,508.11	79,731,625.29
Accrued Consulting service expenses	88,280,675.08	123,717,005.64
Accrued expenses for Internet of vehicles	41,093,578.08	497,550,152.92
Other	1,008,176,250.07	1,142,332,223.44
Total	5,878,053,032.84	7,088,140,056.33

29. Bonds payable

(1) Bonds payable

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Asset backed securities	873,135,553.06	283,565,357.27
Asset backed notes	72,567,131.16	172,657,234.77
Convertible bond	3,455,896,171.03	3,418,465,569.50
Less: bonds payable due within one year	744,055,084.22	411,628,192.04
Total	3,657,543,771.03	3,463,059,969.50

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

29. Bonds payable (continued)

(2) Increase and decrease of bonds payable

RMB

Bond name	Face value	Coupon rate (%)	Issue date	Bond term (day)	Issue amount	1/1/2024 (Audited)	Issued this period	Accrued interest at par value	Premium amortization and others	Repayment/ conversion of shares this period	Less: bonds payable due within one year	30/06/2024 (Unaudited)	Default or not
22 Oula Leasing ABN001 priority (Note 2)	100.00	3.35	02/12/2022	786	478,000,000.00	172,657,234.77	—	1,850,304.34	(2,468,607.95)	(99,471,800.00)	72,567,131.16	—	No
Tianfeng Ora lease phase 1 Priority A1 (Note 1)	100.00	3.20	20/09/2023	284	320,000,000.00	79,508,319.60	—	386,400.40	(406,720.00)	(79,488,000.00)	—	—	No
Tianfeng Ora lease phase 1 Priority A2 (Note 1)	100.00	3.50	20/09/2023	619	204,000,000.00	204,057,037.67	—	3,269,586.84	(3,292,356.00)	(78,417,600.00)	125,616,668.51	—	No
Tianfeng Ora lease phase 2 Priority A1 (Note 1)	100.00	2.90	02/02/2024	333	229,000,000.00	—	229,000,000.00	2,174,830.93	(2,116,104.48)	(139,667,100.00)	89,391,626.45	—	No
Tianfeng Ora lease phase 2 Priority A2 (Note 1)	100.00	3.20	02/02/2024	756	176,000,000.00	—	176,000,000.00	2,075,891.87	(2,068,539.52)	—	89,397,752.35	86,609,600.00	No
Tianfeng Ora lease phase 3 Priority A1 (Note 1)	100.00	2.20	27/06/2024	307	316,000,000.00	—	316,000,000.00	76,223.92	—	—	316,076,223.92	—	No
Tianfeng Ora lease phase 3 Priority A2 (Note 1)	100.00	2.40	27/06/2024	733	166,000,000.00	—	166,000,000.00	43,681.83	—	—	51,005,681.83	115,038,000.00	No
Great Wall Convertible Bond (Note 3)	100.00	0.60	17/06/2021	2190	3,500,000,000.00	3,418,465,569.50	—	10,801,793.59	47,617,463.94	(20,988,656.00)	—	3,455,896,171.03	No
Total	—	—	—	—	5,389,000,000.00	3,874,688,161.54	887,000,000.00	20,678,713.72	37,265,135.99	(418,033,156.00)	744,055,084.22	3,657,543,771.03	

Note 1: On 20 September 2023, Tianjin Ola acted as the sponsor in the issuance of RMB524 million of fixed-rate senior asset-backed securities, including RMB320 million of preferred A1-rated asset-backed securities and RMB204 million of preferred A2-rated asset-backed securities, all of which are held by the Group, and the preferred A1-rated asset-backed securities was repaid by March 2024 and the preferred A2-rated asset-backed securities will be repaid by May 2025. On 2 February 2024, Tianjin Ola acted as the sponsor in the issuance of RMB405 million of fixed-rate senior asset-backed securities, including RMB229 million of preferred A1-rated asset-backed securities and RMB176 million of preferred A2-rated asset-backed securities. The Group holds all subordinated asset-backed securities. The preferred A1-rated asset-backed securities will be repaid by December 2024 and the preferred A2-rated asset-backed securities will be repaid by February 2026. On 27 June 2024, Tianjin Ola acted as the sponsor in the issuance of RMB482 million of fixed-rate senior asset-backed securities, including RMB316 million of preferred A1-rated asset-backed securities and RMB166 million of preferred A2-rated asset-backed securities. The Group holds all subordinated asset-backed securities. The preferred A1-rated asset-backed securities will be repaid by April 2025 and the preferred A2-rated asset-backed securities will be repaid by June 2026. The Group has not de-recognized the financial assets related to asset securitization and accounted for the proceeds from the issuance of senior asset-backed securities as bonds payable.

Note 2: Tianjin Oula issued RMB478 million of fixed rate priority asset-backed notes as the initiator on 2 December 2022. The Group holds all subordinated asset-backed notes, and the priority asset-backed notes will be repaid in January 2025. The Group has not derecognised financial assets related to assets securitization and accounts the financing from the issuance of priority asset-backed notes as bonds payable.

Note 3: With the approval of Zhengjianxuke [2021] No. 1353, the Company issued A-share convertible corporate bonds (Great Wall Convertible Bond) with a face value of RMB100 and a total face value of RMB3.500 billion in June 2021, with a term of 6 years. The annual coupon rate of convertible corporate bonds is 0.2% in the first year, 0.4% in the second year, 0.6% in the third year, 0.8% in the fourth year, 1.5% in the fifth year and 2.0% in the sixth year. The interest shall be paid once a year, the principal and the interest of the last year shall be paid in the due date. The shares converted period of Great Wall Convertible Bond is from the first trading day after six months from the end of issued date (17 June 2021) to the maturity date, that is, 17 December 2021 to June 9, 2027. On the issue date, the liability component of convertible corporate bonds is initially recognized at fair value, and the part where the issue price exceeds the initially recognized liability component is recognized as equity component.

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

30. Lease liabilities

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Lease liabilities	1,241,641,907.87	1,015,930,840.76
Sub-total	1,241,641,907.87	1,015,930,840.76
Less: Leased liabilities recognized in non-current liabilities due within one year (Note VI.27)	321,972,056.10	354,365,561.26
Total	919,669,851.77	661,565,279.50

31. Deferred income

Item	RMB			30/06/2024 (Unaudited)	Causes of formation
	1/1/2024 (Audited)	Increase	Decrease		
Government grants	3,197,720,150.53	320,934,055.06	(348,486,241.31)	3,170,167,964.28	Government Industrial Policy Support Fund, etc
Total	3,197,720,150.53	320,934,055.06	(348,486,241.31)	3,170,167,964.28	

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

31. Deferred income (continued)

Projects related to government grants:

<i>RMB</i>						
Type	1/1/2024 (Audited)	Increase in grants for the period	Amount recognized in other income for the period	Other transfer-out	30/06/2024 (Unaudited)	Related to an asset/related to income
Government industrial policy supporting fund	1,848,203,491.03	120,747,750.20	(16,182,128.09)	(66,518,594.50)	1,886,250,518.64	Related to an asset/income
Infrastructure supporting fund	815,464,349.19	—	(12,070,087.94)	—	803,394,261.25	Related to an asset
Soft soil foundation subsidy	232,826,236.42	—	(1,309,783.20)	(2,600,000.00)	228,916,453.22	Related to an asset
New technical center infrastructure construction project	104,997,288.28	—	(12,022,208.49)	—	92,975,079.79	Related to an asset
Urban construction fund	51,674,465.09	10,770,000.00	(1,259,499.28)	(687,000.00)	60,497,965.81	Related to an asset
Energy-saving gasoline direct injection engine project	20,833,333.33	—	—	—	20,833,333.33	Related to an asset
110KV transformer substation project	20,984,787.29	—	(588,358.56)	—	20,396,428.73	Related to an asset
Renovation and expansion of expert apartment project	6,818,181.83	—	(681,818.18)	—	6,136,363.65	Related to an asset
New technical center infrastructure construction project	1,012,407.78	—	(459,129.14)	—	553,278.64	Related to an asset
Others	94,905,610.29	189,416,304.86	(65,288,134.54)	(168,819,499.39)	50,214,281.22	Related to an asset/income
Total	3,197,720,150.53	320,934,055.06	(109,861,147.42)	(238,625,093.89)	3,170,167,964.28	

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

32. Share capital

Item	1/1/2024 (Audited)	Changes for the period			Sub-total	RMB
		New issue (Note 1)	Transfer from convertible	Others (Note 1)		30/06/2024 (Unaudited)
Share Capital	8,497,528,597.00	46,762,740.00	422.00	(2,345,969.00)	44,417,193.00	8,541,945,790.00

Note 1: As described in note (xiii), in accordance with the Group's equity incentive plan, in fiscal year 2024, 45,557,500 new shares were included in share capital as a result of the grant of restricted stock, 1,205,240 shares were issued in connection with the exercise of stock options, and the Company canceled 2,345,969 shares of restricted stock repurchased due to lapses.

33. Other equity instruments

	1/1/2024 (Audited)		Increase		Decrease		30/06/2024 (Unaudited)	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
Equity Instrument portion of Convertible Corporate Bonds Note (VI)29	34,952,890	335,560,107.73	—	—	(170)	(1,632.05)	34,952,720	335,558,475.68
Total	34,952,890	335,560,107.73	—	—	(170)	(1,632.05)	34,952,720	335,558,475.68

34. Capital reserve

Item	1 January 2024 (Audited)		Increase	Decrease	RMB
					30 June 2024 (Unaudited)
Capital premiums (Note 1)		33,522,022.11	527,569,415.39	(34,584,759.22)	526,506,678.28
Other capital reserves (Note 2)		2,021,120,135.62	540,592,127.29	(19,886,452.03)	2,541,825,810.88
Total		2,054,642,157.73	1,068,161,542.68	(54,471,211.25)	3,068,332,489.16

Note 1: The increase in capital premium for the period was due to the increase of RMB527,551,938.76 in the exercise of stock options and unlocking of restricted shares by incentive recipients of the Group during the period, and the increase of RMB17,476.63 in the conversion of part of the "Changqi Convertible Bonds" into shares of the Company. The decrease was due to a decrease of RMB34,584,759.22 from the cancellation of restricted shares repurchased by the Company due to lapses.

Note 2: The increase in other capital surplus during the period was mainly due to the increase in share-based payment expense of RMB540,212,836.14 recognized by the Group based on the estimated number of feasible equity instruments and the increase in the equity method of accounting for the equity in equity of the investee of RMB379,291.15 during the period. The decrease in other capital surplus during the period was mainly due to the unlocking of restricted shares and exercise of stock options by incentive recipients.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

35. Treasury shares

Item				<i>RMB</i>
	1 January 2024 (Audited)	Increase	Decrease	30 June 2024 (Unaudited)
Related to restricted stock repurchase Treasury stock related to restricted stock repurchase obligations (Note 1)	644,670,792.60	620,037,575.00	(74,584,112.38)	1,190,124,255.22
Repurchase of shares (note 2)	159,379,670.41	—	(80,930,906.76)	78,448,763.65
Total	804,050,463.01	620,037,575.00	(155,515,019.14)	1,268,573,018.87

Note 1: The annual decrease in treasury stock related to restricted stock repurchase obligations was due to the Group granted restricted stock to incentive targets during the period the cancellation of restricted stock repurchased due to lapses and the unlocking of restricted stock by the Company, as described in note XIII.

Note 2: The decrease in treasury stock related to the repurchase of shares for the period was due to the grant of restricted stock under the equity incentive of the employee stock ownership platform, which decreased by RMB80,930,906.76.

36. Surplus reserve

Item				<i>RMB</i>
	1 January 2024 (Audited)	Increase	Decrease	30 June 2024 (Unaudited)
Statutory surplus reserve	5,129,831,905.92	—	—	5,129,831,905.92
Discretionary surplus reserve	2,855,650.48	—	—	2,855,650.48
Reserve fund	128,666,410.87	—	—	128,666,410.87
Tax reduction for social welfare enterprises	251,838,024.75	—	—	251,838,024.75
Total	5,513,191,992.02	—	—	5,513,191,992.02

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

37. Undistributed profits

Item	Amount	RMB Proportion of appropriation or allocation
For the period from 1 January to 30 June 2024 (Unaudited):		
Undistributed profits at the beginning of the period	52,728,780,842.33	
Add: Net profit attributable to the shareholders of the parent company for the period	7,078,549,432.99	
Other transfers-in	—	
Less: Appropriation of statutory surplus reserve	—	
Appropriation of reserve fund	—	
Distribution of cash dividends	2,562,255,943.20	(1)
Others	(1,230,266.54)	
Undistributed profits at the end of the period	57,246,304,598.66	

(1) Cash dividends approved at the 2024 Annual General Meeting of Shareholders

On May 10, 2024, the 2023 annual general meeting of the Company considered and approved the "Proposal for the Distribution of Profit for the Year 2023", which provided for the distribution of cash dividends to all shareholders on the basis of the total share capital as at the date of registration of shareholdings at the time of the implementation of the distribution of profit by the Company and the deduction of the total number of shares held in the Company's repurchase-specific securities account as the basis of distribution of cash dividends, and distributed to all shareholders per share cash dividends for the year ended December 31, 2023 of RMB0.3 each share (including tax), totaling RMB2,562,454,289.70.

The cash dividends included in the Group's profit distribution for 2024 have excluded the effect of cash dividends distributed to holders of restricted shares that are not expected to be unlocked in the future.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

38. Operating revenue and operating costs

(1) Operating revenue and operating costs

Item	For the period from 1 January to 30 June 2024 (Unaudited)		For the period from 1 January to 30 June 2023 (Unaudited)	
	Income	Costs	Income	Costs
	<i>RMB</i>			
Principal operating activities	90,217,008,827.16	71,627,634,538.16	68,968,456,281.54	57,320,318,485.59
Other operating activities	1,211,948,267.48	839,747,094.35	1,002,660,881.24	860,039,265.99
Total	91,428,957,094.64	72,467,381,632.51	69,971,117,162.78	58,180,357,751.58

(2) Revenue arising from contracts

Categories of contracts	For the period from 1 January to 30 June 2024 (Unaudited)		For the period from 1 January to 30 June 2023 (Unaudited)	
	Revenue	costs	Revenue	costs
	<i>RMB</i>			
Income from the sales of automobiles	78,933,006,684.10	62,729,983,488.48	60,663,081,099.38	50,818,496,428.73
Income from the sales of automotive parts and components	6,097,484,387.44	4,355,106,709.62	5,817,102,017.66	4,542,334,241.01
Income from rendering of services	1,181,192,320.12	912,347,042.00	1,332,459,093.19	999,295,622.10
Income from the sales of moulds and others	4,005,325,435.50	3,630,197,298.06	1,155,814,071.31	960,192,193.75
Other operating income	1,062,629,605.62	762,510,640.09	945,637,699.37	832,117,965.62
Subtotal of income from contracts with customers	91,279,638,432.78	72,390,145,178.25	69,914,093,980.91	58,152,436,451.21
Rental income	149,318,661.86	77,236,454.26	57,023,181.87	27,921,300.37
Total	91,428,957,094.64	72,467,381,632.51	69,971,117,162.78	58,180,357,751.58

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

38. Operating revenue and operating costs (continued)

(3) Description of performance obligations

Item	Time for fulfilling performance obligations	Important payment terms	Nature of company's commitment to transfer goods	Is the person primarily responsible	Amounts assumed by the company that are expected to be refunded to the customer	Types of quality assurance offered by the company and related obligations
Revenue from sales of automobiles	When the customer acquires control of the underlying commodity	Collections within 30-180 days of receipt in advance/signature	Merchandise	Yes	No	Product Quality Assurance
Revenue from sales of spare parts	When the customer acquires control of the underlying commodity	Collections within 30-90 days of pre-receipt/signature	Merchandise	Yes	No	Product Quality Assurance
Revenue from provision of labor services	Provision of labor completed	Collections within 30-180 days of completion of services rendered	Labor service	Yes	No	NA
Revenue from molds and others	Delivery and acceptance completed	Segmented collections in line with project progress	Merchandise	Yes	No	Product Quality Assurance

(4) Description of allocation to remaining performance obligations

The amount of revenue corresponding to performance obligations that have been contracted for but not yet fulfilled or not yet completed at the end of the period is RMB9,719,216,826.32, which is expected to be recognised as revenue in the coming year.

