



FAW JIEFANG GROUP CO., LTD

Annual Report 2024

March 2025



Chairman's Address



**Chairman and CPC Secretary
of FAW Jiefang
Li Sheng**

2024 marks the 75th anniversary of the founding of the People's Republic of China and represents a critical year in the implementation of the 14th Five-Year Plan. FAW Jiefang has thoroughly implemented the guiding principles from the 20th National Congress of the CPC and the Second and Third Plenary Sessions of the 20th Central Committee. Despite facing multiple challenges including weak demand in the commercial truck industry and profound market restructuring, our entire workforce has confronted these difficulties head-on, persevered through hardships, performed under pressure, and continued to forge ahead. We have overcome numerous obstacles, achieved remarkable results, and made breakthrough progress despite adverse market conditions.

Boldly confronting markets, winning in retail sectors, and reinforcing our industry-leading position. With extraordinary determination, exceptional measures, and remarkable effort, we achieved annual vehicle sales of 251.1 thousand units, representing a 3.90% year-on-year increase. Our medium and heavy truck sales reached 214 thousand units with a market share of 26.60%, maintaining our position as China's market leader for nine consecutive years. In overseas markets, despite downturns in key regions, we exported 57 thousand vehicles - a 27.40% year-on-year increase - achieving record-high sales with the industry's fastest growth rate. Our new energy vehicle segment capitalized on market opportunities with sales of 15.9 thousand units, growing by 121% and setting a new record with the highest growth rate among premium brands. Our brand value has reached 131.845 billion yuan, ranking first in the industry for 13 consecutive years. We've also earned the honorary title of "National Responsibility Bearer," showcasing Jiefang's leadership as the flagship of China's automotive industry.

Accelerating transformation, driving reform, and building lasting business strength. We

have diligently promoted and implemented the principles from the Third Plenary Session of the 20th CPC Central Committee and conducted thorough Party discipline education. Our efforts earned recognition from China FAW as a "Pioneer Party Building Red List Unit" and "Merit Competition Outstanding Unit." We have deeply implemented state-owned enterprise reform initiatives, completed the integration of manufacturing and operations, officially established Jiefang International, and launched our "SPRINT2030" internationalization strategy. We've also revitalized our aftermarket services and UNID operations. Our quality management systems have matured significantly, supply chain capabilities have substantially improved, and incentive mechanisms have been further optimized. In 2024, FAW Jiefang completed a 2-billion-yuan targeted share issuance while maintaining an industry-leading market capitalization. We were invited to share our reform achievements with the State-owned Assets Supervision and Administration Commission, with our practices highlighted in the Commission's official briefings. Additionally, we received an A-level evaluation for information disclosure from the Shenzhen Stock Exchange for the fourth consecutive year.

Self-reliance and innovation: building core competitive advantages. We have strengthened our technological research and development with several innovative breakthroughs: completing the Qingdao Commercial Vehicle R&D Center on schedule; establishing the Pioneering and Leading Lantu Joint Research Center with Shell China; unveiling the industry-first "Xingyi" hydrogen engine and liquid hydrogen fuel cell tractor; launching production at our 6DV engine super factory; introducing China's first in-cylinder direct injection hydrogen engine for heavy commercial vehicles; achieving new milestones in digital transformation; receiving national awards for our V2X cloud platform; having our J7 intelligent factory recognized among the first "Excellence-level Intelligent Factories" by the Ministry of Industry and Information Technology; launching over 150 new products including the J7 Pioneering and Leading Version Edition; and achieving breakthroughs in more than 100 key technologies.

Reducing logistics costs and carbon emissions: setting new standards in green manufacturing. Guided by green development principles, we have firmly implemented our "15333" new energy strategy and accelerated upgrades to our new energy products. We've continuously improved fuel efficiency technologies, reducing average fuel consumption by 1.50 liters per 100 kilometers. This has helped users save over 300 million liters of fuel annually, substantially reducing

societal logistics costs and saving users over 50 thousand yuan per vehicle annually. We've aggressively pursued carbon reduction throughout our operations, implementing 31 megawatts of photovoltaic power generation and trading 50.8 million kilowatt-hours of green electricity, reducing carbon emissions by 50 thousand tons.

Unified efforts and strategic collaboration: achieving mutual benefits with partners. We've established cooperative agreements with Jiuzhou Hengchang Logistics Co., Ltd., Mahle, Farasis Energy, Dalian New Energy Industry and other partners. Through our global partner conference, we've continued to build momentum around "co-creation, co-progress, co-winning, and co-sharing." We've actively implemented our "double care" culture, effectively executing our "7+100" key initiatives, and resolving 173 urgent employee concerns. In 2024, FAW Jiefang was recognized as a "National Advanced Collective in Creating Harmonious Labor Relations.

Fulfilling our responsibilities, leading with compassion, and deepening our commitment to public service. We have consistently upheld our principle of "Harmonious Development of People, Vehicles, and Society." Through our "Jiefang Cares" public welfare initiative, we have focused on trucker support programs, educational advancement, environmental protection, and rural revitalization. Partnering with 20 suppliers, we launched the "Truck Driver Support Project," providing assistance to 189 truckers in need and recognizing five exemplary drivers this year. These efforts continue to strengthen our reputation as a national brand characterized by compassion and social responsibility. In 2024, FAW Jiefang was listed in CCTV's "China ESG Listed Company Pioneer 100" for the second consecutive year, selected for the State-owned Assets Supervision and Administration Commission's "Top Ten ESG Cases among Central Enterprise Listed Companies," included in the "2024 Outstanding ESG Cases of Chinese Enterprises," named "2023 China Employee Public Welfare Enterprise of the Year," and our "Jiefang Cares Truck Driver Support Project" was recognized as the Public Welfare Project of the Year by the "Warm Journey Truck Driver Career Development and Security Initiative."

Like gold that emerges only after countless refinements, excellence requires persistent effort. In 2025, FAW Jiefang will continue to be guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, maintaining our strategic focus and leadership confidence. Working together with unwavering determination, we will achieve new breakthroughs, growth, and milestones. We remain firmly committed to our strategic goal of being "China's First, World-Class" to

technological and product leadership that drives market dominance, to deepening reforms, to commercial success, and to cultural and talent development. We will dedicate our full efforts to winning the final phase of the 14th Five-Year Plan, advancing powerfully toward our goal of becoming a world-class enterprise, and striving to write a new chapter in our century-long journey of excellence!

Section I Important Notes, Contents and Definitions

The Board of Directors and Board of Supervisors, as well as directors, supervisors and senior executives of the Company, guarantee that the contents of the annual report are true, accurate and complete. There is no false record, misleading statement or major omission, and shall bear individual and joint legal responsibilities.

Li Sheng, the person in charge of the Company, Yu Changxin, the person in charge of accounting, and Fan Chao, the person in charge of the accounting organization (chief accountant), declare that they guarantee the authenticity, accuracy and completeness of the financial report in this annual report.

All directors were present at the meeting of the Board of Directors at which this report was considered.

This annual report includes prospective statements, such as future plans, and does not constitute a substantial commitment of the Company to investors. Investors and relevant persons should maintain sufficient risk awareness of this and understand the differences between plans, forecasts, and commitments.

The Company has described in detail the possible risks and countermeasures for its future development in the section of Management Discussion and Analysis. Investors are kindly requested to pay attention to relevant content. China Securities Journal, Securities Times and CNINFO (<http://www.cninfo.com.cn>) are the information disclosure media selected by the Company. All information about the Company is subject to being published in

the above-selected media. Investors are kindly requested to pay attention to investment risks.

The profit distribution plan approved by the Board of Directors of the Company is as follows: Based on the 4,922,371,176 shares of the Company, a cash dividend of 0.5 yuan (tax inclusive) will be distributed to all shareholders for every 10 shares they hold. Additionally, no bonus shares (tax inclusive) will be distributed. The Company does not convert reserves into share capital.

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List of Documents for Future Reference

1. Financial statements signed and sealed by the person in charge of the Company, the person in charge of accounting and the person in charge of the accounting organization (chief accountant).
2. The original Auditor's Report sealed by Certified Public Accountants LLP and sealed and signed by CPAs.
3. Originals of all company documents and announcements publicly disclosed on the website designated by China Securities Regulatory Commission in the reporting period.

Interpretation

Item	Refers to	Definition
Company, the Company, FAW Jiefang	Refers to	FAW JIEFANG GROUP CO., LTD
Jiefang Limited	Refers to	FAW Jiefang Automotive Co., Ltd.
Jiefang Group International	Refers to	FAW Jiefang Group International Automobile Co., Ltd.
Tanzania Ltd.	Refers to	Jiefang Motors Tanzania Ltd.
FAW, FAW Group	Refers to	China FAW Group Co., Ltd.
FAW	Refers to	China FAW Co., Ltd.
FAW Car	Refers to	FAW Car Co., Ltd.
FAW Bestune	Refers to	FAW Bestune Auto Co., Ltd.
Finance company	Refers to	First Automobile Finance Co., Ltd.
Harbin Light Company	Refers to	FAW Harbin Light-Automobile Co., Ltd.
FAW-HONGTA	Refers to	FAW-HONGTA Yunnan Automobile Co., Ltd.
Board of Directors	Refers to	Board of Directors of FAW JIEFANG GROUP CO., LTD.
Shareholders' meeting	Refers to	Shareholders' Meeting of FAW JIEFANG GROUP CO., LTD.
Board of Supervisors	Refers to	Board of Supervisors of FAW JIEFANG GROUP CO., LTD.
SASAC	Refers to	State-owned Assets Supervision and Administration Commission of the State Council
Ministry of Finance	Refers to	Ministry of Finance of the People's Republic of China
China Securities Regulatory Commission	Refers to	China Securities Regulatory Commission (CSRC)
SZSE	Refers to	Shenzhen Stock Exchange
China Securities Depository and Clearing	Refers to	Shenzhen Branch, China Securities Depository and Clearing Corporation Limited

Corporation Limited (CSDC)		
Company Law	Refers to	Company Law of the People's Republic of China
Securities Law	Refers to	Securities Law of the People's Republic of China
Articles of Association	Refers to	Articles of Association of FAW JIEFANG GROUP CO., LTD.
Reporting Period	Refers to	January 1, 2024-December 31, 2024
CNY, CNY 10 thousand, CNY 100 million	Refers to	CNY, CNY 10 thousand, CNY 100 million

Section II Company Profile and Main Financial Indicators

I. Company Information

Stock abbreviation	FAW Jiefang	Stock code	000800
Stock exchanges on which shares are listed	Shenzhen Stock Exchange		
Chinese name of the Company	FAW JIEFANG GROUP CO., LTD		
Chinese abbreviation of the Company	FAW Jiefang		
English name of the Company	FAW Jiefang Group Co., Ltd.		
English abbreviation of the Company	FAW Jiefang		
Legal representative of the Company	Li Sheng		
Registered address	No.2259, Dongfeng Street, Changchun Automobile Development Zone, Jilin Province		
Zip code of the registered address	130011		
History of changes in the registered address of the Company	In 2020, the Company carried out major asset restructuring, and the registered address was changed from No.4888 Weishan Road, High-tech Industrial Development Zone, Changchun City, Jilin Province to No.2259 Dongfeng Street, Automobile Development Zone, Changchun City, Jilin Province.		
Office address	No.2259, Dongfeng Street, Changchun Automobile Development Zone, Jilin Province		
Postal code of office address of the Company	130011		
Company Website	www.fawjiefang.com.cn		
E-mail	faw0800@fawjiefang.com.cn		

II. Contact Person and Contact Information

	Secretary of the Board of Directors	Securities Affairs Representative
Name	Wang Jianxun	Yang Yuxin

Address	No.2259, Dongfeng Street, Changchun Automobile Development Zone, Jilin Province	No.2259, Dongfeng Street, Changchun Automobile Development Zone, Jilin Province
Tel.	0431-80918881 0431-80918882	0431-80918881 0431-80918882
Fax	0431-80918883	0431-80918883
E-mail	faw0800@fawjiefang.com.cn	faw0800@fawjiefang.com.cn

III. Information Disclosure and Keeping Location

Website of the stock exchange disclosing the annual report of the Company	http://www.szse.cn
Name and website of the media disclosing the annual report of the Company	Securities Times, China Securities Journal and CNINFO (http://www.cninfo.com.cn)
Keeping the location of the Annual Report of the Company	FAW Capital Operation Department

IV. Changes in Registration

Unified Social Credit Code	91220101244976413E
Changes in main business since the Company went public	In 2020, the Company completed major asset restructuring and changed its main business from research, development, production, and sales of passenger cars to research, development, production, and sales of commercial vehicles.
Changes in controlling shareholders in the past	<p>1. In June 2011, FAW, the original controlling shareholder of the Company, carried out major business restructuring and founded China FAW Co., Ltd. as the main sponsor in order to improve the corporate governance structure and establish a modern enterprise system. FAW transferred all its shares from the Company into FAW, and the two parties completed the equity registration and transfer procedures in April 2012. After the equity transfer, the total share capital of the Company did not change and remained at 1,627,500,000 shares. FAW Car Co., Ltd. holds 862,983,689 shares of the Company, accounting for 53.03% of the total shares, and is the controlling shareholder of the Company. The actual controller does not change and is still the SASAC.</p> <p>2. In March 2020, the China Securities Regulatory Commission approved a major asset restructuring project of the Company. The Company issued 2,982,166,212 shares directly to FAW to pay the price difference for the major asset restructuring. After the issuance, the total share capital of the Company increased to</p>

	4,609,666,212 shares. FAW Car Co., Ltd. holds 3,845,149,901 shares of the Company, accounting for 83.41% of the total shares, and is the controlling shareholder of the Company. The Company's actual controller is still SASAC.
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V. Other relevant data

Accounting firm hired by the Company

Name of Accounting Firm	Grant Thornton Certified Public Accountants (Special General Partnership)
Office address of the accounting firm	Scitech Place, No.22 Jianguomenwai Avenue, Chaoyang District, Beijing, China
Name of the accountants	Wu Songlin, Yang Dongmin

Sponsor institution employed by the Company to perform continuous supervision duties in the reporting period

Applicable Not applicable

Name of Sponsor Institution	Office Address of Sponsor Institution	Name of Sponsor Representative	Continuous Supervision Period
China International Capital Corporation Limited	27th and 28th Floor, China World Office 2, No.1 Jianguomenwai Avenue, Chaoyang District, Beijing, P.R. China	Chen Yiliang, Luo Wei	October 21, 2024 - December 31, 2025

Financial consultant employed by the Company to perform continuous supervision duties in the reporting period

Applicable Not applicable

VI. Main Accounting Data and Financial Indicators

Whether the Company needs to retroactively adjust or restate the accounting data of previous years

Yes No

Reasons for the retroactive adjustment or restatement: Business combination under common control

	2024	2023		Increase or decrease compared to that of last year	2022	
		Before adjustment	After adjustment		After adjustment	Before adjustment
Operating income (Yuan)	58,581,106,258.53	63,904,532,477.03	64,324,640,770.64	-8.93%	38,331,747,083.88	38,331,747,083.88
Net profit attributable to shareholders of the listed company (Yuan)	622,427,699.65	763,024,957.14	806,096,685.30	-22.78%	367,745,445.34	384,380,109.64
Net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses (Yuan)	-570,328,153.34	-83,315,836.30	-83,315,836.30	-584.54%	-1,714,242,885.11	-1,714,242,885.11
Net cash flows from operating activities (Yuan)	-5,850,286,307.05	4,201,717,721.52	4,089,673,393.78	-243.05%	-5,135,243,969.35	-4,860,506,373.42
Basic earnings per share (Yuan/share)	0.1266	0.1651	0.1805	-29.86%	0.0735	0.0804
Diluted earnings per share (Yuan/share)	0.1266	0.1651	0.1805	-29.86%	0.0735	0.0804

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Weighted average return on equity	2.45%	3.16%	3.44%	Reduced by 0.99%	1.50%	1.60%
	End of 2024	End of 2023		Increase or decrease compared with that at the end of last year	End of 2022	
		Before adjustment	After adjustment		After adjustment	Before adjustment
Total assets (Yuan)	72,749,219,016.61	65,873,387,927.31	68,085,842,451.70	6.85%	56,772,860,616.12	58,747,700,876.72
Net assets attributable to shareholders of the listed company (Yuan)	26,317,926,062.66	24,486,759,369.40	24,801,954,142.49	6.11%	23,719,427,082.48	24,211,027,324.01

The lower net profit of the Company before or after the deduction of non-recurring profits and losses in the last three fiscal years is negative, and the audit report of the most recent year shows that the going-concern ability of the Company is uncertain

Yes No

The lower net profit before or after the deduction of non-recurring gains and losses is negative.

Yes No

Item	2024	2023	Remarks
Operating income (Yuan)	58,581,106,258.53	64,324,640,770.64	Sales revenue of complete vehicles, parts and components, materials, purchased semi-finished products, etc.
Deducted amount of operating income (Yuan)	356,109,842.75	431,418,385.07	Lease income and revenue of subsidiaries from the beginning of the period to the combination date in business combinations under common control
Amount after the deduction of operating income (Yuan)	58,224,996,415.78	63,893,222,385.57	Excluding lease income and revenue of subsidiaries from the beginning of the period to the combination date in business combinations under common control

VII. Differences in Accounting Data under Domestic and Foreign Accounting Standards

1. Differences in net profits and net assets in the financial report disclosed simultaneously according to the international accounting standards and Chinese accounting standards

Applicable Not applicable

In the reporting period of the Company, there is no difference in net profits and net assets in the financial report disclosed according to international accounting standards and Chinese accounting

standards.

2. Differences in net profits and net assets in the financial report disclosed simultaneously according to foreign accounting standards and Chinese accounting standards

Applicable Not applicable

In the reporting period of the Company, there is no difference in net profits and net assets in the financial report disclosed according to foreign accounting standards and Chinese accounting standards.

VIII. Seasonal Main Financial Indicators

Unit: Yuan

	Q1	Q2	Q3	Q4
Operating income	18,980,934,940.55	16,621,357,698.91	9,533,068,473.71	13,445,745,145.36
Net profit attributable to shareholders of the listed company	169,293,702.32	308,958,168.18	-114,603,071.01	258,778,900.16
Net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses	103,572,008.08	180,303,815.87	-218,358,844.24	-635,845,133.05
Net cash flows from operating activities	969,975,500.48	3,270,954,555.14	-6,206,332,605.40	-3,884,883,757.27

Is there any significant difference between the above financial indicators or the sum and the financial indicators in the quarterly and semi-annual financial reports disclosed by the Company?

Yes No

IX. Items and Amounts of Non-recurring Profit and Loss

Applicable Not applicable

Unit: Yuan

Item	Amount in 2024	Amount in 2023	Amount in 2022	Description
Profits or losses on disposal of non-current assets (including the write-off part of the provision for impairment of assets made)	-2,556,987.30	192,669,498.68	871,031,108.06	It refers to the net gain on disposal of non-current assets.
Government subsidies included in the current profit or loss (except those closely related to the Company's normal operations, conforming to the State policies and regulations and enjoyed in line with the specified standards, and having a continuous impact on the profit or loss of the Company)	618,258,791.46	546,340,041.28	1,635,846,930.83	
Reversal of impairment provision for receivables subject to separate impairment test	65,749,100.00	9,205,923.40	15,110,580.89	The reversal of impairment provision for receivables is subject to a separate impairment test.
Net current profit	132,844,483.67	65,274,736.52	37,296,410.99	The current net profit

and loss of the subsidiary acquired in business combination involving entities under common control from the beginning of the period to the combination date				and loss of the subsidiary were acquired in a business combination involving entities under common control from the beginning of the period to the combination date.
Trustee fee earned from entrusted management			864,779.87	
Non-operating income and expenses other than the above	76,695,007.35	173,374,447.46	127,429,456.42	The net non-operating income and expenses.
Other losses and profits conforming to the definition of non-recurring profit and loss	469,265,324.69	100,996,378.33		Other non-recurring profits and losses.
Less: amount affected by income tax	130,656,414.24	176,245,495.71	568,294,525.62	
Amount affected by minority shareholder's equity (after-tax)	36,843,452.64	22,203,008.36	20,661,746.69	
Total	1,192,755,852.99	889,412,521.60	2,098,622,994.75	--

Specific conditions of other profit and loss items meeting the definition of non-recurring profit and loss:

Applicable Not applicable

There is no specific conditions of profit and loss items meeting the definition of non-recurring profit and loss for the Company.

Explanation on defining the non-recurring profit and loss items listed in the Explanatory

Announcement No.1 on Information Disclosure by Companies Issuing Securities Publicly - Non-recurring Profit and Loss as recurring profit and loss items

Applicable Not applicable

The Company does not define the non-recurring profit and loss items listed in the Explanatory Announcement No.1 on Information Disclosure by Companies Issuing Securities Publicly - Non-recurring Profit and Loss as recurring profit and loss items.

Section III Management Discussion and Analysis

The Company strictly complies with the information disclosure requirements for listed companies and discloses information in accordance with the automotive manufacturing industry disclosure requirements specified in the "No.3 Guideline of Shenzhen Stock Exchange on Self-Regulatory Supervision of Listed Companies - Industry Information Disclosure."

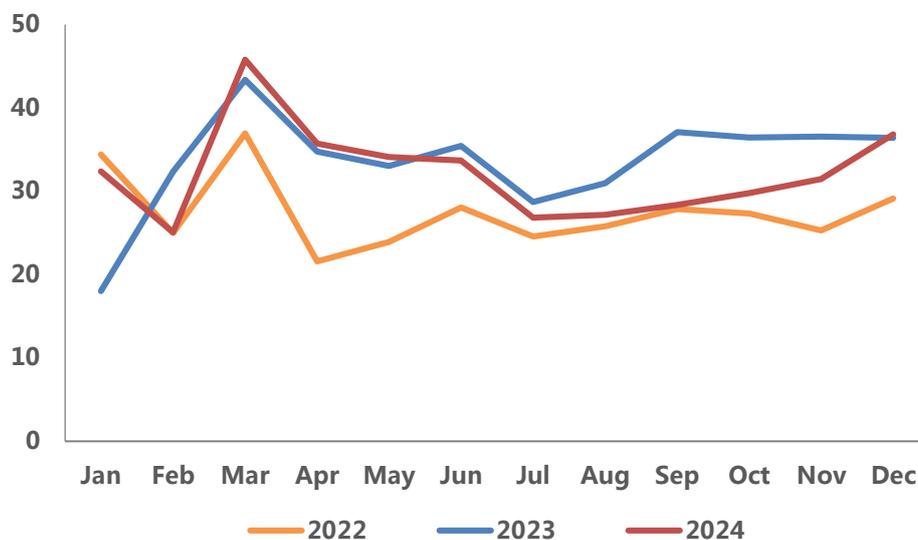
I. Industry of the Company in the Reporting Period

In 2024, the macroeconomic environment remained in a recovery period, with annual GDP growth reaching 5.0%, meeting the expected target. However, domestic demand remained weak, consumption lacked sufficient support, and investment continued at low levels. While exports showed growth, the economy displayed a clear pattern of external strength and internal weakness, operating at subdued levels with limited market stimulus. Highway freight and construction demand continued to decline, with the logistics industry downturn further negatively impacting the commercial vehicle market. Effects from previously front-loaded demand led to persistent transport capacity surplus, while freight rates remained depressed, further squeezing vehicle owners' profit margins. Overall, market conditions showed no significant improvement.

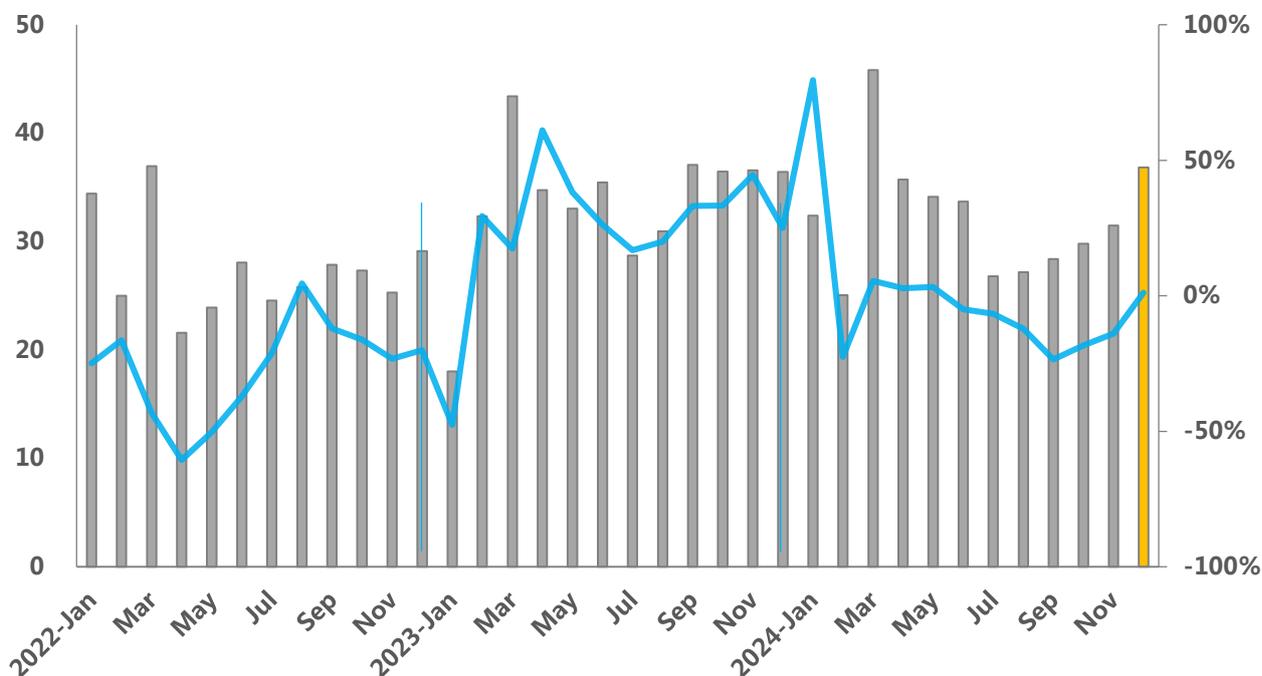
According to statistics from the China Association of Automobile Manufacturers (CAAM), the production output and sales volume of commercial vehicles in 2024 were 3.805 million and 3.873 million units, representing year-on-year decreases of 5.8% and 3.9%, respectively. Annual demand for medium and heavy-duty trucks reached 1.03 million units, up by 1.1% year on year. FAW Jiefang's medium and heavy-duty truck sales reached 214 thousand units, increasing 4.3% year-on-year, while market share rose to 20.9%, a gain of 0.7 percentage points. Despite overall market demand falling below expectations, the Company achieved steady growth in both sales volume and market share.

Monthly Sales Volume of Commercial Vehicles

(10 thousand vehicles)



Monthly commercial vehicle sales and growth rate



Note: Industry data sourced from the China Association of Automobile Manufacturers

In 2024, the introduction of vehicle trade-in policies and subsidies for retiring National III and

IV emission standard vehicles stimulated replacement demand. Additionally, continued growth in the natural gas market, strong export performance, and accelerating new energy adoption all contributed to increased sales in these key market segments. FAW Jiefang's natural gas heavy truck retail sales reached 57 thousand units, growing 11.8% year-on-year, with market share exceeding 30%, maintaining its industry-leading position. New energy vehicle sales reached 15.9 thousand units, achieving exponential growth. Overseas exports totaled 57 thousand units, showing steady improvement. Premium products such as the J7 and Yingtu series gained widespread market recognition with significant sales growth.

In 2024, the government implemented several policies to support commercial vehicle industry development: March 13: The State Council issued the "Action Plan for Promoting Large-scale Equipment Renewal and Consumer Goods Trade-in," advocating for accelerated retirement of diesel freight vehicles meeting National III or lower emission standards. May 31: The Ministry of Transport, along with twelve other departments, issued the "Action Plan for Large-scale Equipment Renewal in Transportation," further specifying the detailed measures for transportation equipment renewal initiatives, including implementing trade-in programs with subsidies in the commercial vehicle sector; July 31: The Ministry of Transport and Ministry of Finance issued the "Notice on Implementing the Scrapping and Renewal of Aging Commercial Freight Vehicles," specifying subsidy rules to support implementation. These policies collectively stimulated market demand, establishing a foundation for industry sales recovery. FAW Jiefang achieved annual sales of 251 thousand units, representing a 3.9% year-on-year increase.