39. Taxes and levies

Item	RMB	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Consumption tax	2,563,443,082.93	1,765,029,852.09
City maintenances and construction tax	269,695,559.00	234,207,500.30
Educational surcharges	193,906,961.38	167,984,728.62
Stamp duty	132,569,794.61	113,456,579.40
PIS and COFINS	80,601,421.60	—
Real estate tax	77,133,765.51	74,655,950.39
Land use tax	36,474,870.37	34,610,462.87
Others	28,285,097.85	8,420,984.13
Total	3,382,110,553.25	2,398,366,057.80

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

40. Selling expenses

Item	<i>RMB</i>	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Advertising and media services expenses	1,333,812,016.91	1,715,042,794.14
After-sale services expenses	722,413,578.20	491,309,451.21
Wages and salaries	661,606,137.58	524,498,483.66
commission	315,193,941.67	4,732,775.98
Port charges	146,806,600.42	80,200,555.31
Consulting service expenses	138,916,072.56	107,734,519.50
Share-based payments	48,140,577.21	19,834,789.48
Travelling expenses	46,246,671.74	50,754,487.57
Others	392,050,055.49	259,194,813.54
Total	3,805,185,651.78	3,253,302,670.39

41. Administrative expenses

Item	<i>RMB</i>	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Wages and salaries	868,426,726.11	1,052,949,685.63
Depreciation and amortization	226,638,151.42	227,252,838.10
Repair and maintenance fees	243,144,482.04	207,271,225.08
Consulting service expenses	171,504,340.84	114,307,758.94
Share-based payments	155,359,465.96	86,363,894.99
Office expenses	136,646,835.38	153,461,394.87
Business reception expenses	19,512,537.40	10,628,415.37
Auditors' remuneration	2,087,685.20	1,450,429.17
Others	176,375,069.95	217,360,172.80
Total	1,999,695,294.30	2,071,045,814.95

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

42. Research and development expenses

Item	<i>RMB</i>	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Depreciation and amortization	2,102,088,322.08	1,408,150,976.60
Wages and salaries	1,206,001,597.09	1,186,004,467.50
Design and development expenses	168,899,838.41	231,971,258.06
Material test and detection expenses	237,247,762.62	292,403,248.97
Share-based payments	142,039,084.92	96,839,524.77
Consulting service expenses	144,198,258.18	81,488,482.63
Office expenses	74,752,837.00	78,766,592.21
Others	109,332,413.55	133,790,902.09
Total	4,184,560,113.85	3,509,415,452.83

43. Financial expenses

Item	<i>RMB</i>	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Interest expenses	447,356,709.68	447,821,889.59
Including: Interest expenses on lease liabilities	18,208,211.00	21,644,480.24
Interest income	(484,965,998.39)	(553,402,713.04)
Exchange gains	(138,638,420.79)	(130,203,051.29)
Others	16,131,798.09	12,217,035.56
Total	(160,115,911.41)	(223,566,839.18)

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

44. Other income

Item	<i>RMB</i>	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Government grants	1,080,535,823.56	416,646,190.56
Individual income tax rebate	62,785.42	13,217,487.46
Weighted deduction of input tax	967,524,601.73	2,814,900.54
Total	2,048,123,210.71	432,678,578.56

Government grants recognized in other income:

Item	<i>RMB</i>		
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)	Related to an asset/Related to income
Automobile retirement subsidies	888,086,850.42	242,608,180.83	Related to income
Immediate refund of VAT of welfare enterprises	15,800,831.23	10,656,767.37	Related to income
Subsidies for national high-skilled talent training base	964,330.00	—	Related to income
Subsidies for job stabilization	9,814,546.56	369,359.48	Related to income
Employment subsidies	2,190,162.98	4,159,467.95	Related to income
Special funds for technological upgrading	10,640,000.00	8,475,705.00	Related to income
Industrial support subsidies	9,282,111.06	3,816,000.00	Related to income
Export subsidies	3,501,918.00	—	Related to income
Others	30,393,925.89	40,879,213.17	Related to income
Amortization of deferred income	109,861,147.42	105,681,496.76	Related to an asset/income
Total	1,080,535,823.56	416,646,190.56	

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

45. Investment income

Breakdown:

Item	<i>RMB</i>	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Income from long-term equity investments under equity method	463,307,147.13	440,933,916.15
Investment gains from the disposal of trading financial assets	66,443,277.84	32,297,896.05
Income from dividends earned during the holding period of other non-current financial assets	1,246,258.57	404,085.03
Losses on derecognition of discounted notes	(23,180,085.91)	(23,004,930.68)
Net income from disposal of long-term equity investments	—	13,647,160.13
Investment losses from the disposal of derivative financial instruments	(7,437,638.90)	(620,700.00)
Dividend income from holding other equity instrument investments	3,800,520.00	—
Total	504,179,478.73	463,657,426.68

There are no significant restrictions on remittance of investment income of the Group.

The Group has no gains on investments from listed companies.

46. Gains (Losses) from changes in fair values

Source of gains (losses) from changes in fair values	<i>RMB</i>	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Held-for-trading financial assets		
Including: Equity instruments	—	2,432,096.19
Wealth management products	(2,829,389.03)	(4,992,359.79)
Derivative financial assets/liabilities	78,813,885.88	(132,460,387.06)
Other non-current financial assets	(6,300,000.00)	2,600,000.00
Total	69,684,496.85	(132,420,650.66)

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

47. Losses on credit impairment

Item	<i>RMB</i>	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Accounts receivable	6,842,946.98	(21,624,972.65)
Other receivables	207,456.20	(637,359.42)
Long-term receivables (including those due within 1 year)	(14,627,661.38)	7,872,864.33
Total	(7,577,258.20)	(14,389,467.74)

48. Impairment losses on assets

Item	<i>RMB</i>	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
I. Losses on decline in value of inventories	(173,450,896.18)	(304,198,289.15)
II. Impairment losses of fixed assets	(33,721,428.70)	—
II. Impairment losses of construction in progress	(5,948,366.18)	—
Total	(213,120,691.06)	(304,198,289.15)

49. Losses from disposal of assets

Item	<i>RMB</i>	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Losses from disposal of asset	(17,413,830.74)	(2,154,500.24)
Including: Losses on disposals of fixed assets	2,532,742.35	(12,199,493.76)
(losses) gains on disposals of construction in progress	(27,318,637.90)	8,171,162.02
Losses on disposals of intangible assets	(549,667.27)	(1,021,187.42)
Gains on disposals of right-of-use assets	7,921,732.08	2,895,018.92

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

50. Non-operating income

(1) Breakdown of non-operating income is as follows:

Item	RMB		
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)	Amount included in non-recurring gains and losses for the period
Government grants	103,719,083.96	109,569,956.06	103,719,083.96
Gains from compensation	48,377,143.44	28,959,979.22	48,377,143.44
Unpayable amounts	8,393,354.24	24,475,114.32	8,393,354.24
Others	30,933,686.61	41,882,597.26	30,933,686.61
Total	191,423,268.25	204,887,646.86	191,423,268.25

(2) Government grants recognized in non-operating income:

Item	RMB		
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)	Related to an asset/Related to income
Industrial development funds	100,000,000.00	100,000,000.00	Related to income
Subsidies income	1,674,546.73	599,135.30	Related to income
Others	2,044,537.23	8,970,820.76	Related to income
Total	103,719,083.96	109,569,956.06	

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

51. Non-operating expenses

Item	<i>RMB</i>		
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)	Amount included in non-recurring gains and losses for the period
Expenditures for donations	958,877.48	2,442,979.19	958,877.48
Expenses for compensations and fines	1,299,857.67	2,085,727.92	1,299,857.67
Others	33,720,908.38	33,459,845.10	33,720,908.38
Total	35,979,643.53	37,988,552.21	35,979,643.53

52. Income tax expenses

Item	<i>RMB</i>	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Current tax expenses	1,058,256,171.90	757,773,599.71
Deferred tax expenses	151,827,698.18	(728,173,051.09)
Total	1,210,083,870.08	29,600,548.62

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

52. Income tax expenses (continued)

Reconciliation of income tax expenses to the accounting profit is as follows:

Item	For the period from 1 January to 30 June 2024 (Unaudited)	<i>RMB</i> For the period from 1 January to 30 June 2023 (Unaudited)
Total profit	8,289,458,791.37	1,392,268,446.51
Income tax rate	25%	25%
Income tax expenses calculated at 25%	2,072,364,697.84	348,067,111.63
Effect of applying different tax rates to subsidiaries	(481,544,023.79)	176,777,273.05
Effect of additional deduction for research and development expenses	(403,719,626.12)	(382,995,258.37)
Tax Deduction for Equity Incentives	12,286,969.37	5,411,713.75
Tax effect of non-taxable income	(346,963,965.42)	(459,185,984.20)
Additional deduction for the wages of disabled staff	(4,108,581.58)	(2,196,787.08)
Tax effect of non-deductible expenses	82,395,368.13	67,935,481.31
Differences in prior periods' remittances	112,835,628.46	109,826,322.50
The impact of deductible losses on deferred income tax assets not recognized in the prior period	(7,909,129.24)	(3,889,920.35)
The impact of deductible losses on deferred tax assets was not recognized in the period	174,446,532.43	169,850,596.38
Total	1,210,083,870.08	29,600,548.62

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

53. Net profit

Net profit of the Group has been arrived at after charging (crediting):

Item	Note	<i>RMB</i>	
		For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Depreciation for fixed assets		2,284,964,043.46	2,010,830,955.55
Depreciation and amortization for investment properties	VI.13	12,030,108.87	11,021,067.71
Amortization of intangible assets		2,055,729,476.61	1,355,171,475.81
Depreciation for right-of-use assets	VI.16	274,194,156.99	347,335,760.26
Total amount of depreciation and amortization		4,626,917,785.93	3,724,359,259.33
Losses from disposal of assets	VI.49	17,413,830.74	2,154,500.24
Rental income from investment properties		(31,188,415.36)	(25,503,859.32)
Employee benefits expense		6,022,753,855.37	5,550,121,028.85
Research and development expenses	VI.42	4,184,560,113.85	3,509,415,452.83
Losses on decline in value of inventories	VI.7	173,450,896.18	304,198,289.15

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

54. Calculation of basic and diluted earnings per share

(1) Calculation of basic earnings per share

The basic earnings per share is calculated based on the current net profit attributable to ordinary shareholders of the Company, deducting the cash dividends distributed to holders of restricted shares that are expected to be unlocked in the future, divided by the weighted average number of outstanding ordinary shares (excluding restricted shares and uncanceled repurchase shares).

Item	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Basic earnings per share (RMB/share)	0.83	0.16

(2) Calculation of diluted earnings per share

Diluted earnings per share is calculated by dividing the adjusted current net profit attributable to the owners of the parent company by the adjusted weighted average number of outstanding ordinary shares in the current period under the assumption that all dilutive potential ordinary shares have been converted.

Item	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Diluted earnings per share (RMB/share)	0.83	0.16

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

55. Other comprehensive income

Item	Amount recognized in the current period						RMB
	1/1/2024 (Audited)	Amount incurred for current period before tax	Less: Amount previously included in other comprehensive income and transferred to profit or loss for the period	Less: Income tax expenses	Attributable to owners of the parent company after tax	Attributable to minority interests after tax	30/06/2024 (Unaudited)
Other comprehensive income that will not be reclassified to profit or loss							
Including: Changes in recalculation the net liabilities of the benefit plan	668,790.91	—	—	—	—	—	668,790.91
Changes in the fair value of investments in other equity instruments	941,001,165.46	—	—	—	—	—	941,001,165.46
Other comprehensive income that will be reclassified to profit or loss							
Including: Changes in fair value of financial assets classified as at FVTOCI	(82,449,472.05)	11,059,201.74	—	(1,658,880.26)	9,400,321.48	—	(73,049,150.57)
Translation difference of financial statements denominated in foreign currency	(847,027,734.33)	211,711,779.13	—	—	211,711,779.13	—	(635,315,955.20)
Total other comprehensive income	12,192,749.99	222,770,980.87	—	(1,658,880.26)	221,112,100.61	—	233,304,850.60

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

56. Notes to the items in the cash flow statement

(1) Other cash receipts relating to operating activities

Item	RMB	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Government grants	1,394,788,487.23	948,491,471.62
Finance lease payments	1,082,272,174.11	1,204,338,480.87
Interest income	504,023,491.35	461,265,425.08
Reparations (penalty) income	48,377,143.44	28,959,979.22
Others	30,990,780.72	54,987,637.10
Total	3,060,452,076.85	2,698,042,993.89

(2) Other cash payments relating to operating activities

Item	RMB	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Advertising and media services fee	2,004,332,893.56	1,865,970,817.93
Transportation costs and port charges	1,364,064,662.65	271,718,035.26
Finance lease payments	1,146,753,576.42	1,385,347,897.82
Technology development expenditures	857,890,426.46	860,194,268.58
After-sale services expenses and repair costs	702,756,132.96	498,030,653.82
Commissions	389,216,116.44	4,732,775.98
Consultation fees	345,856,743.96	236,744,999.73
Business reception fees and office expenses	145,233,962.33	223,038,842.72
Travelling expenses	113,939,835.60	102,842,640.72
Others	128,652,761.23	312,000,813.46
Total	7,198,697,111.61	5,760,621,746.02

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

56. Notes to the items in the cash flow statement (continued)

(3) Other cash receipts relating to investing activities

Item	For the period from 1 January to 30 June 2024 (Unaudited)	<i>RMB</i> For the period from 1 January to 30 June 2023 (Unaudited)
Collection of performance bond associated with the purchase of land	3,500,000.00	—
Total	3,500,000.00	—

(4) Other cash payments relating to investing activities

Item	For the period from 1 January to 30 June 2024 (Unaudited)	<i>RMB</i> For the period from 1 January to 30 June 2023 (Unaudited)
Net cash paid for disposal of subsidiaries and other operating units (Note (vi) 57(2))	—	26,022,380.97
Total	—	26,022,380.97

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

56. Notes to the items in the cash flow statement (continued)

(5) Other cash receipts relating to financing activities

Item	RMB	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Decrease in restricted bank deposits	—	6,759,660,013.58
Money bought back after sale	—	367,504,000.00
Others	—	38,562,619.26
Total	—	7,165,726,632.84

(6) Other cash payments relating to financing activities

Item	RMB	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Increase in restricted bank deposits	1,162,507,247.89	—
Decrease in lease liabilities	318,900,297.88	284,984,762.81
Repurchase of shares and expired restrict shares	52,991,333.09	2,160,393,960.99
Others	7,202,977.74	—
Total	1,541,601,856.60	2,445,378,723.80

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

57. Supplementary information to the cash flow statement

(1) Supplementary information to the cash flow statement

Supplementary information	For the period from 1 January to 30 June 2024 (Unaudited)	RMB For the period from 1 January to 30 June 2023 (Unaudited)
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	7,079,374,921.29	1,362,667,897.89
Add: Provision for impairment of assets	213,120,691.06	304,198,289.15
Impairment losses on credit	7,577,258.20	14,389,467.74
Depreciation of fixed assets	2,284,964,043.46	2,010,830,955.55
Depreciation of right-of-use assets	274,194,156.99	347,335,760.26
Amortization of intangible assets	2,055,729,476.61	1,355,171,475.81
Amortization of long-term prepaid expenses	182,865,479.17	101,629,964.42
Depreciation and amortization of investment properties	12,030,108.87	11,021,067.71
(Gains) losses on changes in fair values	(69,684,496.85)	132,420,650.66
Losses from disposal of assets	17,413,830.74	2,154,500.24
Amortization of deferred income	(109,861,147.42)	(105,681,496.76)
Financial expenses	552,942,701.95	193,121,973.31
Investment losses Gains	(527,359,564.64)	(486,662,357.36)
Decrease in deferred tax assets (Increase)	84,860,237.92	(819,929,587.80)
Increase in deferred tax liabilities	66,967,460.26	91,756,536.71
Increase in inventories	(365,763,739.25)	(1,604,828,760.29)
Decrease in operating receivables (Increase)	3,942,423,297.07	(3,953,963,941.51)
Decrease in operating payables	(6,683,314,830.60)	(1,637,006,107.77)
Others	387,545,941.56	245,183,875.09
Net cash flows from (used in) operating activities	9,406,025,826.39	(2,436,189,836.95)
2. Significant investing and financing activities which do not involve cash receipts and payments:		
Leased fixed assets recognized as right-of-use assets	610,414,739.24	221,562,499.62
3. Net changes in cash and cash equivalents:		
Closing balance of cash and cash equivalents	35,308,967,541.16	25,713,425,521.37
Less: Opening balance of cash and cash equivalents	35,272,177,957.35	26,898,656,878.98
Net Increase (Decrease) in Cash and Cash Equivalents	36,789,583.81	(1,185,231,357.61)