Beyond the positive impact of vehicle replacement policies, the gradual implementation of tiered environmental management standards also accelerated the industry's transition toward new energy vehicles. The Ministry of Ecology and Environment together with four other departments, issued the "Opinions on Promoting Ultra-low Emissions in the Cement Industry" and "Opinions on Promoting Ultra-low Emissions in the Coking Industry." These regulations require that companies in both industries maintain a clean transportation ratio of no less than 80%. Enterprises failing to meet this requirement must use only new energy vehicles or those meeting National VI emission standards for all automotive transport, which has helped drive sales growth in the new energy commercial vehicle sector. Building on these favorable policies, FAW Jiefang achieved substantial growth in new energy product sales, reaching 15.9 thousand vehicles for the year.

II. Main Businesses of the Company in the Reporting Period

The Company is a commercial vehicle manufacturer that produces heavy, medium and light trucks, and buses, as well as core components such as engines, transmissions and axles, and has a complete manufacturing system covering raw materials, core components, key large assemblies and complete vehicles. The products of the Company are mainly used in market segments such as traction, cargo carrying, dumping, special purposes, highway passenger transport, bus passenger transport, etc., and the Company also provides standardized and customized commercial vehicle products. The Company is committed to becoming "China's first and world-class" provider of green and intelligent transportation solutions, focusing on the main production lines, insisting on innovation-driven and reform-driven, and creating a leading trend. The main business, products, and business model of the Company did not change significantly during the reporting period.

As of 2024, FAW Jiefang has strategically established five major vehicle production bases across China in Changchun, Qingdao, Guanghan, Liuzhou, and Foshan. This carefully designed production network creates a "primary-secondary, flexibly complementary" capacity model, reaching a total annual production capacity of 418 thousand vehicles. The annual production capacities of each base are: Changchun (153 thousand vehicles), Qingdao (200 thousand vehicles), Guanghan (40 thousand vehicles), Liuzhou (20 thousand vehicles), and Foshan (5 thousand vehicles). In recent years, the Company has consistently prioritized technological leadership and business innovation as key strategic development directions, continually increasing its investments in these areas. Simultaneously, the Company has proactively accelerated the optimization and restructuring of its production capacity, focusing closely on critical development trends such as high-end product development and new energy transformation, while continuously optimizing resource allocation and implementing smart manufacturing upgrades. Through these comprehensive initiatives, the Company has successfully established multiple industry-leading advanced manufacturing bases, demonstrating not only exceptional production and manufacturing capabilities but also securing significant technological and operational advantages in the commercial vehicle sector. This has established a solid foundation for maintaining the Company's sustained market leadership position.

Manufacturing, production and operation of complete vehicle in the reporting period

Applicable Not applicable

Production and sales of complete vehicles

Unit: Vehicle

	Production			Sales Qty		
	This Reporting Period	Same Period of Last Year	Year-on-year Increase and Decrease	This Reporting Period	Same Period of Last Year	Year-on-year Increase and Decrease
By vehicle type						
Medium/Heavy truck	209,830	214,256	-2.07%	214,037	205,162	4.33%
Light-duty truck	38,227	35,101	8.91%	36,462	35,199	3.59%
Bus	614	1,283	-52.14%	579	1,301	-55.50%
Total	248,671	250,640	-0.79%	251,078	241,662	3.90%

Reasons for year-on-year change of more than 30%

Applicable Not applicable

Bus production and sales volumes decreased year-on-year, primarily due to public transit market conditions, with target transit companies postponing vehicle renewals. The core bus market remains limited, and significant challenges are faced when developing new markets. To mitigate operational risks, while steadily developing our customer base, the Company deliberately declined orders with potential accounts receivable risks.

Construction of parts and components supporting the system

Regarding the parts and components supply system, the Company continues to build "world-class procurement competitiveness" for FAW Jiefang, focusing on market customers and various industry needs while continuously improving the resource platform. Currently, the three major core assemblies - engines, transmissions, and axles - for the company's main vehicle models are primarily self-produced. Resource allocation for core components has been arranged in medium and heavy trucks, new energy vehicles, light and micro trucks, and overseas markets, expanding the resource network and fully participating in market competition. Additionally, the Company has strengthened tiered supplier management, developed cooperation strategies for suppliers at different levels, and enhanced coordination with outstanding domestic and international suppliers. The Company strictly controls quality through rigorous evaluation of new suppliers, strengthens performance assessment and capability reviews for existing suppliers, and effectively monitors supplier processes based on principles of leading product technology quality and scientific process management, ensuring the quality reputation of complete vehicles.

Production and operation of automobile parts and components in the reporting period

Applicable Not applicable

Automobile finance business performed by the Company

Applicable Not applicable

Business related to new energy vehicles performed by the Company

Applicable Not applicable

Production and operation of complete new energy vehicles and parts & components

Unit: Yuan

Product category	Production Capacity	Production	Sales volume	Sales revenue
Commercial vehicles	61 thousand vehicles	18,860	15,907	5,016,488,634.52

III. Analysis of Core Competitiveness

The Company adheres to the corporate vision of "being the most proud commercial vehicle enterprise and the most trustworthy commercial vehicle brand", and the mission of "becoming China's first and world-class provider of green and intelligent transportation solutions and building a more prosperous society", and the brand concept of "being trustworthy, intelligent and courageous, and benefiting the world"; takes products and services as the main task, customers and employees as the foundation, innovation and reform as the driving force; focuses on industry trends and customer needs, and improves product competitiveness and service level rapidly.

1. Product research and development: Four major fields, heavy, medium, and light trucks and passenger vehicles, are covered. The heavy truck sector includes eight major product platforms: J7, J6P, J6V, J6E, Yingtu, JH6, Han V, and JH5; the medium truck sector includes four major product platforms: J6G, J6L, JK6, and Dragon V; The light truck sector includes four major product platforms: Lingtu, Tiger 6G, J6F, and Tiger V; The bus sector includes highway coaches, new energy public buses, recreational vehicles, etc., with new energy products achieving comprehensive coverage across mainstream scenarios in segmented markets. With the "Jiefang Pioneering and Leading" technology brand as the flagship, and "Jiefang Zhitu," "Jiefang Lantu," and "Jiefang Yitu" as three independent innovation technology routes, the company targets "world-class" R&D capabilities. The company has established four core competencies in lean design, performance development, prototype verification, and testing validation. Five major technology platforms have been created focusing on low-carbon solutions, electrification, intelligence, connectivity, and high quality - referred to as the "four

transformations and one high" approach. This forms a comprehensive development chain of styling-design-simulation-prototyping-testing that spans all levels from "complete vehicle-system-assembly-component-material," covering all R&D phases and application scenarios, fully supporting FAW Jiefang's technological leadership and product pioneering position. The Company possesses an efficient collaborative R&D team of over 3,000 personnel and is one of the commercial vehicle enterprises mastering world-class complete vehicles and three major powertrain core technologies. The company has obtained ISO9001 and IATF16949 quality system certifications and serves as a national-level independent automotive product R&D and test certification base.

2. Marketing and procurement: Adhering to customer value orientation, the Company has taken the lead in establishing a comprehensive marketing service system. The three sales companies - Changchun Medium and Heavy-duty Vehicle, Qingdao Medium and Heavy-duty Vehicle and Light Trucks - are supported by a nationwide marketing service network comprising nearly 1,000 dealers, over 1,800 service providers, and more than 200 parts suppliers (parts centers). This network covers over 260 prefecture-level cities, with a 99% coverage rate in cities with more than 1,000 vehicle capacity, and an average national service radius of 48.5 kilometers, representing an industry-leading level and providing customers with 24-hour all-weather efficient and high-quality services. The Company is committed to integrating high-quality global resources to provide a strong guarantee of the high reliability of Jiefang trucks. In recent years, the Company has become strategic partners with top enterprises at home and abroad successively, including Huawei, Knorr-Bremse, ZF, Shell, BOSCH, CATL, VOSS, China Unicom, and CATARC.

3. Production and manufacturing: The Company has the most complete manufacturing system in China, from raw materials to core components, from key assemblies to complete vehicles, and its processing and manufacturing depth ranks at the top of the industry. The Company operates five major vehicle manufacturing bases in Changchun, Qingdao, Guanghan, Liuzhou, and Foshan, with a current planned production capacity of 418 thousand vehicles. The Company maintains three major powertrain component manufacturing bases in Changchun, Wuxi, and Dalian, independently controlling the core technologies and production capabilities for engines, transmissions, and axles within the smart powertrain domain. The product competitiveness ranks at an advanced global level. Among these facilities, the Wuxi Diesel Engine Factory features three major product series: Aowei, Bowei, and Jinwei, achieving world-class manufacturing standards. The Company has deeply developed four key areas: intelligent vehicles, new energy, V2X, and aftermarket services,

establishing six new business model bases in Suzhou, Nanjing, Tianjin, Shijiazhuang, Foshan, and Wuxi.

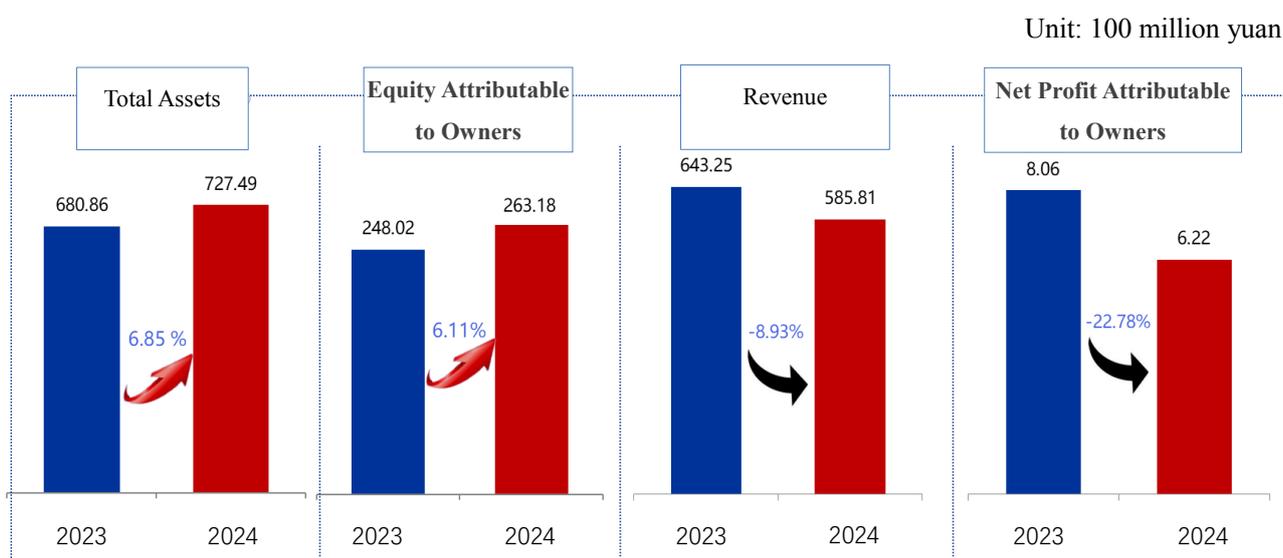
4. Overseas export: The Company actively responds to the "Belt and Road" initiative, accelerates its presence in overseas markets, and creates new avenues of growth for its business. In 2024, the Company comprehensively accelerated its commercial vehicle overseas business expansion by establishing FAW Jiefang Group International Automobile Co., Ltd. and acquiring FAW Africa Investment Co., Ltd. These strategic moves expedite the development of overseas industrial capabilities and enhance both product competitiveness and brand influence in international markets. Jiefang's products are exported to over 80 countries and regions, such as Southeast Asia, the Middle East, Latin America, Africa and Eastern Europe, and the Company has more than 100 core dealers and nearly 190 distributors in nearly 40 countries and regions around the world. Export products include models such as J7, J6P, JH6, and Tiger V. Additionally, the Company leverages its system advantages based on reality, and, through system collaboration, strives to build an overseas marketing platform of "talent+ service+ automotive+ finance".

5. New energy: Its product portfolio covers five major lines: tractors, dump trucks, cargo trucks, SPVs and passenger cars. These product lines encompass three major technological routes: EVs, FCVs and hybrid vehicles, achieving full coverage of key segment markets for new energy commercial vehicles, such as steel mills, coal and slag. The goal of product development is to meet market demand and alleviate user pain points. It focuses on achieving the "three-low and one-high" core competitiveness, which refers to low cost, low self-weight, low energy consumption and high reliability. Additionally, the Company strives to differentiate its products through the attributes of long endurance, low-temperature resistance, high intelligence, and high comfort. To achieve these goals, the Company undertakes continual iteration and upgrading of its products and technologies. In terms of core technology, the Company has achieved integration across three critical areas: vehicle architecture, vehicle control software, and assembly interface. This integration significantly improves development efficiency. The Company harnesses technologies such as efficient energy recovery and scenario-based calibration to significantly reduce energy consumption. Moreover, the application of assembly technology incorporates a dual-wheel drive system that combines independent core assemblies with external high-quality social resources, enabling complementary advantages. By continuously exploring and applying new products, technologies and processes, the Company aims to maintain a leading position in both new energy technology and new energy products in the market.

IV. Analysis of Main Business

1. Overview

2024 marks a significant milestone as FAW Jiefang builds upon its 70-year foundation, representing the first year in its determined journey toward becoming a revitalized century-old national brand. Throughout the year, despite challenges including sluggish demand in the commercial vehicle industry and profound structural adjustments, the Company decisively implemented various strategic initiatives. The entire Jiefang workforce confronted difficulties, overcame obstacles, and persevered under pressure, effectively advancing all operational tasks and achieving commendable business results. As of December 31, 2024, the Company's total assets reached 72.749 billion yuan, increasing by 6.85% year-on-year, while net assets attributable to shareholders of the listed company totaled 26.318 billion yuan, rising by 6.11% year-on-year. For January-December 2024, the Company recorded operating revenue of 58.581 billion yuan, representing an 8.93% year-on-year decrease. Net profit attributable to shareholders of the parent company amounted to 622 million yuan, decreasing by 22.78% year-on-year. Vehicle sales totaled 251.1 thousand units, increasing by 3.90% year-on-year, including 214 thousand medium and heavy trucks, a 4.33% year-on-year increase (excluding FAW-HONGTA Yunnan Automobile Co., Ltd. and FAW Harbin Light-Automobile Co., Ltd. figures). New energy vehicle sales reached 15.9 thousand units, surging by 120.8% year-on-year. Overseas exports totaled 57 thousand units, growing by 27.4% year-on-year.



In 2024, the project "Key Technologies and Industrialization of Digital Development for Automotive Driving Experience," jointly conducted by the Company and the Automotive Engineering College of Jilin University, received the first prize in the China Society of Automotive

Engineers Science and Technology Award. The Company's independently developed project, "Commercial Vehicle V2X Big Data Cloud Platform Construction and Industrial Application", won the "Business Value Award" jointly sponsored by the National Data Administration and 14 other departments, making it the only vehicle manufacturer nationwide to be nominated and receive this award. The Jiefang JH6 high-powered natural gas truck won the "Most Reputable and Profitable Gas Heavy Truck" award, the JH6 560 horsepower natural gas tractor received the "2024 Most Reliable Express Transport Vehicle" award, and the Aowei 13L engine model won the "2024 Most Reliable Fuel-Efficient Heavy-Duty Engine" award. Additionally, the Company has been included in the "China ESG Listed Company Pioneer 100" list for two consecutive years and has received an A-level evaluation for information disclosure from the Shenzhen Stock Exchange for four consecutive years. The Jiefang brand value has led the commercial vehicle industry for 13 consecutive years, while tractor sales have maintained the industry's top position for nineteen consecutive years.



In 2024, the Company's priorities are as follows:

(1) Taking the brand as the leader, refreshing the brand core, and creating the leading brand strength.

Strengthened brand strategy leadership, improved vehicle product brand architecture, upgraded customer service brand, and launched the "Jiefang Yitu" aftermarket brand. Reinforced comprehensive brand management, established brand asset protection mechanisms including copyright protection, building a solid foundation for brand development. Cultivated a pioneering brand image through activities including the 9 million vehicle milestone celebration, J7 Pioneering and Leading Version Edition launch, and Xingyu Truck delivery events, generating significant attention through multi-channel communication. Made prominent appearances at international exhibitions including the Russian Machinery Industry Exhibition, and held a 30th anniversary

celebration in South Africa, continuously enhancing international influence. The "Jiefang" brand value reached 131.845 billion yuan, maintaining the industry's top position for 13 consecutive years.

(2) Successfully implemented product leadership strategy with comprehensive competitiveness improvements

Traditional vehicles: Successfully launched the Jiefang J7 Pioneering and Leading Version Edition, introducing five breakthrough technologies that pioneer a new era in efficient logistics. The headquarters' medium and heavy-duty division prepared over 50 new products for natural gas/diesel tractors, comprehensively covering various market segments. The cargo division introduced over 30 specialized products for different market segments, incorporating more than 20 new technologies, achieving absolute industry leadership. Qingdao medium and heavy-duty division accelerated development of medium and long-term product portfolio, with JH6 upgraded models achieving industry-leading fuel efficiency and weight reduction, while the Han V upgrade project reached production readiness. Accelerated powertrain product upgrades, enhancing overall powertrain competitiveness.

New energy products: Expanded medium and heavy-duty product portfolio, accelerated proprietary component and model development verification, achieving coverage across ten major market segments. Launched over 40 products across tractor, cargo, dump truck, and special-purpose series. In small trucks, 12 new products were introduced, further enhancing competitiveness. For buses, new public transport products, including 8-meter pure electric low-floor buses, were added, meeting Changchun's public transport order requirements. Developed over 10 hybrid fuel-electric models. For powertrain components, planned and developed multiple battery products supporting new energy sales growth.

V2X products: Created high-value services, implemented predictive diagnostics and expanded proactive service functions, covering over 90 service stations nationwide. Enhanced new energy user interfaces, completing differentiated energy management, digital key, and other functional capabilities. Achieved full coverage across conventional, new energy, and intelligent vehicle models, with over-the-air updates for more than 40 thousand vehicles. Conducted preliminary research on V2X communication terminals, effectively positioning vehicle-road-cloud integrated advanced technologies.

Intelligent vehicle products: Launched L2-level intelligent vehicle platform for high-speed

logistics scenarios. Thoroughly addressed labor reduction requirements, completing relevant project planning and approvals. Completed L3 pilot certification project approval, improving advanced autonomous driving product development processes. For low-speed freight scenarios, completed planning and project approval for factory logistics tractors, enabling L4-level autonomous driving.

(3) Adhering to innovation and transformation as driving forces, continuously strengthening core capabilities

① Innovation drive

Technological innovation: Made breakthroughs in three major areas - traditional vehicles, new energy, and intelligent connectivity - achieving over 90 core technological advancements. Filed more than 1,500 patent applications, with invention patents accounting for 82%. The "Automotive Driving Experience Digitalization Project" won the first prize in the China Society of Automotive Engineers' Science and Technology Progress Awards. Established the "Pioneering and Leading Lantu Joint Research Center" with Shell, pioneering the industry's first "Xingyue" hydrogen engine tractor and liquid hydrogen fuel-electric tractor. Launched five major technical features of the J7 Pioneering and Leading Technology Platform, setting industry standards and deeply integrating innovation with the application, injecting new momentum and vitality into the "Jiefang Pioneering and Leading" technology brand.

② Transformation drive

Management transformation: Established a new energy vehicle product line, significantly reallocating resources toward the new energy sector. Integrated vehicle manufacturing operations across five locations, transitioning to a "capability center + operational units" business model. Transformed the marketing system to focus on new energy, incorporating the new energy vehicle sales company into marketing headquarters. Established FAW Jiefang Group International Automobile Co., Ltd. to achieve end-to-end operations for overseas business. Deployed key personnel across various levels, building a multi-tiered operational organization that efficiently supports company performance improvement.

Personnel system transformation: Optimized and strengthened the management team, reconfigured personnel in the manufacturing sector, and continuously enhanced the talent pool. Transferred 350 personnel to key areas, reduced outsourced staff by 1,300, and recruited over 600 professional talents, systematically improving capabilities. Implemented a "two meetings + two

reports" work review mechanism and assessment system, achieving a 100% task completion rate. Optimized incentive and accountability mechanisms, eliminating hierarchical limitations to ensure greater rewards for higher performance contributions.

(4) Four major strategic initiatives advancing effectively, achieving significant operational progress

Traditional vehicle market leadership initiative: Firmly maintained traditional vehicle market position. Changchun and Qingdao facilities leveraged complementary advantages and product differentiation, intensified market efforts, addressed product gaps in high-horsepower models and natural gas vehicles, accelerated adoption of automated manual transmission (AMT) products, targeted high-potential markets and regions with precise marketing strategies, achieving improvements in both domestic medium and heavy truck sales volume and market share. In the light vehicle sector, focused on express logistics, resource transportation and other key markets, capitalized on regional opportunities, implemented strategies to enhance strengths while addressing weaknesses, and strengthened distribution channels, networks and service capabilities, achieving dual improvements in sales volume and market share.

New energy vehicle growth acceleration initiative: Implemented company-wide marketing efforts, focused on key scenarios, regions, and customers, strengthened market breakthrough capabilities, and enhanced marketing system effectiveness. Strengthened new energy brand promotion through the "Energy Efficiency Championship" campaign, highlighted large-capacity battery products, improved customer engagement, and enhanced Jiefang's reputation for energy efficiency. Developed a comprehensive communication strategy featuring leadership team product presentations and influencer video competitions, increasing Jiefang's new energy market presence. Throughout the year, new energy vehicle sales reached 15.9 thousand units, increasing by 120.8% year-on-year, achieving doubled growth for two consecutive years.

Overseas market expansion initiative: Advanced leadership in key markets, competed for emerging and potential markets, achieved breakthroughs in export partnerships, and accelerated light truck market penetration across four major strategic fronts, reaching annual sales of 57 thousand units, a 27.4% year-on-year increase, achieving transformative export growth.

Cost reduction and profitability enhancement initiative: Used annual business objectives as guidance, implemented comprehensive budgeting, conducted "N+X" rolling forecasts, established a

"product line-business unit-functional system" interconnected budget matrix model, and streamlined budget coordination processes. Focused on the primary value chain, continuously expanded revenue sources while reducing costs, supporting the company's business development.

(5) Seven key work areas advancing systematically, with continuous improvement in corporate governance effectiveness

Strategic management: Continuously enhanced insight capabilities, producing over 370 analytical reports. Advanced the JFSP07 planning cycle, establishing strategic planning units organized across nine industrial sectors and four functional areas for the first time, forming Jiefang's "531" strategic framework. Completed the launch of Jiefang International's "SPRINT2030" globalization strategy, further clarifying Jiefang's development blueprint and pathway.

Quality management: Deepened reliability engineering initiatives, earning positive market reception and customer satisfaction. Improved quality inspection systems and continuously enhanced process capabilities. Accelerated quality assurance capability development and strengthened quality control measures. Established multi-tiered quality operations organization, completed manufacturing quality operations organizational structure, and further implemented quality accountability systems.

Digital transformation: Following the "1143" transformation framework, focused on improving efficiency, effectiveness, quality, and customer experience by prioritizing architectural asset iteration, IT system construction, and data value extraction, accelerating the development of digital platform capabilities through strong project management.

Supply chain security: In procurement, continuously optimized competitive sourcing strategies and implemented comprehensive cost control through nine major cost-reduction initiatives. Strengthened quality control throughout the entire process to build competitive quality advantages. Coordinated resources across multiple locations to ensure supply chain security and stability. Improved procurement resource allocation, onboarded over 120 new suppliers, removed over 100 underperforming suppliers, and continuously strengthened the supplier network. **In manufacturing and logistics,** closely tracked market demand fulfillment, implemented precise production planning, and improved production line utilization rates. Practiced lean manufacturing principles, quickly adapted to market changes, and implemented production rhythm adjustments across all facilities. Enhanced production cost controls and mobilized company-wide improvement initiatives, reducing costs by more than 50 million yuan.

Manufacturing technology: Completed new energy production qualification certification for Guanghan and Liuzhou factories. Prioritized over 10 investment projects in new energy and emerging business areas, while systematically advancing medium and heavy engine upgrade projects and other ongoing initiatives. Swiftly completed technology transfer projects including J6V to H-line and JH6/JK6 to Liuzhou factory, achieving localization of over 400 components at Sichuan and Liuzhou factories, contributing to improved factory profitability and efficiency.

Capital operations: Raised 2 billion yuan through private placement, introducing nine investors including the National Manufacturing Industry Transformation and Upgrade Fund, achieving the company's first A-share refinancing since its restructuring and listing, and providing financial support for transformation, development, and investment. Completed acquisitions of overseas subsidiaries in Tanzania, South Africa, and other locations, supporting rapid implementation of international strategy and achieving breakthroughs in global expansion. Divested financial company equity, increasing company cash flow by 4.9 billion yuan. Enhanced management of over 10 companies in which the Company holds equity investments, generating annual investment income of 311 million yuan. Improved information disclosure quality, earning Shenzhen Stock Exchange A-level disclosure rating for four consecutive years.

Safety, risk management, and security: **In safety and environmental protection**, focused on "production safety" and "energy conservation and environmental protection" as dual priorities, fully implementing accountability systems, achieving zero production accidents, fires, occupational illnesses, pollution incidents, and security breaches. **In risk management and compliance**, continuously strengthened corporate governance, enhanced internal control and compliance management systems, balanced supervision with service, fully integrated "strengthened controls, risk prevention, and compliance promotion" into corporate governance, with zero major risk incidents throughout the year. **In confidentiality management**, reinforced information security responsibilities at all levels, developed the "cubic framework" methodology, compiled commercial confidentiality management guidelines, and enhanced security awareness and education, with no confidentiality breaches occurring.

2. Revenues and costs

(1) Composition of Operating Income

Unit: Yuan

	2024		2023		Year-on-year Increase and Decrease
	Amount	Proportion in Operating Income	Amount	Proportion in Operating Income	
Total operating income	58,581,106,258.53	100%	64,324,640,770.64	100%	-8.93%
By Industries					
Automobile industry	58,581,106,258.53	100.00%	64,324,640,770.64	100.00%	-8.93%
By products					
Commercial vehicles	54,019,490,190.05	92.21%	59,103,215,453.22	91.88%	-8.60%
Spare parts and others	4,561,616,068.48	7.79%	5,221,425,317.42	8.12%	-12.64%
By regions					
Domestic	56,313,824,960.99	96.13%	62,468,099,421.40	97.11%	-9.85%
Overseas	2,267,281,297.54	3.87%	1,856,541,349.24	2.89%	22.12%

(2) Information about industries, products, regions and sales models accounting for more than 10% of the Company's operating income or operating profit

Applicable Not applicable

Unit: Yuan

	Operating Income	Operating costs	Gross Profit Rate	Increase/Decrease of Operating Income over the Same Period of Last Year	Increase/Decrease of Operating Cost over the Same Period of Last Year	Increase/Decrease of Gross Profit Rate over the Same Period of Last Year
By Industries						
Automobile industry	56,781,606,864.49	53,523,342,363.25	5.74%	-8.99%	-7.57%	Reduced by 1.45%
By products						
Commercial	54,019,490,190.05	51,214,832,226.59	5.19%	-8.60%	-6.93%	Reduced by 1.70%

vehicles						
Spare parts and others	2,762,116,674.44	2,308,510,136.66	16.42%	-15.91%	-19.69%	Increased by 3.93%
By regions						
Domestic	54,514,325,566.95	51,507,768,650.57	5.52%	-9.94%	-8.49%	Reduced by 1.49%
Overseas	2,267,281,297.54	2,015,573,712.68	11.10%	22.12%	24.66%	Reduced by 1.81%

(3) Whether the physical sales revenue of the Company is greater than the labor service revenue

Yes No

Industry Classification	Item	Unit	2024	2023	Year-on-year Increase and Decrease
Automobile industry	Sales Qty	Vehicle	251,078	241,662	3.90%
	Production output	Vehicle	248,671	250,640	-0.79%
	Storage amount	Vehicle	19,226	22,126	-13.11%

Reasons for the year-on-year change of relevant data by more than 30%

Applicable Not applicable

(4) Performance of major sales contracts and major procurement contracts signed by the Company as of the reporting period

Applicable Not applicable

(5) Composition of operating cost

Industry and Product Classification

Unit: Yuan

Industry Classification	Item	2024		2023		Year-on-year Increase and Decrease
		Amount	Proportion in Operating Cost	Amount	Proportion in Operating Cost	
Automobile	Material	48,826,962,758.10	88.92%	53,650,304,272.56	90.32%	-8.99%

industry	cost					
y	Others	6,081,113,765.33	11.08%	5,751,063,070.93	9.68%	5.74%

Unit: Yuan

Product Classification	Item	2024		2023		Year-on-year Increase and Decrease
		Amount	Proportion in Operating Cost	Amount	Proportion in Operating Cost	
Commercial vehicles	Commercial vehicles	51,214,832,226.59	93.27%	55,031,133,151.16	92.64%	-6.93%
Spare parts and others	Spare parts and others	3,693,244,296.84	6.73%	4,370,234,192.33	7.36%	-15.49%

Note: None

(6) Whether the consolidation scope is changed in the reporting periodYes No

On August 16, 2024, the Company invested in establishing FAW Jiefang Group International Automobile Co., Ltd. By December 31, 2024, the Company completed the business combination of Jiefang Motors Tanzania Ltd. and FAW (Africa) Investment Co., Ltd. under common control.

(7) Significant changes or adjustments in business, products or services of the Company in the reporting periodApplicable Not applicable**(8) Information about main customers and main suppliers**

Information about the main customers of the Company

Total sales amount of the top five customers (Yuan)	16,271,900,607.79
Proportion of total sales amount of the top five customers in total annual sales amount	27.78%
Proportion of sales of related parties in total annual sales of the top five customers	23.17%

Information about the top five customers of the Company

S/N	Customer name	Sales (Yuan)	Proportion in Total Annual Sales
1	China FAW Group Co., Ltd.	12,501,445,135.06	21.34%
2	Customer 1	1,071,050,258.10	1.83%
3	FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd.	1,070,399,702.99	1.83%
4	Customer 2	834,076,392.64	1.42%
5	Customer 3	794,929,119.00	1.36%
Total	--	16,271,900,607.79	27.78%

Other information about the main customers

Applicable Not applicable

Information about the main suppliers of the Company

Total purchase amount of the top five suppliers (Yuan)	12,973,210,730.23
Proportion of total purchase amount of the top five suppliers in total annual purchase amount	24.62%
Proportion of the purchase amount of related parties in the total annual purchase amount of the top five suppliers	6.78%

Information about the top five suppliers of the Company

S/N	Name of Supplier	Purchase Amount (Yuan)	Proportion in Total Annual Purchase Amount
1	Supplier 1	6,348,170,812.79	12.05%
2	Supplier 2	2,223,126,027.72	4.22%
3	China FAW Group Co., Ltd.	2,179,561,798.44	4.14%
4	Fawer Auto Parts Co., Ltd.	1,393,565,622.28	2.64%
5	Supplier 3	828,786,469.00	1.57%
Total	--	12,973,210,730.23	24.62%

Other information about the main suppliers

Applicable Not applicable

3. Cost

Unit: Yuan

	2024	2023	Year-on-year Increase and Decrease	Description of Major Changes
Sales expenses	1,273,327,595.92	1,103,598,712.10	15.38%	
Administrative expenses	1,780,652,477.10	1,956,239,032.27	-8.98%	
Financial expenses	-805,971,666.64	-933,066,859.46	13.62%	
R&D expenses	2,409,485,641.76	2,982,257,879.16	-19.21%	

4. R&D investment

Applicable Not applicable

Name of Main R&D Projects	Project purpose	Project progress	Proposed Objectives	Expected Impact on the Company's Future Development
J7 series expanded models development project	Follow the "domestic first-class and world-class" enterprise development strategy, and develop domestic high-end benchmark heavy trucks independently to achieve a new level of domestic truck quality.	Verification phase	Maintain the high-end positioning of products, pursue excellent quality, and improve product quality continuously in the efficient long-distance trunk express market, create greater value for users, expand the market capacity of high-end vehicle products year by year, realize double sales volume, and lead the industry development.	Support FAW Jiefang's strategy of developing a "domestic first-class and world-class" enterprise, and contribute hard-core products to the product layout during the 14th Five-Year Plan period.
JH6 series expanded models development	In the current situation where JH6 products have been on	Verification phase	Maintain the mid-to-high-end positioning of products in the core markets such as general freight, express	Enhance the competitiveness of FAW Jiefang's medium and heavy vehicle

project	the market for eight years, it is urgent to upgrade the JH6 platform to ensure the leading competitiveness of the Jiefang brand.		freight, green transport and urban construction muck, strengthen the advantages of highway vehicles in the mid-to-high-end market and renew the brand image of engineering vehicles by optimizing the complete vehicle reliability, comfort and TCO.	product line and major products, and contribute hard-core products to the product layout in the 14th Five-Year Plan period.
Next-Generation New Energy Light Truck Development Project	Continuously improve the high-end attributes of FAW Jiefang Light Truck and develop a new energy-exclusive platform.	Planning stage	Complete the development of a new energy-exclusive platform in urban logistics, medium and short-distance transportation and other relevant markets, which covers both pure electric and hybrid routes, aiming to create an ultimate driving and riding experience while achieving an industry-leading electricity consumption level.	Lay the foundation for the overall realization of new energy transformation of FAW Jiefang and assist in completing the 14th Five-Year Development Plan.
Fuel Cell Product Development Project	Develop fuel cell products, cover all three major technical routes, meet the requirements of demonstration operation subsidies, and support the	Development phase	Cover typical scenarios of the three demonstration city clusters of fuel cells, develop a whole series of products such as fuel-electric traction, fuel-electric dump, special fuel-electric and fuel-electric logistics, and apply for demonstration operation projects together with mainstream fuel-electric	Complete the layout of three major technical routes, reserve the fuel cell products development technology, support the research and development of independent fuel cell products, build a benchmark image for the new energy

	increase of new energy products.		system partners to realize the batch sales and operation of fuel-electric products.	industry, and support FAW Jiefang to lead the new energy industry continuously.
Jiefang intelligent driving product development project	Develop aided driving and restricted-region high-level intelligent driving commercial vehicle products based on customer needs, so as to help Jiefang realize the commercialization of the intelligent vehicle industry in a short period.	Development phase	Develop intelligent vehicle series products, realize aided driving in trunk logistics scenarios and high-level intelligent driving in multiple restricted-region scenarios such as ports and plants, and develop full-stack intelligent driving software and hardware core technologies by themselves to create independent core competitiveness.	Through the commercial operation of emerging industries in multiple scenarios, the Company's independent R&D capability and competitiveness in the intelligent driving field are improving continuously. The rapid accumulation of operational experience supports the Company's strategic transformation to become "China's first and world-class" provider of green intelligent transportation solutions.
New Energy V2X 2024 Annual Project	Iterative upgrade of the dedicated Lantu app for new energy vehicles, completing the V2X products functionality matrix to meet users' digital	Development phase	Launch of the Jiefang Drive Lantu App 2.0, featuring industry-leading functionality in intelligent driving assistance, remote vehicle control, vehicle purchase and leasing options, charging and battery swap management, and community information services.	Enhancing the company's vehicle product competitiveness and supporting new energy vehicle sales growth initiatives.

	service needs for vehicle management and maintenance.			
Intelligent Diagnosis and Repair System Upgrade Project in 2024	The intelligent diagnosis and repair platform establishes end-to-end digitalization of the complete vehicle maintenance process. This upgrade project focuses on three core values - economy, efficiency, and usability - to enhance onboard diagnostic capabilities and improve service center repair management efficiency.	Development phase	Completed development of 12 primary functions and 29 secondary functions. Achieved 100% coverage for controllers in remote diagnostic capabilities.	The intelligent diagnosis and repair platform focuses on vehicle maintenance processes, delivering end-to-end digitalized integrated service throughout the repair workflow. The platform serves as a data center, algorithm center, capability aggregation platform, and digital solution carrier for fault-related events, effectively enhancing diagnostic design capabilities and improving management efficiency.
Network Security Management System Consulting	Address compliance requirements of domestic and	Construction stage	By the end of 2025, the corresponding management system should be established according to national	Ensure that beginning January 1, 2026, all new platform vehicle models submitted for type approval will meet

Project	international regulations regarding vehicle information security and software update management systems.		standards while meeting domestic and international certification requirements.	vehicle certification requirements.
Vehicle Infotainment System Standardization Project	Standardize the vehicle infotainment system to reduce redundant adaptation costs and improve product update efficiency.	Planning stage	Develop premium infotainment system platforms targeting high-end retail customers to enhance the vehicle's intelligent experience features. Create a unified family-style human-machine interface (HMI), integrated application software suite, and standardized interfaces that can be extended to mid and entry-level product platforms.	Establish user engagement touchpoints through the infotainment system, support premium vehicle value proposition metrics, reinforce FAW Jiefang's intelligent experience brand image, and improve customer brand loyalty.
AI Large Language Model Voice Assistant Development Project	Develop an AI voice assistant for premium infotainment systems, focus on customized scenarios for high-end retail customers, provide proactive	Planning stage	Target a 90% user intent comprehension rate, focus on user satisfaction, and ensure efficient interaction to create an industry-leading product.	Position FAW Jiefang to create an industry benchmark AI voice assistant product, rapidly transforming existing connected products into AI-powered intelligent voice interaction systems.

	interaction services, and enhance the intelligent user experience and interaction efficiency.			
Vehicle-Road-Cloud Integration Pilot Project	Respond to national vehicle-road-cloud integration pilot initiatives by actively participating in pilot city implementation plans and developing FAW Jiefang's vehicle-road-cloud integration product portfolio.	Development phase	Complete vehicle-road-cloud integration V2X (Vehicle-to-Everything) terminal verification, demonstrate intelligent cleaning vehicles within factory areas, and deploy operational vehicles in environmental maintenance scenarios.	Enhance FAW Jiefang's intelligent connected product competitiveness and brand influence.
Upgraded transmission product development project	Develop transmission products complying with noise regulations and fuel consumption regulations to improve the competitiveness	Development phase	Complete the development of drive axle and AMT products. Improve the comprehensive competitiveness of assembly products to make sure that the comprehensive index is higher than that of main competitive products at home and abroad.	Provide competitive drive axle and AMT transmission products for FAW Jiefang's vehicle platform, improve the competitiveness of vehicle products, and support Jiefang in leading the industry continuously.

	s of complete vehicles.			
Research on 55% thermal efficiency power system technology of diesel engine	Break through 55% thermal efficiency technology of diesel engine.	Closed	Break through high compression ratio fast dual-zone combustion system and other technologies to challenge the 55% thermal efficiency of commercial vehicle diesel engines.	Improve the effective thermal efficiency of diesel engines, achieve the goal of producing low carbon emissions, and reserve technologies to comply with the fuel consumption regulations in the next stage.
Fuel cell system integration technology development	Break through the integration and control technology of commercial vehicle fuel cell systems.	Closed	Reach the system power of 100 kW.	Build the technical competitiveness of the Company's first-class fuel cell products and fill the technical gap of the independent fuel cell system.

Information about R&D personnel of the Company

	2024	2023	Change ratio
Number of R&D personnel (person)	3,318	3,151	5.30%
Proportion of R&D personnel	16.74%	15.75%	Increased by 0.99%
Educational background structure of R&D personnel			
Doctor's degree	48	49	-2.04%
Master's degree	1,075	1,027	4.67%
Bachelor's degree	2,183	2,059	6.02%
Junior college degree	12	16	-25.00%
Age structure of R&D personnel			
Under 30 years old	1,316	1,171	12.38%
30-40 years old	1,284	1,299	-1.15%

41-50 years old	524	483	8.49%
51~60 years old	194	198	-2.02%

Information about the R&D investment of the Company

	2024	2023	Change ratio
Amount of R&D Investment (Yuan)	2,800,223,762.41	3,104,963,079.11	-9.81%
Proportion of R&D Investment in Operation Income	4.78%	4.83%	Reduced by 0.05%
Capitalization amount of R&D investment (Yuan)	390,738,120.65	122,705,199.95	218.44%
Proportion of capitalized R&D investment in total R&D investment	13.95%	3.95%	10.00%

Reasons and influence of major changes in the composition of the R&D personnel

Applicable Not applicable

Reasons for significant changes in the proportion of total R&D investment in operating income compared with the previous year

Applicable Not applicable

Reasons for and the rationality of great change in the capitalization rate of R&D investment

Applicable Not applicable

Primarily due to the addition of new vehicle and powertrain development projects during the current period, as well as the ongoing development costs of R&D projects carried over from the previous period.

5. Cash flow

Unit: Yuan

Item	2024	2023	Year-on-year Increase and Decrease
Subtotal of cash inflows from operating activities	56,111,632,136.74	64,574,069,556.14	-13.11%
Subtotal of cash outflows from operating activities	61,961,918,443.79	60,484,396,162.36	2.44%

Net cash flows from operating activities	-5,850,286,307.05	4,089,673,393.78	-243.05%
Subtotal of cash inflows from investment activities	5,099,293,082.54	404,942,904.89	1,159.26%
Subtotal of cash outflows from investment activities	4,139,412,784.68	2,799,009,918.96	47.89%
Net cash flows from investment activities	959,880,297.86	-2,394,067,014.07	140.09%
Subtotal of cash inflows from financing activities	1,999,915,089.75	16,400,000.00	12,094.60%
Subtotal of cash outflows from financing activities	830,253,558.33	28,987,570.03	2,764.17%
Net cash flows from financing activities	1,169,661,531.42	-12,587,570.03	9,392.19%
Net increase in cash and cash equivalents	-3,717,512,950.18	1,679,972,445.98	-321.28%

Description of main factors influencing major changes in relevant data on a year-on-year basis

Applicable Not applicable

- (1) "Net cash flow from operating activities" decreased by 243.05% compared to the previous year, primarily due to an increase in trade receivables.
- (2) "Total cash inflows from investing activities" increased by 1,159.26% compared to the previous year, mainly attributable to increased cash recovered from investments.
- (3) "Total cash outflows from investing activities" increased by 47.89% compared to the previous year, primarily due to increased payments for other investment-related activities during the current period.
- (4) "Net cash flow from investing activities" increased by 140.09% compared to the previous year, mainly resulting from increased cash recovered from investments.
- (5) "Total cash inflows from financing activities" increased by 12,094.60% compared to the previous year, primarily attributable to raised funds from the issuance of shares during the current period.
- (6) "Total cash outflows from financing activities" increased by 2,764.17% compared to the previous year, mainly due to cash dividend distributions during the current period.

(7) "Net cash flow from financing activities" increased by 9,392.19% compared to the previous year, primarily resulting from raised funds from the issuance of shares during the current period.

(8) "Net increase in cash and cash equivalents" decreased by 321.28% compared to the previous year, mainly attributable to the reduction in net cash from operating activities.

Description of reasons for the significant difference between the net cash flows generated from the operating activities in the reporting period and the net profit of this year

Applicable Not applicable

Refer to Section X - "Financial Report VII", Notes to Items in Consolidated Financial Statements and Section 60 "Supplementary Information to Cash Flow Statement" for details.

V. Analysis of Non-main Business

Applicable Not applicable

VI. Analysis of Assets and Liabilities

1. Major changes in asset composition

Unit: Yuan

	End of 2024		Early 2024		Increase/Decrease in Proportion	Description of Major Changes
	Amount	Proportion in Total Assets	Amount	Proportion in Total Assets		
Monetary capital	19,852,961,021.66	27.29%	23,545,580,404.39	34.58%	-7.29%	
Accounts receivable	7,067,296,142.54	9.71%	2,343,108,649.14	3.44%	6.27%	
Contract assets	14,455,542.05	0.02%	17,582,856.82	0.03%	-0.01%	
Inventories	10,117,213,109.97	13.91%	10,056,641,462.05	14.77%	-0.86%	
Investment properties	52,835,976.31	0.07%	47,049,995.53	0.07%	0.00%	
Long-term	1,176,288,461.09	1.62%	5,469,591,970.26	8.03%	-6.41%	

equity investments						
Fixed assets	11,198,300,572.20	15.39%	11,480,849,245.90	16.86%	-1.47%	
Project under construction	688,181,815.22	0.95%	816,484,299.18	1.20%	-0.25%	
Right-of-use assets	104,360,320.57	0.14%	150,436,856.00	0.22%	-0.08%	
Contract liabilities	2,430,554,164.50	3.34%	2,320,672,076.22	3.41%	-0.07%	
Lease liabilities	27,431,600.64	0.04%	37,973,873.14	0.06%	-0.02%	

High proportion of overseas assets

Applicable Not applicable

2. Assets and liabilities measured at fair value

Applicable Not applicable

Unit: Yuan

Item	Beginning balance	Profits and losses from changes in fair value for the current period	Accumulated changes in fair value through equity	Provision for impairment in the current period	Purchase amount in the current period	Sales amount in the current period	Other changes	Closing balance
Financial assets								
1. Investment in other equity instruments	480,780,000.00		59,286,528.00					540,066,528.00
Total	480,780,000.00		59,286,528.00					540,066,528.00
Financial liabilities	0.00							0.00

Content of other changes

Whether the measurement attribution of the Company's main assets within the Reporting Period was significantly changed or not

Yes No

3. Restrictions on asset rights as of the end of the reporting period

For details, please refer to Note 22 "Assets with restricted ownership or use right" in Part VII "Notes to Items in Consolidated Financial Statements" of Section X - Financial Report.

VII. Investment Analysis**1. Overall situation**Applicable Not applicable

Investment Amount in the Reporting Period (Yuan)	Investment Amount in the Same Period of Previous Year (Yuan)	Variation range
790,649,224.63	725,139,697.94	9.03%

2. Major equity investments acquired in the reporting period

☑Applicable ☐Not applicable

Unit: Yuan

Name of Investee Company	Main business	Investment method	Investment amount	Share proportion	Capital source	Partners	Investment horizon	Product type	Progress as of Balance Sheet Date	Estimated Revenue	Profit and Loss of Investment in the Current Period	Involved in Litigation or not	Date of Disclosure	Disclosure Index
FAW (Africa) Investment Co., Ltd.	Vehicle sales	Purchase	327,948,795.48	55.00%	Own Funds	China - Africa Development Fund Co., Ltd.	Long-term	Vehicle sales	Equity transfer finalized	0.00	0.00	No	December 21, 2024	http://www.cninfo.com.cn/new/disclosure/stock?stockCode=000800&orgId=gssz0000800&sjstsBond=false#latestAnnouncement
Total	--	--	327,948,795.48	--	--	--	--	--	--	0.00	0.00	--	--	--

3. Major non-equity investments in progress in the reporting period

Applicable Not applicable

4. Financial assets investment

(1) Securities investment

Applicable Not applicable

The Company has no securities investment in the reporting period.

(2) Derivatives investment

Applicable Not applicable

The Company has no derivative investment in the reporting period.

5. Use of raised funds

Applicable Not applicable

(1) Use of raised funds

☑Applicable ☐Not applicable

Unit: 10 thousand yuan

Fundraising year	Fundraising method	Securities listing date	Gross of raised funds	Net of raised funds (1)	Gross of raised funds utilized during the current reporting period	Cumulative raised funds utilized (2)	Utilization rate as of the end of the reporting period (3) = (2)/(1)	Gross raised funds repurposed during the reporting period	Cumulative gross of raised funds repurposed	Percentage of the cumulative gross of raised funds repurposed	Total unused gross raised funds	Allocation and intended use of unused raised funds	Amount of raised funds unutilized for over two years
2024	Private placement of shares	October 21, 2024	200,000	199,781.34	185,561.55	185,561.55	92.88%	0	0	0.00%	14,376.71	The funds are held in a dedicated fundraising account, with a segment currently allocated for cash management.	0
Total	--	--	200,000	199,781.34	185,561.55	185,561.55	92.88%	0	0	0.00%	14,376.71	--	0

Description of use of raised funds

As approved by the China Securities Regulatory Commission in its "Reply on Approving FAW Jiefang Group Co., Ltd.'s Private Placement of Shares Registration" (CSRC Permit [2024] No.972) and with consent from the Shenzhen Stock Exchange, the Company issued 298,507,462 ordinary shares (A shares) to specific investors through the Shenzhen Stock Exchange system via the lead underwriter China International Capital Corporation Limited (hereinafter "CICC"), at an issue price of 6.7 yuan per share. The gross raised funds totaled 1,999,999,995.40 yuan, and after deducting issuance expenses of 2,186,599.36 yuan

(excluding VAT), the net raised funds amounted to 1,997,813,396.04 yuan. The above net raised funds have been verified by Grant Thornton Certified Public Accountants (Special General Partnership) in their "Verification Report."

As of December 31, 2024, the Company has utilized 1,855,615,452.21 yuan of the raised funds, with a remaining balance of 143,767,056.89 yuan (including pending payment of issuance expenses and interest income). Of this balance, 80,000,000.00 yuan has been allocated for temporary cash management, while 63,767,056.89 yuan remains in dedicated raised fund accounts.

As of December 31, 2024, the following projects have been completed with no surplus funds: FAW Jiefang Commercial Vehicle 2022 New Energy Intelligent Connected R&D Capability Enhancement Project; FAW Jiefang Qingdao Base R&D Capability Enhancement Project; FAW Jiefang Qingdao Vehicle Division Light Vehicle Frame Business Integration and Technology Upgrade Project; FAW Jiefang Qingdao Vehicle Division Jimo Factory Sheet Metal Stamping Capacity Expansion Project; FAW Jiefang Qingdao Vehicle Division Cab Painting Line Environmental Protection Technology Upgrade Project; FAW Jiefang Transmission Division Integrated Heavy-duty AMT Transmission Technology Transformation Project; and New 13L and M Series Engine Shared Production Line Technology Transformation Project. These completions have been disclosed in the Company's 2024 Special Report on the Deposit and Actual Use of Raised Fund.

(2) Raised fund allocation to committed projects

Applicable Not applicable

(3) Changes to raised funds-funded projects

Applicable Not applicable

The Company had no changes to raised funds-funded projects during the reporting period.

VIII. Sale of Major Assets and Equity

1. Sale of major assets

Applicable Not applicable

The Company did not sell major assets during the reporting period.

2. Sale of major equity

Applicable Not applicable

Counterparty	Saled Equity Interest	Date of Sale	Transaction Price (10 thousand yuan)	Net Profit Contributed by the Equity to the Listed Company from the Beginning of the Current Period to the Date of Sale (10 thousand yuan)	Effect of Sale on the Company	Proportion of Net Profit Contributed by Equity Sales to the Listed Company in the Total Net Profit	Pricing Principle of Equity Sale	Related Party Transaction or Not	Relationship with the Counterparty	Whether All Property Rights of the Equity Involved Have been Transferred	Whether Implemented as Scheduled. If Not, Provide the Reasons and the Measures Taken by the Company	Date of Disclosure	Disclosure Index
China FAW Co., Ltd.	21.8393% Equity of the First Automobile	December 24, 2024	492,388.61	74,309.15	The Company remains committed to its core	71.18%	Asset appraisal pricing	Yes	Parent company of the Company	Yes	Yes	October 29, 2024	http://www.cninfo.com.cn/new/disclosure/stock?stockCode=000800&orgId=gssz00008

	Finance Co., Ltd.				business, which will see ongoing development of its flagship products.								00&sjstsBond=false#latestAnnouncement
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IX. Analysis of main holding and joint-stock companies

Applicable Not applicable

Major Subsidiaries and Joint-stock Companies Affecting over 10% Net Profit of the Company

Unit: Yuan

Company Name	Company Type	Main Business	Registered Capital	Total Assets	Net Assets	Operating Income	Operating Profit	Net Profit
FAW Jiefang Automotive Co., Ltd.	Subsidiaries	Development, manufacturing and sales of vehicles and parts	10,803,012,510.01	69,849,115,809.69	19,342,373,738.77	58,139,826,718.18	-589,042,231.10	-155,382,966.44

Acquisition and disposal of subsidiaries in the reporting period

Applicable Not applicable

Company Name	Methods of acquisition and disposal of subsidiaries in the reporting period	Impact on overall production, operation and performance
FAW (Africa) Investment Co., Ltd.	Business merger under common control	Expand avenues for overseas capital operations to boost the growth of export sales to Africa
Jiefang Motors Tanzania Ltd.	Business merger under common control	Enhance Tanzania's local export sales and expand market reach in neighboring regions.
FAW Jiefang Group International Automobile Co., Ltd.	Establishment by investment	Boost overseas export sales growth

Description of main holding and joint-stock companies: none

X. Structured Entities Controlled by the Company

Applicable Not applicable

XI. Outlook for Future Development of the Company

1. Competition pattern and development trend of the Company's industry

Over the next three years, the commercial vehicle industry will continue to undergo a profound transformation.

With the progression of economic restructuring and upgrading, GDP growth is expected to gradually decelerate, weakening support for medium and heavy-duty truck market demand, with industry demand generally maintaining low operational levels. However, consumer spending is projected to increase under the stimulus of trade-in policies for consumer goods, boosting freight turnover volumes and benefiting highway long-haul transport vehicles. Additionally, the continued issuance of ultra-long-term special treasury bonds will improve investments in new infrastructure projects, somewhat stimulating demand for construction transport vehicles.

The medium and heavy-duty truck market structure has entered a period of deep realignment. Natural gas vehicles have entered a phase of sustainable development as product offerings continue to diversify and infrastructure gradually improves, with demand remaining robust. With multi-policy support, new energy products continue to gain momentum, with market scale and penetration rates expected to increase further. Export growth will moderate in the future, but overseas markets will continue to perform strongly as the global economy and trade recover and acceptance of Chinese products increases.

In the near term, market competition will primarily revolve around existing market share. Competition among traditional manufacturers remains intense. Emerging companies are entering the new energy segment, employing innovative technologies and business models to rapidly narrow the gap with established industry leaders. Intensified competition will drive further market consolidation.

2. Development strategy and business plan of the Company

In 2025, the Company will thoroughly implement the spirit of the 20th Party Congress and its Second and Third Plenary Sessions, continue to fulfill General Secretary Xi Jinping's important directives during his inspection of FAW, uphold comprehensive Party leadership, and execute strategic and annual priorities. Following our "12149" framework (customer-centric approach,

product and technological leadership as foundations, quality as the cornerstone, commitment to winning four major challenges, and strengthening nine key support areas), the Company will advance all operational tasks with a pragmatic, hands-on management style. The Company will accelerate the strategic transformation and pioneer new directions, striving to achieve final-year success in our "14th Five-Year Plan" while progressing toward our goal of becoming a "world-class enterprise and century-old national brand"!

(1) Maintain customer-centricity, enhance customer relationship capabilities, and accelerate marketing transformation

First, strengthen customer operations. Implement "customer engineering" key projects to establish an effective domestic customer base exceeding one million. Second, transform and enhance distribution channels. Revitalize distribution channels, implement end-to-end management, achieve data visualization, and mitigate channel risks; Optimize management strategies, improve empowerment effectiveness, and explore direct logistics capacity and direct sales models.

(2) Support market leadership through product and technological excellence, reinforcing core competitive advantages and growth momentum

Regarding product leadership: Deeply embrace the "product is king" philosophy, dynamically optimize our product portfolio, capture business opportunities promptly, create strategic advantages proactively, and develop product leadership where "we offer what competitors don't and excel where they compete."

Regarding technological leadership: Strengthen innovation-driven development, accelerate core technology breakthroughs, focus on technology application, and enhance product advantages. Addressing user needs, we will develop key technologies around three value propositions: fuel efficiency, intelligent user experience, and reliability/durability, building differentiated product competitiveness.