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

57. Supplementary information to the cash flow statement (continued)

(2) Net cash receipt from disposal of subsidiaries for the current period

Item	For the period from 1 January to 30 June 2024 (Unaudited)	RMB For the period from 1 January to 30 June 2023 (Unaudited)
Cash or cash equivalents received in current period for disposal of subsidiaries	—	33,300,000.00
Guangzhou Zhixing Automobile Sales Co. Ltd. (廣州智行汽車銷售有限公司) (“Guangzhou Zhixing Sales”)	—	—
Chengdu Zhixing Sanhe Auto Sales and Service Co., LTD. (成都智行三和汽車銷售服務有限公司) (“Chengdu Zhixing”)	—	12,000,000.00
Shijiazhuang Zhixiang Xiangyu Auto Sales and Service Co., LTD. (石家莊智享翔裕汽車銷售服務有限公司) (“Shijiazhuang Zhixiang”)	—	3,900,000.00
Chongqing Zhixing Xintian Auto Sales and Service Co., LTD. (重慶市智行新田汽車銷售服務有限公司) (“Chongqing Zhixing Xintian”)	—	3,900,000.00
Hangzhou Zhixing Baipeng Auto Sales and Service Co., LTD. (杭州智行佰鵬汽車銷售服務有限公司) (“Hangzhou Zhixing Baipeng”)	—	1,100,000.00
Jiaxing Zhiling Yuanxin Auto Sales and Service Co., LTD. (嘉興智領元信汽車銷售服務有限公司) (“Jiaxing Zhiling Yuanxin”)	—	3,600,000.00
Shenzhen Weipai Zhixing Automobile Sales Service Co., Ltd. (深圳魏牌智行汽車銷售服務有限公司) (“Shenzhen Weipai Zhixing”)	—	7,000,000.00
Suzhou Zhiling Xinzhicheng Auto Sales and Service Co., LTD. (蘇州智領心之城汽車銷售服務有限公司) (“Suzhou Zhiling Xinzhicheng”)	—	1,800,000.00
Haikou Zhixing Aochuang Auto Sales & Service Co., LTD. (海口市智行奧創汽車銷售服務有限公司) (“Haikou Zhixing Aochuang”)	—	—
Guangzhou WeiPai Zhixing Automobile Sales & Service Co., LTD. (廣州魏牌智行汽車銷售服務有限公司) (“Guangzhou Weipai Zhixing”)	—	—
Tianjin Zhixin Financing Guarantee Co., LTD. (天津智信融資擔保有限公司) (“Tianjin Zhixin Financing”)	—	—
Less: Cash and cash equivalents held by subsidiaries at the date of losing control	—	59,322,380.97
Including: Guangzhou Zhixing	—	26,915,583.03
Chengdu Zhixing	—	1,238,966.09
Shijiazhuang Zhixiang	—	3,678,803.61
Chongqing Zhixing Xintian	—	21,107,580.33
Hangzhou Zhixing Baipeng	—	221,032.41
Jiaxing Zhiling Yuanxin	—	3,015,341.22
Shenzhen Weipai Zhixing	—	139,398.99
Suzhou Zhiling Xinzhicheng	—	3,005,675.29
Haikou Zhixing Aochuang	—	—
Guangzhou Weipai Zhixing	—	—
Tianjin Zhixin Rongzi	—	—
Net cash payment from disposal of subsidiaries	—	26,022,380.97

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

57. Supplementary information to the cash flow statement (continued)

(3) Components of cash and cash equivalents

Item	RMB	
	30/06/2024 (Unaudited)	31/12/2023 (Audited)
I. Cash	35,308,967,541.16	35,272,177,957.35
Including: Cash on hand	238,447.27	235,461.94
Bank deposits ready to be withdrawn on demand	35,308,729,093.89	35,271,942,495.41
II. Closing balance of cash and cash equivalents	35,308,967,541.16	35,272,177,957.35

58. Assets with limited ownership or use right

Item	RMB	
	Carrying amount at the end of the period	Reasons for the restrictions
Cash and bank balances	4,227,564,357.08	Security and margin deposits for bank acceptances, L/C, letter of guarantee deposits and others
Notes receivable	1,900,788,330.75	Used for issuance of notes payable, endorsed, or discounted
Financing of receivables	18,806,058,536.33	Used for issuance of notes payable
Intangible assets	54,173,227.96	For short-term borrowing
Fixed assets	126,411,694.59	For short-term borrowing
Long-term receivables	1,190,790,087.97	Used for borrowings and asset-backed securities
Total	26,305,786,234.68	

VI. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

59. Monetary items denominated in foreign currencies

Item	Closing balance of foreign currencies	Exchange rate	<i>RMB</i> Closing balance of RMB
Cash and bank balances			3,869,028,175.34
Including: RMB	2,482,191,800.27	1.0000	2,482,191,800.27
AUD	11,905,864.53	4.7650	56,731,444.49
USD	155,764,050.31	7.1268	1,110,099,233.76
EUR	19,942,379.02	7.6617	152,792,525.37
JPY	135,034,898.92	0.0447	6,041,191.31
NZD	13,633,358.81	4.3690	59,564,144.63
CZK	4,736,316.56	0.3106	1,470,905.76
Others	141,865.04	0.9652	136,929.75
Accounts receivable			4,313,464,151.77
Including: USD	572,407,505.49	7.1268	4,079,433,810.13
Others	175,986,818.50	1.3298	234,030,341.64
Other receivable			16,040.86
Including: Others	17,575.56	0.9127	16,040.86
Accounts payable			13,528,641.53
Including: USD	950,126.88	7.1268	6,771,364.22
Others	5,136,561.61	1.3155	6,757,277.31
Other payables			197,858,604.70
Including: EUR	21,729,916.44	7.6617	166,488,100.82
Others	20,111,333.21	1.5598	31,370,503.88

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VII. RESEARCH AND DEVELOPMENT EXPENSES

1. By nature of costs

Item	RMB	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Wages and salaries	2,593,342,005.33	2,821,818,390.18
Share-based payments	275,859,780.38	242,754,003.29
Depreciation and Amortization	2,111,581,482.14	1,414,361,945.56
Design and development expenses	393,129,733.13	521,724,556.04
Material test and detection fee	581,377,310.91	657,436,891.90
Office expenses	78,431,685.65	115,379,837.93
Consulting service fee	159,383,636.75	122,604,409.59
Others	184,996,430.78	183,384,111.68
Total	6,378,102,065.07	6,079,464,146.17
Includes: Expensed research and development expenditure	4,184,560,113.85	3,509,415,452.83
Capitalised research and development expenditure	2,193,541,951.22	2,570,048,693.34

2. Development expenditure on R&D projects eligible for capitalisation

Item	2024 January 1st (Audited)	Increase during the period		Decrease during the period		2024 Jun 30st (Unaudited)
		Internal development expenditure	Outsourcing of research and development projects	Recognition as an intangible asset	Transfer to current profit or loss	
Automount projectstive development	12,064,760,883.35	1,651,874,343.06	897,567,609.56	(2,599,348,267.21)	(355,900,001.40)	11,658,954,567.36

VIII. CHANGES IN CONSOLIDATION SCOPE

I. Changes in consolidation scope for other reasons

Newly established subsidiaries during the current period:

Name of subsidiary	Date of establishment
Great Wall Zhixuan (Baoding) Automobile Sales Co., LTD. (長城智選(保定)汽車銷售有限公司) (Great Wall Zhixuan (Baoding))	January 2024
Great Wall Zhixuan (Chongqing) Automobile Sales Co., LTD. (長城智選(重慶)汽車銷售有限公司) (Great Wall Zhixuan (Chongqing))	January 2024
Daye Great Wall Motor Co., LTD. (大冶市長城汽車有限公司)(Daye Great Wall Motor)	January 2024
Xiang Yun Logistics Technology (Baoding) Limited (享韻物流科技(保定)有限公司)(Xiang Yun Logistics Technology (Baoding))	January 2024
Enjoy Logistics Technology (Tianjin) Co., LTD (享運物流科技(天津)有限公司)(Enjoy Logistics Technology (Tianjin))	January 2024
Mander Auto Parts (Shenyang) Co., LTD. (曼德汽車零部件(瀋陽)有限公司)(Mander Auto Parts (Shenyang))	January 2024
Baoding Great Wall International Trade Co., LTD. (保定長城國際貿易有限公司)(Baoding Great Wall International Trade)	January 2024
Noble Automotive Systems Czech Co., LTD. (諾博汽車系統捷克有限公司)(Noble Automotive Systems Czech)	January 2024
Great Wall Zhixuan (Guiyang) Automobile Sales and Service Co., LTD. (長城智選(貴陽)汽車銷售 服務有限公司)(Great Wall Zhixuan Selection (Guiyang))	February 2024
Great Wall Zhixuan (Shenyang) Automobile Sales Co., LTD. (長城智選(瀋陽)汽車銷售有限公司) (Great Wall Zhixuan (Shenyang))	February 2024
Great Wall Zhixuan (Jinan) Automobile Sales Co., LTD. (長城智選(濟南)汽車銷售有限公司)(Great Wall Zhixuan (Jinan))	February 2024
Great Wall Zhixuan Selection (Kunming) Automobile Sales Service Co., LTD. (長城智選(昆明)汽 車銷售服務有限公司)(Great Wall Zhixuan Selection (Kunming))	February 2024
Great Wall Zhixuan (Tianjin) Automobile Sales Co., LTD. (長城智選(天津)汽車銷售有限公司) (Great Wall Zhixuan (Tianjin))	February 2024
Great Wall Zhixuan (Wuhan) Automobile Sales Co., LTD. (長城智選(武漢)汽車銷售有限公司) (Great Wall Zhixuan (Wuhan))	February 2024
Great Wall Zhixuan (Hefei) Automobile Sales and Service Co., LTD. (長城智選(合肥)汽車銷售服 務有限公司)(Great Wall Zhixuan (Hefei))	February 2024
Wei Zhixing (Shijiazhuang) Automobile Sales Co., LTD. (魏智行(石家莊)汽車銷售有限公司)(Wei Zhixing (Shijiazhuang))	February 2024
Great Wall Zhixuan (Qingdao) Automobile Sales and Service Co., LTD. (長城智選(青島)汽車銷售 服務有限公司)(Great Wall Zhixuan (Qingdao))	February 2024
Great Wall Zhixuan (Nanchang) Automobile Sales Co., LTD. (長城智選(南昌)汽車銷售有限公司) (Great Wall Zhixuan (Nanchang))	February 2024
Quanji (Zhengzhou) Automobile Sales and Service Co., LTD. (全極(鄭州)汽車銷售服務有限公司) (Quanji (Zhengzhou))	February 2024

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

VIII. CHANGES IN CONSOLIDATION SCOPE (continued)

1. Changes in consolidation scope for other reasons (continued)

Newly established subsidiaries during the current period: (continued)

Name of subsidiary	Date of establishment
Great Wall Zhixuan (Nanning) Automobile Sales Service Co., LTD. (長城智選(南寧)汽車銷售服務有限公司)(Great Wall Zhixuan (Nanning))	February 2024
Quanji Zhixuan (Nanjing) Automobile Sales Co., LTD. (全極智選(南京)汽車銷售有限公司)(Quanji Zhixuan (Nanjing))	February 2024
Great Wall Zhixuan (Sanya) Automobile Sales Co., LTD. (長城智選(三亞)汽車銷售有限公司)(Great Wall Zhixuan (Sanya))	February 2024
Great Wall Zhixuan (Haikou) Automobile Sales Service Co., LTD. (長城智選(海口)汽車銷售服務有限公司)(Great Wall Zhixuan (Haikou))	February 2024
Quanji Zhixuan (Suzhou) Sales Service Co., LTD. (全極智選(蘇州)銷售服務有限公司)(Quanji Zhixuan (Suzhou))	February 2024
Quanji (Changzhou) Automobile Sales Co., LTD. (全極(常州)汽車銷售有限公司)(Quanji (Changzhou))	February 2024
Quanji Zhixuan (Foshan) Automobile Sales and Service Co., LTD. (全極智選(佛山)汽車銷售服務有限公司)(Quanji Zhixuan (Foshan))	February 2024
Great Wall Zhixuan (Changsha) Automobile Sales Co., LTD. (長城智選(長沙)汽車銷售有限公司)(Great Wall Zhixuan (Changsha))	February 2024
Great Wall Zhixuan (Wuxi) Automobile Sales Co., LTD. (長城智選(無錫)汽車銷售有限公司)(Great Wall Zhixuan (Wuxi))	February 2024
Great Wall Zhixuan (Zhongshan) Automobile Sales Co., LTD. (長城智選(中山)汽車銷售有限公司)(Great Wall Zhixuan (Zhongshan))	February 2024
Great Wall Zhixuan (Dongguan) Automobile Sales and Service Co., LTD. (長城智選(東莞)汽車銷售服務有限公司)(Great Wall Zhixuan (Dongguan))	March 2024
Great Wall Zhixuan (Fuzhou) Automobile Sales Service Co., LTD. (長城智選(福州)汽車銷售服務有限公司)(Great Wall Zhixuan (Fuzhou))	March 2024
Mander New Energy Auto Parts (Baoding) Co., LTD. (曼德新能源汽車零部件(保定)有限公司)(Mander New Energy (Baoding))	March 2024
Daye Wei Brand Automobile Sales Co., LTD. (大冶市魏牌汽車銷售有限公司)(Daye Wei Brand Sales)	April 2024
Chengdu Great Wall Automobile R&D Co., LTD. (成都長城汽車研發有限公司)(Chengdu R&D)	April 2024
Great Wall Zhixuan (Jiaxing) Automobile Sales and Service Co., LTD. (長城智選(嘉興)汽車銷售服務有限公司)(Great Wall Zhixuan (Jiaxing))	June 2024
Great Wall Zhixuan (Changchun) Automobile Sales and Service Co., LTD. (長城智選(長春)汽車銷售服務有限公司)(Great Wall Zhixuan (Changchun))	June 2024
Great Wall Smart Selection (Dalian) Sales Service Co., LTD. (長城智選(大連)銷售服務有限公司)(Great Wall Smart Selection (Dalian))	June 2024
Quanji Zhixuan (Harbin) Automobile Sales and Service Co., LTD. (全極智選(哈爾濱)汽車銷售服務有限公司)(Quanji Zhixuan (Harbin))	June 2024

IX. INTERESTS IN OTHER ENTITIES

I. Interests in subsidiaries

(1) Structure of the Group

Subsidiaries invested by the Group:

Full name of subsidiary	Legal form	Main place of business	Registered capital	Registration place	Nature of the business	Shareholding Ratio (%)	
						Percentage of voting rights(%) Direct	Indirect
Great Wall Baoding Huabei Automotive Company Limited (保定長城華北汽車有限責任公司) ("Great Wall Huabei")	Limited liability company	Gaobeidian	177.55 million RMB;	Gaobeidian	Manufacture of automotive parts and components	100	—
Baoding Gerui	Limited liability company	Baoding	23 million RMB;	Baoding	Manufacture of automotive parts and components	100	—
Baoding Nobo Rubber Production Co., Ltd (保定市諾博橡膠製品有限公司) ("Baoding Nobo")	Limited liability company	Baoding	72.24 million RMB;	Baoding	Manufacture of automotive parts and components	100	—
Beijing Great Automotive Components Co., Ltd. (北京格瑞特汽車零部件有限公司) ("Beijing Great")	Limited liability company	Beijing	11 million RMB;	Beijing	Manufacture of automotive parts and components	100	—
Baoding Great Wall Auto Sales Co., Ltd. (保定長城汽車銷售有限公司) ("Great Wall Sales")	Limited liability company	Baoding	0.05 million RMB;	Baoding	Marketing and sale of automobiles	20.18	79.82
Tide Technology and Trade Company Limited (泰德科貿有限公司) ("Tide Technology and Trade")	—	Hong Kong	279,884,567.1 USD + 60,000 EUR + 100 million RMB;	Hong Kong	Investment and financing services	100	—
Mind Electronics	Limited liability company	Baoding	1,663.7 million RMB;	Baoding	Manufacture of automotive parts and components	100	—
Tianjin Great Wall Jingyi Auto Parts Co., LTD. (天津長城精益汽車零部件有限公司)(Tianjin Jingyi)	Limited liability company	Tianjin Development Area	150 million RMB;	Tianjin	Manufacture of automotive parts and components	100	—
Baoding Great Wall Ants Logistics Co., Ltd. (保定市長城螞蟻物流有限公司) ("Great Wall Ants")	Limited liability company	Baoding	250 million RMB;	Baoding	Logistics and ordinary goods transportation	100	—
Ningxia Great Wall Automobile Rental Co., Ltd. (寧夏長城汽車租賃有限公司) ("Ningxia Rental")	Limited liability company	Yinchuan Economic and Technological Development Zone	20 million RMB;	Yinchuan Economic and Technological Development Zone	Buildings rental	100	—