(3) Firmly establish quality as our foundation, vigorously implement quality improvement initiatives and comprehensively rebuild the Jiefang brand's market reputation for excellence

Uphold "quality as our winning strategy," systematically deploy and implement our "Three-Year Quality Enhancement Initiative," and establish major project clusters to address key challenges.

Deeply embed the principle that "quality is our lifeblood," ensuring that quality improvements drive brand enhancement and sales growth.

(4) Decisively win our four major strategic initiatives, focusing on increasing both volume and profitability to achieve market leadership and operational excellence

Domestic traditional vehicle leadership initiative. Secure our traditional vehicle market position by leveraging the geographical, resource, and product positioning advantages of each production base, precisely targeting market opportunities with focused marketing strategies to ensure annual targets are met.

Overseas market expansion initiative. Accelerate implementation of the "SPRINT 2030" internationalization strategy, enhance Jiefang International's operational capabilities, rapidly narrow the gap with leading competitors in sales volume and capabilities, and ensure achievement of annual targets.

New energy growth acceleration initiative. Develop highly adaptable products focusing on core applications in steel plants, coal mining, and sanitation sectors; Achieve breakthroughs in dump trucks, specialized vehicles, and sanitation vehicles to complete our product portfolio and drive sales growth; Optimize marketing and service strategies, strengthen strategic account development capabilities, and transform traditional channels for new energy products; Continuously innovate through vehicle leasing, transportation capacity services and other business models to create industry-leading solutions.

Profitability enhancement initiative. Strengthen comprehensive budget management, implementing interlocking budgets and rolling forecast models for proactive control and risk prevention. Pursue margin improvement, cost reduction, and revenue enhancement by strengthening project management and operational quality, improving resource efficiency, and enhancing profitability.

(5) Execute nine key priority areas to comprehensively strengthen our foundation, systems, and capabilities, providing robust support for the company's high-quality development.

3. Possible risks to the Company's operation

(1) Market competition risk

Currently, the commercial vehicle market features simultaneous competition for domestic market share and expansion in overseas markets. Industry leaders have established comprehensive competitive frameworks in retail sales, encompassing product pricing strategies, differentiated marketing systems, and financing solutions, intensifying competition across multiple dimensions. While domestic policy incentives and development in certain international regions have generated some replacement demand, the commercial vehicle market can only maintain a modest recovery in the short term due to domestic and international political and economic constraints coupled with cyclical industry pressures. The combined effects of policy direction and market pressures are accelerating industry consolidation and intensifying competition among manufacturers.

(2) Market structure change risk

Market penetration of new energy commercial vehicles continues to increase, with emerging technological pathways constantly developing. Diversifying market demands and shifting policy directions require companies to adapt to new market structures. As the new energy commercial vehicle market rapidly expands, competition is intensifying, with traditional commercial vehicle manufacturers accelerating transformation, emerging companies entering the market, and businesses from adjacent industries diversifying into this sector. Simultaneously, consumer expectations for new energy products are rising, with more stringent requirements regarding brand reputation, performance capabilities, pricing, and service quality. Coupled with national policy initiatives, competitive pressures are further intensifying, making structural market changes inevitable and resulting in unavoidable market share competition, price wars, and margin compression.

(3) Policy change risk

The commercial vehicle industry is experiencing multifaceted regulatory changes. At the national level, these include: promoting compliance upgrades, implementing new regulations for truck body installation management, enforcing stricter quality control and production consistency standards, and accelerating the elimination of non-compliant manufacturers; Stimulating market demand through expanded vehicle trade-in incentives, increasing scrapping subsidies for National IV emission standard and older commercial trucks, and enhancing subsidies for new energy vehicles; Strengthening safety protocols through new national standards for hazardous materials transport vehicle markings, with clear classification labels and maintenance requirements. Local policies are

also undergoing various adjustments, with increasingly significant industry impacts, introducing greater uncertainty to the commercial vehicle market.

Based on the above risks, the Company has prepared the following solutions:

(1) Accurately assess market conditions and adapt flexibly. Conduct thorough research on domestic and international political and economic conditions, comprehensively analyzing market dynamics and potential risks. Continuously monitor policy developments and industry trends to enable rapid strategic adjustments. Establish comprehensive market intelligence and environmental monitoring systems to ensure timely access to complete information. Address market changes by enhancing brand visibility through comprehensive marketing initiatives, optimizing cost structures, advancing product technology, and leveraging quality products and advanced technologies to capture growth opportunities.

(2) Strengthen product and service foundations to build core competitive advantages. Closely track emerging technologies in new energy and intelligent systems, identifying market needs and developing innovative, competitive products. Thoroughly analyze customer service requirements while enhancing service professionalism, efficiency, and customization to deliver superior customer experiences and improve satisfaction and loyalty. Establish brand excellence through technological innovation, forward-thinking concepts, and service enhancements to strengthen the competitive position, maintain market standing, and avoid destructive price wars and disorderly competition.

(3) Expand into key markets and capture global opportunities. Actively participate in the global economy through systematic international strategic planning to establish a solid foundation for export diversification. Leverage growing international recognition and leading new energy technologies to develop customized products tailored to specific regional markets and individual customer requirements, enhancing product adaptability across diverse regions. Simultaneously expand international distribution networks, streamline overseas service operations, improve response times and service quality, increase global market share, and demonstrate international capabilities.

XII. Reception, Investigation, Communication, Interview and Other Activities in the Reporting Period

Applicable Not applicable

Reception Time	Reception	Reception Mode	Type of Reception	Reception Object	Main Content	Index of Basic
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	Location		n Object		s of Discussion and Information Provided	Information of Investigation
January 24, 2024	Meeting room of the company	Telephone communication	Organization	Century Securities Proprietary Trading, Changjiang Securities (Shanghai) Asset Management Co., Ltd., Huatai Securities Asset Management (Equity), Jinnian Invest, Beijing Jiufu Investment Management, Zhengyuan Investment, Chaos Investment, China Post Life Insurance, Dacheng Fund Management Co., Ltd., Mingya Funds, Point72, Hel Ved Capital, Goldstate Capital Fund Management, Dongxing Asset Management, CITIC Securities Proprietary Trading, Taikang Pension & Insurance, Huajin Proprietary Trading, Shanghai Stock Exchange Proprietary Trading, Bosc Asset Management, Dongxing Proprietary Trading, Yuanfeng Fund, Sequoia PIPE, Agricultural Bank of China Fund Management, ICBC Wealth Management, Huarong Proprietary Trading, Gaoyi Asset Management, Rosefinchfund, Aspex, Shanghai Trend Investment, Zhonggen Funds, Bosera Asset Management, ICBC-AXA, River Fund, Caitong Fund Management, Zheshang Securities Proprietary Trading, Huafu Fund Management,	Operation and development planning of the Company, no relevant information is provided	http://www.cninfo.com.cn/new/disclosure/stock?stockCode=000800&orgId=gssz0000800&sjstsBond=false#research

				<p>CITIC Prudential, China Resources Yuanda Fund Management, Guorong Proprietary Trading, Zheshang Asset Management, Neuberger Berman Public Fund, Shanghai Tinnyyinvest, Taikang Asset Management, Cathay Life Insurance, SINO PARTNERS FUND, Jiutai Fund Management, High-Flyer, Invesco Great Wall Fund Management, Huashang Fund Management, Bosera Asset Management, Guohua Xingyi Asset Management, Allianz, SHEN ZHEN QIAN HAI HUA SHAN CAPITAL, Dunhe Fund, Zinggofund, China Reform Securities, Origin Asset Management, Vanward Proprietary Trading, Shenzhen Hongchou Investment.</p>		
<p>January 26, 2024</p>	<p>Meeting room of the company</p>	<p>Field Research</p>	<p>Organization</p>	<p>ICBC Credit Suisse Asset Management, China Life Asset Management, Qianhai United Asset Management, Gaoyi Asset Management, CICC Asset Management, PICC Pension, Bosera Asset Management, Huachuang Securities.</p>		
<p>February 01, 2024</p>	<p>Meeting room of the company</p>	<p>Telephone communication</p>	<p>Organization</p>	<p>TruValue Asset Management, Purekind Fund Management, Bleadfund, Huatai-Pinebridge Fund Management, Everbright Pramerica Fund Management, Industrial Bank Proprietary Trading, China Nature Asset Management, Harvest Fund Management, LONGRISING, Biyun Yinxia Investment, Pinpoint, Zhengyuan</p>		

				Investment Research, Changjiang Securities (Shanghai) Asset Management Co., Ltd., HuaAn Funds, Bosera Asset Management, BlackRock, Shanghai Tourmaline Asset Management, Intewisecapital, Hwabao WP Fund, Penghua Fund, Rosefinchfund, Trivest Advisors, Heyong Invest, Zheshang Asset Management, FRANCHISE CAPITAL, Invesco Great Wall Fund Management.		
April 02, 2024	Beijing meeting room	Field Research	Organization	Jt Asset Management Co., Ltd., China Reform Securities Co., Ltd., Shenzhen Commando Capital Management Co., Ltd., Golden Nest Capital Management Co., Ltd., Western Securities Co., Ltd., Zhongke Richland Asset Management Co., Ltd., ICBC Wealth Management, Jilin Province Yandong State-Owned Capital Investment Co., Ltd., Shenzhen Yingda Securities Co., Ltd., Shanghai Longlife Investment Co., Ltd., Topsperity Securities, Southwest Securities Co., Ltd., Huachuang Securities Co., Ltd., Dongxing Securities Corporation Limited, Minsheng Securities Co., Ltd., CITIC Securities, Soochow Securities Co., Ltd., Guosheng Securities Co., Ltd., Haitong Securities Co., Ltd., Cinda Securities Co., Ltd., China International Capital Corporation Limited (CICC), Shanxi Securities Company Limited, GF Securities Co., Ltd., Shanghai Guotai Junan Securities Asset Ma		

				agement Co., Ltd., China Life Pension Company Limited.		
April 17, 2024	Meeting room of the company	Network platform online communication	Others	Investors participating in FAW Jiefang 2023 Annual Performance Presentation		
April 30, 2024	Meeting room of the company	Telephone communication	Organization	Sinolink Securities Co., Ltd., Zheshang Securities Asset Management Co., Ltd., Langfang HuaAn Automotive Equipment Co., Ltd., Western Securities Proprietary Trading, China UnionPay, Shanghai Heqing Investment Management Co., Ltd., Shanghai Tinnyinvestment Co., Ltd., Zheshang Securities Co., Ltd., HAWTAI Motor Group Co., Ltd., Shanghai Guotai Junan Securities Asset Management Co., Ltd., Tianfeng Securities Co., Ltd., Grace Chan Wealth Management (Shanghai), Wanjia Asset Management Co., Ltd., White Stream Fund Management Co., Ltd., Shenzhen Hongchou Investment Co., Ltd., China Post & Capital Fund Management Co., Ltd., Minsheng Securities Co., Ltd., Haitong Securities Co., Ltd., Beijing Congluan Investment Management Co., Ltd., Mingshi Partners Fund Management (Zhuhai) Co., Ltd., Changjiang Securities Company Limited, Huachuang Securities Co., Ltd., Zhongke Richland Asset Management Co., Ltd., Nanjing Guohai Auto Parts Co., Ltd., Southwest Securities Co., Ltd., Shanghai Minhang Financial Investment Development Co., Ltd.		
May 29,	Meeting	Network	Others	Investors participating in the		

2024	room of the company	platform online communication		Online Collective Performance Presentation of Listed Companies within the Jurisdiction of Jilin		
June 25, 2024	Meeting room of the company	Field Research	Organization	China Securities Co., Ltd., Yinhua Fund Management Co., Ltd., Shibe Investment Management (Beijing) Co., Ltd., Zhejiang Jingan Private Fund Co., Ltd.		
June 28, 2024	Meeting room of the company	Field Research	Organization	Guotai Leasing Limited Company, Jilin State-owned Capital Operation Group Co., Ltd., Shandong Guohui Investment Holding Group Co., Ltd., Cinda Securities Co., Ltd., Jilin Yadong State-owned Capital Investment Co., Ltd., Changchun Changxing Fund, China Logistics Group Co., Ltd., China COSCO Shipping Group Co., Ltd., Eastmoney Securities Co., Ltd., Soochow Securities Co., Ltd., Dongxing Securities Corporation Limited, Perseverance Asset Management, Sinolink Securities Co., Ltd., Shanghai Guotai Junan Securities Asset Management Co., Ltd., Huatai Securities Co., Ltd., CCB Trust Co., Ltd., Zhejiang Jingan Private Fund Co., Ltd., Lianchu Securities Co., Ltd., China Galaxy Securities Co., Ltd. Proprietary Trading, CITIC Securities Co., Ltd.		
September 02, 2024	Meeting room of the company	Telephone communication	Organization	TruValue Asset Management, HGNI International Asset Management (SG) PTE.LTD, ICBC AXA Life Insurance Co., Ltd., China International Capital Corporation Limited (CICC), China Re, Hongyun Private Equity Fund		

			<p>Management (Hainan) Co., Ltd., Longwin Asset Management Co., Ltd., Shanghai Yongxing Securities Asset Management Co., Ltd., Shanghai Eureka Investment Partner Co., Ltd., Changjiang Securities (Shanghai) Asset Management Co., Ltd., Wuxi Innovation Investment Group Co., Ltd., Chasing Securities Co., Ltd., Lianchu Securities Co., Ltd., Beijing Jingxing Asset Management Co., Ltd., Donghai Securities Co., Ltd., JM GREAT CHINA FUND, GF Securities Co., Ltd., Jinxin Asset Management Company Limited, Minsheng Securities Co., Ltd., Daiwa Securities (China) Co., Ltd., Ping An Asset Management Co., Ltd., Minmetals International Trust Co., Ltd., Purekind Fund Management, GreyStone Managed Investments Inc, Dancheng Investment, LYGH Capital Pte. Ltd, Topsperity Securities, Shanghai Tinnyinvest, Guotai Junan Assets (Asia) Limited, Sinolink Securities Co., Ltd., China Post Life Insurance Company Limited, Pinpoint, Shanghai Zhongyu Investment Co., Ltd., China Pacific Insurance (Group) Co., Ltd., GAM, Dongxing Asset Management Co., Ltd., Beijing Fuzhi Investment Management Co., Ltd., Eastspring Asset Management, HongSheng Asset Management Co., Ltd.,</p>		
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				Dacheng Fund Management Co., Ltd., HOTEON Capital Limited, Shenzhen Zhongtian Fortune Fund Management Co., Ltd.		
October 29, 2024	Meeting room of the company	Telephone communication	Organization	China Merchants Fund Management Co., Ltd., The Goldman Sachs Group, Inc., Caitong Securities Co., Ltd., China Great Wall Securities Co., Ltd., China International Capital Corporation Limited (CICC), Shanxi Securities Company Limited, Zhongke Richland Asset Management Co., Ltd., GF Securities Co., Ltd., Jilin Province Private Equity Co., Ltd., Chasing Securities Co., Ltd., Shenzhen Qianhai Luojia Fangyuan Asset Management Co., Ltd., Topsperity Securities, Haitong Securities Co., Ltd., Huaan Securities Co., Ltd., Sealand Securities Co., Ltd., Everbright Securities Company Limited, Soochow Securities Co., Ltd., Sinolink Securities Co., Ltd., Minsheng Securities Co., Ltd., Gfund Management Co., Ltd., CITIC Securities Company Limited, UBS Securities Co., Ltd., Goldstate Capital Fund Management, Jt Asset Management Co., Ltd., Springs (Beijing) Investment Management Co., Ltd., Industrial Securities Co., Ltd., Eastmoney Securities Co., Ltd., Huatai Securities Co., Ltd., Shanghai Chaos Investment, Lianchu Securities Co., Ltd., Wanjia Asset Management Co., Ltd., Southwest Securities Co., Ltd., Knight Investment Management (Shanghai) C		

			o., Ltd., INSIGHTSH (SHANGHAI) EQUITY INVESTMENT MANAGEMENT CO., LTD., China Life AMP Asset Management Co., Ltd., JYAH Asset Management Co., Ltd., Heng De Investment Management Co., Ltd., Huachuang Securities Co., Ltd., Cigna & CMB Asset Management Company Limited, Sino Life Asset Management Co., Ltd., China Pacific Insurance (Group) Co., Ltd., Minsheng Securities Co., Ltd., SHENZHEN KWT CO., LTD., Shanghai Chen Xiang Investment Management Co., Ltd., Shenzhen Qianhai Changle Hui Investment Co., Ltd., National Manufacturing Transformation and Upgrading Fund Co., Ltd., Hunan Wantai Huarui Investment Management Co., Ltd., Taiping Pension Company Limited, Shenzhen Hongchou Investment Co., Ltd., Tianfeng Securities Co., Ltd., Industrial Securities Co., Ltd., Everbright Securities Company Limited, Cinda Securities Co., Ltd., Founder Securities Co., Ltd.		
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XIII. Implementation Status of Market Capitalization Management System and Valuation Enhancement Plan

Whether the Company established a market capitalization management system.

Yes No

Whether the Company disclosed a valuation enhancement plan.

Yes No

In accordance with Article 8 of the "Regulatory Guidelines for Listed Companies No.10 -Market

Capitalization Management" issued by the China Securities Regulatory Commission, which stipulates that "Companies included in major indices shall establish a market capitalization management system..." As a constituent of the CSI 300 Index, the Company has formulated a "Market Capitalization Management System" in accordance with relevant regulations. The main contents include: General Provisions, Market Capitalization Management Organizations and Personnel, Principal Methods of Market Capitalization Management, Monitoring and Early Warning Mechanisms and Emergency Measures, and Supplementary Provisions. On December 26, 2024, the company's 21st meeting of the 10th Board of Directors reviewed and approved the "Proposal on Establishing the 'Market Capitalization Management System'".

XIV. Implementation of the "Improvement of Both Quality and Return" Action Plan

Whether the Company disclosed the "Improvement of Both Quality and Return" action plan.

Yes No

The "Improvement of Both Quality and Return" action plan is prepared in order to implement the guiding ideologies of "activating the capital market and boosting investors' confidence" as proposed at the meeting of the Political Bureau of the Central Committee of the CPC and of "vigorously improving the quality and investment value of listed companies, taking more powerful and effective measures, and focusing on market stability and confidence stability" as proposed in the executive meeting of the State Council, safeguard the interests of all shareholders, enhance the investors' confidence and promote the long-term sound and sustainable development of the Company. For details, please refer to the Announcement on the "Improvement of Both Quality and Return" Action Plan published by the Company in the Securities Times, China Securities Journal and CNINFO (<http://www.cninfo.com.cn>) on March 2, 2024.

The company consistently prioritizes high-quality development as its core theme. It is committed to advancing its main business and aspires to establish itself as a leading brand. The company places a strong emphasis on product leadership, continuously innovating and driving reforms. It actively pursues the mastery of key core technologies, constantly striving to conquer new frontiers. It is accelerating towards its goal of becoming "China's first and world-class" green and intelligent transportation solution provider, as well as a century-old national automobile brand. The Company constantly consolidates its corporate governance structure and improves its internal control system. During the reporting period, the Company revised several governance documents including the

"Articles of Association," "Independent Director Guidelines," and "Raised Funds Management Policy." The Company promotes the standardized and efficient operation of the "shareholders' meeting, Board of Directors and Board of Supervisors", and gives full play to the role of various governance subjects, thus ensuring scientific and effective decision-making. The Company strictly abides by laws, regulations and regulatory agency provisions, continuously improves the information disclosure quality, highlights the importance and pertinence of information disclosure, fully demonstrates the intrinsic value of the Company, and provides investors with an objective decision-making basis. In recognition of these efforts, the Company received an "A" rating for information disclosure from the Shenzhen Stock Exchange this year. Through listing announcements, brokerage strategy meetings, investor exchanges, Interaction Easy, telephone, email and other channels, the Company ensures good communication with investors and builds an efficient and transparent communication platform.

The Company strictly implements the shareholder dividend return plan and profit distribution policy and prepares the profit distribution plan based on its actual situation. For fiscal year 2023, the Company distributed a cash dividend of 1.50 yuan (tax inclusive) per 10 shares based on a total of 4,623,863,714 shares, amounting to 693,579,557.10 yuan (tax inclusive). The remaining undistributed profits were carried forward to the next fiscal year. The Company does not convert its capital reserves into share capital. The ex-dividend date for this distribution is set for June 24, 2024. For the fiscal year 2024, the proposed distribution plan is to pay a cash dividend of 0.50 yuan (tax inclusive) per 10 shares based on 4,922,371,176 shares, totaling 246,118,558.80 yuan (tax inclusive). The remaining undistributed profits will be carried forward to the next fiscal year. The Company does not convert its capital reserves into share capital. For any change to the total share capital of the Company due to the equity incentive plan before the implementation of the distribution plan, the cash dividend of 0.50 yuan (tax inclusive) will be distributed to all shareholders per 10 shares based on the total share capital registered on the date of record when the profit distribution plan is implemented in the future, and the specific amount will be subject to the actual distribution. The 2024 profit distribution plan is subject to approval at the upcoming shareholders' meeting.

Section IV Corporate Governance

I. Basic Information about Corporate Governance

In 2024, the Company strictly complied with the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Shares on Shenzhen Stock Exchange, and the Self-regulatory Guidelines of Shenzhen Stock Exchange for Listed Companies No.1 - Standardized Operation of Main Board Listed Companies, as well as relevant normative documents of the China Securities Regulatory Commission and the Shenzhen Stock Exchange (SZSE), and the Articles of Association. The Company continuously enhanced its corporate governance structure, strengthened its internal control system, improved information disclosure quality, and reinforced investor relations management. The Company has established a governance structure with the Shareholders' Meeting as the highest authority, the Board of Directors as the decision-making body, the Board Committees as decision-support bodies, the Board of Supervisors as the oversight body, and the Executive Management as the implementation body. Each entity has clearly defined responsibilities and authorities, fulfills its respective duties, makes scientific decisions, and operates in coordination.

During the reporting period, the Company revised and improved its Articles of Association, Raised Funds Management Policy, Independent Director Guidelines, and Rules of Procedure for the Strategic Committee of the Board, further enhancing the Company's regulatory compliance and operational standards. At present, the actual governance situation of the Company meets the requirements of the China Securities Regulatory Commission's normative documents for the governance of listed companies.

1. Shareholders and shareholders' meeting

The Company strictly complies with the regulations and requirements of the Rules for Shareholders' Meeting of Listed Companies, the Self-regulatory Guidelines of Shenzhen Stock Exchange for Listed Companies No.1 - Standardized Operation of Main Board Listed Companies and the Articles of Association, etc., and other relevant regulations to standardize the procedures for convening, conducting, and voting at shareholders' meetings. All meetings incorporate both in-person and online voting options to ensure that all shareholders, particularly minority shareholders, enjoy equal status and can fully exercise their shareholder rights. When reviewing related party transactions at shareholders' meetings, the Company strictly enforces recusal procedures for related shareholders, ensuring that such transactions adhere to principles of fairness, justice, and transparency. The Company engages qualified

legal counsel to witness proceedings and issue legal opinions, ensuring the regulatory compliance of all shareholders' meetings.

2. Directors and the Board of Directors

The Company elects directors in strict accordance with the selection procedures stipulated in the Company Law, the Articles of Association and the Rules of Procedure for the Board of Directors. The composition and qualifications of the Board members comply with relevant laws and regulations. During the reporting period, the Board of Directors convened and held meetings in accordance with its legally mandated responsibilities. All directors performed their duties in compliance with applicable laws, faithfully fulfilled their responsibilities, actively participated in Board and Shareholders' meetings, attended relevant training programs, promoted standardized operations and sound decision-making processes of the Board, and protected the interests of the company and all shareholders. The Board of Directors has established three committees: the Strategic Committee, the Audit and Risk Control Committee, and the Compensation and Evaluation Committee. These Board committees provide expert and professional recommendations to support Board decisions, ensuring the soundness of the Board's decision-making process.

3. Supervisors and the Board of Supervisors

The Company elects supervisors in strict accordance with the selection procedures stipulated in the Company Law, the Articles of Association and the Rules of Procedure for the Board of Supervisors. The composition and qualifications of the members of the Board of Supervisors of the Company comply with relevant laws and regulations. During the reporting period, the Board of Supervisors convened and held meetings in accordance with its legally mandated responsibilities. All supervisors attended the supervisory board meetings as required, diligently performed their duties, and provided oversight and opinions on the Company's periodic reports, related-party transactions, major asset restructuring, other significant matters, and the performance of directors and senior management, thereby protecting the legitimate interests of the Company and its shareholders.

4. Relationship between controlling shareholders and listed companies

The Company maintains independence from its controlling shareholder in all aspects, including business, personnel, assets, organization, and finance, and it possesses independent and comprehensive business operations and autonomous management capabilities. Controlling shareholders of the Company can regularize their own behaviors according to the Code of Corporate Governance for Listed Companies, the No.1 Guidelines for Self-discipline Supervision of Listed Companies - Standardized Operation of

Listed Companies on the Main Board and the Articles of Association, and do not interfere with the operation and decision-making activities of the Company directly or indirectly without obtaining the permission of the shareholders' meeting, or occupy non-operational funds of the Company, or obtain guarantee from the Company.

5. Information disclosure and transparency

The Company strictly adheres to the "Administrative Measures for Information Disclosure of Listed Companies," "Shenzhen Stock Exchange Stock Listing Rules," "No.1 Guidelines for Self-discipline Supervision of Listed Companies - Standardized Operation of Listed Companies on the Main Board," the "Articles of Association" and other regulations, diligently fulfilling its information disclosure obligations by releasing relevant information in a truthful, accurate, complete, timely, and fair manner; The Company effectively manages the registration of insiders with access to non-public information, protecting investors' legitimate rights and interests; The Company assigns dedicated personnel to handle investor relations management, enhancing communication with investors through multiple channels, ensuring all shareholders have equal access to Company information.

6. Stakeholders

The Company actively fulfills its social responsibilities as a central state-owned enterprise, respecting and protecting stakeholders' legitimate rights and interests, working to balance the interests of shareholders, employees, society, and other parties, strengthening communication with all parties, legally safeguarding stakeholders' rights, and jointly promoting the Company's sustainable, stable, and healthy development.

Whether there is a significant difference between the actual situation of corporate governance and laws, administrative regulations and the regulations on the governance of listed companies issued by the China Securities Regulatory Commission

Yes No

There is no significant difference between the actual situation of corporate governance and laws, administrative regulations and the regulations on the governance of listed companies issued by the China Securities Regulatory Commission.

II. Independence of the Company from Controlling Shareholders and Actual Controllers in Terms of Guaranteeing the Company's Assets, Personnel, Finance, Organizations and Business

The Company has independent and complete business and operation capacity and is completely independent of controlling shareholders in terms of business, personnel, assets, organizations, finance, etc. Specific steps are as follows:

1. Business: The Company has independent business operation systems for procurement, production and sales, possesses independent operation capacity, and can organize and undertake production and operation activities independently.

2. Personnel: The Company has an independent personnel management organization and system, and establishes an independent and complete salary management system. The senior executives of the Company are full-time employees and receive salary from the Company.

3. Assets: The ownership of the Company's assets is clear and complete, and no controlling shareholders' assets are relied on for production and operation. The Company has rights to own, control, dispose of, and obtain earnings from its assets. No Company asset is occupied by controlling shareholders.

4. Organization: The Company has an independent and complete organizational structure and production and business premises. The Board of Directors, the Board of Supervisors and other internal organizations operate independently and do not work together with controlling shareholders.

5. Finance: The Company has an independent and complete financial department, possesses a perfect financial management system and accounting system, opens an independent bank account, and pays taxes independently according to law.

III. Horizontal Competition

Applicable Not applicable

Problem type	Type of Relationship with Listed Company	Company Name	Nature of Company	Causes	Solutions	Work Progress and Follow-up Plan
Horizontal competition	Controlling shareholder	China FAW Group Co., Ltd.	Others	In 2020, the listed company completed a major asset	Harbin Light Automobile and FAW Hongta are in a state of discontinuation or loss currently, with	Perform as promised

			<p>restructuring, and its main business was changed to the R&D, production and sales of commercial vehicles. FAW Harbin Light Automobile Co., Ltd. and FAW Hongta Yunnan Automobile Manufacturing Co., Ltd., which are members of FAW Light Commercial Vehicle Co., Ltd., a subsidiary of FAW, are engaged in some light truck businesses.</p> <p>There is a horizontal competition or potential horizontal competition between them and the listed company.</p>	<p>heavy burden and unstable profitability. FAW promises that it will entrust all shares of Harbin Light Automobile and FAW Hongta under its actual control to Jiefang Limited for management, and inject the equities of Harbin Light Automobile and FAW Hongta under its actual control to listed companies in batches or at one time in an appropriate way, or transfer them to other unrelated third parties at a reasonable price and in a reasonable way, or prevent the light truck company from engaging in light truck-related businesses by exercising shareholders' rights, and perform relevant internal approval procedures as soon as possible after the above procedures are initiated within 12 months after meeting the requirements that the return on net assets of Harbin Light Automobile and FAW Hongta is not lower than that of listed companies in the same period and increasing the</p>	
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					earnings per share of listed companies after restructuring.	
Horizontal competition	Controlling shareholder	China FAW Co., Ltd.	Others	<p>In 2020, the listed company completed a major asset restructuring, and its main business was changed to the R&D, production and sales of commercial vehicles. FAW Harbin Light Automobile Co., Ltd. and FAW Hongta Yunnan Automobile Manufacturing Co., Ltd., which are members of FAW Light Commercial Vehicle Co., Ltd., a subsidiary of FAW Car Co., Ltd., are engaged in some light truck businesses. There is a horizontal competition or potential horizontal competition between them and</p>	<p>Harbin Light Automobile and FAW Hongta are in a state of discontinuation or loss currently, with heavy burden and unstable profitability. FAW Car Co., Ltd. promises that it will urge to entrust all shares of Harbin Light Automobile and FAW Hongta under its actual control to Jiefang Limited for management, and inject the equities of Harbin Light Automobile and FAW Hongta under its actual control to listed companies in batches or at one time in an appropriate way, or transfer them to other unrelated third parties at a reasonable price and in a reasonable way, or prevent the light truck company from engaging in light truck-related businesses by exercising shareholders' rights, and perform relevant internal approval procedures as soon as possible after the above procedures are initiated within 12</p>	Perform as promised

				the listed company.	months after meeting the requirements that the return on net assets of Harbin Light Automobile and FAW Hongta is not lower than that of listed companies in the same period and increasing the earnings per share of listed companies after restructuring.	
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IV. Information on Annual Shareholders' Meeting and Extraordinary Shareholders' Meeting Held in the Reporting Period

1. Shareholders' meeting in the reporting period

Session	Meeting Type	Participation Ratio of Investors	Date	Date of Disclosure	Meeting Resolution
First extraordinary shareholders' meeting of 2024	Extraordinary shareholders' meeting	85.00%	February 21, 2024	February 22, 2024	Reviewed and approved "The Proposal on Estimated Amount of Daily Related Transactions in 2024," "The Proposal on Estimated Amount of Financial Business with First Automobile Finance Co., Ltd. in 2024," "The Proposal on Electing Deng Weigong as a Non-independent Director of the Company," and "The Proposal on Electing Li Ying as a Supervisor of the Company."
2023 Annual shareholders' meeting	Annual shareholders' meeting	84.45%	April 25, 2024	April 26, 2024	Reviewed and approved "The 2023 Work Report of the Board of Directors," "The 2023 Work Report of the

					<p>Board of Supervisors," "The 2023 Financial Statements," "The 2023 Annual Report and Summary Thereof," "The 2023 Profit Distribution Plan," "The Proposal on Unsuccessful Lifting of Conditions of the Third Release Period First Granted by the Phase I Restricted Share Incentive Plan for Releasing the Restricted Sales and of Conditions of the Second Release Period Reserved by the Phase I Restricted Share Incentive Plan for Releasing the Restricted Sales and Repurchase and Cancellation of Some Restricted Shares," "Proposal on Change of Registered Capital of the Company," "Proposal on Amending the 'Articles of Association'," and "Proposal on Electing Wang Hao as a Non-independent Director of the Company."</p>
<p>Second extraordinary shareholders' meeting of 2024</p>	<p>Extraordinary shareholders' meeting</p>	<p>84.11%</p>	<p>June 19, 2024</p>	<p>June 20, 2024</p>	<p>Reviewed and approved "Proposal on Extending the Validity Period of the Resolution Regarding 'The Company's 2023 Non-public Offering of A Shares,'" "Proposal on Extending the Authorization Period for 'Requesting the Shareholders' Meeting to Authorize the</p>

					Board of Directors to Handle Specific Matters Related to this Non-public Offering of A Shares," and "Proposal on Electing Chen Hua as a Non-independent Director of the Company."
Third extraordinary shareholders' meeting of 2024	Extraordinary shareholders' meeting	7.08%	November 21, 2024	November 22, 2024	Reviewed and approved "Proposal on the Company Meeting the Conditions for Major Asset Disposal and Related-Party Transaction," "Proposal on the Company's Major Asset Disposal and Related-Party Transaction Plan" (voted item by item, comprising 8 sub-proposals), "Proposal on This Restructuring Constituting a Related-Party Transaction," "Proposal on 'FAW Jiefang Group Co., Ltd. Major Asset Disposal and Related-Party Transaction Report (Draft)' and its Summary," "Proposal on Signing the Relevant Agreements for This Restructuring," "Proposal on the Company's Restructuring Complying with Article 11 of the 'Administrative Measures for Major Asset Restructuring of Listed Companies'," "Proposal on the Company's Restructuring Complying with Article 4 of the 'Regulatory Guidelines for Listed Companies No.9 -

				<p>Regulatory Requirements for Listed Companies Planning and Implementing Major Asset Restructuring'," "Proposal on the Company's Restructuring Not Constituting a Restructuring Listing under Article 13 of the 'Administrative Measures for Major Asset Restructuring of Listed Companies'," "Proposal on the Completeness and Compliance of Legal Procedures Performed for This Restructuring and the Validity of Legal Documents Submitted," "Proposal on the Company's Purchase and Sale of Assets in the 12 Months Prior to This Restructuring," "Proposal on Confirming the Audit Reports, Valuation Reports and Revised Pro Forma Review Reports Related to This Major Asset Disposal," "Proposal on the Pricing Basis and Fair Reasonableness of This Restructuring," "Proposal on the Independence of the Valuation Institution, the Reasonableness of Valuation Assumptions, the Relevance of Valuation Methods to Valuation Objectives, and the Fairness of Valuation Pricing," "Proposal on the Dilution of</p>
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					<p>Immediate Returns from This Restructuring and the Company's Remedial Measures," "Proposal on the Relevant Parties of the Company's Restructuring Not Having the Circumstances Specified in Article 12 of the 'Regulatory Guidelines for Listed Companies No.7 - Regulation of Abnormal Stock Trading Related to Major Asset Restructuring of Listed Companies'," "Proposal on the Explanation of Confidentiality Measures and Confidentiality System Adopted for This Restructuring," and "Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors and its Authorized Representatives to Handle Matters Related to This Restructuring."</p>
Fourth extraordinary shareholders' meeting of 2024	Extraordinary shareholders' meeting	17.01%	November 29, 2024	November 30, 2024	<p>Reviewed and approved the Proposal on Renewal of Employment of Financial Audit Institutions, the Proposal on Renewal of Employment of Internal Control Audit Institutions, the Proposal on Change of Registered Capital of the Company and the Proposal on Amending the Articles of Association</p>

2. Preferred shareholders with resumed voting rights request to convene an extraordinary shareholders' meeting

Applicable Not applicable

V. Directors, Supervisors and Senior Executives

1. Basic Information

Name	Gender	Age	Position	Employment Status	Start Date of Tenure	Ending Date of Tenure	Number of Shares Held at the Beginning of the Period (share)	Number of Shares Increased in the Current Period (share)	Number of Shares Reduced in the Current Period (share)	Other Increase/Decrease (share)	Number of Shares Held at the End of the Period (share)	Reasons for the Increase or Decrease of Shares
Wu Bilei	Male	54	Chairman of the Board	Departure from office	October 30, 2023	December 26, 2024	153,130			-77,708	75,422	Cancellation through repurchase
Li Sheng	Male	48	Chairman of the Board	In-service	December 26, 2024	April 23, 2026	129,161			-65,544	63,617	Cancellation through repurchase
Wang Hao	Male	54	Director	In-service	April 25, 2024	April 23, 2026						
Zhang Guohua	Male	52	Director	Departure from office	June 23, 2020	March 08, 2024	153,090		18,851	-77,687	56,552	Cancellation through repurchase and transfer
Bi Wenquan	Male	52	Director	Departure from office	September 15, 2021	May 09, 2024						
Liu Yanchang	Male	61	Director	In-service	September 16, 2022	April 23, 2026						
Deng	Male	58	Director	In-	February 21,	April 23,						

Weigong				service	2024	2026						
Chen Hua	Female	56	Director	In-service	June 19, 2024	April 23, 2026						
Han Fangming	Male	58	Independent director	In-service	April 22, 2020	April 23, 2026						
Mao Zhihong	Male	63	Independent director	In-service	April 22, 2020	April 23, 2026						
Dong Zhongliang	Male	60	Independent director	In-service	April 22, 2020	April 23, 2026						
Li Ying	Female	51	Chairman of Board of Supervisors	In-service	March 28, 2024	April 23, 2026						
Yan Feng	Male	58	Chairman of Board of Supervisors	Departure from office	December 29, 2023	January 17, 2024						
Xu Haigen	Male	60	Employee Supervisor	In-service	April 22, 2020	March 17, 2025						
Wang Lijun	Male	56	Employee Supervisor	In-service	April 22, 2020	April 23, 2026						
Duan Yinghui	Male	54	Employee Supervisor	In-service	April 22, 2020	April 23, 2026						
Ren Ruijie	Male	41	Employee Supervisor	Departure from office	April 22, 2020	March 08, 2024						
Li	Male	48	General	Depart	October 30,	December						

Sheng			Manager	Departure from office	2023	26, 2024						
Yu Changxin	Male	52	General Manager	In-service	December 26, 2024	April 23, 2026						
Yu Changxin	Male	52	Executive Deputy General Manager	Departure from office	November 28, 2022	December 26, 2024						
Ji Yizhi	Male	55	Deputy General Manager	Departure from office	October 19, 2022	December 26, 2024	129,161			-65,544	63,617	Cancellation through repurchase
Wang Jianyu	Male	45	Deputy General Manager	In-service	March 28, 2024	April 23, 2026	129,161			-65,544	63,617	Cancellation through repurchase
Tian Haifeng	Male	52	Deputy General Manager	Departure from office	October 19, 2022	March 08, 2024	129,161			-65,544	63,617	Cancellation through repurchase
Wang Jianxun	Male	41	Secretary of the Board of Directors	In-service	July 23, 2020	April 23, 2026	129,161			-65,544	63,617	Cancellation through repurchase
Total	--	--	--	--	--	--	952,025	0	18,851	-483,115	450,059	--

Whether any director or supervisor during the term of office leaves office or any senior executive is dismissed in the reporting period

Yes No

On January 18, 2024, the Company disclosed the Announcement of Changing the Supervisor of the Company. Mr. Yan Feng applied to resign from his posts as the Chairman and the Supervisor of the 10th Board of Supervisors of the Company due to personal reasons. On March 11, 2024, the Company separately disclosed the Announcement on Resignation of Directors and Senior Executives and the Announcement on Resignation of Supervisors. Mr. Zhang Guohua applied to resign from his post as a Director of the Company due to job changes. Mr. Ren Ruijie has submitted his resignation as the Company's supervisor due to job reassignment; Mr. Tian Haifeng has submitted his resignation as the Company's Deputy

General Manager due to job reassignment. On May 10, 2024, the Company disclosed the "Announcement on the Resignation of a Company Director," stating that Mr. Bi Wenquan has submitted his resignation as a Company director due to work reassignment. On December 27, 2024, the Company disclosed the "Announcement on Changes to the Company's Chairman and Senior Management," stating that Mr. Wu Bilei has submitted his resignation as Chairman of the Tenth Board of Directors, director, and member of the Board specialized committees due to work arrangements; Mr. Li Sheng will assume the position of Company Chairman and has submitted his resignation as General Manager; Mr. Yu Changxin will assume the position of General Manager and has submitted his resignation as Executive Deputy General Manager; Mr. Ji Yizhi has submitted his resignation as Deputy General Manager due to job reassignment. On March 18, 2025, the Company disclosed the "Announcement on Resignation of Supervisors," stating that Mr. Xu Haigen has submitted his resignation as Company supervisor due to statutory retirement.

For details, please refer to the announcements by the Company in the Securities Times, China Securities Journal and CNINFO (<http://www.cninfo.com.cn>).

Changes in Directors, Supervisors and Senior Management of the Company

Applicable Not applicable

Name	Position	Type	Date	Reason
Wu Bilei	Chairman of the Board	Departure from office	December 26, 2024	Job transfer
Zhang Guohua	Director	Departure from office	March 08, 2024	Job transfer
Bi Wenquan	Director	Departure from office	May 09, 2024	Job transfer
Yan Feng	Chairman of Board of Supervisors	Departure from office	January 17, 2024	Personal reasons
Ren Ruijie	Supervisor	Departure from office	March 08, 2024	Job transfer
Li Sheng	General Manager	Dismissal	December 26, 2024	Job transfer
Yu Changxin	Executive Deputy General Manager	Dismissal	December 26, 2024	Job transfer
Ji Yizhi	Deputy General Manager	Dismissal	December 26, 2024	Job transfer
Tian Haifeng	Deputy General Manager	Dismissal	March 08, 2024	Job transfer

2. Employment status

Professional background, main work experience and main responsibilities of current directors, supervisors and senior executives of the Company

Director:

Mr. Li Sheng is currently the Chairman and Secretary of the Party Committee of the Company, as well as the Executive Director and Secretary of the Party Committee of Jiefang Co., Ltd. He has served successively as Assistant Director of Commercial Vehicle Development Institute of Jiefang Limited and Senior Manager and R&D Department of Qingdao Vehicle Division (FAW Jiefang Qingdao Automobile Plant); Deputy General Manager of Jiefang Limited Qingdao Vehicle Division

(Qingdao Company) and Assistant Director of Commercial Vehicle Development Institute; Deputy Director of Commercial Vehicle Development Institute of Jiefang Limited and Deputy General Manager and R&D Department Director of Qingdao Vehicle Division (FAW Jiefang Qingdao Automobile Plant); Executive Deputy General Manager and R&D Department Director of Qingdao Vehicle Division (FAW Jiefang Qingdao Automobile Plant); Deputy General Manager of the Company and Deputy General Manager of Jiefang Limited, General Manager and Party Committee Secretary of Qingdao Vehicle Division (FAW Jiefang Qingdao Automobile Plant), General Manager of the Medium and Heavy Vehicle Product Line of the Qingdao Vehicle Division and General Manager of the Light Vehicle Product Line; General Manager and Deputy Party Committee Secretary of the Company, and General Manager and Deputy Party Committee Secretary of Jiefang Limited.

Mr. Wang Hao is currently the Deputy Secretary of the Party Committee and Chairman of the Labor Union of the Company and the Deputy Secretary of the Party Committee and Chairman of the Labor Union of Jiefang Limited. He has served successively as Deputy Party Committee Secretary, Discipline Committee Secretary, and Labor Union Chairman of FAW Toyota Changchun Engine Co., Ltd.; Deputy Party Committee Secretary, Discipline Committee Secretary, and Labor Union Chairman of FAW Toyota Automobile Sales Co., Ltd.; Deputy Director of China FAW Supervision Department; Standing Committee Member of China FAW Discipline Committee; and Director of China FAW Party Committee Inspection Office.

Mr. Liu Yanchang is currently a full-time external director and convener/team leader of the subsidiary of FAW Financial Management Department (Office of the Board of Directors). He has served successively as the Deputy Secretary of the Party Committee, Secretary of the Commission for Discipline Inspection and Chairman of the Labor Union of Jiefang Limited, Deputy Secretary of the Party Committee and Chairman of the Labor Union of FAW Jiefang, Deputy Secretary of the Party Committee, Head of the Labor Union and Chairman of the Labor Union of FAW-Volkswagen Automobile Co., Ltd.

Mr. Deng Weigong is currently a full-time external director of the subsidiary of the Financial Management Department (Office of the Board of Directors) of FAW Group. He has served successively as the General Manager and Secretary of the Party Committee of FAW Toyota Changchun Engine Co., Ltd., Deputy Secretary of the Party Committee, Secretary of the Discipline Inspection Commission and Chairman of the Labor Union of Tianjin FAW Toyota Motor Co., Ltd., Chairman and Secretary of the Party committee of FAW Foundry Co., Ltd.

Ms. Chen Hua is currently a part-time external director of the subsidiary of the Financial Management Department (Office of the Board of Directors) of FAW Group. She has served successively as the Manager of the Product Control Section of FAW-Volkswagen Automobile Co., Ltd., the Director of the Product Control Department of FAW-Volkswagen Automobile Co., Ltd. and the Director of Control of FAW-Volkswagen Automobile Co., Ltd.

Mr. Han Fangming is currently the President of the Chahar Institute and a senior consultant to the Board of Directors of TCL Technology Group Co., Ltd. He is also the Vice Chairman of China Overseas-educated Scholars Development Foundation, the Deputy Editor-in-Chief of Public Diplomacy Quarterly of CICG, the Vice Chairman of China National Association For International Studies, the Vice Chairman of China Southeast Asian Research Association, the Director of the National Council of the Chinese People's Association for Friendship with Foreign Countries, and the Director of Chinese People's Institute of Foreign Affairs. He has served successively as a member of the 10th, 11th, 12th and 13th CPPCC and served as the deputy director of the Foreign Affairs Committee of the National Committee of the CPPCC for three consecutive terms from 2008 to March 2023.

Mr. Mao Zhihong is currently the Professor and Doctoral Supervisor of the Department of Accounting, School of Business and Management, Jilin University. He has served successively as the Associate Professor of Jilin University of Finance and Trade (which was renamed Changchun University of Taxation, i.e. the current Jilin University of Finance and Economics).

Mr. Dong Zhonglang is currently the managing partner of Zhuhai Yinshan Capital Equity Investment Management Co., Ltd. He has served successively as the Director of Linde (Xiamen) Forklift Co., Ltd., the General Manager of Shanghai Oulin Logistics Co., Ltd., the Logistics Director of Weichai Power Group, and the partner of Eastern Bell Capital (Shanghai).

Supervisor:

Ms. Li Ying is currently the Deputy General Manager of the Audit and Legal Affairs Department and the Chief Auditor of FAW Group. She has served successively as the Senior Expert of the Audit Department of FAW Group, the Senior Director of the Audit and Legal Affairs Department of FAW Group and the Director of the Management Audit Department of the Audit and Legal Affairs Department of FAW Group.

Mr. Xu Haigen has served successively as the Deputy General Manager of the Wuxi Diesel Engine Branch of Jiefang Limited, the Deputy Secretary of the Party Committee, Secretary of the

Commission for Discipline Inspection and Chairman of the Labor Union of Wuxi Diesel Engine Factory of Jiefang Limited, the Deputy Secretary of the Party Committee, Secretary of the Commission for Discipline Inspection and Chairman of the Labor Union of Engine Division of Jiefang Business Headquarters, and the Deputy Secretary of the Party Committee, Secretary of the Commission for Discipline Inspection and Chairman of the Labor Union of Engine Division of Jiefang Limited.

Mr. Wang Lijun is currently the General Manager and Secretary of the Party Committee of FAW Jiefang Intelligent Logistics Co., Ltd. He has served successively as the Deputy Secretary of the Party Committee (who is responsible for presiding over the work), the Secretary of the Commission for Discipline Inspection and the Chairman of the Labor Union of the Distribution Center of FAW Car, the Manager of the Distribution Plant of FAW-Volkswagen Automobile Co., Ltd., the Director of the Powertrain Division of FAW-Volkswagen Automobile Co., Ltd. and the Manager of the Changchun Distribution Plant, the Director of the Distribution Center and Secretary of the Party Committee of FAW Car, and the Deputy Secretary of the Party Committee, Secretary of the Discipline Inspection Commission and Chairman of the Labor Union of the Transmission Division of Jiefang Limited, and the Deputy Secretary of the Party Committee, Secretary of the Commission for Discipline Inspection and Head of the Labor Union of Qingdao Vehicle Division (FAW Jiefang Qingdao Automobile Plant), as well as the Deputy Secretary of the Party Committee, Secretary of the Commission for Discipline Inspection and President of the Labor Union of Qingdao Vehicle Division (FAW Jiefang Qingdao Automobile Plant).

Mr. Duan Yinghui is currently the Deputy General Manager of Qingdao Vehicle Division (FAW Jiefang Qingdao Automobile Plant) of Jiefang Limited, the Manager of Qingdao Factory and the Safety Director of FAW Jiefang (Qingdao) Automotive Co., Ltd.. He has served successively as the Deputy General Manager of FAW Jiefang (Qingdao) Automotive Co., Ltd., the Deputy Director of FAW Jiefang Product Management Department, the Deputy Secretary of the Party Committee, Secretary of the Discipline Inspection Commission and Head of the Labor Union of Qingdao Vehicle Division (FAW Jiefang (Qingdao) Automotive Co., Ltd.) of FAW Jiefang Business Headquarters, and the Deputy Secretary of the Party Committee, Secretary of the Discipline Inspection Commission and Chairman of the Labor Union of FAW Jiefang Qingdao Vehicle Division (FAW Jiefang (Qingdao) Automotive Co., Ltd.), and the Manager and Secretary of the Party Committee of the Truck Factory of Jiefang Limited.

Senior executives other than directors and supervisors:

Mr. Yu Changxin is currently the General Manager and Deputy Secretary of the Party Committee of the Company, as well as the General Manager and Deputy Secretary of the Party Committee of Jiefang Limited. He has successively served as the Deputy Director of Marketing Headquarters (Deputy General Manager of FAW Jiefang Automobile Sales Company) of Jiefang Limited. and the Deputy General Manager of Qingdao Vehicle Division (FAW Jiefang Qingdao Automobile Plant), the General Manager of the Commercial Vehicle Overseas Marketing Department of Jiefang Limited. and Deputy General Manager of China FAW Group Import & Export Co., Ltd., the General Manager and Deputy Secretary of the Party Committee of China FAW Group Import & Export Co., Ltd., the Executive Deputy General Manager of FAW Jiefang, the Deputy General Manager of the Company and the General Manager of the Overseas Product Line, Executive Deputy General Manager of the Company and Executive Deputy General Manager of Jiefang Limited.

Mr. Wang Jianyu is currently the Deputy General Manager of the Company and, the Deputy General Manager of Jiefang Limited, the President and Secretary of the Party Committee of the Commercial Vehicle Development Institute. He has successively served as the Chief Steering Development Officer of the Commercial Vehicle Development Institute of Jiefang Limited, the Director of the Chassis Development Department of the Commercial Vehicle Development Institute, and the Vice President of the Commercial Vehicle Development Institute.

Mr. Wang Jianxun is currently the Secretary of the Board of Directors and Director of the Capital Operation Department of the Company. He has served successively as the Deputy Office Director and Office Director of the Board of Directors of TCL Group Co., Ltd., the Deputy General Manager of Shenzhen Create Century Machinery Co., Ltd., etc.

Status of the post held in the form of shareholders

Applicable Not applicable

Name of Employees	Name of Shareholder	Position in the Shareholder	Start Date of Tenure	Ending Date of Tenure	Whether Remuneration and Allowance are Received from the

					Shareholder
Liu Yanchang	China FAW Group Co., Ltd.	Full-time external director, convener/team leader of a subsidiary of the Financial Management Department (Office of the Board of Directors)	July 01, 2022		Yes
Deng Weigong	China FAW Group Co., Ltd.	Full-time external director of a subsidiary of the Financial Management Department (Office of the Board of Directors)	October 01, 2023		Yes
Chen Hua	China FAW Group Co., Ltd.	Part-time external director of a subsidiary of the Financial Management Department (Office of the Board of Directors)	May 01, 2024		Yes
Li Ying	China FAW Group Co., Ltd.	Deputy General Manager of the Audit and Legal Affairs Department and the Chief Auditor of FAW Group	September 01, 2022		Yes

Position in other organizations

Applicable Not applicable

Name of Employees	Name of Other Organizations	Position in Other Organizations	Start Date of Tenure	Ending Date of Tenure	Whether Remuneration and Allowance are Received
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					from Other Organizations
Han Fangming	Chahar Institute	President	October 01, 2009		Yes
Mao Zhihong	Jilin University	Professor and Doctoral Supervisor of the Department of Accounting, School of Business and Management	November 01, 2000		Yes
Dong Zhonglang	Zhuhai Yinshan Capital Equity Investment Management Co., Ltd.	Managing Partner	May 01, 2017		Yes

Penalties imposed by securities regulatory authorities in the past three years on directors, supervisors and senior executives currently in office or leaving office in the reporting period

Applicable Not applicable

3. Remuneration of Company's Directors, Supervisors and Senior Executives

Decision-making procedure, determination basis and actual payment of remuneration for directors, supervisors and senior executives

Decision-Making Process Compensation Directors, Supervisors Senior Management	Only the remuneration for directors (excluding independent directors) and supervisors currently in office shall be paid, and the remuneration for directors and supervisors who have left the office shall be paid by their employers. The remuneration paid by the Company to relevant directors, supervisors and senior executives shall be determined by the Board of Directors.
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Decision Basis of Compensation of Directors, Supervisors and Senior Management	Directors (excluding independent directors), supervisors and senior management who receive compensation from the Company follow an annual compensation system that consists of three main components: base salary, performance-based bonus, and tenure incentive. The performance-based bonus is determined according to indicators including the Company's operating results, performance evaluation, and fulfillment of duties during the reporting period. The tenure incentive is determined according to indicators including operating results, performance evaluation, and fulfillment of duties during the term of office.
Remuneration Paid to Directors, Supervisors and Senior Management	During the reporting period, the total compensation paid to directors (excluding independent directors), supervisors, and senior management amounted to 11.8691 million yuan (including tax); a total of 450 thousand yuan (tax inclusive) of allowances was paid to independent directors, and reasonable expenses (including travel expenses, office expenses, training expenses, etc.) required to attend the Company's Board of Directors, shareholders' meeting and exercise their functions and powers in accordance with relevant regulations can be reimbursed by the Company on actual circumstances.