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

IX. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

Subsidiaries invested by the Group: (continued)

Full name of subsidiary	Legal form	Main place of business	Registered capital	Registration place	Nature of the business	Shareholding Ratio (%)	
						Direct	Indirect
Baoding Great Wall Resource Recycling Co., Ltd (保定長城再生資源利用有限公司) ("Great Wall Resource Recycling")	Limited liability company	Baoding	10 million RMB;	Baoding	Processing, recycling and sale of waste and used material	100	—
Baoding Exquisite Automotive Mould Technology Co., Ltd.(保定市精工汽車模具技術有限公司) ("Exquisite Mould")	Limited liability company	Baoding	5 million RMB;	Baoding	Research, development and manufacture of auto moulds	100	—
Rizhao Weipai Automobile Co., Ltd. (日照魏牌汽車有限公司(原日照威奕汽車有限公司))(Rizhao Weipai)	Limited liability company	Rizhao	2,000 million RMB;	Rizhao	Manufacture of automotive parts and components	100	—
Haval Motors Australia Pty Ltd (哈弗汽車澳大利亞有限公司) ("Haval Australia")	—	Australia	\$22.765981 million AUD;	Australia	Auto selling	38.5	61.5
Russia Manufacturing	—	Russia	2,0381.8689 million RUB	Russia	Auto manufacture	75.51	24.49
Haval Motors South Africa Limited (哈弗汽車南非有限公司) ("Haval South Africa")	—	South Africa	59.942266 million R	South Africa	Auto selling	100	—
Baoding Great Wall Scrap Car Recycling & Dismantling Co., Ltd. (保定長城報廢汽車回收拆解有限公司) ("Scrap Car Recycling & Dismantling")	Limited liability company	Baoding	5 million RMB;	Baoding	Scrap car recycling and dismantling	100	—
Great Wall Motor Europe Technical Center GmbH (長城汽車歐洲技術中心有限公司) ("Europe Technical Center")	—	Germany	0.025 million Euros	Germany	Research and design of automobile and auto parts	100	—
Great Wall India Research and Development Private Limited (長城印度研發私人有限公司) ("India R&D")	—	India	280 million rupees	India	Research and design of automobile and auto parts	99.9	0.1
Zaoqi Financial Leasing Company Limited (棗啟融資租賃有限公司) ("Zaoqi Financial Leasing")	Limited liability company	Baoding	170 million RMB;	Baoding	Finance lease business	75	25

IX. INTERESTS IN OTHER ENTITIES (continued)

I. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

Subsidiaries invested by the Group: (continued)

Full name of subsidiary	Legal form	Main place of business	Registered capital	Registration place	Nature of the business	Shareholding Ratio (%)	
						Percentage of voting rights(%) Direct	Indirect
American Haval Motor Company (美國哈弗汽車有限公司) ("American Haval")	—	U.S.A.	0.00005 million USD	U.S.A.	Investment platform	100	—
Guangzhou Great Wall Auto Sales Company Limited (廣州長城汽車銷售有限公司) ("Guangzhou Great Wall Sales")	Limited liability company	Guangzhou	10 million RMB;	Guangzhou	Auto selling	100	—
Xiamen Great Wall Auto Sales Co., Ltd. (廈門長城汽車銷售有限公司) ("Xiamen Great Wall Sales")	Limited liability company	Xiamen	10 million RMB;	Xiamen	Auto selling	100	—
Chongqing Parts	Limited liability company	Chongqing	30 million RMB;	Chongqing	Sales of automotive parts	100	—
Chongqing Haval Automobile Co., Ltd. (重慶哈弗汽車有限公司) Chongqing Haval	Limited liability company	Chongqing	5 million RMB;	Chongqing	Auto selling	100	—
Tianjin Oula	Limited liability company	Tianjin	750 million RMB;	Tianjin	Finance leasing	75	25
Honeycomb Yichuang Technology Co., Ltd. (蜂巢易創科技有限公司) ("Honeycomb Yichuang")	Limited liability company	Baoding	4,540 million RMB;	Baoding	Manufacture of automotive parts and components	100	—
Jingcheng Engineering	Limited liability company	Baoding	1,000 million RMB;	Baoding	Manufacture of automotive parts and components	100	—
NOBO Automobile	Limited liability company	Baoding	2,283 million RMB;	Baoding	Manufacture of automotive parts and components	100	—
Hebei Xiong'an Great Wall Motor Technology Co., Ltd. (河北雄安長城汽車科技有限公司) ("Xiong'an Great Wall")	Limited liability company	Baoding	50 million RMB;	Baoding	Technology Services	100	—
Chongqing Great Wall After-sales	Limited liability company	Chongqing	10 million RMB;	Chongqing	Customer Service Sales of automobile and auto parts	100	—

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

IX. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

Subsidiaries invested by the Group: (continued)

Full name of subsidiary	Legal form	Main place of business	Registered capital	Registration place	Nature of the business	Shareholding Ratio (%)	
						Percentage of voting rights(%) Direct	Indirect
Baoding Yijian Start Automobile Sales Service Co., Ltd. (保定一見啟動汽車銷售服務有限公司) ("Baoding Yijian Start")	Limited liability company	Baoding	200 million RMB;	Baoding	Auto-selling; Wholesale and retail of car accessories	100	—
India Haval Automobile Private Co., Ltd. (印度哈弗汽車私人有限公司) ("India Haval")	—	India	210 million rupees;	India	Auto selling	99.9	0.1
HWA Ding International	—	Hong Kong	\$14 million;	Hong Kong	International trading & investment and financing	100	—
Shanghai Yuefan Information Technology Co., Ltd. (上海玥泛信息科技有限公司) ("Shanghai Yuefan")	Limited liability company	Shanghai	RMB178.6 million;	Shanghai	Investment platform	100	—
Shanghai Great Wall Motor Technology Co., Ltd. (上海長城汽車科技有限公司) ("Shanghai Motor Technology")	Limited liability company	Shanghai	1.5 million RMB;	Shanghai	Technical development and consulting services	100	—
Tianjin Great Wall Investment Co., Ltd. (天津長城投資有限公司) ("Tianjin Great Wall Investment")	Limited liability company	Tianjin	500 million RMB;	Tianjin	Investment platform	100	—
Zhangjiagang R&D	Limited liability company	Suzhou	100 million RMB;	Suzhou	Research and development of automobile and auto parts	100	—

IX. INTERESTS IN OTHER ENTITIES (continued)

I. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

Subsidiaries invested by the Group: (continued)

Full name of subsidiary	Legal form	Main place of business	Registered capital	Registration place	Nature of the business	Shareholding Ratio (%)	
						Percentage of voting rights(%) Direct	Indirect
Great Wall Soul Technology Co., Ltd. (長城靈魂科技有限公司) ("Soul Technology")	Limited liability company	Baoding	70 million RMB;	Baoding	Research and manufacture of motorcycle and their parts	100	—
Confident Zhixing Technology Co., Ltd. (自信智行科技有限公司) ("Confident Zhixing")	Limited liability company	Baoding	110 million RMB;	Baoding	Consulting services on automotive R&D	100	—
Great Wall Zhixing (Chongqing) Technology Co., Ltd.(長城智行(重慶)科技有限公司) ("Great Wall Zhixing")	Limited liability company	Chongqing	132.73 million RMB;	Chongqing	Auto sales; Wholesale and retail of auto supplies and accessories	100	—
Great Wall Zhixuan Information Technology (Baoding) Co., LTD (長城智選信息科技(保定)有限公司)	Limited liability company	Baoding	500 million RMB;	Baoding	Technical services	100	—
Baoding Great Wall International Trade Co., LTD. (保定長城國際貿易) ("Baoding Great Wall International Trade"); (Great Wall Zhixuan Information Technology)	Limited liability company	Baoding	15 million RMB;	Baoding	Trade brokers and agents	100	—
Chengdu R&D	Limited liability company	Chengdu	5 million RMB;	Chengdu	Other science and technology extension services	100	—

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

IX. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

Subsidiaries acquired through business combinations not involving enterprises under common control and assets acquired in the form of acquisition of subsidiaries:

Full name of subsidiaries	Legal form	Place of principal operations	Registered capital	Place of registration	Business nature	Proportion of shareholdings (%)	
						Proportion of voting rights (%)	Direct
Yixin Development Co., LTD (德新發展有限公司) (Yixin Development)	—	Hong Kong	217.023644 million dollars	Hong Kong	Investment Holding	—	100.00
NOBO Automotive Germany Holding B.V. (諾博汽車德國控股公司)	—	Netherlands	EUR 1	Netherlands	Investment holding	—	100.00
Nobo Automotive Systems Germany GmbH (諾博汽車系統(德國)有限責任公司)	—	Germany	50,000 DM	Germany	Manufacture of automotive parts and accessories	—	100.00
NOBO Automotive Germany GmbH (諾博汽車德國有限責任公司)	—	Germany	EUR 25,000	Germany	Investment holding	—	100.00
NOBO Automotive Holding GmbH & Co. KG (諾博汽車控股兩合公司)	—	Germany	100 Euro	Germany	Investment holding	—	100.00
Great Wall Motor Thailand	—	Thailand	8,799.71 million baht	Thailand	Automobile Manufacturing	—	100.00
Honeycomb Power Thailand	—	Thailand	1,612.5 million baht	Thailand	Auto Parts Manufacturing	—	100.00
Laoyou Insurance Brokerage Co., Ltd. (老友保險經紀有限公司) ("Laoyou Insurance")	Limited liability company	Beijing	50 million RMB	Beijing	Insurance Brokerage	100.00	—
Hebei Changzheng	Limited liability company	Xingtai	809.90 million RMB	Xingtai	Automobile Manufacturing	—	100.00

IX. INTERESTS IN OTHER ENTITIES (continued)

I. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

Subsidiaries acquired through business combinations involving enterprises under common control:

Full name of subsidiaries	Legal form	Place of principal operations	registered capital	Place of registration	Business nature	Proportion of shareholdings (%)	
						Proportion of voting rights (%)	Direct
Baoding Yixin	Limited liability company	Baoding	13 million RMB	Baoding	Manufacture of automotive parts and components	100.00	—
Changyou Haoche (Tianjin) Automobile Import and Export Co., Ltd. (常有好車(天津)汽車進出口有限公司) ("Changyou Haoche")	Limited liability company	Tianjin	30 million RMB	Tianjin	Sales of automotive parts and components	100.00	—
Ruguo Technology Co., Ltd. (如果科技有限公司) ("Ruguo Technology")	Limited liability company	Baoding	450 million RMB	Baoding	Research and test development of engineering technology	100.00	—
Tianjin Jolion Shuju	Limited liability company	Tianjin	10 million RMB	Tianjin	Network and information security software development	100.00	—
Yunshi Chelian Technology Co., Ltd. (雲視車聯科技有限公司) (Yunshi Chelian)	Limited liability company	Tianjin	50 million RMB	Tianjin	Technical Services and Computer System Services	—	100.00
Wuxi Lingcheng intelligent Technology Co., LTD (無錫市領誠智能科技有限公司)	Limited liability company	Wuxi	20 million RMB	Wuxi	Automotive Technology R&D, Technical Consultancy	—	100.00

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

IX. INTERESTS IN OTHER ENTITIES (continued)

2. **No transactions occurred in the current period in which the proportion of equity in subsidiaries has changed while the subsidiaries are still held by the Company.**

3. Interests in joint ventures or associates

(1) Significant joint venture

Name of joint venture	Place of principal operations	Place of registration	Business nature	Proportion of shareholdings (%)		Accounting procedures for investment in joint ventures
				Direct	Indirect	
Automotive Finance	Tianjin	Tianjin	Automotive Finance	98.18	—	Equity Method

Description of the difference between the proportion of shareholding and proportion of voting rights in the joint venture:

According to the Articles of Association of Automotive Finance, the activities relating to financial and operational decisions shall be decided upon unanimous approval by the board of directors. Therefore, the Company implements joint control over Automotive Finance.

IX. INTERESTS IN OTHER ENTITIES (continued)

3. Interests in joint ventures or associates (continued)

(2) Key financial information of significant joint venture

	Closing balance/ Amount incurred in the current period	RMB Opening balance/ Amount incurred in the prior period
Cash and deposits with the central bank	50,789,474.93	38,472,971.22
Deposits with other banks	3,165,032,272.13	3,264,619,330.55
Total assets	53,543,342,896.13	52,250,136,988.73
Total liabilities	41,779,182,319.17	41,002,942,570.41
Net assets	11,764,160,576.96	11,247,194,418.32
Minority interests	—	—
Equity attributable to the shareholders of the Parent Company	11,764,160,576.96	11,247,194,418.32
Share of net assets calculated based on the proportion of shareholding	11,550,052,854.46	11,042,495,479.90
Adjustments		
— Others	(408,490,297.58)	(366,202,465.80)
Carrying amount of investments in equity of joint ventures	11,141,562,556.88	10,676,293,014.10
Operating income	1,154,968,014.42	1,030,738,965.90
Income tax expenses	172,322,052.88	172,169,049.05
Net profit	516,966,158.64	516,507,147.14
Other comprehensive income	—	—
Total comprehensive income	516,966,158.64	516,507,147.14

X. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments of the Group mainly include cash and bank balances, held-trading financial assets, derivative financial assets/liabilities, accounts receivable, notes receivable, financing with receivables, other receivables, other current assets – deposits with non-bank financial institutions, long-term receivables, other equity instrument investments, other non-current financial assets, other non-current assets – purchase margin, borrowings, accounts payable, notes payable, other payables, other current liabilities and bonds payable etc. Detailed descriptions of these financial instruments are set out in Note VI. The risks associated with these financial instruments and the risk management policies adopted by the Group to mitigate such risks are set out below. The management of the Group manages and monitors such risk exposures to ensure such risks are limited to a prescribed level.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

X. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

	30/06/2024 (Unaudited)	RMB 31/12/2023 (Audited)
Financial assets		
At FVTPL		
Held-trading financial assets	2,458,556,628.03	4,112,386,017.05
Derivative financial assets	36,286,285.55	11,834,681.50
Other non-current financial assets	213,590,472.53	207,928,692.28
At FVTOCI		
Financing with receivables	27,357,440,724.89	28,923,599,369.45
Other equity instrument investments	1,922,477,677.70	1,920,519,915.82
At amortized cost		
Cash and bank balances	39,536,531,898.24	38,337,235,066.54
Notes receivable	2,203,450,442.00	2,951,761,611.60
Accounts receivable	6,788,849,523.79	7,193,193,843.92
Other receivables	478,570,402.16	790,586,534.73
Other current assets — Deposits with non-bank financial institutions	1,000,000,000.00	—
Long-term receivables (less finance lease receivables)	368,932,877.79	362,926,261.22
Other non-current assets	739,588,302.09	378,032,216.09
Financial liabilities		
At FVTPL		
Derivative financial liabilities	29,417,160.61	84,400,226.04
At amortized cost		
Short-term borrowings	3,447,725,386.65	5,700,850,933.24
Notes payable	29,363,603,551.32	27,939,790,253.08
Accounts payable	35,221,888,819.93	40,546,651,118.94
Other payables	5,415,014,650.88	5,317,286,802.25
Other current liabilities	5,878,053,032.84	7,088,140,056.33
Non-current liabilities due within 1 year (excluding lease liabilities due within 1 year)	10,129,820,409.44	6,520,347,185.04
Long-term accounts payables	19,534,739.71	26,013,927.49
Long-term borrowings	10,555,370,520.37	13,286,088,708.96
Bonds payable	3,657,543,771.03	3,463,059,969.50
Other non-current liabilities	43,875,707.17	169,946,785.38

X. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The Group adopts sensitivity analysis technique to analyze how the profit or loss for the period or shareholders' equity would have been affected by reasonably possible changes in the relevant risk variables. As it is unlikely that risk variables will change in an isolated manner, and the interdependence among risk variables will have significant effect on the amount ultimately influenced by the changes in a single risk variable, the following are based on the assumption that the change in each risk variable is on a stand-alone basis.

I. Objective and policies of risk management

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimize the adverse impacts of risks on the Group's operation performance, and maximize the benefits of the shareholders. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyze the Group's exposure to various risks, establish an appropriate maximum tolerance to risk, implement risk management, and monitor regularly and effectively these exposures to ensure the risks are monitored at a certain level.