Compensations of Directors, Supervisors and Senior Executives of the Company in the Reporting Period

Unit: 10 thousand yuan

Name	Gender	Age	Position	Employment Status	Number of months of receiving salary	Total Pre-tax Compensation Received from the Company	Whether remuneration is obtained from related parties of the Company
Wu Bilei	Male	54	Chairman of the Board	Departure from office	6	79.16	Yes
Li Sheng	Male	48	Chairman of	In-		150.28	No

			the Board	service	12		
Wang Hao	Male	54	Director	In-service	10	102.37	No
Zhang Guohua	Male	52	Director	Departure from office	2	23.35	No
Bi Wenquan	Male	52	Director	Departure from office			Yes
Liu Yanchang	Male	61	Director	In-service			Yes
Deng Weigong	Male	58	Director	In-service			Yes
Chen Hua	Female	56	Director	In-service			Yes
Han Fangming	Male	58	Independent director	In-service		15	No
Mao Zhihong	Male	63	Independent director	In-service		15	No
Dong Zhonglang	Male	60	Independent director	In-service		15	No
Li Ying	Female	51	Chairman of Board of Supervisors	In-service			Yes
Yan Feng	Male	58	Chairman of Board of Supervisors	Departure from office			Yes
Xu Haigen	Male	60	Employee Supervisor	In-service	12	81.87	No

				e			
Wang Lijun	Male	56	Employee Supervisor	In-service	12	88.60	No
Duan Yinghui	Male	54	Employee Supervisor	In-service	12	105.36	No
Ren Ruijie	Male	41	Employee Supervisor	Departure from office	2	17.24	No
Yu Changxin	Male	52	General Manager	In-service	12	142.45	No
Ji Yizhi	Male	55	Deputy General Manager	Departure from office	12	133.43	No
Wang Jianyu	Male	45	Deputy General Manager	In-service	12	113.73	No
Tian Haifeng	Male	52	Deputy General Manager	Departure from office	1	12.13	No
Wang Jianxun	Male	41	Secretary of the Board of Directors	In-service	12	136.94	No
Total	--	--	--	--		1,231.91	--

Other situations

Applicable Not applicable

VI. Performance of Duties by Directors in the Reporting Period

1. Information of the Board of Directors during the reporting period

Session	Date	Date of Disclosure	Meeting Resolution
The 9th Meeting of the 10th Board	January 17, 2024	January 18, 2024	Reviewed and approved 'The Proposal on Electing Deng Weigong as a Non-independent Director of the

of Directors			Company'
The 10th Meeting of the 10th Board of Directors	January 30, 2024	January 31, 2024	Reviewed and approved the "The Proposal on Estimated Amount of Daily Related Transactions in 2024," "The Proposal on Estimated Amount of Financial Business with First Automobile Finance Co., Ltd. in 2024," "Proposal on the Company's Establishment of Designated Accounts for Raised Funds and Authorization to Sign Raised Funds Supervision Agreement," "2024 Equity Investment Plan," "2024 Fixed Asset Investment Plan," "Proposal on By-election of Members to the Board's Strategy Committee," and "Proposal on Convening the First Extraordinary Shareholders' Meeting of 2024."
The 11th Meeting of the 10th Board of Directors	March 28, 2024	March 30, 2024	Reviewed and approved the "2023 Annual Operations Summary and 2024 Annual Operations Plan," "The 2023 Work Report of the Board of Directors," "The 2023 Financial Statements and The 2024 Financial Statements," "The 2023 Annual Report and Summary Thereof," "Proposal on Asset Impairment Provisions for the Second Half of 2023," "Proposal on Risk Assessment Report of First Automobile Finance Co., Ltd.," "2023 Annual Profit Distribution Plan," "2023 Environmental, Social and Governance (ESG) Report," "Proposal on Adjusting Members of the Board's Audit and Risk Control Committee," "Proposal on By-election of Members to the Board's Strategy Committee," "Proposal on Electing Wang Hao as a Non-independent Director of the Company," "Proposal on Appointing Company Deputy General Manager," "2023 Annual Internal Control Evaluation Report," "2023 Annual Rule of Law Implementation and Compliance Management Report," "2023 Annual Internal Audit Report," "2023 Annual Internal Control Development Report," "The Proposal on Unsuccessful Lifting of Conditions of the Third Release Period First Granted by the Phase I

			<p>Restricted Share Incentive Plan for Releasing the Restricted Sales and of Conditions of the Second Release Period Reserved by the Phase I Restricted Share Incentive Plan for Releasing the Restricted Sales and Repurchase and Cancellation of Some Restricted Shares," "Proposal on Change of Registered Capital of the Company," "Proposal on Amending the 'Articles of Association'," "Proposal on Amending the 'Raised Funds Management System'," "Proposal on Amending the 'Independent Director Working Rules'," "Proposal on Convening the 2023 Annual Shareholders' Meeting," "Communicating Key Policy Directives and Important Meeting Guidance from the CPC Central Committee, State Council, and State-owned Assets Supervision and Administration Commission"; Received briefings on: "Report on Implementation of Board Resolutions," "Report on Implementation of Board Authorizations," "Quarterly Feedback on Full-time External Directors' Opinions," "Report on Implementation of Company Strategic Planning," "Report on the Accounting Firm's 2023 Annual Audit," and "2023 Annual Independent Directors' Performance Report."</p>
The 12th Meeting of the 10th Board of Directors	April 29, 2024	April 30, 2024	<p>Reviewed and approved the "Report on the First Quarter of 2024" and "Proposal on Establishing FAW Jiefang International Trade Co., Ltd."; Received: "Communicating Key Policy Directives and Important Meeting Guidance from the CPC Central Committee, State Council, and State-owned Assets Supervision and Administration Commission"; Heard briefings on: "Report on Business Operations for the First Quarter of 2024" and "Report on Implementation of Board Resolutions for the First Quarter of 2024."</p>
The 13th Meeting of the 10th Board of Directors	May 27, 2024	-	<p>Reviewed and approved the "2023 Performance Evaluation Results of Senior Executives," "2023 Performance Assessment and Remuneration</p>

			Encashment Plan for Senior Executives," "2024 Total Salary and Labor Cost Plan," "2024 Performance Appraisal Indicator Plan," "2024 Performance Assessment Indicator Plan for Senior Executives," and "2024 Base Salary Plan for Senior Executives."
The 14th Meeting of the 10th Board of Directors	June 03, 2024	June 04, 2024	Reviewed and approved the "Proposal on Extending the Validity Period of the Resolution Regarding 'The Company's 2023 Non-public Offering of A Shares,'" "Proposal on Extending the Authorization Period for 'Requesting the Shareholders' Meeting to Authorize the Board of Directors to Handle Specific Matters Related to this Non-public Offering of A Shares,'" and "Proposal on Electing Chen Hua as a Non-independent Director of the Company", and 'Proposal on Convening the 2024 Second Extraordinary General Meeting'.
The 15th Meeting of the 10th Board of Directors	August 29, 2024	August 31, 2024	Reviewed and approved the "2024 First Half Operations Summary and Second Half Operations Plan," "2024 Semi-annual Report and its Summary," "Proposal on Risk Assessment Report of First Automobile Finance Co., Ltd.," "Proposal on Asset Impairment Provisions for the First Half of 2024," "Plan for Company Organizational Structure Adjustment," "Mid-year Adjustment to the 2024 Fixed Assets Investment Plan," "Mid-year Adjustment to the 2024 Equity Investment Plan," and "2024 Internal Audit Semi-annual Report"; Received: "Communicating Key Policy Directives and Important Meeting Guidance from the CPC Central Committee, State Council, and State-owned Assets Supervision and Administration Commission"; Heard briefings on: "Report on Implementation of Company Strategic Planning," "Report on Implementation of Board Authorizations for the First Half of 2024," and "Report on Implementation of Board Resolutions for the First Half of 2024."

The 16th Meeting of the 10th Board of Directors	October 17, 2024	October 18, 2024	Reviewed and approved the 'Proposal on Adjusting the Amount of Raised Funds to be Invested in Fundraising Projects' and 'Proposal on Adding Implementation Entities for Fundraising Projects'
The 17th Meeting of the 10th Board of Directors	October 25, 2024	October 29, 2024	Reviewed and approved the "Company Medium and Long-term Development Plan," "2024 Third Quarter Report," "Amendment to the 'Rules of Procedure for the Board's Strategy Committee'," "Proposal on Using Raised Funds to Replace Previously Invested Self-raised Funds," "Proposal on Using Bank Acceptance Bills to Pay for Fundraising Project Expenses and Equivalent Replacement with Raised Funds," "Proposal on Using Temporarily Idle Raised Funds for Cash Management and Depositing Raised Funds as Agreement Deposits," "Proposal on the Company Meeting the Conditions for Major Asset Disposal and Related-Party Transaction," "Proposal on the Company's Major Asset Disposal and Related-Party Transaction Plan," "Proposal on This Restructuring Constituting a Related-Party Transaction," "Proposal on 'Major Asset Disposal and Related-party Transaction Report (Draft) of FAW Jiefang Group Co., Ltd.' and its Summary," "Proposal on Signing the Relevant Agreements for This Restructuring," "Proposal on the Company's Restructuring Complying with Article 11 of the 'Administrative Measures for Major Asset Restructuring of Listed Companies,'" "Proposal on the Company's Restructuring Complying with Article 4 of the 'Regulatory Guidelines for Listed Companies No.9 - Regulatory Requirements for Listed Companies Planning and Implementing Major Asset Restructuring'," "Proposal on the Company's Restructuring Not Constituting a Restructuring Listing under Article 13 of the 'Administrative Measures for Major Asset Restructuring of Listed Companies'," "Proposal on the Completeness and Compliance of Legal

			<p>Procedures Performed for This Restructuring and the Validity of Legal Documents Submitted," "Proposal on the Company's Purchase and Sale of Assets in the 12 Months Prior to This Restructuring," "Proposal on Approving Related Audit Reports, Pro Forma Review Reports and Valuation Reports for this Restructuring," "Proposal on the Pricing Basis and Fair Reasonableness of This Restructuring," "Proposal on the Independence of the Valuation Institution, the Reasonableness of Valuation Assumptions, the Relevance of Valuation Methods to Valuation Objectives, and the Fairness of Valuation Pricing," "Proposal on the Dilution of Immediate Returns from This Restructuring and the Company's Remedial Measures," "Proposal on the Relevant Parties of the Company's Restructuring Not Having the Circumstances Specified in Article 12 of the 'Regulatory Guidelines for Listed Companies No.7 - Regulation of Abnormal Stock Trading Related to Major Asset Restructuring of Listed Companies'," "Proposal on the Explanation of Confidentiality Measures and Confidentiality System Adopted for This Restructuring," "Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors and its Authorized Representatives to Handle Matters Related to This Restructuring," and "Proposal on Temporarily Not Convening a Shareholders' Meeting"; Received: "Communicating Key Policy Directives and Important Meeting Guidance from the CPC Central Committee, State Council, and State-owned Assets Supervision and Administration Commission"; Heard briefings on: "Report on Business Operations for the Third Quarter of 2024" and "Report on Implementation of Board Resolutions for the Third Quarter of 2024."</p>
<p>The 18th meeting of the 10th Board of Directors</p>	<p>November 10, 2024</p>	<p>November 11, 2024</p>	<p>Reviewed and approved the "Proposal on Confirming the Audit Reports, Valuation Reports and Revised Pro Forma Review Reports Related to</p>

			This Major Asset Disposal", "Proposal on the Cancellation of Certain Resolutions of the Third Extraordinary General Meeting of Shareholders in 2024", and "Proposal on Postponing the Third Extraordinary General Meeting of Shareholders in 2024"
The 19th meeting of the 10th Board of Directors	November 13, 2024	November 14, 2024	Reviewed and approved the "Proposal on Renewal of Employment of Financial Audit Institutions", "Proposal on Renewal of Employment of Internal Control Audit Institutions", "Proposal on Change of Registered Capital of the Company", "Proposal on Amending the 'Articles of Association'", and "Proposal on Convening the Fourth Extraordinary General Meeting of Shareholders in 2024"
The 20th Meeting of the 10th Board of Directors	December 20, 2024	December 21, 2024	Reviewed and approved the "Proposal on Organizational Structure Adjustment" and the "Proposal on the Acquisition of Equity in FAW (Africa) Investment Co., Ltd."
The 21st Meeting of the 10th Board of Directors	December 26, 2024	December 27, 2024	Reviewed and approved the "Proposal on the Election of the Company's Chairman", the "Proposal on the Appointment of the General Manager", and the "Proposal on Establishing a Market Value Management System"

2. Attendance of Directors at the Meeting of the Board of Directors and Shareholders' Meeting

Attendance of Directors at the Meeting of the Board of Directors and the Shareholders' Meeting							
Name of Director	Number of Meetings of the Board of Directors to be Attended in the Reporting Period	Number of Meetings of the Board of Directors Attended in Person	Number of Meetings of the Board of Directors Attended via Communication	Number of Meetings of the Board of Directors Attended by Entrustment	Number of Absences from the Meeting of the Board of Directors	Failure to Attend the Meeting of the Board of Directors in Person for Two Consecutive Times or Not	Number of Shareholders' Meetings Attended

Wu Bilei	13	4	5	4	0	No	1
Li Sheng	13	6	7	0	0	No	4
Wang Hao	10	4	5	1	0	No	1
Zhang Guohua	2	0	2	0	0	No	1
Liu Yanchang	13	6	7	0	0	No	4
Deng Weigong	11	6	5	0	0	No	5
Chen Hua	7	4	3	0	0	No	3
Bi Wenquan	4	1	2	1	0	No	1
Han Fangming	13	5	7	1	0	No	3
Mao Zhihong	13	6	7	0	0	No	5
Dong Zhonglan g	13	6	7	0	0	No	4

Explanation on two consecutive absences from the Meeting of the Board of Directors in person:
none

3. Objections Raised by Directors on Relevant Matters of the Company

Whether the directors raise objections to relevant matters of the Company

Yes No

In the reporting period, the directors did not raise any objection to the Company's relevant matters.

4. Additional Description of Performance of Duties by Directors

Whether the directors' relevant suggestions to the Company have been adopted

Yes No

Explanation of Directors on Adoption or Failure to Adopt Relevant Suggestions to the Company

In 2024, all directors of the Company worked in strict accordance with the Company Law, Securities Law, the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange and the Articles of Association and other laws and regulations, and performed their duties faithfully and

diligently in a responsible attitude towards all shareholders. Actively attended the meetings of the Board of Directors and the Shareholders' Meeting, carefully reviewed proposals, and put forward professional opinions and suggestions on the development strategy, regular reports, related transactions and other matters during the reporting period, so as to safeguard the legitimate rights and interests of the Company and shareholders and ensure the standard operation and sustainable development of the Company.

VII. Conditions of Special Committees under the Board of Directors in the Reporting Period

Name of Committee	Members	Number of Meetings Held	Date	Contents	Important Comments and Suggestions Put Forward	Other Performance of Duties	Details of Objections
Audit and Risk Control Committee	Mao Zhihong, Han Fangming, Liu Yanchang.	1	March 22, 2024	Reviewed the 2023 Financial Audit Report of the Company, the 2023 Annual Internal Control Evaluation Report, the 2023 Annual Rule of Law Implementation and Compliance Management Report, the 2023 Internal Audit Report and the 2023 Annual Internal Control Development Report.	All proposals were agreed.		N/A
	Mao Zhihong, Han Fangming, Deng Weigong	4	April 29, 2024	Reviewed the "Report on the First Quarter of 2024" and "First Quarter Report on Internal Audit of 2024"	All proposals were agreed.		N/A
			August 28, 2024	Reviewed the "2024 Semi-annual Report and its Summary",	All proposals were		N/A

				"Proposal on Asset Impairment Provisions for the First Half of 2024" and "2024 Internal Audit Semi-annual Report"	agreed.		
			October 25, 2024	Reviewed the "2024 Third Quarter Report" and "Third Quarter Report on Internal Audit"	All proposals were agreed.		N/A
			November 13, 2024	Reviewed the Proposal on Renewing the Engagement of the Financial Audit Institution and the Proposal on Renewing the Engagement of Internal Control Audit Institutions	All proposals were agreed.		N/A
Remuneration and Appraisal Committee	Dong Zhonglang, Mao Zhihong, Liu Yanchang.	2	March 22, 2024	Reviewed the Proposal on Unfulfilling Conditions for Releasing Restricted Sales in the Third Period of Releasing Restricted Shares Firstly Granted and Conditions for the Second Period of Releasing Restricted Shares Reserved for Granting in Phase I Restricted Share Incentive Plan and Repurchase and Cancellation of Some Restricted Shares	The proposal was approved.		N/A
			May 27,	The performance	All		N/A

			2024	evaluation results of senior executives, performance assessment indicators of senior executives, and other topics were deliberated on.	proposals were agreed.		
Strategy Committee	Wu Bilei, Han Fangming, Dong Zhonglang	1	January 30, 2024	Reviewed the "2024 Equity Investment Plan" and "2024 Fixed Asset Investment Plan"	All proposals were agreed.		N/A
	Li Sheng, Dong Zhonglang, Liu Yanchang, Wu Bilei and Han Fangming respectively authorized Li Sheng and Dong Zhonglang to exercise voting rights on their behalf for work reasons.	1	April 29, 2024	Reviewed the "Proposal on the Establishment of FAW Jiefang International Trade Co., Ltd."	The proposal was approved.		N/A
	Wu Bilei, Li Sheng, Han Fangming, Dong Zhonglang, Liu	3	August 28, 2024	Reviewed the "Mid-year Adjustment to the 2024 Equity Investment Plan" and "Mid-year Adjustment to the 2024 Fixed Assets Investment Plan",	All proposals were agreed.		N/A

	Yanchang			and received the "Implementation of the Company's Strategic Plan"			
			October 25, 2024	<p>Reviewed the "Company Medium and Long-term Development Plan," "Proposal on the Company Meeting the Conditions for Major Asset Disposal and Related-Party Transaction," "Proposal on the Company's Major Asset Disposal and Related-Party Transaction Plan," "Proposal on This Restructuring Constituting a Related-Party Transaction," "Proposal on 'FAW Jiefang Group Co., Ltd. Major Asset Disposal and Related-Party Transaction Report (Draft)' and its Summary," "Proposal on Signing the Relevant Agreements for This Restructuring," "Proposal on the Company's Restructuring Complying with Article 11 of the 'Administrative Measures for Major</p>	All proposals were agreed.		N/A

				<p>Asset Restructuring of Listed Companies'," "Proposal on the Company's Restructuring Complying with Article 4 of the 'Regulatory Guidelines for Listed Companies No.9 - Regulatory Requirements for Listed Companies Planning and Implementing Major Asset Restructuring'," "Proposal on the Company's Restructuring Not Constituting a Restructuring Listing under Article 13 of the 'Administrative Measures for Major Asset Restructuring of Listed Companies'," "Proposal on the Completeness and Compliance of Legal Procedures Performed for This Restructuring and the Validity of Legal Documents Submitted," "Proposal on the Company's Purchase and Sale of Assets in the 12 Months Prior to This</p>			
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				<p>Restructuring,"</p> <p>"Proposal on Approving Related Audit Reports, Pro Forma Review Reports and Valuation Reports for this Restructuring,"</p> <p>"Proposal on the Pricing Basis and Fair Reasonableness of This Restructuring,"</p> <p>"Proposal on the Independence of the Valuation Institution, the Reasonableness of Valuation Assumptions, the Relevance of Valuation Methods to Valuation Objectives, and the Fairness of Valuation Pricing,"</p> <p>"Proposal on the Dilution of Immediate Returns from This Restructuring and the Company's Remedial Measures,"</p> <p>"Proposal on the Relevant Parties of the Company's Restructuring Not Having the Circumstances Specified in Article 12 of the 'Regulatory Guidelines for Listed Companies No.7 - Regulation of Abnormal Stock</p>			
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				Trading Related to Major Asset Restructuring of Listed Companies'," "Proposal on the Explanation of Confidentiality Measures and Confidentiality System Adopted for This Restructuring," and "Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors and its Authorized Representatives to Handle Matters Related to This Restructuring."			
			December 20, 2024	Reviewed the "Proposal on the Acquisition of Equity in FAW (Africa) Investment Co., Ltd."	The proposal was approved.		N/A

VIII. Working Conditions of the Board of Supervisors

Whether the Board of Supervisors has found any risks in the Company's supervision activities in the reporting period

Yes No

The Board of Supervisors has no objection to the supervision matters in the reporting period.

IX. Employees of the Company

1. Number, specialty composition and education level of employees

Number of on-the-job employees of the parent company at the end of the reporting period (person)	189
Number of on-the-job employees of main subsidiaries at the	19,627

end of the reporting period (person)	
Total number of on-the-job employees at the end of the reporting period (person)	19,816
Total number of employees receiving compensation in the current period (person)	20,803
Number of retired employees whose expenses shall be borne by the parent company and major subsidiaries (person)	12
Specialty composition	
Category	Number (person)
Production personnel	11,230
Sales personnel	1,237
Technicians	6,044
Financial personnel	347
Administrative personnel	958
Total	19,816
Education background	
Category	Number (person)
Doctor's degree	62
Master's degree	1,756
Bachelor's degree	8,357
Junior college degree	4,338
High school and below	5,303
Total	19,816

2. Compensation policy

In 2024, the Company remains committed to prioritizing value creators, continuously enhancing incentive mechanisms, emphasizing value orientation, further stimulating organizational and employee vitality, and supporting the Company's business development.

First, improving compensation incentive mechanisms to energize employees: Emphasizing value orientation based on role responsibilities across different domains, implementing customized strategies for each business unit, establishing a total compensation management mechanism with clear direction, explicit adjustments, and appropriate delegation, fully leveraging compensation as a motivational tool; Implementing annual bonuses that favor value creators; Offering special rewards

for cost efficiency initiatives and technological innovation, encouraging employees to reduce costs, increase efficiency, and drive innovation; Implementing annual salary adjustments based on performance and completion of training requirements, motivating high-performing and highly capable employees to create greater value for the Company; Employing multiple approaches to achieve mutual growth of employees and the Company.

Second, standardizing employee benefits management, delivering benefit entitlements, and ensuring protection: The Company legally signs labor contracts with employees, processes and pays various social insurance contributions including basic pension, basic medical insurance, work injury insurance, unemployment insurance, and housing provident fund, while actively promoting supplementary pension and medical insurance systems; Establishing comprehensive welfare systems, providing holiday allowances, heating subsidies, living allowances for single employees, heat-relief allowances and other welfare benefits according to established standards, protecting employees' legitimate rights and interests across multiple dimensions. The expenses for the Company's regular retirees are incorporated into the social security system, eliminating the need for the Company to bear pension expenses for regular retirees, though it continues to bear expenses for senior retired cadres.

3. Training plan

In 2024, employee training and development work aims to support the Company's transformation and development, achievement of annual business objectives, and resolution of business pain points and challenges, implementing targeted and systematic talent development programs. In terms of leadership, conducting Navigator Program, Summit Achievers Program, Dragon Gate Program and other training initiatives; In terms of professional capabilities, providing training on digital transformation, IPD (Integrated Product Development) transformation, new energy, overseas market expansion, etc.; In terms of general capabilities, delivering training on component product knowledge and automotive structure, etc.; In terms of technical skills, conducting training on standardized operations, on-site problem solving, etc. A total of more than 8,100 various training sessions were conducted throughout the year.

4. Labor outsourcing

Applicable Not applicable

X. Profit Distribution and Transfer from Capital Reserve to Share Capital of the Company

Profit distribution policies in the reporting period, especially the formulation, implementation or adjustment of cash dividend policy

Applicable Not applicable

The Company's 2023 Profit Distribution Plan was reviewed and approved by the 11th Meeting of the 10th Board of Directors and the 2023 Annual Shareholders' Meeting, and the "Announcement on the Implementation of 2023 Annual Equity Distribution" was disclosed on June 15, 2024. The ex-rights and ex-dividend date for this profit distribution is: June 24, 2024.

Special Description of Cash Dividend Policy	
Whether the provisions of the Articles of Association or the requirements of resolutions of the Shareholders' Meeting are met:	Yes
Whether the dividend standard and proportion are definite and clear:	Yes
Whether the relevant decision-making procedures and mechanisms are complete:	Yes
Whether the independent directors have fulfilled their duties and played their due roles:	Yes
In case no cash dividends are distributed, we shall disclose the specific reasons and the subsequent actions to be taken to improve the investor's return level:	Yes
Whether the minority shareholders have the opportunity to fully express their opinions and demands, and whether their legitimate rights and interests are fully protected:	Yes
Whether the conditions and procedures are compliant and transparent when the cash dividend policy is adjusted or changed:	N/A

The Company made profits in the reporting period, and the parent company had a positive profit available for shareholders, but no cash dividend distribution plan was proposed

Applicable Not applicable

Profit Distribution and Transfer from Capital Reserve to Share Capital in the Reporting Period

Applicable Not applicable

Number of bonus shares given per 10 shares (share)	0
Number of distributed dividends per 10 shares (Yuan) (tax inclusive)	0.50

Share capital base for distribution plan (share)	4,922,371,176
Amount of cash dividends (Yuan) (tax inclusive)	246,118,558.80
Amount of cash dividends paid by other means (such as share repurchase) (Yuan)	0.00
Total amount of cash dividends (including by other means) (Yuan)	246,118,558.80
Distributable profits (Yuan)	7,370,940,980.89
Proportion of total amount of cash dividends (including by other means) in the total amount for profit distribution	100%
Cash dividends	
Others	
Note on details of schedule of profit distribution or transfer of capital reserve to equity	
<p>Grant Thornton Certified Public Accountants (Special General Partnership) confirmed after audit that the Company's parent company realized a net profit of 1,090,353,013.63 yuan in 2024, plus the undistributed profit of 7,083,209,394.76 yuan in the previous year, and less the provision for statutory surplus reserve of 109,035,301.36 yuan and distributed profits of 693,579,557.10 yuan accrued in the current year, the actual profit available for distribution for shareholders this year is 7,370,940,980.89 yuan.</p> <p>The 2024 annual profit distribution plan of the Company is as follows: Based on the 4,922,371,176 shares of the Company, a cash dividend of 0.5 yuan (tax inclusive) will be distributed to all shareholders for every 10 shares they hold; the cash dividends to be distributed will reach 246,118,558.80 yuan (tax inclusive), and the remaining undistributed profits will be carried forward to the next accounting year. The Company does not convert its capital reserves into share capital.</p> <p>For any change to the total share capital of the Company due to the equity incentive plan before the implementation of the distribution plan, the cash dividend of 0.50 yuan (tax inclusive) will be distributed to all shareholders per 10 shares based on the total share capital registered on the date of record when the profit distribution plan is implemented in the future, and the specific amount will be subject to the actual distribution.</p> <p>This distribution plan is subject to the review and approval of the 2024 annual shareholders' meeting before implementation.</p>	

XI. Implementation of the Company's Equity Incentive Plan, Employee Stock Ownership Plan or Other Employee Incentive Measures

Applicable Not applicable

1. Equity incentive

(1) On November 13, 2020, the Company held the 9th meeting of the 9th Board of Directors and the 8th meeting of the 9th Board of Supervisors, respectively, to deliberate and adopt the Restricted Share Incentive Plan of FAW JIEFANG GROUP CO., LTD. (Draft) and Its Abstract and other proposals. The relevant proposals were deliberated and adopted at the First Extraordinary Shareholders' Meeting of 2021 held by the Company on January 11, 2021.

(2) On January 15, 2021, the Company held the 12th Session of the 9th Meeting of the Board of Directors and the 11th Session of the 9th Meeting of the Board of Supervisors, respectively, and reviewed and approved the Proposal on Adjusting the List of the First Batch of Incentive Objects and the Number of Grants of the First Restricted Share Incentive Plan and the Proposal on Granting Restricted Shares to the Incentive Objects of the First Restricted Share Incentive Plan for the First Time. On February 1, 2021, the Company disclosed the Announcement on the Completion of the First Grant Registration of the Phase I Restricted Share Incentive Plan, in which the restricted shares in the incentive plan were first granted to 319 persons, totaling 40.9877 million shares, with a grant price of 7.54 yuan per share. The restricted shares granted were listed on February 5, 2021.

(3) On December 9, 2021, the Company held the 20th meeting of the 9th Board of Directors and the 19th meeting of the 9th Board of Supervisors, respectively, to deliberate and adopt the Proposal on Granting Reserved Part of Restricted Shares in the Phase I Restricted Share Incentive Plan to Incentive Objects, Proposal on Adjusting the Repurchase Price of Restricted Shares in the Phase I Restricted Share Incentive Plan, Proposal on Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan and other relevant proposals. On January 6, 2022, the Company disclosed the Announcement on the Completion of Registration of the Grant of Reserved Part of Restricted Shares in Phase I Restricted Share Incentive Plan, in which reserved part of restricted shares in the incentive plan was granted to 33 persons, totaling 3.7216 million shares, with a grant price of 6.38 yuan per share. The restricted shares granted were listed on January 10, 2022. On January 17, 2022, the Company disclosed the Announcement on the Completion of the Repurchase and Cancellation of Some Restricted Shares, in which all restricted shares were granted

to 2 incentive objects but not yet released, totaling 260,857 shares, with a repurchase price of 7.04 yuan per share.

(4) On August 29, 2022, the Company held the 26th meeting of the 9th Board of Directors and the 23rd meeting of the 9th Board of Supervisors, respectively, to deliberate and adopt the Proposal on Adjusting the Repurchase Price of Restricted Shares in the Phase I Restricted Share Incentive Plan and Proposal on Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan. On September 16, 2022, the relevant repurchase and cancellation proposals were deliberated and adopted at the Second Extraordinary Shareholders' Meeting of 2022 held by the Company. On November 14, 2022, the Company disclosed the Announcement on the Completion of the Repurchase and Cancellation of Some Restricted Shares, in which all or some restricted shares granted to 6 incentive objects but not yet released were repurchased and canceled, totaling 789,711 shares, with a repurchase price of 6.39 yuan/share.