1.1 Market risk**1.1.1 Currency risk**

Currency risk is the risk that losses will occur because of changes in foreign exchange rates. The assets and liabilities (including internal current account denominated in foreign currency) denominated in foreign currencies which may have impact on the Group's performance as a result of currency risk are as follows:

Item	RMB	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Cash and bank balances	3,869,028,175.34	3,336,276,222.56
Accounts receivable	7,817,801,406.04	4,949,191,124.35
Other receivables	1,084,364,653.05	777,920,211.92
Accounts payable	(1,884,471,241.12)	(2,310,309,436.13)
Other payables	(689,027,163.16)	(296,633,563.80)
Short-term borrowings	—	(491,460,113.28)
Long-term borrowings (due within 1 year inclusive)	(36,586,496.60)	(84,409,351.98)

The Group closely monitors the effects of changes in the foreign exchange rates on the Group's currency risk. Except for the above items, currency risk is not involved in the Group's other financial instruments.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

X. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

I. Objective and policies of risk management (continued)

1.1 Market risk (continued)

1.1.1 Currency risk (continued)

Sensitivity analysis on currency risk

Where all other variables are held constant, the effects of potential reasonable changes in exchange rates on the profit or loss and equity interests before tax for the period are set out below:

		RMB	
		For the period from 1 January to 30 June 2024 (Unaudited)	
Item	Change in exchange rate	Effect on total profit	Effect on shareholders' equity
USD	5% increase against RMB	287,782,462.99	287,782,462.99
USD	5% decrease against RMB	(287,782,462.99)	(287,782,462.99)
AUD	5% increase against RMB	64,342,965.24	64,342,965.24
AUD	5% decrease against RMB	(64,342,965.24)	(64,342,965.24)
EUR	5% increase against RMB	66,180,884.78	66,180,884.78
EUR	5% decrease against RMB	(66,180,884.78)	(66,180,884.78)
NZD	5% increase against RMB	5,841,172.45	5,841,172.45
NZD	5% decrease against RMB	(5,841,172.45)	(5,841,172.45)
JPY	5% increase against RMB	3,955,418.35	3,955,418.35
JPY	5% decrease against RMB	(3,955,418.35)	(3,955,418.35)

Note: The potential reasonable changes in other exchange rates has limited effect on the profit or loss and equity interests before tax for the period. The above effect of changes in exchange rate has included the effect of forward exchange contracts held by the Group.

X. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**I. Objective and policies of risk management** (continued)**1.1 Market risk** (continued)**1.1.1 Currency risk** (continued)

Sensitivity analysis on currency risk (continued)

Where all other variables are held constant, the effects of potential reasonable changes in exchange rates on the profit or loss and equity interests before tax for the period are set out below: (continued)

Item	Change in exchange rate	RMB	
		For the period from 1 January to 30 June 2023 (Unaudited)	Effect on shareholders' equity
		Effect on total profit	
USD	5% increase against RMB	156,271,562.91	156,271,562.91
USD	5% decrease against RMB	(156,271,562.91)	(156,271,562.91)
HKD	5% increase against RMB	676,418.89	676,418.89
HKD	5% decrease against RMB	(676,418.89)	(676,418.89)
EUR	5% increase against RMB	76,269,995.96	76,269,995.96
EUR	5% decrease against RMB	(76,269,995.96)	(76,269,995.96)
JPY	5% increase against RMB	4,274,934.21	4,274,934.21
JPY	5% decrease against RMB	(4,274,934.21)	(4,274,934.21)
AUD	5% increase against RMB	(30,031,103.17)	(30,031,103.17)
AUD	5% decrease against RMB	30,031,103.17	30,031,103.17

Note: The potential reasonable changes in other exchange rates has limited effect on the profit or loss and equity interests before tax for the period. The above effect of changes in exchange rate has included the effect of forward exchange contracts held by the Group.

1.1.2 Interest rate risk

The Group's cash flow interest rate risk of financial instruments relates primarily to variable-rate bank borrowings. It is the Group's policy to keep its borrowings at floating rate of interests and constantly pay close attention to the effect of interest rate changes on the interest rate risk exposed to the Group.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

X. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

I. Objective and policies of risk management (continued)

1.1 Market risk (continued)

1.1.2 Interest rate risk (continued)

Sensitivity analysis on interest rate risk

Sensitivity analysis on interest rate risk is based on the following assumption: the changes in market interest rate may have impact on the interest expenses of variable rate financial liabilities.

On the basis of the above assumption, where all other variables are held constant, the effects of potential reasonable changes in interest rates on the profit or loss and equity interests before tax for the period are set out below:

		RMB	
		For the period from 1 January to 30 June 2024 (Unaudited)	
Item	Interest rate changes	Effect on profit	shareholders' equity
Long-term borrowings	Increase of 100 basis points	(71,079,012.31)	(71,079,012.31)
Long-term borrowings	Decrease of 100 basis points	71,079,012.31	71,079,012.31
Short-term borrowings	Increase of 100 basis points	(4,632,759.41)	(4,632,759.41)
Short-term borrowings	Decrease of 100 basis points	4,632,759.41	4,632,759.41

		RMB	
		For the period from 1 January to 30 June 2023 (Unaudited)	
Item	Interest rate changes	Effect on profit	shareholders' equity
Long-term borrowings	Increase of 100 basis points	(95,342,426.48)	(95,342,426.48)
Long-term borrowings	Decrease of 100 basis points	95,342,426.48	95,342,426.48
Short-term borrowings	Increase of 100 basis points	(9,857,462.78)	(9,857,462.78)
Short-term borrowings	Decrease of 100 basis points	9,857,462.78	9,857,462.78

X. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

I. Objective and policies of risk management (continued)

1.1 Market risk (continued)

1.1.3 Other price risks

The Group's price risk arises mainly from investments in other equity instruments and other non-current financial assets. It is the Group's policy to keep its borrowings at floating rate of interests and constantly pay close attention to the effect of interest rate changes on the interest rate risk exposed to the Group.

1.2 Credit risk

As at 30 June 2024, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties, is arising from the carrying amounts of the respective recognized financial assets as stated in the consolidated balance sheets. For debt instruments measured at fair value, the carrying amount reflects its risk exposure but not the maximum risk exposure, and the maximum risk exposure will change with future changes in fair value.

The Group only transacts with the third parties having good credit records, and most of the sales transactions are settled by receipts in advance or bank acceptances. In order to minimize the credit risk, the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of the financial assets and contract assets at each balance sheet date to ensure that adequate provision for expected credit loss is made for related assets.

The Group's cash and bank balances are deposited in banks with high credit ratings and the acceptance bank in which bank acceptances receivable are deposited is a bank of relatively high credit ratings, thus cash and bank balances and bank acceptances receivable have limited credit risk.

In respect of other receivables, the management of the Group periodically assesses the recoverability of other receivables based on historical settlement records, past experience and reasonable supporting forward-looking information.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

X. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

1. Objective and policies of risk management (continued)

1.2 Credit risk (continued)

As at 30 June 2024, please refer to Note VI 3 and 6 for details of the top five accounts receivable and other receivables of the Group. In addition, the Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

As at 30 June 2024, details of credit risk on the Group's accounts receivable, other receivables and financing lease receivables and their expected credit losses are set out in Note VI 3, 6 and 10.

1.3 Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

At the end of each period, the maturity analysis for non-derivative financial liabilities and lease liabilities held by the Group which is based on undiscounted remaining contractual obligations is as follows:

	30 June 2024 (Unaudited)			RMB
	Within 1 year	1 to 5 years	Over 5 years	Total
Short-term borrowings	(3,482,464,983.42)	—	—	(3,482,464,983.42)
Notes payable	(29,363,603,551.32)	—	—	(29,363,603,551.32)
Accounts payable	(35,221,888,819.93)	—	—	(35,221,888,819.93)
Other payables	(5,415,014,650.88)	—	—	(5,415,014,650.88)
Other current liabilities	(5,878,053,032.84)	—	—	(5,878,053,032.84)
Long-term borrowings (due within 1 year inclusive)	(9,577,143,840.35)	(10,813,616,637.50)	—	(20,390,760,477.85)
Lease liabilities (due within 1 year inclusive)	(337,195,402.39)	(932,035,599.59)	—	(1,269,231,001.98)
Bonds payable (due within 1 year inclusive)	(760,838,022.71)	(4,042,142,015.47)	—	(4,802,980,038.18)
Other Non-current liabilities	—	—	43,875,707.17	43,875,707.17

X. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**I. Objective and policies of risk management** (continued)**1.3 Liquidity risk** (continued)

	31 December 2023 (Audited)			<i>RMB</i>
	Within 1 year	1 to 5 years	Over 5 years	Total
Short-term borrowings	(5,750,052,376.48)	—	—	(5,750,052,376.48)
Notes payable	(27,939,790,253.08)	—	—	(27,939,790,253.08)
Accounts payable	(40,546,651,118.94)	—	—	(40,546,651,118.94)
Other payables	(5,317,286,802.25)	—	—	(5,317,286,802.25)
Other current liabilities	(7,088,140,056.33)	—	—	(7,088,140,056.33)
Long-term borrowings (due within 1 year inclusive)	(6,547,657,474.62)	(13,568,267,316.21)	—	(20,115,924,790.83)
Lease liabilities (due within 1 year inclusive)	(372,744,389.78)	(721,955,444.20)	—	(1,094,699,833.98)
Bonds payable (due within 1 year inclusive)	(412,760,784.08)	(3,801,488,060.88)	—	(4,214,248,844.96)

2. Capital management

The Group manages capital by optimizing the structure of liabilities and shareholders' equity to ensure that the entities within the Group can continue to operate and maximize shareholders' returns at the same time.

The Group's capital structure consists of the Group's net debt (the net amount of borrowings and bonds payable after deducting cash and bank balances as disclosed in Note VI. 20,29 and 1) and the shareholders' equity.

The Group is not subject to external mandatory capital management requirements. The management of the Group reviews the capital structure of the Group on a regular basis.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XI. DISCLOSURE OF FAIR VALUE

1. Fair value at the end of the period of financial assets and financial liabilities measured at fair value

Some of the Group's financial instruments are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial instruments are determined (in particular, the valuation techniques and inputs used).

Item	Fair value at the end of the period			<i>RMB</i>
	Level 1	Level 2	Level 3	Total
I. Continuous fair value measurement				
(I) Financial assets at fair value through profit or loss				
1. Held-for-trading financial assets	—	2,458,556,628.03	—	2,458,556,628.03
(1) Financial Products	—	2,458,556,628.03	—	2,458,556,628.03
2. Derivative financial assets	—	36,286,285.55	—	36,286,285.55
3. Other non-current financial assets	—	—	213,590,472.53	213,590,472.53
(II) Financial assets at fair value through other comprehensive income				
1. Financing with receivables	—	27,357,440,724.89	—	27,357,440,724.89
(III) Designated as financial assets at fair value through other comprehensive income				
1. Other Equity instrument investments	—	—	1,922,477,677.70	1,922,477,677.70
Total assets measured at fair value on a recurring basis	—	29,852,283,638.47	2,136,068,150.23	31,988,351,788.70
(I) Financial liabilities at fair value through profit or loss				
1. Derivative financial liabilities	—	(29,417,160.61)	—	(29,417,160.61)
Total liabilities measured at fair value on a recurring basis	—	(29,417,160.61)	—	(29,417,160.61)

2. Valuation techniques and information of key parameters adopted for level 2 fair value measurement items

Level 2 fair value measurement items mainly refer to held-for trading financial assets – wealth management products, forward foreign exchange settlement contracts and financing with receivables – notes receivable. Cash flow discount method is adopted for valuation techniques of fair values, and the inputs are contract-linked observable inputs, forward exchange rate, observable interest rate, etc.

XI. DISCLOSURE OF FAIR VALUE (continued)

3. Valuation techniques and information of key parameters adopted for level 3 fair value measurement items

Level 3 fair value measurement items mainly refer to other equity instrument investments and other non-current financial assets. Asset-based approach and market approach are adopted for valuation techniques of fair value of other equity instrument investments and other non-current financial assets.

4. Fair value of financial assets and financial liabilities which are not measured at fair value

Except for the items set out below, the management of the Group considers that the carrying amounts of financial assets and financial liabilities measured at amortized costs in the financial statements as at 30 June 2024 approximate their fair values.

Item	RMB'000	
	Book value 30 June 2024	Fair value 30 June 2024
Bonds payable		
Convertible Corporate bonds (Note)	3,993,102	3,907,679
Asset-backed securities and notes (including within 1 year)	945,703	953,452

Note: The carrying amount of convertible corporate bonds includes the carrying amount of liabilities and equity components.

The fair value of convertible corporate bonds is the unadjusted quotation in the active market, which is a level 1 fair value measurement item.

The fair value of asset-backed securities is determined by the cash flow discount method, and the market return rate of other financial instruments with similar contract terms, credit risks and remaining maturities is taken as the discount rate. It is a level 2 fair value measurement item.

XII. RELATED PARTIES AND TRANSACTIONS

I. Parent company of the Company

Name of company	Place of registration	Nature of business	Registered capital	RMB	
				Shareholding ratio of the company as at 30 June 2024, (%)	Percentage of voting rights of the company as at 30 June 2024, (%)
Innovation Great Wall	Baoding	Investment	5,000,000,000.00	59.88	59.88

The ultimate controlling shareholder of the Company is Wei Jianjun.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XII. RELATED PARTIES AND TRANSACTIONS (continued)

2. Subsidiaries of the Company

Details of the subsidiaries of the Company are set out in Note IX.

3. Joint ventures and associates of the Company

Details of the joint ventures and associates of the Company are set out in Note IX and Note VI.11.

4. Other related parties of the Company

Name	Relationship with the Group
Baoding Great Wall Holdings Company Limited and its subsidiaries (保定市長城控股集團有限公司及其子公司) (Great Wall Holdings and its subsidiaries) (note)	Entity controlled by the ultimate controlling shareholder
Spotlight Automotive Company Limited (光東汽車有限公司) ("Spotlight Automotive")	Joint venture invested by the Company
Baoding Kelkang Medical Management Co., Ltd. (保定市凱爾康醫療管理有限公司) ("Kelkang Medical")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 30% equity)
Baoding Kaierkang Medical Management Co., LTD. (保定市凱爾康醫療管理有限公司徐水凱爾康藥店) ("Kaierkang Medical")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 30% equity)
Baoding Kailkang Medical management Co., LTD. Baoding Lianchi division company (保定市凱爾康醫療管理有限公司保定蓮池區分公司) ("Kelcom Medical (Lianchi)")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 30% equity)
Baoding Aihecheng Kindergarten in Lianchi District (保定市蓮池區愛和城幼兒園) ("Great Wall Kindergarten")	Other related parties (private non-enterprise units controlled by the ultimate controlling shareholder)
Baoding Aihecheng School in Lianchi District (保定市蓮池區愛和城學校) ("Great Wall School")	Other related parties (Private non-enterprise entity indirectly controlled by the ultimate controlling shareholder in the past 12 months)
Hebei Baocang Expressway Co. Ltd. (河北保滄高速公路有限公司) ("Baocang Expressway")	Other related parties (Ultimate controlling shareholder serving as director of the company)
Baoding Great Wall Venture Capital Co., Ltd. 保定市長城創業投資有限公司 ("Great Wall Venture Capital")	Other related parties (Entity in which the ultimate controlling shareholder serves as a director and indirectly holds more than 30% equity)
Hebei Baoding Tai Hang Group Co., Ltd. (河北保定太行集團有限責任公司) ("Tai Hang Group")	Other related parties (Entity directly controlled by family member closely related with ultimate controlling shareholder)
Baoding Aihecheng Senior High School (保定市愛和城高級中學有限公司) ("Aihecheng Senior High School")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 30% equity)

XII. RELATED PARTIES AND TRANSACTIONS (continued)

4. Other related parties of the Company (continued)

Name	Relationship with the Group
Tehai Hydrogen Energy Testing (Baoding) Co., LTD (特嗨氫能檢測(保定)有限公司("Tehai Hydrogen Energy"))	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 50% equity)
Baoding home inspection health examination center Co., LTD (保定上門檢健康體檢中心有限公司)("Baoding Health")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 30% equity)
Xinjiang Zhiyuan Tongtu traffic Co., LTD (新疆智源通途交通有限公司)("Xinjiang Zhiyuan")	Other related parties (Entity in which the ultimate controlling shareholder serves as a director)
Xingrui Hospital, Baoding (保定興芮醫院)("Xingrui Hospital")	Other related parties (Entity directly controlled by family member closely related with ultimate controlling shareholder)
Baoding Ruixing Wine Co., LTD (保定芮興酒業有限公司)("Ruixing Wine")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 50%)
Baoding Ruixing Liquor sales Co., LTD (保定芮興酒類銷售有限公司)("Rui Xing Sales")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 50%)
Baoding Xingrui electronic commerce Co., LTD (保定興芮電子商務有限公司)("Xingrui Electronics")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 50%)
Baoding Xingrui Hotel Management Co., LTD (保定興芮酒店管理有限公司)("Xingrui Hotel")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 50%)
Baoding Xingrui food Co., LTD (保定興芮食品有限公司)("Xingrui Food")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 50%)
Baoding Xingrui Technology Co., LTD (保定興芮科技有限公司)("Xingrui Technology")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 50%)
Seda Semiconductor Technology Co., LTD (賽達半導體科技有限公司)("Seda Semiconductor")	Other related parties (Entity in which the ultimate controlling shareholder indirectly holds more than 50%)

Note: Haomo Zhixing is not only an associate of the Group, but also an entity controlled by the ultimate controlling shareholder of the Group. The related party transactions, receivables and payables between the Group and Haomo Zhixing, are included in the related party transactions, receivables and payables between the Group and Great Wall Holdings and its subsidiaries.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XII. RELATED PARTIES AND TRANSACTIONS (continued)

5. Related party transactions

(1) Related party transactions in the purchase and sale of goods, provision and acceptance of services

Purchase of goods/acceptance of services

Related parties	Related party transaction	<i>RMB</i>	
		For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Great Wall Holding and its subsidiaries	The purchase of goods	3,089,376,624.84	2,032,171,540.31
	Accepting services,	100,125,358.43	110,867,068.21
	Rental expenses and others	412,090,692.19	308,609,235.65
Automotive Finance	Purchase of goods	—	213,498.38
Spotlight Automotive	Purchase of goods	1,388,576.18	1,201,256.97
	Accepting services,	55,316,420.86	47,512,914.57
	Lease and others	—	441,772.57
Associates-Jiangsu Longcheng	Purchase of goods	168,595,669.79	107,806,860.30
	Accepting services	5,563.56	—
	Rental expenses and others	6,364.04	—
Associates-Jiangsu Baojie	Purchase of goods	44,441,947.10	29,560,055.78
Associates-Wuxi Xindong	Purchase of goods	6,981,490.00	—
	Accepting services	8,715,566.04	—
Other parties	Purchase of goods	888,445.50	121,583.75
	Accepting services	3,098,490.49	1,184,656.17

XII. RELATED PARTIES AND TRANSACTIONS (continued)

5. Related party transactions (continued)

(1) Related party transactions in the purchase and sale of goods, provision and acceptance of services (continued)

Sales of goods/rendering of services

Related parties	Related party transaction	RMB	
		For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Great Wall Holding and its subsidiaries	Sales of goods	165,120,268.33	86,067,369.60
	Provide labor services	39,056,117.69	10,671,575.09
	Rental income and others	6,835,848.53	5,912,086.91
Spotlight Automotive	Sale of goods	677,118,982.89	84,231,843.03
	Rendering of services	120,647,576.55	41,679,848.75
Jiangsu Longcheng	Sale of goods	—	619,765.13
	Rendering of services	804,527.51	—
Jiangsu Baojie	Rendering of services	354,765.67	2,138,355.30
	Rental income and others	983,316.11	840,161.83
Wuxi core actuator	Sale of goods	77,423.18	115,264.54
	Rendering of services	779,462.78	2,764,813.71
	Rental income and others	201,954.27	—
Automotive Finance	Sale of goods	4,140.00	5,703.27
	Rendering of services	14,896,997.07	17,422,275.92
	Rental income and others	146,370.74	154,335.34
	Interest income	—	101,110,854.06
Other parties	Sale of goods	39,936,777.22	394,680.53
	Rendering of services	66,478.12	463,448.69
	Rental income and others	2,811,615.92	2,186,989.81

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XII. RELATED PARTIES AND TRANSACTIONS (continued)

5. Related party transactions (continued)

(2) Emolument for key management

Item	RMB	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Salary for key management	3,147,807.08	3,136,825.68
Share based payment for key management	5,016,482.38	177,403.33

Key management are the individuals who are authorized and responsible for planning, supervision and control of corporate activities, including directors, general manager, chief accounting officer, deputy general managers, and other administration officers.

(3) Other related party transactions

(a) Deposits with related parties

Changes in deposits with related parties:

Related party	RMB			
	1/1/2024 (Audited)	Deposits for the period	Recovery for the period	30 June 2024 (Unaudited)
Automotive Finance	—	1,000,000,000.00	—	1,000,000,000.00

(b) Guarantees provided by related parties

Guarantee company	Currency	Guaranteed amount	Guaranteed start date	Guaranteed end date	RMB
					Whether the guarantee has been fulfilled
Innovation Great Wall	RMB	3,000,000,000.00	July 12, 2022	July 11, 2025	No

(c) Right-of-use assets and lease liabilities

During the current period, the Group signed several new lease agreements with related parties. Except for short-term leases and low-value assets, the Group's recognized right – of-use assets are RMB126,061,138.27. At the end of the period, the balance of lease liabilities between the Group and related parties is RMB114,743,785.73. The interest expense of lease liabilities incurred in this period is RMB1,790,182.92.

XII. RELATED PARTIES AND TRANSACTIONS (continued)

6. Amounts due from/due to related parties

Item	Related party transactions	RMB	
		30/06/2024 (Unaudited)	31/12/2023 (Audited)
Accounts receivable	Great Wall Holding and its subsidiaries	309,498,574.37	270,450,634.98
Accounts receivable	Automotive Finance	288,077.26	15,067,029.41
Accounts receivable	Spotlight Automotive	600,888,078.96	434,792,002.66
Accounts receivable	Other related parties	510,276.59	5,047,495.11
Accounts receivable	Jiangsu Longcheng	1,671,925.68	750,573.32
Accounts receivable	Jiangsu Baojie	—	8,741.25
Accounts receivable	Wuxi Xindong	12,541.54	—
Subtotal of accounts receivable:		912,869,474.40	726,116,476.73
Other receivables	Great Wall Holding and its subsidiaries	6,423,245.76	14,627,121.19
Other receivables	Spotlight Automotive	250,000.00	250,000.00
Other receivables	Jiangsu Baojie	—	1,757.55
Subtotal of other receivables		6,673,245.76	14,878,878.74
Prepayments	Great Wall Holding and its subsidiaries	266,199,761.41	463,738,572.11
Prepayments	Other related parties	53,150.00	687,245.28
Prepayments	Jiangsu Baojie	1,319,366.25	919,156.06
Subtotal of prepayments		267,572,277.66	465,344,973.45
Notes receivable	Great Wall Holding and its subsidiaries	—	753,191.11
Subtotal of notes receivable		—	753,191.11
Financing with receivables	Great Wall Holding and its subsidiaries	44,044,122.50	88,213,057.96
Subtotal of financing with receivables		44,044,122.50	88,213,057.96
Other current assets	Great Wall Holding and its subsidiaries	160,597,113.65	13,440,055.84
Subtotal of other current assets		160,597,113.65	13,440,055.84
Other non-current assets	Great Wall Holding and its subsidiaries	210,000,000.00	420,000,000.00
Subtotal of non-current assets		210,000,000.00	420,000,000.00

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XII. RELATED PARTIES AND TRANSACTIONS (continued)

6. Amounts due from/due to related parties (continued)

Item	Related party transactions	RMB	
		30/06/2024 (Unaudited)	31/12/2023 (Audited)
Accounts payable	Great Wall Holding and its subsidiaries	1,397,598,995.73	1,191,494,912.26
Accounts payable	Automotive Finance	—	—
Accounts payable	Spotlight Automotive	83,274,566.64	130,609,841.33
Accounts payable	Other related parties	9,607,869.52	529,523.32
Accounts payable	Jiangsu Longcheng	—	51,245,775.49
Accounts payable	Jiangsu Baojie	18,954,789.77	32,201,982.61
Accounts payable	Wuxi Xindong	920,179.00	—
Subtotal of accounts payable		1,510,356,400.66	1,406,082,035.01
Other payables	Great Wall Holding and its subsidiaries	31,804,426.12	56,652,616.80
Other payables	Automotive Finance	33,621.01	182,646.62
Other payables	Spotlight Automotive	98,392.97	—
Other payables	Jiangsu Baojie	841,425.32	805,946.62
Other payables	Jiangsu Longcheng	56,200,000.00	56,200,000.00
Other payables	Other related parties	284,762.38	80,944.00
Subtotal of other payables:		89,262,627.80	113,922,154.04
Contract liabilities	Great Wall Holding and its subsidiaries	6,180,062.01	48,048,874.16
Contract liabilities	Automotive Finance	27,853.91	1,174,204.75
Contract liabilities	Jiangsu Baojie	1,203,731.73	930,818.58
Contract liabilities	Other related parties	2,181,248.98	—
Subtotal of contract liabilities		9,592,896.63	50,153,897.49
Notes payable	Great Wall Holding and its subsidiaries	77,074,851.12	13,447,547.71
Notes payable	Jiangsu Longcheng	45,131,916.81	63,278,190.97
Notes payable	Jiangsu Baojie	68,904,303.21	55,198,629.88
Subtotal of notes payable:		191,111,071.14	131,924,368.56
Lease liability	Great Wall Holding and its subsidiaries	114,743,785.73	651,822,014.10
Subtotal of lease liabilities:		114,743,785.73	651,822,014.10

XIII. SHARE-BASED PAYMENTS

I. Various equity instruments

Unit: Share

Category of grant recipients	Awarded during the period	Options exercised during the period	Unlocked during the period	Lapsed during the period
Employees — Restricted Stock	50,387,500.00	—	1,881,165.00	4,507,525.00
Employees — Stock Options	69,794,000.00	1,205,240.00	—	31,395,121.00
Total	120,181,500.00	1,205,240.00	1,881,165.00	35,902,646.00

Category of grant recipients	Share options issued and outstanding at the end of the period	
	Range of exercise prices (RMB)	Remaining duration of the contract
Employee — Restricted Stock	12.06-15.81 per share	0-2 months, 32 months
Employee — Stock Options	24.78-32.59 per share	0-2 months, 32 months

Other explanations:

According to the "Proposal on restricted shares and share options incentive plans of Great Wall Motor Company Limited in 2020 (the First Revised Draft) and its summary", the "Proposal on the assessment measures for the implementation of restricted shares and share options incentive plans of Great Wall Motor Company Limited in 2020 (Revised)" and the "Proposal to the shareholders' meeting for fully authorizing the board of directors and its authorized persons to handle the matters related to restricted shares and share options incentive plans of the Company in 2020" approved in the Company's 2020 first extraordinary shareholders meeting, 2020 first H-share class shareholders' meeting and 2020 first A-share class shareholders' meeting, and the "Proposal on adjusting the incentive target lists of restricted shares and share options incentive plans and the number of shares granted in 2020" and the "Proposal of Great Wall Motor Company Limited on granting restricted shares or share options to incentive targets of restricted shares and share options incentive plans in 2020" (hereinafter referred to as the "2020 Equity Incentive Plans") approved by the Company at the 34th meeting of the sixth session of board of directors on 27 April 2020, the Company granted 52,678,200 restricted shares for the first time to the incentive targets at a price of RMB4.37 per share on 27 April 2020, while the incentive targets actually subscribed 49,303,500 restricted shares.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XIII. SHARE-BASED PAYMENTS (continued)

I. Various equity instruments (continued)

Other explanations: (continued)

At the 13th meeting of the seventh session board of directors on 28 January 2021, the Company approved the "Proposal of Great Wall Motor Company Limited on granting reserved restricted shares or share Options to incentive targets"; and at the 14th meeting of the seventh session board of directors on 12 March 2021, the Company approved the "Proposal of Great Wall Motor Company Limited on adjusting the granting price of reserved restricted shares of the Company's restricted shares and share options incentive plans in 2020". On 28 January 2021, the Company granted 8.748 million restricted shares to incentive targets at a price of RMB20.8 per share, and incentive targets subscribed 1,149,200 restricted shares.

According to the "Proposal on restricted shares incentive plan of Great Wall Motor Company Limited In 2021 (Draft) and its summary", the "Proposal on share options incentive plan of Great Wall Motor Company Limited in 2021 (Draft) and its summary", the "Proposal on the assessment measures for the restricted shares incentive plan's implementation of Great Wall Motor Company Limited in 2021", the "Proposal on the assessment measures for share options incentive plan's implementation of Great Wall Motor Company Limited in 2021", the "Proposal to the general meeting of shareholders to authorize the board of directors and its authorized persons to handle matters relating to the restricted shares incentive plan of the Company in 2021" and the "Proposal to the general meeting of shareholders to authorize the board of directors and its authorized persons to handle matters relating to share options incentive plan of the Company in 2021", approved by the Company's fourth extraordinary general meeting of shareholders in 2021, the second H-share class shareholders' meeting in 2021 and the second A-share class shareholders' meeting in 2021, as well as the "Proposal of Great Wall Motor Company Limited on granting restricted shares to incentive targets of the restricted shares incentive plan and granting share options to the incentive targets of share options incentive plan in 2021", and the "Proposal of Great Wall Motor Company Limited to adjust the incentive target lists and the number of granting shares and option under the restricted shares incentive plan and share option incentive plan in 2021" (hereinafter referred as "2021 Equity Incentive Plans"), approved by the 23rd meeting of the 7th session board of directors and the 21st meeting of the 7th session board of supervisors on 22 July 2021, the Company granted 34,057,000 restricted shares to the incentive targets for the first time at a price of RMB16.78 per share, and the incentive targets actually subscribed for 32,653,200 restricted shares.

At the 38th meeting of the 7th session Board of Directors on 29 April 2022, the Company approved the "Proposal on granting reserved restricted shares to incentive targets in 2021" and the "Proposal on granting reserved share options to incentive targets in 2021". On 29 April 2022, the Company granted 8,600,000 reserved restricted shares to incentive targets at the price of RMB12.73 per share, and incentive targets actually subscribed 7,955,800 restricted shares.

XIII. SHARE-BASED PAYMENTS (continued)

I. Various equity instruments (continued)

Other explanations: (continued)

According to the “Proposal on Restricted Shares Incentive Plan of Great Wall Motor Company Limited in 2023 (Draft) and its Summary”, the “Proposal on Share Options Incentive Plan of Great Wall Motor Company Limited in 2023 (Draft) and its Summary”, the “Proposal on the Assessment Measures for the Restricted Shares Incentive Plan’s Implementation of Great Wall Motor Company Limited in 2023”, the “Proposal on the Assessment Measures for Share Options Incentive Plan’s Implementation of Great Wall Motor Company Limited in 2023”, the “Proposal to the General Meeting of Shareholders to Authorize the Board of Directors and its Authorized Persons to Handle Matters Relating to the Restricted Shares Incentive Plan of the Company in 2023” and the “Proposal to the General Meeting of Shareholders to Authorize the Board of Directors and its Authorized Persons to Handle Matters Relating to Share Options Incentive Plan of the Company in 2023”, approved by the Company’s first extraordinary general meeting of shareholders in 2024, the first H-share class shareholders’ meeting in 2024 and the first A-share class shareholders’ meeting in 2024, as well as the “Proposal of Great Wall Motor Company Limited on Granting Restricted Shares to Incentive Targets of the Restricted Shares Incentive Plan and Granting Share Options to the Incentive Targets of Share Options Incentive Plan in 2023” (the “2023 Equity Incentive Plan”), approved by the 11th meeting of the 8th session board of directors and the 11th meeting of the 8th session board of supervisors on 26 January 2024, the Company granted 54,886,000 restricted shares to the incentive targets for the first time at a price of RMB13.61 per share, and the incentive targets actually subscribed for 45,557,500 restricted shares.

The conditions on unlocking the restricted shares of incentive targets need to meet certain performance conditions and personal performance evaluation conditions. The vesting periods for restricted shares are 1, 2, and 3 years from the date of first grant. While the vesting periods for reserved restricted shares granted are 1 and 2 years from the date of grant. During the vesting period, the cash dividends distributed by the Company to restricted shareholders are revocable.