(5) On October 28, 2022, the Company held the 28th Meeting of the 9th Board of Directors and the 24th Meeting of the 9th Board of Supervisors, respectively, to deliberate and approve the Proposal on Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan. The Proposal was subsequently deliberated and approved at the 3rd Extraordinary Shareholders' Meeting of the Company in 2022. It was agreed to repurchase and cancel a total of 1,359,247 restricted stocks, either in full or in part, that was granted but not yet released from restrictions to the original 11 incentive recipients. On January 17, 2023, The Company issued the Announcement on Completion of Repurchase and Cancellation of Some Restricted Shares on CNINFO (<http://www.cninfo.com.cn>).

(6) On December 15, 2022, the Company held the 30th meeting of the 9th Board of Directors and the 26th meeting of the 9th Board of Supervisors, respectively, to deliberate and approve the Proposal on the Achievement of Unlocking Conditions in the First Release Period of the Restricted Shares Firstly Granted in the Phase I Restricted Incentive Plan, agreeing that the Company handled the unlocking of 13,042,347 shares of 311 incentive objects meeting the unlocking conditions during the first release period of restricted shares granted for the first time in accordance with the relevant provisions of the restricted share incentive plan. On February 3, 2023, the Company disclosed the Indicative Announcement on the Listing and Circulation of Unlocked Shares in the First Release Period of the Restricted Shares Firstly Granted in the Phase I Restricted Share Incentive Plan on CNINFO (<http://www.cninfo.com.cn>), and the unlocked restricted shares will be listed and circulated

on February 6, 2023. At the 30th Meeting of the 9th Board of Directors and the 26th Meeting of the 9th Board of Supervisors, the Company reviewed and approved the Proposal on the Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan and agreed to repurchase and cancel all or part of 723,435 restricted stock that had been granted to the original six incentive targets but not lifted the restriction for sales. On April 28, 2023, the Company issued the Announcement on Completion of Repurchase and Cancellation of Some Restricted Shares on CNINFO (<http://www.cninfo.com.cn>).

(7) On March 31, 2023, the Company held the 32nd meeting of the 9th Board of Directors and the 28th meeting of the 9th Board of Supervisors respectively, deliberated and approved the Proposal on Unsuccessful Lifting of Conditions of the Second Release Period First Granted by the Phase I Restricted Share Incentive Plan for Releasing the Restricted Sales and of Conditions of the First Release Period Reserved by the Phase I Restricted Share Incentive Plan for Releasing the Restricted Sales and Repurchase and Cancellation of Some Restricted Shares, agreeing to repurchase and cancel 327 restricted shares of incentive objects that do not meet the release conditions. The total number of shares repurchased was 13,909,890. The Proposal was deliberated and approved at the Company's 2022 Annual Shareholders' Meeting held on April 24, 2023. On June 30, 2023, the Company issued the Announcement on Completion of Repurchase and Cancellation of Some Restricted Shares on CNINFO (<http://www.cninfo.com.cn>).

(8) On April 27, 2023, the Company held the 2nd meeting of the 10th Board of Directors and the 2nd meeting of the 10th Board of Supervisors, respectively, to deliberate and approve the Proposal on Lifting the Trading Restrictions of Partial Restricted Shares. A total of 4 incentive objects met the conditions for lifting the trading restrictions this time, and 64,954 shares were lifted. On May 15, 2023, the Company issued the Prompt Announcement on Lifting Sales Restrictions and Listing Circulation of Partial Restricted Shares on CNINFO (<http://www.cninfo.com.cn>), and the unlocked restricted shares were listed and circulated on May 16, 2023.

(9) On August 29, 2023, the Company held the 5th Meeting of the 10th Board of Directors and the 4th Meeting of the 10th Board of Supervisors, respectively, and deliberated and adopted the Proposal on the Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan, which was reviewed and approved at the Third Extraordinary Shareholders' Meeting in 2023, and agreed to repurchase and cancel all or part of 333,855 restricted stocks that had been granted to the original eight incentive targets but had not been lifted the restriction for sales. On

November 29, 2023, the Company issued the Announcement on Completion of Repurchase and Cancellation of Some Restricted Shares on CNINFO (<http://www.cninfo.com.cn>).

(10) On November 20, 2023, the Company held the 7th Meeting of the 10th Board of Directors and the 6th Meeting of the 10th Board of Supervisors respectively, and deliberated and adopted the Proposal on the Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan, which was reviewed and approved at the Fourth Extraordinary Shareholders' Meeting in 2023, and agreed to repurchase and cancel all or part of 512,807 restricted stocks that have been granted to 10 incentive targets but have not been lifted the restriction for sales. On March 28, 2024, the Company issued the Announcement on Completion of Repurchase and Cancellation of Some Restricted Shares on CNINFO (<http://www.cninfo.com.cn>).

(11) On March 28, 2024, the Company held the 11th Meeting of the 10th Board of Directors and the 10th Meeting of the 10th Board of Supervisors, respectively, and reviewed and approved the Proposal on Unfulfilling Conditions for Releasing Restricted Share for the Third Release Period of Restricted Shares Firstly Granted and the Second Release Period of Restricted Shares Reserved for Granting in Phase I Restricted Share Incentive Plan and Repurchase and Cancellation of Some Restricted Shares, and agreed to buy back and cancel the restricted stocks of 299 objects failing to fulfill the conditions for lifting the restriction for sales, 12,621,954 shares in total. On June 15, 2024, the Company issued the Announcement on Completion of Repurchase and Cancellation of Some Restricted Shares on CNINFO (<http://www.cninfo.com.cn>).

(12) On March 28, 2025, the Company held the 24th Meeting of the 10th Board of Directors and the 20th Meeting of the 10th Board of Supervisors, respectively, which reviewed and approved the "Proposal on Unfulfilling Conditions for Releasing Restricted Share for the Third Release Period of Restricted Shares Reserved for Granting in Phase I Restricted Share Incentive Plan and Repurchase and Cancellation of Some Restricted Shares and Adjustment of Repurchase Price," agreeing to repurchase and cancel the restricted stocks of 30 incentive participants who did not satisfy the release conditions, totaling 1,090,201 shares.

For details of the above proposals, please refer to the relevant announcements published by the Company in Securities Times, China Securities Journal and CNINFO (<http://www.cninfo.com.cn>).

Equity Incentives Obtained by Directors and Senior Executives of the Company

☑Applicable ☐Not applicable

Unit: share

Name	Position	Number of Stock Options Held at the Beginning of the Year	Number of Newly Granted Stock Options in the Reporting Period	Number of Exercisable Shares in the Reporting Period	Number of Exercised Shares in the Reporting Period	Exercise Price of Exercised Shares in the Reporting Period (Yuan/share)	Number of Stock Options Held at the End of the Period	Market Price at the End of the Reporting Period (Yuan/share)	Number of Restricted Shares Held at the Beginning of the Period	Number of Unlocked Shares in the Current Period	Number of Newly Granted Restricted Shares in the Reporting Period	Grant Price of Restricted Shares (Yuan/share)	Number of Restricted Shares Held at the End of the Period
Li Sheng	Chairman of the Board							8.20	129,161	65,544		7.54	63,617
Wang Jianyu	Deputy General Manager							8.20	129,161	65,544		7.54	63,617
Wang Jianxun	Secretary of the Board of Directors							8.20	129,161	65,544		7.54	63,617
Total	--	0	0	0	0	--	0	--	387,483	196,632	0	--	190,851
Remarks	In view of the unfulfilled performance assessment targets set for the Third Release Period of the First Grants and the Second Release Period of the Reserved Grants under the Company's Phase I Restricted Share Incentive Plan, the restricted shares that do not satisfy the release conditions for relevant incentive participants, including the												

	aforementioned personnel, would be repurchased and cancelled. The relevant proposals have been reviewed and approved by the 11th Meeting of the 10th Board of Directors and the 2023 Annual Shareholders' Meeting, and the "Announcement on Completion of Repurchase and Cancellation of Some Restricted Shares" was disclosed on June 15, 2024.
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Evaluation mechanism and incentives of senior executives

The Company has formulated corresponding plans for the evaluation and incentive mechanism of senior executives, and implemented a fair and transparent performance management system and an incentive mechanism that links compensation levels with both Company performance and individual performance. The Compensation and Evaluation Committee of the Board of Directors diligently fulfills its responsibilities by conducting comprehensive assessments of the evaluation results.

2. Implementation of employee stock ownership plan

Applicable Not applicable

3. Other employee incentives

Applicable Not applicable

XII. Establishment and Implementation of Internal Control System in the Reporting Period

1. Construction and implementation of internal control

Strengthen architecture guidance and optimize top-level design. Based on marketing transformation, major manufacturing organizational transformation, and process construction and operations in various business areas, the Company completed the refresh and release of 15 L1-level process architectures, including 15 L1-process domains, nearly 120 L2-process groups, and more than 400 L3-processes, guiding the Company to continuously advance process-oriented organizational construction and digital intelligent transformation.

Promote process construction and review updates according to the architecture. Combined with actual business needs, prioritizing urgent requirements, supplemented more than 240 process, system, and operational guidance documents; Improved business rules, updated and optimized more than 470 documents, abolished 280 documents, and enhanced document applicability; Conducted more than 40 company-level documents reviews to improve document quality.

Conduct process KCP (Key Control Point) monitoring. Combined with industry practices, established a risk-oriented and KCP-centered internal control system, based on internal control guidelines, focused on high-risk businesses and key processes, organized monitoring through process Owner self-inspection and process management department audits, timely identified key issues affecting the Company's operations, completed more than 90 KCP monitoring items in 2024, identified and planned to address more than 20 issues requiring rectification, ensuring effective risk control and improving business operational efficiency.

2. Specific information on major internal control deficiencies found during the reporting period

Yes No

XIII. Management and Control of Subsidiaries by the Company in the Reporting Period

Company Name	Integration Plan	Integration Progress	Problems in Integration	Solutions Taken	Resolution Progress	Follow-up Resolution Plan

FAW (Africa) Investment Co., Ltd.	The Company holds 55% of its equity; No change to the original company's business operations and personnel scale	Completed	N/A	N/A	N/A	N/A
Jiefang Motors Tanzania Ltd.	The Company holds 90.91% of its equity, and the Company's subsidiary, Jiefang Group International, holds 9.09% of its equity; no change to the original company's business operations and personnel scale	Completed	N/A	N/A	N/A	N/A

XIV. Internal Control Evaluation Report or Internal Control Audit Report

1. Internal Control Evaluation Report

Disclosure Date of Full Text of Internal Control Evaluation Report	March 29, 2025
Disclosure Index of Full Text of Internal Control Evaluation Report	http://www.cninfo.com.cn/new/disclosure/stock?stockCode=000800&orgId=gssz0000800&sjstsBond=false#latestAnnouncement
Proportion of the Total Assets of the Unit Included in the Evaluation Scope to the Total Assets in the Company's Consolidated Financial Statements	100.00%
Proportion of the Unit Operating Income Included in the Evaluation Scope to the Operating Income in the Company's Consolidated Financial	100.00%

Statements		Deficiency Identification Standard	
Category	Financial report	Non-financial Report	
Qualitative Criteria	<p>Major deficiencies: The accounting firm issues the audit report with a disclaimer of opinion or an adverse opinion of the Company.</p> <p>Significant deficiencies: The accounting firm issues the audit report with a qualified opinion of the Company; the accounting firm issues the audit report with a disclaimer of opinion or an adverse opinion of the Company.</p> <p>General deficiencies: The accounting firm issues the audit report with a qualified opinion to the Company.</p>	<p>Major deficiencies: fraudulent behaviors of directors, supervisors or corporate leaders of the Company; serious violation of national laws, regulations or normative documents by the Company; violation of decision-making procedures by the Company, resulting in major decision-making errors.</p> <p>Significant deficiencies: Principal responsible persons of various units within the Company engage in fraudulent activities; Affiliated companies seriously violate national laws, regulations or normative documents; Affiliated companies violate decision-making procedures, resulting in decision-making errors.</p> <p>General deficiencies: fraudulent behaviors of other personnel of the Company; other control deficiencies that do not constitute major or significant deficiencies.</p>	
Quantitative Criteria	<p>Identification criteria for internal control deficiencies related to assets and liabilities</p> <p>Major deficiencies: misstated (including potential) amount $\geq 5\%$ of the total assets at the end of the consolidated balance sheet of the previous year;</p> <p>Significant deficiencies: 3% of the total assets</p>	<p>It is determined based on the amount of asset losses caused by internal control failure, and the standards are as follows:</p> <p>Major deficiencies: causing asset losses of 10 million yuan and more;</p>	

	<p>at the end of the consolidated balance sheet of the previous year \leq misstated (including potential) amount $< 5\%$ of the total assets at the end of the consolidated balance sheet of the previous year;</p> <p>General deficiencies: other control deficiencies except for major and significant deficiencies.</p> <p>Identification criteria for internal control deficiencies related to profits</p> <p>Major deficiencies: misstated (including potential) amount $\geq 5\%$ of the absolute value of the pre-tax profit in the consolidated income statement of the previous year of the Company;</p> <p>Significant deficiencies: 3% of the absolute value of the pre-tax profit in the consolidated income statement of the previous year of the Company \leq misstated (including potential) amount $< 5\%$ of the absolute value of the pre-tax profit in the consolidated income statement of the previous year of the Company;</p> <p>General deficiencies: Other control deficiencies except for major and significant deficiencies.</p>	<p>Significant deficiencies: causing asset losses of less than 10 million yuan and greater than or equal to 5 million yuan;</p> <p>Minor deficiencies: causing asset losses of less than 5 million yuan.</p>
Number of Major Deficiencies in Financial Report (Nr.)	0	
Number of Major Deficiencies in Non-financial Report (Nr.)	0	
Number of Significant Deficiencies in Financial Report (Nr.)	0	
Number of Significant Deficiencies in Non-financial Report (Nr.)	0	

2. Internal Control Audit Report

Applicable Not applicable

Deliberations Paragraph in Internal Control Audit Report
<p>In our opinion, FAW Jiefang maintained effective internal control over financial reporting in all material aspects as of December 31, 2024 in accordance with the Basic Specification for</p>

Enterprise Internal Control and relevant regulations.	
Disclosure of Internal Control Audit Report	Disclosure
Disclosure Date of Full Text of Internal Control Audit Report	March 29, 2025
Disclosure Index of Full Text of Internal Control Audit Report	http://www.cninfo.com.cn/new/disclosure/stock?stockCode=000800&orgId=gssz0000800&sjstsBond=false#latestAnnouncement
Opinion Type of Internal Control Audit Report	Standard unqualified opinion
Whether there are major deficiencies in the non-financial report	No

Whether the accounting firm issues the internal control audit report with a non-standard opinion

Yes No

Whether the internal control audit report issued by the accounting firm is consistent with the self-evaluation report of the Board of Directors

Yes No

XV. Rectification of Problems Found in the Self-inspection of the Special Action for Governance of Listed Companies: none

Section V Environmental and Social Responsibilities

I. Major Environmental Protection Issues

Whether the listed company and its subsidiaries are key pollutant-discharging entities announced by the environmental protection authority

Yes No

Environmental protection-related policies and industry standards

The Company has always emphasized environmental protection throughout its production and operation processes, strictly complying with the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on Environmental Impact Assessment, the Regulations on Environmental Protection Management of Construction Projects, the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Law of the People's Republic of China on the Prevention and Control of Water Pollution, the Law of the People's Republic of China on the Prevention and Control of Noise Pollution, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes, the Law of the People's Republic of China on the Prevention and Control of Soil Pollution, the Law of the People's Republic of China on the Promotion of Clean Production, the Measures for the Administration of Pollutant Discharge Permits, the Regulations on Pollutant Discharge Permit Management, the Environmental Protection Tax Law of the People's Republic of China, the Measures for the Administration of the List of Key Units of Environmental Supervision, the Measures for the Administration of Legal Disclosure of Environmental Information of Enterprises, the Measures for the Administration of Hazardous Waste Transfer and other relevant laws and regulations; and the Integrated Emission Standard of Air Pollutants (GB16297-1996), the Integrated Wastewater Discharge Standard (GB8978-1996), the Emission Standard of Industrial Enterprises Noise at Boundary (GB12348-2008), the Standard for Pollution Control on Hazardous Waste Storage (GB18597-2023), the Technical Guidelines for Deriving Hazardous Waste Management Plans and Records (HJ1259-2022), the Technical Specifications for Acceptance of Environmental Protection Facilities for Completed Construction Projects - Automobile Manufacturing Industry (HJ 407-2021), National Hazardous Waste Inventory, National Pollution Prevention and Control Technical Guidance Directory and other national and industry standards.

Administrative licensing for environmental protection

The Company and all its branches and subsidiaries have fulfilled the environmental impact assessment and other environmental protection administrative licensing procedures as required for construction projects and have strictly implemented the "Three Simultaneities" requirement - ensuring environmental protection facilities are simultaneously designed, constructed, and put into operation with the main project. All key pollutant discharge units have obtained pollutant discharge permits in accordance with legal requirements and strictly implement the pollutant discharge permit management system.

S/N	Name of Unit	Pollutant Discharge Permit No.	Validity Period of Pollution Discharge Permit
1	Truck Factory of FAW Jiefang Automotive Co., Ltd	91220101743028725R001R	December 30, 2022 to December 29, 2027
2	Chengdu Branch of FAW Jiefang Automotive Co., Ltd.	91510114746407720B001V	July 16, 2022 to July 15, 2027
3	Sichuan Branch of FAW Jiefang Automotive Co., Ltd.	91510681MABQ7AKG4Y001V	July 21, 2023 to July 20, 2028
4	Transmission Branch (Transformation Factory) of FAW Jiefang Automotive Co., Ltd.	91220101571131661N001Q	September 18, 2024 to September 17, 2029
5	Transmission Branch (Axle New Factory) of FAW Jiefang Automotive Co., Ltd.	91220101571131661N003V	May 21, 2024 to May 20, 2029
6	Changchun Intelligent Bus Branch of FAW Jiefang Automotive Co., Ltd.	91220108MA170MRB74001V	January 9, 2023 to January 8, 2028
7	FAW Jiefang (Qingdao) Automotive Co., Ltd.	91370200163567343M001V	December 29, 2023 to December 28, 2028

8	Engine Branch of FAW Jiefang Automotive Co., Ltd.	912201017561635719001Q	December 27, 2022 to December 26, 2027
9	Wuxi Diesel Engine Works of FAW Jiefang Automotive Co., Ltd.	91320200748159222H001Q	August 30, 2024 to August 29, 2029
10	Wuxi Diesel Engine Huishan Factory of FAW Jiefang Automotive Co., Ltd.	91320206330969017N001C	January 19, 2023 to January 18, 2028
11	FAW Jiefang Dalian Diesel Engine Co., Ltd.	91210213717880308K001U	March 14, 2024 to March 13, 2029

Industry Emission Standards and Specific Conditions of Pollutant Discharge Involved in Production and Operation Activities

Name of Company or Subsidiary	Types of Main Pollutants and Specific Pollutants	Names of Main Pollutants and Specific Pollutants	Discharge Mode	Number of Discharge Outlets	Distribution of Discharge Outlets	Discharge concentration/intensity	Enforced pollutant discharge standard	Total Discharge	Total Approved Discharge	Excessive Discharge
Truck Factory of FAW Jiefang Automotive Co., Ltd	Wastewater	COD	Continuous or intermittent discharge	4	One for the frame, cab and non-metal coating, respectively, and one for general domestic sewage outlet	183.51mg/L	800mg/L	28.2281 t	630.104 t	No excessive discharge
	Exhaust gas	Non-methane hydrocarbon	Continuous discharge during production	71	Frame, cab, roof of non-metallic coating workshop	3.8941mg/m ³	120mg/m ³	69.8924 t	346.1955 t	No excessive discharge
Chengdu Branch of FAW Jiefang Automotive Co., Ltd.	Wastewater	COD	Intermittent discharge	1	Southeast of the Company	19.469mg/L	500mg/L	0.002 t	21.3 t	No excessive discharge
	Exhaust gas	Non-methane hydrocarbon	Continuous discharge during production	1	Roof of coating workshop	2.262mg/m ³	60mg/m ³	12.527 t	75.91 t	No excessive discharge
Sichuan Branch of FAW Jiefang Automotive Co., Ltd.	Wastewater	COD	Intermittent discharge	1	Northwest corner of the Company	55.148mg/L	500mg/L	0.6103 t	40.8469 t	No excessive discharge
	Exhaust gas	Non-methane hydrocarbon	Continuous discharge during production	15	Roof of Painting Workshop and General Assembly Workshop	7.419mg/m ³	60mg/m ³	10.576 t	16.5208 t	No excessive discharge
Transmission Branch (Transformation Factory) of FAW	Wastewater	COD	Intermittent discharge	3	One at the northwest corner of workshop No.5, one at the	19mg/L	500mg/L	1.1778 t	10 t	No excessive discharge

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Jiefang Automotive Co., Ltd.					southwest corner of workshop No.4, and one at the effluent outlet of the wastewater treatment station					
	Exhaust gas	Non-methane hydrocarbon	Continuous discharge during production	7	7 for workshop No.5	1.6mg/m ³	120mg/m ³	0.5833 t	--	No excessive discharge
Transmission Branch (Axle Factory) of FAW Jiefang Automotive Co., Ltd.	Wastewater	COD	Intermittent discharge	3	One each for No.1, No.2 and No.3 workshops	21mg/L	500mg/L	1.2089 t	--	No excessive discharge
	Exhaust gas	Non-methane hydrocarbon	Continuous discharge during production	2	One each for No.1 and No.3 workshops	1.61 mg/m ³	120mg/m ³	10.5369 t	--	No excessive discharge
Changchun Intelligent Bus Branch of FAW Jiefang Automotive Co., Ltd.	Wastewater	COD	Intermittent discharge	1	South gate of sewage treatment station	54.89mg/L	500mg/L	1.7492 t	4.575 t	No excessive discharge
	Exhaust gas	Non-methane hydrocarbon	Continuous discharge during production	12	Roof of coating and welding workshop of the Company	34.36mg/m ³	120mg/m ³	11.2608 t	49.5 t	No excessive discharge
FAW Jiefang (Qingdao) Automotive Co., Ltd.	Wastewater	COD, ammonia nitrogen	Continuous or intermittent discharge	6	Outside the sewage treatment station of the Company	COD: 47.1mg/L Ammonia nitrogen: 1.04 mg/L	COD: 500mg/L; Ammonia nitrogen: 45mg/L	COD: 14.9 t; Ammonia nitrogen: 0.2988 t	COD: 88.79 t; Ammonia nitrogen: 5.11 t	No excessive discharge
	Exhaust gas	Non-methane hydrocarbon	Continuous discharge during production	87	Roof of each workshop of the Company	5.09 mg/m ³	30mg/m ³	62.19 t	164.98 t	No excessive discharge
Engine Branch of FAW Jiefang Automotive Co., Ltd.	Exhaust gas	Non-methane hydrocarbon	Intermittent discharge	3	Workshop roof	0.67mg/m ³	120mg/m ³	0.0351 t	--	No excessive discharge
Wuxi Diesel Engine Works of FAW	Wastewater	COD	Continuous discharge	3	One for the west gate and two for	23mg/L	500mg/L	8.13 t	243 t	No excessive

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Jiefang Automotive Co., Ltd.	Exhaust gas	Nitrogen oxide, non-methane hydrocarbon	Continuous discharge during production	13	the south gate Three for the assembly workshop, five for the R&D Department, two for the QA Department, two for the processing workshop and one for the hazardous waste warehouse	NOx, 76mg/m ³ Non-methane hydrocarbons, 2.46mg/m ³	NOx, 200mg/m ³ Non-methane hydrocarbons, 60 mg/m ³	NOx, 22.59 t VOCs 0.08 t	NOx, 26.08 t VOCs 1.77 t	discharge No excessive discharge
Wuxi Diesel Engine Huishan Factory of FAW Jiefang Automotive Co., Ltd.	Wastewater	COD	Continuous discharge	1	North Gate 1	46mg/m ³	500mg/m ³	4.17 t	79.15 t	No excessive discharge
	Exhaust gas	Nitrogen oxide, non-methane hydrocarbon	Continuous discharge during production	6	Joint workshop	NOx, 39mg/m ³ Non-methane hydrocarbons, 1.07mg/m ³	NOx, 200mg/m ³ Non-methane hydrocarbons, 60 mg/m ³	NOx, 10.70 t VOCs 0.7 t	NOx, 26.137 t VOCs 4.546 t	No excessive discharge
FAW Jiefang Dalian Diesel Engine Co., Ltd.	Wastewater	COD, ammonia nitrogen	Continuous or intermittent discharge	1	Outside the sewage treatment station of the Company	COD: 43.9mg/L Ammonia nitrogen: 8.04mg/L	COD: 300mg/L Ammonia nitrogen: 30mg/L	COD: 3.634 t Ammonia nitrogen: 0.6416 t	COD: 18.398 t; Ammonia nitrogen: 2.984 t	No excessive discharge
	Exhaust gas	Nitrogen oxide, non-methane hydrocarbon	Continuous discharge during production	5	Roof of the Company's workshop	NOx, 98mg/m ³ Volatile organic, 4.911 mg/m ³	NOx, 240mg/m ³ Volatile organic compounds, 60 mg/m ³ ;	Nitrogen oxides: 2.881 t Volatile organic compounds, 2.772 t	Nitrogen oxides: 15.143 t Volatile organic compounds, 7.547 t	No excessive discharge

Disposal of pollutants

(I) Wastewater treatment:

1. The Truck Factory of FAW Jiefang Automotive Co., Ltd. has three sewage treatment stations currently, namely, a frame workshop sewage treatment station, a coating workshop sewage treatment station and a non-metallic coating sewage treatment station. ① The frame sewage treatment station has a treatment capacity of 300 tons/day, and mainly treats the wastewater before it enters the frame workshop. ② The cab coating workshop sewage treatment station has a treatment capacity of 400 tons/day, and mainly treats the wastewater and painting wastewater before they enter the workshop. ③ The non-metallic line sewage treatment station has a treatment capacity of 240 tons/day, and mainly treats the painting wastewater before it enters the production line. The wastewater and domestic sewage pretreated by the above three sewage stations are discharged into the FAW Integrated Sewage Treatment Plant, and then into the Changchun Western Suburbs Sewage Treatment Plant after being treated to meet the standards.

2. One sewage treatment station has been built in the Chengdu Branch of FAW Jiefang Automotive Co., Ltd. for the treatment of production and domestic wastewater of the Company, with a total treatment capacity of 300 tons/day. The main treatment method is the SBR process. All sewage stations can operate continuously and stably, and the sewage discharged up to standard enters the urban sewage treatment plant through the municipal pipe network for further treatment.

3. The Sichuan Branch of FAW Jiefang Automotive Co., Ltd. has a wastewater treatment station that is used to treat the Company's production and domestic wastewater, has a total treatment capacity of 50 tons/hour, and adopts the physicochemical and biochemical treatment process. The sewage station can operate continuously and stably. The industrial wastewater discharged after meeting the standard enters the urban sewage treatment plant through the municipal pipeline network for further treatment.

4. The transmission branch (transmission factory) of FAW Jiefang Automotive Co., Ltd. uses the sewage treatment station in the shaft gear park to treat the Company's production wastewater. The total treatment capacity of the sewage treatment station is 50 tons/day, and it operates stably. After being treated by the sewage station and reaching the standard, the industrial wastewater is discharged into the Changchun Western Suburbs Sewage Treatment Plant for further treatment.

5. There is a sewage storage tank in each of the three workshops in the Transmission Branch (Axle Factory) of FAW Jiefang Automotive Co., Ltd., and the industrial wastewater of the three workshops is transferred to the sewage treatment station in Shaft Gear Park for treatment.