According to the 2020 Equity Incentive Plans, the Company granted 87,065,300 share options to incentive targets, with an exercise price of RMB8.73 per share for the first time on 27 April 2020. On 28 January 2021, the Company granted 15.721 million reserved share options to the incentive targets at an exercise price of RMB42.15 per share. According to the 2021 Share Incentive Plans, the Company granted 300,594,000 share options to the incentive targets for the first time on 22 July 2021, with an exercise price of RMB33.56 per share; the Company granted 75,497,100 reserved share options to the incentive targets on 29 April 2022, with an exercise price of RMB25.45 per share. According to the 2023 Equity Incentive Plans, the Company granted 69,794,000 share options to incentive targets, with an exercise price of RMB27.22 per share for the first time on 26 January 2024.

The exercise of the above share options shall meet certain performance conditions and personal performance evaluation conditions. Different vesting periods apply to share options granted to incentive targets, ranging from 1, 2 and 3 years for share options granted for the first time and 1 and 2 years for reserved share options grant, respectively.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XIII. SHARE-BASED PAYMENTS (continued)

I. Various equity instruments (continued)

Other explanations: (continued)

According to the Company's Annual General meeting of shareholders in 2022, the third H-share Class shareholders meeting in 2023 and the third A-Share Class shareholders meeting in 2023, the "Motion on the Employee Stock Ownership Plan of Great Wall Motor Co., LTD. (Revised Draft) and its Summary" and the "Motion on Great Wall Motor Co., LTD The Proposal for the Administration of the Employee Stock Ownership Plan 2023 (Revised Draft), the Proposal to request the General Meeting of Shareholders to authorize the Board of Directors to handle Matters related to the Employee Stock Ownership Plan 2023 (hereinafter referred to as the "Employee Stock Ownership Plan 2023"), and the third meeting of the Eighth Board of Directors and the second meeting of the Eighth Supervisory Board on 18 July 2023, The "Motion on Adjusting the Transfer Price of the Company's Employee Stock Ownership Plan in 2023" reviewed and passed, the number of underlying shares involved in the 2023 employee stock ownership plan does not exceed 40,000,043 shares, and the incentive object actually subscribed for 34,751,400 shares. On August 15, 2023, the Company granted incentives to 34,751,400 A-shares of ordinary shares held in the "Great Wall Motor Co., Ltd. repurchase Special Securities Account" at A price of RMB13.52 per share. The restricted stock unlocking of the above incentive objects shall meet certain performance conditions and individual performance appraisal conditions. The waiting period for restricted stock granted to incentive subjects is 1 year and 2 years from the date of grant, respectively. During the waiting period, the company's cash dividends distributed to restricted stockholders can be revoked.

According to the "Motion on the Phase II Employee Stock Ownership Plan of Great Wall Motor Company Limited (Draft) in 2023 and its Summary", the "Motion on the Administrative Measures for the Phase II Employee Stock Ownership Plan of Great Wall Motor Company Limited (Draft) in 2023 and its Summary", and "Motion on requesting the General Meeting of Shareholders to authorize the Board of Directors to handle matters related to the second phase of the Employee Stock Ownership Scheme in 2023", approved by the Company's first extraordinary general meeting of shareholders in 2024, the first H-share class shareholders' meeting in 2024 and the first A-share class shareholders' meeting in 2024, as well as the "Motion on the Phase II Employee Stock Ownership Plan of Great Wall Motor Company Limited (Draft) in 2023 and its summary" (the "2023 Phase II Employee Stock Ownership Plan"), approved by the 8th meeting of the 8th session board of directors and the 8th meeting of the 8th session board of supervisors on 12 December 2023, the number of underlying shares involved in the 2023 Phase II Employee Stock Ownership Plan does not exceed 5,248,643 shares, and the incentive targets actually subscribed for 4,830,000 shares. On 26 January 2024, the Company granted 4,830,000 A-shares of ordinary shares to the incentive targets at a price of RMB13.61 per share from the "Special Securities Account of Great Wall Motor Company Limited for Repurchase". The unlocking of the restricted shares for the above incentive targets is subject to the fulfillment of certain performance conditions and individual performance assessment conditions. The vesting periods of restricted shares granted to the incentive targets are 1, 2, and 3 years from the date of grant. During the vesting period, the cash dividends distributed by the Company to restricted shareholders are revocable.

XIII. SHARE-BASED PAYMENTS (continued)

2. Equity-settled share-based payment

RMB

Method for determining the fair value of equity instruments on the grant date	See other explanations
Key parameters of the fair value of equity instruments on the grant date	See other explanations
The basis for determining the number of exercisable equity instruments	Based on the number of restricted shares/options granted, the Company makes the best estimate of the number of restricted shares/options that are expected to be exercised in each period in the unlock/exercise arrangement
Reasons for the significant difference between the current estimate and the previous estimate	N/A
The cumulative amount of equity-settled share-based payments included in the capital reserve	4,440,706,915.36

Other explanations:

For the aforementioned Restricted Shares Incentive Plans, the fair value of restricted shares granted by the Company on the grant date is measured based on the market price of the Company's ordinary shares on the grant date.

For the share options granted in 2023, the Company calculates the fair value of the share options on the grant date according to the "Binary Tree Option Pricing Model", main parameters selected in the model are underlying share price, exercise price, option validity, share price volatility, risk-free interest rate and the average dividend yield of the Company in the last 12 months.

For the share options granted in the six months ended 30 June 2024, the Company calculates the fair value of the share options on the grant date according to the "Black-Scholes Option Pricing Model", in which the main parameters selected are the underlying share price, exercise price, option validity, share price volatility, risk-free interest rate, and average dividend yield of the Company in the last 12 months.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XIII. SHARE-BASED PAYMENTS (continued)

3. Share-based payment expense for the period

Category of grant recipients	<i>RMB</i>
	Equity-settled share-based payment expenses
Employees — Restricted Stock	172,105,754.03
Employees — stock options	215,440,187.53
Total	387,545,941.56

XIV. COMMITMENTS

1. Significant commitments

Capital commitments

	<i>RMB'000</i>	<i>RMB'000</i>
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Contracted but not provided	3,928,013	4,473,194
— Purchase of long-term asset commitments	3,928,013	4,473,194
Total	3,928,013	4,473,194

2. External security matters

The breakdown of the amount of guarantees provided by the Group to external parties is set out below:

	<i>RMB'000</i>	<i>RMB'000</i>
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Guarantees in favour of other entities	10,883	13,504
Total	10,883	13,504

As at 30 June 2024, the Group's external guarantees amounted to RMB10,883,000 (31 December 2023: RMB13,504,000). Up to date, there has been little default by the guaranteed parties. The Group considers that the risks associated with the above guarantees are low and the fair value is not material.

XV. EVENTS AFTER THE BALANCE SHEET DATE

None.

XVI. OTHER SIGNIFICANT EVENTS**I. Segment reporting**

The Group is mainly engaged in the manufacture and sales of automobiles and automotive parts and components in the PRC, and the majority of its assets are located in the PRC. The management determined the reporting segments according to the organization structure, management requirements and internal reporting system of the Group for the purposes of resource allocation and performance evaluation. As the resource allocation and performance evaluation of the Group are carried out based on the overall operation of the production and sales of automobiles and automotive parts and components, the Group has only one business segment for internal reporting purpose.

Revenue from external customers by location of revenue sources and non-current assets classified by location of assets:

Item	For the period from 1 January to 30 June 2024 (Unaudited)	<i>RMB</i> For the period from 1 January to 30 June 2023 (Unaudited)
Revenue from external customers in China	54,668,311,519.28	49,303,858,928.18
Revenue from external customers in other countries	36,760,645,575.36	20,667,258,234.60
Total	91,428,957,094.64	69,971,117,162.78

Item	30/06/2024 (Unaudited)	<i>RMB</i> 31/12/2023 (Audited)
Non-current assets located in China	68,289,836,622.11	67,516,132,165.68
Non-current assets located in other countries	5,171,097,188.20	4,792,486,560.85
Total	73,460,933,810.31	72,308,618,726.53

Non current assets do not include financial instruments and deferred income tax assets.

The Group is not dependent on one or more important clients.

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY

I. Cash and bank balances

Item	<i>RMB</i>	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Cash:		
RMB	108,906.52	121,778.84
GBP	14,588.35	14,585.28
Others	13,951.59	14,075.68
Bank balances:		
RMB	16,565,989,215.13	18,438,056,438.24
AUD	8,212,627.36	1,162,448,943.43
USD	644,190,590.80	651,391,471.42
Others	16,957,010.44	147,037,375.64
Other cash and bank balances:		
RMB	3,018,021,210.00	1,391,165,748.37
Total	20,253,508,100.19	21,790,250,416.90
Including: overseas cash and bank balances	—	—

As at 30 June 2024, the Company had restricted cash and bank balances of RMB3,018,021,210.00 of which, the guarantee on bank acceptance notes amount to RMB3,015,927,474.81, and other guarantees amount to RMB2,093,735.19.

As at 31 December 2023, the Company had restricted cash and bank balances of RMB1,391,165,748.37 of which, the guarantee on bank acceptance notes amount to RMB1,390,861,488.21, and other guarantees amount to RMB304,260.16.

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

2. Accounts receivable

(1) Disclosed by aging:

Aging	30 June 2024 (Unaudited) Carrying amount	31 December 2023 (Audited) Carrying amount
	Within 1 year	21,050,912,359.24
1-2 years	613,886,917.17	251,478,609.55
2-3 years	266,663,444.91	164,575,275.72
Over 3 years	551,506,222.68	652,863,905.37
Total	22,482,968,944.00	18,363,132,381.18

The aging analysis of the above accounts receivable is based on the time of revenue recognition.

(2) Disclosed by classification of credit loss provision method

Category	30 June 2024 (Unaudited)					31 December 2023 (Audited)				
	Carrying amount		Credit loss provision		Book value	Carrying amount		Credit loss provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)		Amount	Ratio (%)	Amount	Ratio (%)	
Credit loss provision by individuals	347,000,952.12	1.54	(347,000,952.12)	100.00	—	344,853,741.32	1.88	(344,853,741.32)	100.00	—
Credit loss provision assessed by portfolios	22,135,967,991.88	98.46	(1,891,347.46)	0.01	22,134,076,644.42	18,018,278,639.86	98.12	(2,948,000.93)	0.02	18,015,330,638.93
Total	22,482,968,944.00	100.00	(348,892,299.58)	1.55	22,134,076,644.42	18,363,132,381.18	100.00	(347,801,742.25)	1.89	18,015,330,638.93

Provision for credit losses on an individual basis

Name	30 June 2024 (Unaudited)			Rationale for the provision Debtor insolvency
	Carrying amount	Provision for credit losses	Accrual ratio (%)	
Entity 1	347,000,952.12	(347,000,952.12)	100.00	Bankruptcy of debtor
Total	347,000,952.12	(347,000,952.12)		

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

2. Accounts receivable (continued)

(2) Disclosed by classification of credit loss provision method (continued)

Description of the accounts receivable for which credit loss provision has been assessed by portfolios:

As part of the Company's credit risk management, the Company assesses the expected credit losses for various categories of accounts receivable based on their credit periods and overdue aging.

Accounts receivable whose credit loss provision are assessed by portfolio and their expected credit losses are as follows:

Aging	Expected loss rate	30 June 2024 (Unaudited)			Expected loss rate	31 December 2023 (Audited)		
		Carrying amount	Credit loss provision	Book value		Carrying amount	Credit loss provision	Book value
Within contractual/Indefinite	0.00%-4.00%	22,133,870,867.99	(145,607.41)	22,133,725,260.58	0.00%-4.00%	18,014,078,568.27	(128,605.48)	18,013,949,962.79
Overdue for 1-180 days	14.62%-50.00%	411,552.87	(60,169.03)	351,383.84	14.62%-50.00%	2,504,141.35	(1,123,465.21)	1,380,676.14
Overdue for over 180 days	100.00%	1,685,571.02	(1,685,571.02)	—	100.00%	1,695,930.24	(1,695,930.24)	—
Total		22,135,967,991.88	(1,891,347.46)	22,134,076,644.42		18,018,278,639.86	(2,948,000.93)	18,015,330,638.93

RMB

Provision for bad debts based on general model of expected credit losses

Credit loss provision	30 June 2024 (Unaudited)		
	Lifetime ECL (not occurred credit-impairment)	Lifetime ECL (occurred credit-impairment)	Total
Balance at 31 December 2023	1,252,070.69	346,549,671.56	347,801,742.25
— Transfer to occurred credit impairment	(870,613.91)	870,613.91	—
Provision	10.80	12,189.50	12,200.30
Reversals	(175,691.14)	(893,162.63)	(1,068,853.77)
Written-off	—	—	—
Exchange difference	—	2,147,210.80	2,147,210.80
Balance at 30 June 2024	205,776.44	348,686,523.14	348,892,299.58

RMB

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

2. Accounts receivable (continued)

(3) Provision for credit losses:

Item	2024 1st January (Audited)	Amount of change during the period			Other changes	RMB
		Accrual	Recovery or reversal	Write-off		2024 30st June (Unaudited)
Provision for credit losses on an individual basis	344,853,741.32	—	—	—	2,147,210.80	347,000,952.12
Credit losses by portfolio	2,948,000.93	12,200.30	(1,068,853.77)	—	—	1,891,347.46
Total	347,801,742.25	12,200.30	(1,068,853.77)	—	2,147,210.80	348,892,299.58

(4) Top five entities with the largest balances of accounts receivable:

Name of unit	Accounts receivable at the end of the period	Contractual assets at the end of the period	Accounts receivable and contract assets at the end of the period	Percentage of accounts receivable and contract assets of total (%)	RMB
					Credit losses Provision period-end balance
Entity 1	3,313,643,535.14	—	3,313,643,535.14	14.73	—
Subsidiary 1	2,225,721,774.39	—	2,225,721,774.39	9.89	—
Subsidiary 2	1,802,339,648.90	—	1,802,339,648.90	8.01	—
Subsidiary 3	1,794,176,981.97	—	1,794,176,981.97	7.97	—
Subsidiary 4	1,571,919,680.16	—	1,571,919,680.16	6.99	—
Total	10,707,801,620.56	—	10,707,801,620.56	47.59	—

3. Other receivables

3.1 Summary of other receivables

Category	RMB	31 December 2023 (Audited)
	30 June 2024 (Unaudited)	
Interest receivable	199,125.83	1,330,708.90
Dividends receivable	241,773,800.65	577,983,592.91
Other receivables	6,687,879,063.97	9,910,034,847.17
Total	6,929,851,990.45	10,489,349,148.98

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

3. Other receivables (continued)

3.2 Other receivables

(1) Disclosed by aging:

Aging	RMB	
	30st June 2024 (Unaudited)	31st December 2023 (Audited)
Within 1 year	2,913,401,426.95	3,789,657,937.56
1-2 years	2,477,518,396.15	3,743,557,383.11
2-3 years	1,193,126,525.44	563,014,537.63
Over 3 years	103,832,715.43	1,813,804,988.87
Total	6,687,879,063.97	9,910,034,847.17

(2) Disclosed by nature are as follows:

Nature of other receivables	RMB	
	Carrying amount at 30/06/2024 (Unaudited)	Carrying amount at 31/12/2023 (Audited)
Receivables	4,242,119,443.12	4,724,960,853.37
Tax refunds	698,404,626.76	898,538,398.46
Security and margin deposits	95,664,174.46	30,932,110.61
Deposits	11,925,598.14	12,014,750.68
Others	1,639,935,059.49	4,243,758,572.05
Total	6,688,048,901.97	9,910,204,685.17

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

3. Other receivables (continued)

3.2 Other receivables (continued)

(3) Assessment of credit loss provision:

Credit loss provision	Phase 1	Phase 2	Phase 3	Total
	Future 12-month ECL	Lifetime ECL (not occurred credit- impairment)	Lifetime ECL (occurred credit- impairment)	
Balance at 1 January 2024	—	—	169,838.00	169,838.00
Provision	—	—	—	—
Reversals	—	—	—	—
Written-off	—	—	—	—
Balance at 30 June 2024	—	—	169,838.00	169,838.00

RMB

The Company determines the expected credit losses of the other receivables based on the historical experience data and forward-looking information. For the period from 1 January to 30 June 2024, the Company's assessment method and significant assumptions have remained unchanged.

(4) Credit loss provision

Items	2024	Amount of change during the period				2024
	1st January (Audited)	Accrual	Recovery or reversal	Write-off	Other changes	30st June (Unaudited)
Provision for credit losses by portfolio	169,838.00	—	—	—	—	169,838.00
Total	169,838.00	—	—	—	—	169,838.00

RMB

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

3. Other receivables (continued)

3.2 Other receivables (continued)

(5) Top five entities with the largest balances of other receivables:

Name of entity	Amount	Proportion of the amount to the total other receivables (%)	Nature	Aging	RMB
					Closing balance of credit loss provision
Subsidiary 1	2,147,457,053.36	32.11	Receivables	Within 1 year, 1 to 2 years	—
Entity 1	698,404,626.76	10.44	Export tax refunds	Within 1 year	—
Subsidiary 2	557,124,853.83	8.33	Corporate loans	Within 1 year, 1 to 2 years	—
Subsidiary 3	436,062,800.40	6.52	Receivables	2 to 3 years	—
Subsidiary 4	433,077,359.99	6.48	Corporate loans	Within 1 year, 1 to 2 years	—
Total	4,272,126,694.34	63.88			—

The Company has no other receivables related to government grants.

4. Long-term equity investments

Breakdown of long-term equity investments:

Item	30/06/2024 (Unaudited)			31/12/2023 (Audited)		
	Carrying amount	Impairment provision	Book value	Carrying amount	Impairment provision	Book value
Investments in subsidiaries	18,800,797,684.98	—	18,800,797,684.98	18,691,035,216.48	—	18,691,035,216.48
Investments in joint ventures	11,141,562,556.88	—	11,141,562,556.88	10,676,293,014.10	—	10,676,293,014.10
Investments in associates	2,559,808.44	—	2,559,808.44	5,848,325.05	—	5,848,325.05
Total	29,944,920,050.30	—	29,944,920,050.30	29,373,176,555.63	—	29,373,176,555.63

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

4. Long-term equity investments (continued)

Breakdown of investments in subsidiaries are as follows:

Investee	1/1/2024 (Audited)	Increase for the period	Decrease for the period	Others (Note XIII)	30/06/2024 (Unaudited)	Provision for impairment	<i>RMB</i>
							Closing balance of impairment provision
Honeycomb Yichuang	4,506,652,901.80	—	—	45,877,676.90	4,552,530,578.70	—	—
Nobo Automobile	2,648,971,416.18	—	—	48,406,207.95	2,697,377,624.13	—	—
Tide Technology and Trade	1,914,148,902.46	25,017,627.60	—	—	1,939,166,530.06	—	—
Jingcheng Engineering	1,394,778,023.23	—	—	41,968,774.62	1,436,746,797.85	—	—
Mind Electronics	1,869,411,829.25	—	—	24,626,592.35	1,894,038,421.60	—	—
Russia Manufacturing	1,736,184,341.09	—	—	—	1,736,184,341.09	—	—
Tianjin Oula	566,643,701.74	—	—	342,251.33	566,985,953.07	—	—
Rizhao Weipai	381,759,418.50	—	—	1,043,360.97	382,802,779.47	—	—
Shanghai Yuefan	179,501,538.25	—	—	—	179,501,538.25	—	—
Great Wall Huabei	270,987,830.09	—	—	389,852.17	271,377,682.26	—	—
Baoding Yijian Start	200,296,091.66	—	—	(7,339.17)	200,288,752.49	—	—
Tianjin JIngyi	186,363,431.80	—	—	—	186,363,431.80	—	—
American HAVAL	169,620,600.00	—	—	—	169,620,600.00	—	—
Ruguo Technology	458,822,507.16	—	—	1,777,092.08	460,599,599.24	—	—
Zaoqi Financial Leasing	129,234,514.57	—	—	842.70	129,235,357.27	—	—
Great Wall Ants	122,903,273.37	—	—	3,669,275.32	126,572,548.69	—	—
Confident Zhixing	110,000,000.00	—	—	—	110,000,000.00	—	—
HWA Ding International	92,942,500.23	—	—	—	92,942,500.23	—	—
Baoding Nobo	72,240,000.00	—	—	—	72,240,000.00	—	—
Laoyou Insurance	70,488,138.92	—	—	332,933.00	70,821,071.92	—	—
Great Wall Zhixuan (Beijing) Sale & Service Co., LTD	502,202,412.18	—	(500,000,000.00)	(2,202,412.18)	—	—	—
Zhangjiagang R&D	45,000,000.00	—	—	638,824.41	45,638,824.41	—	—
Haval Australia	43,773,250.00	—	—	—	43,773,250.00	—	—
Xiong'an Great Wall	41,000,000.00	—	—	—	41,000,000.00	—	—
Baoding Gerui	49,357,462.07	—	—	3,144,731.28	52,502,193.35	—	—
Baoding Yixin	39,320,298.47	—	—	572,802.47	39,893,100.94	—	—
Europe Technical Center	33,428,802.00	—	—	—	33,428,802.00	—	—
India R&D	28,082,810.70	—	—	—	28,082,810.70	—	—
Haval South Africa	25,912,080.00	—	—	—	25,912,080.00	—	—

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

4. Long-term equity investments (continued)

Breakdown of investments in subsidiaries are as follows: (continued)

Investee	1/1/2024 (Audited)	Increase for the period	Decrease for the period	Others (Note XIII)	30/06/2024 (Unaudited)	Provision for impairment	<i>RMB</i>
							Closing balance of impairment provision
India Haval	20,731,008.88	—	—	—	20,731,008.88	—	—
Changyou Haoche	20,040,329.38	—	—	—	20,040,329.38	—	—
Ningxia Rental	20,000,000.00	—	—	—	20,000,000.00	—	—
Shanghai Motor Technology	65,442,046.69	—	—	4,976,511.79	70,418,558.48	—	—
Great Wall Sales	61,763,355.94	—	—	2,298,094.13	64,061,450.07	—	—
Beijing Great	22,539,100.00	—	—	—	22,539,100.00	—	—
Soul Technology	55,195,645.79	11,500,000.00	—	1,204,137.15	67,899,782.94	—	—
Great Wall Resource Recycling	10,086,803.96	—	—	—	10,086,803.96	—	—
Chongqing Parts	11,203,027.74	—	—	74,539.80	11,277,567.54	—	—
Exquisite Mould	13,650,906.25	—	—	1,195,419.13	14,846,325.38	—	—
Tianjin Jolion Shuju	10,252,532.05	—	—	—	10,252,532.05	—	—
Scrap Car Recycling & Dismantling	5,960,105.68	—	—	105,995.40	6,066,101.08	—	—
Chongqing Great Wall After-sales	431,403.42	—	—	14,308.91	445,712.33	—	—
Chongqing Haocheng							
International Trade Co., LTD	270,000.00	—	(270,000.00)	—	—	—	—
Chongqing Haval	93,374.98	—	—	—	93,374.98	—	—
Tianjin Great Wall Investment	350,550,000.00	—	—	—	350,550,000.00	—	—
Guangzhou Great Wall Sales	34,500.00	—	—	—	34,500.00	—	—
Xiamen Great Wall Sales	33,000.00	350,000.00	—	—	383,000.00	—	—
Great Wall Zhixing	132,730,000.00	—	—	—	132,730,000.00	—	—
Baoding Great Wall							
International Trade	—	2,000,000.00	—	—	2,000,000.00	—	—
Chengdu R&D	—	5,000,000.00	—	—	5,000,000.00	—	—
Great Wall Zhixuan Information							
Technology	—	384,900,000.00	—	814,368.39	385,714,368.39	—	—
Total	18,691,035,216.48	428,767,627.60	(500,270,000.00)	181,264,840.90	18,800,797,684.98	—	—

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

4. Long-term equity investments (continued)

Breakdown of investments in joint ventures and associates are as follows:

RMB

Investee	1 January 2024 (Audited)	Increase	Reduced investment	Changes for the period						30 June 2024 (Unaudited)	Closing balance of impairment provision
				Recognition of investment profit or loss under equity method	Adjustment in other comprehensive income	Movement in other equity	Declaration of cash dividends or profits	Provision for impairment	Others		
Joint ventures											
Automotive											
Finance	10,676,293,014.10	—	—	465,269,542.78	—	—	—	—	—	11,141,562,556.88	—
Sub-total	10,676,293,014.10	—	—	465,269,542.78	—	—	—	—	—	11,141,562,556.88	—
Associates											
Wuxi Xindong	5,848,325.05	—	—	(3,288,516.61)	—	—	—	—	—	2,559,808.44	—
Sub-total	5,848,325.05	—	—	(3,288,516.61)	—	—	—	—	—	2,559,808.44	—
Total	10,682,141,339.15	—	—	461,981,026.17	—	—	—	—	—	11,144,122,365.32	—

5. Operating revenue and operating costs

(1) Operating revenue and operating costs

RMB

Item	For the period from 1 January to 30 June 2024 (Unaudited)		For the period from 1 January to 30 June 2023 (Unaudited)	
	Income	Costs	Income	Costs
Principal operating activities	77,727,296,538.79	68,036,772,852.18	62,238,163,863.39	56,587,395,787.46
Other operating activities	1,824,272,325.16	1,213,383,764.85	1,432,416,283.83	1,246,013,050.72
Total	79,551,568,863.95	69,250,156,617.03	63,670,580,147.22	57,833,408,838.18

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

5. Operating revenue and operating costs (continued)

(2) Revenue from contracts

Contract classification	For the period from 1 January to 30 June 2024 (Unaudited)		For the period from 1 January to 30 June 2023 (Unaudited)	
	Revenue	Costs	Revenue	Costs
Revenue from sales of automobiles	70,140,215,368.70	62,174,141,891.30	58,603,699,779.19	53,890,197,948.06
Revenue from the sales of automotive parts and components	3,788,208,676.95	2,279,076,998.46	2,639,706,520.56	1,738,341,252.95
Revenue from the rendering of Services	889,005,913.13	852,034,750.38	994,757,563.64	958,856,586.45
Mould and other income	2,909,866,580.01	2,731,519,212.04	—	—
Other operating income	1,572,249,673.45	1,075,568,336.31	1,258,720,304.46	1,156,493,380.33
Subtotal of revenues arising from contracts with customers	79,299,546,212.24	69,112,341,188.49	63,496,884,167.85	57,743,889,167.79
Leasing revenue	252,022,651.71	137,815,428.54	173,695,979.37	89,519,670.39
Total	79,551,568,863.95	69,250,156,617.03	63,670,580,147.22	57,833,408,838.18

6. Investment income

Breakdown:

Item	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Income from long-term equity investments under cost method	—	2,118,303,250.84
Income from long-term equity investments under equity method	461,981,026.17	462,858,976.89
Losses on deregistration of discounted bills	(23,061,555.84)	(21,607,075.43)
Investment income from disposal of held-for-trading financial assets	57,337,253.36	12,115,377.04
Dividend income from holding other non-current financial assets	1,246,258.57	—
Dividend income from holding other equity instrument investments	3,800,520.00	—
Investment gains (losses) from the disposal of derivative financial instruments	2,396,226.42	(620,700.00)
Net losses from disposal of long-term equity investments	(331,575,753.40)	—
Total	172,123,975.28	2,571,049,829.34

There are no significant restrictions on remittance of investment income of the Company.

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

7. Supplementary information to the cash flow statement

(1) Supplementary information to the cash flow statement

Supplementary information	For the period from 1 January to 30 June 2024 (Unaudited)	RMB For the period from 1 January to 30 June 2023 (Unaudited)
1. Reconciliation of net profit to cash flow from operating activities:		
Net profit	2,787,290,280.01	1,096,255,523.80
Add: Impairment losses on assets	203,248,567.13	666,947,561.51
Impairment gains on credit	(1,056,653.47)	(1,463,995.22)
Depreciation of fixed assets	936,328,651.94	890,831,404.55
Depreciation of right-of-use assets	103,414,464.18	206,906,634.17
Amortization of intangible assets	1,450,790,484.62	992,815,144.19
Amortization of long-term prepaid expenses	7,217,436.65	7,114,418.47
Depreciation and amortization of investment properties	74,112,979.84	72,344,811.96
Losses on disposals of assets	1,418,630.84	838,522.46
Amortization of deferred income	(61,402,685.31)	(49,839,922.11)
Financial expense	251,504,313.64	221,040,699.86
(Gains) losses from changes in fair value	(53,366,190.67)	178,635,050.31
Investment income	(195,185,531.12)	(2,592,656,904.77)
Decrease in deferred tax assets (Increase)	298,122,847.92	(376,247,441.53)
Decrease in inventories	30,830,052.92	325,199,075.10
Increase in operating receivables	(2,584,302,479.69)	(7,580,397,335.86)
Increase in operating payables (Decrease)	(3,000,330,353.18)	1,914,342,473.37
Others	138,974,169.39	211,513,036.83
Net cash flows from operating activities	387,608,985.64	(3,815,821,242.91)
2. Significant investing and financing activities which do not involve cash receipts and payments:		
Right-of-use assets recognized by leased fixed assets	25,541,090.08	124,607,261.48
Repayment of dividends with notes receivable by Subsidiaries	—	162,047,934.05
3. Net changes in cash and cash equivalents:		
Closing balance of cash and cash equivalents	17,235,486,890.19	12,348,113,800.69
Less: Opening balance of cash and cash equivalents	20,399,084,668.53	12,810,720,693.53
Net decrease in cash and cash equivalents	(3,163,597,778.34)	(462,606,892.84)

Notes to the Financial Statements

For the period from 1 January to 30 June 2024

XVII. NOTES TO ITEMS IN THE FINANCIAL STATEMENTS OF THE COMPANY (continued)

7. Supplementary information to the cash flow statement (continued)

(2) Components of cash and cash equivalents

Item	RMB	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
I. Cash	17,235,486,890.19	20,399,084,668.53
Including: Cash on hand	137,446.46	150,439.80
Bank deposits ready to be withdrawn on demand	17,235,349,443.73	20,398,934,228.73
II. Closing balance of cash and cash equivalents	17,235,486,890.19	20,399,084,668.53

SUPPLEMENTARY INFORMATION

For the period from 1 January to 30 June 2024

I. BREAKDOWN OF NON-RECURRING GAINS AND LOSSES

Item	RMB	
	For the period from 1 January to 30 June 2024 (Unaudited)	For the period from 1 January to 30 June 2023 (Unaudited)
Losses from disposal of non-current assets	(17,413,830.74)	(2,154,500.24)
Government grants recognized in profit or loss (other than grants which are closely related to the Company's business and are either in fixed amounts or determined under quantitative methods in accordance with the national standard)	1,355,696,631.08	669,173,198.55
Investment income obtained from the disposal of subsidiaries, held-for-trading financial assets, derivative financial instruments and dividend income of other equity instruments during the holding period	64,052,417.51	45,728,441.21
Gains (losses) from changes in fair values	69,684,496.85	(132,420,650.66)
Other non-operating income or expenses other than the above	51,724,540.76	57,329,138.59
Other profit and loss items that meet the definition of non-recurring profit and loss	6,738,278.28	16,032,388.00
Effect of income tax	(103,272,936.13)	(41,847,235.50)
Impact of minority shareholders' equity (after tax)	—	(29,902.62)
Total	1,427,209,597.61	611,810,877.33

The non-recurring gains and losses of the Group was recognized in accordance with the relevant requirements of the *Explanatory Notice for Information Disclosures by Companies that Offer Securities to the Public (No. 01) – Non-recurring Gains and Losses*.

Supplementary Information

For the period from 1 January to 30 June 2024

2. RETURN ON NET ASSETS AND EARNINGS PER SHARE

This calculation of return on net assets and earnings per share was prepared by the Group in accordance with the relevant requirements of the Compilation Rules for Information Disclosures by Companies that Offer Securities to the Public (No. 09) – Calculations and Disclosures for the Return on Net Assets and Earnings per Share (as amended in 2010) issued by the China Securities Regulatory Commission.

For the period from 1 January to 30 June 2024 (Unaudited)	Weighted average return on net assets (%)	Earnings per share	
		Basic	Diluted
Net profit attributable to shareholders of ordinary shares of the Company	10.10	0.83	0.83
Net profit attributable to shareholders of ordinary shares of the Company, after deducting non-recurring gains and losses	8.06	0.66	0.66

For the period from 1 January to 30 June 2023 (Unaudited)	Weighted average return on net assets (%)	Earnings per share	
		Basic	Diluted
Net profit attributable to shareholders of ordinary shares of the Company	2.10	0.16	0.16
Net profit attributable to shareholders of ordinary shares of the Company, after deducting non-recurring gains and losses	1.15	0.09	0.09

The supplementary information provided by the management of Great Wall Motor Company Limited was endorsed by the followings:

Legal Representative: Wei Jian Jun

Chief Financial Officer: Li Hong Shuan

Head of the Finance Section: Wang Hai Ping

August 29, 2024



长城汽车
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長城汽車股份有限公司
GREAT WALL MOTOR COMPANY LIMITED*