6. The Changchun Intelligent Bus Branch of FAW Jiefang Automotive Co., Ltd. has an internal sewage treatment station which is used to treat the company's production and domestic wastewater, has a treatment capacity of 300 tons/day, and adopts the physicochemical + biochemical treatment process. The station can operate continuously and stably and realize real-time up-to-standard discharge. The sewage is discharged to the urban sewage treatment plant through the municipal pipe network for further treatment after reaching the standard.

7. Two sewage treatment stations are built in FAW Jiefang Qingdao Automotive Co., Ltd. They combine the physicochemical process with the biochemical process and are mainly used to treat the phosphating wastewater, electrophoresis wastewater and degreasing wastewater discharged from the daily production of the coating workshop, as well as the daily domestic sewage of the Company. The designed maximum daily treatment capacity of the station is 2160 tons/day. The treated wastewater meets the index requirements of the Wastewater Quality Standards for Discharge to Municipal Sewers (GB/T31962-2015), and reaches the Reuse of Urban Recycling Water - Water Quality Standard for Urban Miscellaneous Use (GB/T18920-2020) after being further treated by the MBR improvement equipment, thus reducing the sewage concentration significantly, increasing the reuse amount of recycled water, and saving water. The up-to-standard treated wastewater is discharged to Jimo North Sewage Treatment Plant for advanced treatment through the sewage outlet.

8. The industrial wastewater produced by the Engine Branch of FAW Jiefang Automotive Co., Ltd. is transferred to the sewage treatment station of the Shaft Gear Park for treatment.

9. One sewage treatment station is built in Wuxi Diesel Engine Works of FAW Jiefang Automotive Co., Ltd. for the treatment of production and domestic wastewater of the Company, with a total treatment capacity of 3 thousand tons/day and 24-hour operation. The main treatment process is physicochemical + biochemical treatment. The sewage station can operate continuously and stably and realize real-time up-to-standard discharge. Up-to-standard discharged sewage enters the urban sewage treatment plant through the municipal pipe network for further treatment.

10. One sewage treatment station is built in the Wuxi Diesel Engine Huishan Factory of FAW Jiefang Automotive Co., Ltd. for the treatment of production and domestic wastewater of the Company, with a total treatment capacity of 1 thousand tons/day and 24-hour operation. The main

treatment process is physicochemical + biochemical treatment. The sewage station can operate continuously and stably and realize real-time up-to-standard discharge. Up-to-standard discharged sewage enters the urban sewage treatment plant through the municipal pipe network for further treatment.

11. One sewage treatment station is built in FAW Jiefang Dalian Diesel Engine Co., Ltd. for the treatment of production and domestic wastewater, with a total treatment capacity of 816 tons/day and 24-hour operation. The main treatment processes are distillation pretreatment of production wastewater and biochemical treatment of comprehensive wastewater. The sewage station can operate continuously and stably and realize real-time up-to-standard discharge. Up-to-standard discharged sewage enters the urban sewage treatment plant through the municipal pipe network for further treatment.

(II) Waste gas treatment:

1. All waste gas treatment facilities in the Truck Factory of FAW Jiefang Automotive Co., Ltd. can operate continuously and stably. The dust generated by the plasma cutting machine in the stamping workshop is collected and filtered and then discharged through a 15m exhaust pipe. The CO₂ welding machine adopts a single-machine dust removal system, and the waste gas is discharged locally in the workshop after being treated by a single-machine dust collector. The waste gas generated by the treatment and drying process before entering the frame workshop is discharged through a 15m exhaust pipe after being treated by a direct combustion device. The exhaust gas of VOCs from cab coating and non-metallic coating is discharged after reaching the standard through hydrocyclone + zeolite runner adsorption concentration + RTO (regenerative incineration).

2. All waste gas treatment facilities of the Chengdu Branch of FAW Jiefang Automotive Co., Ltd. can operate continuously and stably. The painting waste gas of the coated body is discharged after reaching the standard through hydro cyclone + dry filtration + zeolite runner adsorption and concentration + RTO (regenerative incineration). All welding fumes are discharged after being treated by centralized and mobile dust removal systems and reaching the standard.

3. All waste gas treatment facilities of the Sichuan Branch of FAW Jiefang Automotive Co., Ltd. can operate continuously and stably. The painting waste gas of the coated body is discharged after reaching the standard through dry paper box + zeolite runner adsorption and concentration + RTO (regenerative incineration). All welding fumes are discharged after being treated by centralized and mobile dust removal systems and reaching the standard.

4. All waste gas treatment facilities of the Transmission Branch (Transformation Factory) of FAW Jiefang Automotive Co., Ltd. can operate continuously and stably. The painting waste gas generated from the coating line is discharged after reaching the standard and being treated by activated carbon adsorption devices. All kinds of shot-blasting dust are discharged after reaching the standard and being treated by centralized and mobile dust removal systems.

5. All waste gas treatment facilities of the Transmission Branch (Axle Factory) of FAW Jiefang Automotive Co., Ltd. can operate continuously and stably, and all welding fumes are discharged after reaching the standard and being treated by centralized and mobile dust removal systems. The waste gas from the painting line of workshop No.3 is treated by a zeolite runner +RCO device and discharged after meeting the standard. The paint exhaust gas from the painting line of workshop No.1 is treated by a multi-stage zeolite + RTO device and discharged after meeting the standard.

6. All waste gas treatment facilities of the Changchun Intelligent Bus Branch of FAW Jiefang Automotive Co., Ltd. can operate continuously and stably, and all welding fumes are discharged after reaching the standard and being treated by centralized and mobile dust removal systems. The waste gas from the painting process is treated by the pretreatment filtration system + zeolite concentration runner + RTO incineration treatment system and then discharged after reaching the standard.

7. All waste gas treatment facilities of FAW Jiefang (Qingdao) Automotive Co., Ltd. can operate continuously and stably. The painting waste gas generated by Painting Workshops 1 and 2, Non-metallic Painting Workshop and Assembly Workshops 1 and 2 is discharged after reaching the standard and being purified by paint mist, adsorbed by zeolite concentration runner and treated by an RTO incineration device in the three workshops. The drying waste gas generated by the assembly workshop is burned with low nitrogen and discharged after reaching the standard. It is then treated by the quaternary combustion device and TNV combustion treatment. The drying waste gas generated by the Painting Workshop is burned with low nitrogen and discharged after reaching the standard and receiving TNV thermal incineration. All welding fumes are discharged after reaching the standard and being treated by a filter cartridge dust collector.

8. The engine branch of FAW Jiefang Automotive Co., Ltd. has three quenching machines that generate waste gas and are equipped with adsorption purification devices. After treatment, the waste gas is discharged to the standard.

9. All waste gas treatment facilities of Wuxi Diesel Engine Works of FAW Jiefang Automotive Co., Ltd. can operate continuously and stably. The painting waste gas generated from the coating is

discharged after reaching the standard and receiving activated carbon adsorption and desorption + catalysis, and the waste gas generated from the test run is discharged after reaching the standard and being treated by the SCR treatment device.

10. All waste gas treatment facilities of Wuxi Diesel Engine Huishan Factory of FAW Jiefang Automotive Co., Ltd. can operate continuously and stably. The painting waste gas generated from the coating is discharged after reaching the standard and receiving activated carbon adsorption and desorption + catalysis, and the waste gas generated from the test run is discharged after reaching the standard and being treated by the SCR treatment device.

11. All waste gas treatment facilities of FAW Jiefang Dalian Diesel Engine Co., Ltd. can operate continuously and stably. The painting waste gas generated from the coating is discharged after reaching the standard and being treated by water curtain paint mist treatment device + activated carbon adsorption, and the waste gas generated from the test run is discharged after being treated by SCR post-treatment + alkali liquor washing exhaust gas treatment device and reaching the standard.

(III) Noise control:

All noise reduction and vibration reduction measures of branches and subsidiaries of the Company can meet the requirements of national laws and regulations, and the noise within the plant boundary meets the requirements of national emission standards.

(IV) Hazardous waste disposal:

All branches and subsidiaries of the Company deliver 100% of hazardous wastes to organizations with hazardous waste transportation and disposal qualifications for compliant transfer and disposal in strict accordance with the requirements of national laws, regulations and standards.

Emergency plan for environmental emergencies

The Company has established an environmental risk management mechanism, refined environmental risk assessment standards, identified risk points related to wastewater, waste gas, noise, hazardous waste, construction projects, hazardous chemicals, and pollutant discharge permits, and implemented risk classification based on scoring. Specific personnel are assigned responsibility for each type of risk, implementing a "one diagram, one table, one strategy" approach, with control measures developed for 100% of identified risks.

We organized relevant departments to revise and improve the comprehensive plan, special emergency plan and on-site disposal plan of the Emergency Response Plan for Environmental

Emergencies, conducted a detailed risk assessment on each risk point, clearly defined the work responsibilities of each department, refined the emergency disposal procedures for unexpected environmental events, supplemented and provided all kinds of emergency response materials, and trained relevant personnel on the contents of the plan as required.

The Company organized relevant departments to formulate the emergency response drill plan and carried out the drills on the integrated emergency plan, special emergency plan and on-site disposal plan for key areas such as sewage treatment stations, hazardous waste stations and waste gas treatment facilities on schedule. The drills improved the awareness of relevant personnel for the emergency procedures and their emergency response ability and coordination ability for emergencies, providing the actual practice to the environmental emergency team and effectively improving the emergency response-ability.

Environmental self-monitoring plan

The Company and all branches and subsidiaries have prepared their monitoring plans according to the requirements of pollutant discharge permits and regulations and organized qualified monitoring organizations to monitor wastewater, waste gas, noise and others in accordance with the requirements of the plans. The test report for 2024 shows that all monitoring indicators meet the requirements of all national emission regulations and standards.

Investment in environmental governance and protection and payment of environmental protection taxes

In 2024, the Company paid a total of nearly 30 million yuan including various environmental governance and protection expenses and environmental protection taxes.

Measures taken to reduce carbon emissions in the reporting period and their effects

Applicable Not applicable

The Company pays close attention to energy conservation and carbon reduction and actively docks with the government's preferential energy policies. In 2024, the amount of the green electricity transaction was 50.8 million kWh, and the PV clean energy project implemented by FAW Jiefang (Qingdao) Automotive Co., Ltd. was connected to the grid to generate electricity, further reducing carbon emissions. In 2024, a total of 221 energy-saving and cost-reduction projects were established and implemented, achieving cumulative cost savings of 94.75 million yuan.

Administrative Penalties due to Environmental Problems in the Reporting Period

Name of	Cause for	Violations	Results of	Impact on	Rectification
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Company or Subsidiary	Penalties		Penalties	Production and Operation of the Listed Company	Measures of the Company
N/A	N/A	N/A	N/A	N/A	N/A

Other environmental information that shall be disclosed

The Company and all branches and subsidiaries have disclosed environmental information as required and carried out cleaner production audits in strict accordance with the requirements. As a responsible central enterprise, the Company strictly abides by the national requirements, has been practicing the concept of scientific development, builds a clean and green enterprise, and is committed to becoming an ecological civilization benchmarking environment-friendly enterprise of "energy conservation, consumption reduction, emission reduction and efficiency improvement".

Other information related to environmental protection

To build an integrated large manufacturing platform featuring timely, accurate, high-quality, low-cost, and flexible delivery, in 2024, the Company restructured its manufacturing-related organizational structure, established a Safety and Environmental Protection Department, increased personnel allocation, enhanced the professional capabilities of the environmental management team, and clarified environmental responsibilities for each department to ensure effective implementation and supervision of environmental work.

In 2024, the Company organized a series of "June 5th Environment Day" activities, thoroughly implementing Chairman Xi Jinping's ecological civilization thought, fulfilling the Ministry of Ecology and Environment's "Notice on Properly Conducting 2024 June 5th Environment Day Publicity Work" and the Group's requirements for "Carrying Out 2024 Group Environmental Protection Publicity and Training Activities." The Company independently designed a "Comprehensively Advancing the Construction of Beautiful China" themed poster, mobilizing all units and employees through various formats to conduct organization-wide publicity, promote Environment Day knowledge, advocate for universal environmental protection, and spread the green development concept of comprehensively advancing the construction of Beautiful China.

Regarding the evaluation of energy conservation and environmental protection management, the Company improved assessment standards from two dimensions: foundational work and specialized environmental protection. The Company identified 56 management points across 18 dimensions including system management, water, air, noise, and waste, and conducted systematic training for

energy conservation and environmental protection management personnel at all levels, ensuring clear work standards and defined responsibilities. The Company further solidified the responsibilities of leaders and management personnel at all levels to ensure environmental protection management measures are thoroughly implemented and executed.

II. Social Responsibility

For details of our performance of corporate social responsibilities, please refer to the 2024 Environment, Society and Governance (ESG) Report published on CNINFO (<http://www.cninfo.com.cn>) on the same day.

III. Consolidation and Expansion of Achievements in Poverty Alleviation and Rural Revitalization

In 2024, FAW Jiefang actively responded to the national Rural Revitalization Strategy, thoroughly implemented designated assistance work, leveraged its resource advantages, and focused on supporting Fengshan County in Guangxi and Zhenlai County in Jilin. The company fully utilized Party-building leadership to focus on industrial development, livelihood infrastructure, cultural construction, education, and employment. Through dispatching personnel, partnership building, consumption-based assistance, rural infrastructure improvement, and rural employment promotion, FAW Jiefang promoted economic development in assisted areas according to local conditions and circumstances, advanced rural revitalization efforts, and created a new rhythm of rural prosperity.

Section VI Important Matters

I. Performance of Commitments

1. Commitments Made by the Company's Actual Controllers, Shareholders, Related Parties, Purchasers and the Company to Interested Parties that will be Fulfilled in the Reporting Period and Commitments not Fulfilled by the End of the Reporting Period

Applicable Not applicable

Reasons for Commitment	Committed by	Commitment Type	Commitments	Date	Commitment Period	Performance
Commitments made during asset restructuring	China FAW Co., Ltd.	Commitment to regulating and reducing related transactions	1. We will exercise shareholders' rights in strict accordance with the Company Law and other laws, administrative regulations, rules and normative documents (hereinafter referred to as "laws and regulations") as well as the Articles of Association of FAW Car Co., Ltd. (hereinafter referred to as "Articles of Association"), and when the Board of Directors and the shareholders' meeting vote on related transactions involving FAW Car Co., Ltd. matters, we will fulfill the obligation of avoiding voting. 2. We will commit to putting an end to all illegal occupation of the funds and assets of the listed company, and guarantee not to illegally transfer the funds and assets of the listed company or harm the interests of the listed company and other shareholders of the listed company by making use of relevant transactions. 3. We will try our best to avoid or reduce related transactions with listed companies and enterprises controlled by them. For related transactions that cannot be avoided or exist with reasonable reasons, we will strictly follow the principles of fairness, impartiality and openness in the market, sign standardized related transaction	April 08, 2020	Long-term validity	The matter is now in the normal process.

			<p>agreements with listed companies according to law, and perform related transaction decision-making procedures in accordance with relevant laws and regulations and the Articles of Association. The price of related transactions shall be determined based on the market-oriented pricing principle to ensure its fairness, and to perform the information disclosure obligation of related transactions in accordance with relevant laws and regulations and the Articles of Association, and to ensure that the legitimate rights and interests of the listed company and other shareholders of the listed company will not be harmed through related transactions. 4. The above commitments on regulating related transactions will also apply to enterprises actually controlled by FAW Car Co., Ltd., and within the scope of legal shareholders' rights, FAW Car Co., Ltd. will urge its actually controlled enterprises to fulfill the obligations of regulating existing or possible related transactions with listed companies. We will make every effort to urge joint ventures or associated enterprises other than those actually controlled by FAW Car Co., Ltd. to fulfill the obligations to regulate related transactions that have occurred or may occur with listed companies.</p>			
	China FAW Group Co., Ltd.	Commitment to avoiding horizontal competition	<p>1. Upon completion of the restructuring, the main business of the listed company will be changed to the R&D, production and sales of commercial vehicles. 2. Upon completion of the restructuring, FAW and its holding enterprises other than listed companies (hereinafter referred to as "holding enterprises") shall not directly or indirectly engage in any business or activity that constitutes or may constitute substantial competition with the main business engaged in by listed companies and their holding enterprises in any form. 3. Upon completion of the restructuring, if FAW or its holding enterprises find any new business opportunities that constitute or may constitute a direct or indirect competition with the main business of the listed</p>	April 08, 2020	Long-term validity	The commitment is being fulfilled normally.

		<p>company or its holding enterprises (hereinafter referred to as "such new business opportunities"), FAW will immediately notify the listed company in writing and try its best to first provide such business opportunities to the listed company or its holding enterprises according to reasonable and fair terms and conditions. If the listed company or its holding enterprises decide to give up such new business opportunities, FAW or its holding enterprises can engage in it. 4. If the listed company or its holding enterprises give up such new business opportunities and FAW or its holding enterprises engage in such new business opportunities, the listed company or its holding enterprises have the right to always acquire any equity, assets and other rights and interests in such new business opportunities from FAW or its holding enterprises one time or multiple times, or the listed company or its holding enterprises choose to entrust, lease or contract to operate the assets or businesses of FAW or its holding enterprises in such new business opportunities in the manner permitted by laws and regulations. FAW will ensure that its holding enterprises comply with the above commitments. 5. China FAW's subsidiary, FAW Light Commercial Vehicle Co., Ltd. (hereinafter referred to as "FAW Light Automobile"), and its subordinate companies Harbin Light Automobile and FAW Hongta (hereinafter collectively referred to with Harbin Light Automobile as "Light Truck Company") are engaged in some light truck businesses. However, they are currently in a state of discontinuation or loss, with heavy burdens and unstable profitability. FAW promises that it will entrust all shares of Harbin Light Automobile and FAW Hongta under its actual control to Jiefang Limited for management, and inject the equities of Harbin Light Automobile and FAW Hongta under its actual control to listed companies in batches or at one time in an appropriate way, or transfer</p>			
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			<p>them to other unrelated third parties at a reasonable price and in a reasonable way, or prevent the light truck company from engaging in light truck-related businesses by exercising shareholders' rights, and perform relevant internal approval procedures as soon as possible after the above procedures are initiated within 12 months after meeting the requirements that the return on net assets of Harbin Light Automobile and FAW Hongta is not lower than that of listed companies in the same period and increasing the earnings per share of listed companies after restructuring. 6. From the date of issuance of the commitment letter, if FAW violates any of the above commitments, it will take positive measures in favor of the listed company to eliminate horizontal competition, including but not limited to injecting assets related to horizontal competition business into the listed company, terminating horizontal competition business or selling assets related to horizontal competition business to an unrelated third party. 7. The above commitments shall come into effect from the date of completion of the restructuring and shall remain valid and irrevocable during the period when FAW serves as the controlling shareholder or actual controller of the listed company.</p>			
China FAW Co., Ltd.	Commitment to avoiding horizontal competition	<p>1. Upon completion of the restructuring, the main business of the listed company will be changed to the R&D, production and sales of commercial vehicles. 2. Upon completion of the restructuring, FAW Car Co., Ltd. and its holding enterprises other than listed companies (hereinafter referred to as "holding enterprises") shall not directly or indirectly engage in any business or activity that constitutes or may constitute substantial competition with the main business engaged in by listed companies and their holding enterprises in any form. 3. Upon completion of the restructuring, if FAW or its holding enterprises find any new business opportunities that constitute or may constitute a</p>	April 08, 2020	Long-term validity	The commitment is being fulfilled normally.	

		<p>direct or indirect competition with the main business of the listed company or its holding enterprises (hereinafter referred to as "such new business opportunities"), FAW or its holding enterprises will immediately notify the listed company in writing and try its best to first provide such business opportunities to the listed company or its holding enterprises according to reasonable and fair terms and conditions. If the listed company or its holding enterprises decide to give up such new business opportunities, FAW or its holding enterprises can engage in it 4. If the listed company or its holding enterprises give up such new business opportunities and FAW or its holding enterprises engage in such new business opportunities, the listed company or its holding enterprises have the right to always acquire any equity, assets and other rights and interests in such new business opportunities from FAW or its holding enterprises one time or multiple times, or the listed company or its holding enterprises choose to entrust, lease or contract to operate the assets or businesses of FAW or its holding enterprises in such new business opportunities in the manner permitted by laws and regulations. FAW Car Co., Ltd. will ensure that the holding enterprises of the Company comply with the above commitments. FAW Car Co., Ltd. will ensure that the holding enterprises of the Company comply with the above commitments. 5. Harbin Light Automobile and FAW Hongta under FAW Light Commercial Vehicle Co., Ltd., a subsidiary of FAW, are engaged in some light truck businesses. However, they are currently in a state of discontinuation or loss, with heavy burdens and unstable profitability. FAW Car Co., Ltd. promises that it will urge to entrust all shares of Harbin Light Automobile and FAW Hongta under its actual control to Jiefang Limited for management, and inject the equities of Harbin Light Automobile and FAW Hongta under its actual control to listed</p>			
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			<p>companies in batches or at one time in an appropriate way, or transfer them to other unrelated third parties at a reasonable price and in a reasonable way, or prevent the light truck company from engaging in light truck-related businesses by exercising shareholders' rights, and perform relevant internal approval procedures as soon as possible after the above procedures are initiated within 12 months after meeting the requirements that the return on net assets of Harbin Light Automobile and FAW Hongta is not lower than that of listed companies in the same period and increasing the earnings per share of listed companies after restructuring. 6. From the date of issuance of the commitment letter, if China FAW Co., Ltd. violates any of the above commitments, it will take positive measures in favor of the listed company to eliminate horizontal competition, including but not limited to injecting assets related to horizontal competition business into the listed company, terminating horizontal competition business or selling assets related to horizontal competition business to an unrelated third party. 7. The above commitments shall take effect from the date of completion of this restructuring and shall remain valid and irrevocable during the period when China FAW Co., Ltd. serves as the controlling shareholder or actual controller of the listed company.</p>			
	China FAW Co., Ltd.	Commitment to maintaining the independence of	<p>(I) Ensure the personnel independence of the listed company: 1. Maintain personnel independence with the listed company, and ensure that the General Manager, Deputy General Manager, Financial Director, Secretary of the Board of Directors and other senior executives of the listed company do not hold positions other than directors and supervisors in FAW Car Co., Ltd. and its wholly-owned, holding or other enterprises and public institutions under actual control (hereinafter referred to as "subordinate units"), and do not receive salary from FAW Car Co., Ltd. and its subordinate units. 2. Ensure that</p>	April 08, 2020	Long-term validity	The commitment is being fulfilled normally.

		<p>listed companies</p>	<p>the listed company has a complete and independent labor, human resources and salary management system, which is completely independent of FAW Car Co., Ltd. and its subordinate units. (II) Ensure the independence and integrity of the assets of the listed company: 1. Ensure that the listed company has independent and complete assets, all of which are under the control of the listed company, and are independently owned and operated by the listed company. 2. Ensure that FAW Car Co., Ltd. and its subordinate units currently do not and will not illegally occupy the funds and assets of the listed company. 3. China FAW Co., Ltd. will not use the assets of the listed company to guarantee its debts. (III) Ensure the financial independence of the listed company: 1. Ensure that the listed company continues to maintain an independent financial department and an independent financial accounting system. 2. Ensure that the listed company has a standardized and independent financial and accounting system. 3. Ensure that the listed company opens a bank account independently and does not share a bank account with FAW Car Co., Ltd. 4. Ensure that the financial personnel of the listed company do not take part-time jobs in FAW Car Co., Ltd. and its subordinate units. 5. Ensure that the listed company can make financial decisions independently and that FAW Car Co., Ltd. does not interfere with the use of funds by the listed company. 6. Ensure that the listed company pays taxes independently according to law. (IV) Ensure the institutional independence of the listed company: 1. Ensure that the listed company has an independent and complete organizational institution and can operate it independently. 2. Ensure that the office and production and business premises of the listed company are separated from FAW Car Co., Ltd. 3. Ensure that the Board of Directors, Board of Supervisors and all functional departments of the listed company operate and exercise their</p>			
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			functions and powers independently, without any affiliation or confusion with the functional departments of FAW Car Co., Ltd. (V) Ensure the business independence of the listed company: 1. Maintain business independence with the listed company after the restructuring, and ensure substantial horizontal competition or obviously unfair related transactions do not exist or occur. 2. Ensure that the listed company has the assets, personnel, qualifications and capabilities to independently carry out business activities, and has the ability to independently operate in the market. 3. Ensure that FAW Car Co., Ltd. does not interfere with the normal business activities of the listed company except for participating in the operation and management of the listed company by exercising shareholders' rights.			
	China FAW Co., Ltd.	Commitment to measures to fill diluted spot returns	1. We will not interfere with the operation and management activities of the listed company beyond our authority and will not encroach on the interests of the listed company; 2. In this major asset restructuring, the listed company issued shares to FAW Car Co., Ltd. to purchase assets, and signed the Profit Forecast Compensation Agreement attached with effective conditions with FAW Car Co., Ltd., providing legally binding safeguard measures to avoid diluted spot returns in this transaction.	April 08, 2020	Long-term validity	The commitment is being fulfilled normally.
	China FAW Group Co., Ltd.	Description of vehicle production qualification	The production qualification and product announcement of Jiefang Limited will be under the group management of FAW, that is, Jiefang Limited will use the production qualification of FAW vehicles, and its production qualification and product announcement declaration will be under the unified management of FAW. Upon completion of the restructuring, FAW will continue to maintain group management based on the actual needs of Jiefang Limited. Jiefang Limited can continue to use relevant production qualifications and keep the announcement	April 08, 2020	Long-term validity	The commitment is being fulfilled normally.

			of existing models unchanged. FAW will not hinder the continuous use of relevant qualifications by Jiefang Limited, and will cooperate with Jiefang Limited to maintain the validity of relevant qualifications.			
	China FAW Co., Ltd.	Commitment to defects of underlying assets	Jiefang Limited and its holding subsidiaries cannot obtain the house ownership certificate for some properties due to historical reasons such as government planning and adjustment, land expropriation, incomplete construction application procedures, and construction beyond the red line. The above properties account for 0.6% of the total area of house ownership of Jiefang Limited and its holding subsidiaries, which is relatively small and will not have a significant adverse impact on the normal production and operation of Jiefang Limited. As the counterparty of the restructuring, the Company promises that the failure to obtain the corresponding ownership certificate of the above properties will not adversely affect the normal production and operation of Jiefang Limited, and will not constitute a substantial obstacle to the restructuring. If the listed company or Jiefang Limited suffers any punishment or loss due to the failure to obtain the corresponding ownership certificate of the above properties, the Company promises to make full compensation to the listed company or Jiefang Limited in cash timely.	November 27, 2019	Long-term validity	The commitment is being fulfilled normally.
Commitments made during asset restructuring	Relevant directors, supervisors and senior officers of listed companies (Wu Bilei, Li Sheng, Wang Hao, Liu Yanchang, Deng Weigong, Chen Hua, Han Fangming, Mao Zhihong, Dong Zhonglang, Li Ying, Xu Haigen, Wang	Other commitments	If I hold shares in FAW Jiefang prior to this restructuring, I will not reduce my FAW Jiefang shareholdings through direct or indirect means from the date of the first disclosure of this transaction by FAW Jiefang until its completion, nor do I have any plans to reduce FAW Jiefang shares. During this period, if I receive additional shares due to FAW Jiefang's issuance of bonus shares, conversion of capital reserves into share capital, or other such events, I will also abide by the aforementioned arrangements. If the China Securities Regulatory Commission and the Shenzhen Stock Exchange implement new regulations regarding share reduction, I will also strictly comply with such relevant regulations.	October 22, 2024	To the completion of implementation	The commitment is being fulfilled normally.

	Lijun, Duan Yinghui, Yu Changxin, Ji Yizhi, Wang Jianyu, Wang Jianxun)					
	Relevant directors, supervisors and senior officers of listed companies (Wu Bilei, Li Sheng, Wang Hao, Liu Yanchang, Deng Weigong, Chen Hua, Han Fangming, Mao Zhihong, Dong Zhonglang, Li Ying, Xu Haigen, Wang Lijun, Duan Yinghui, Yu Changxin, Ji Yizhi, Wang Jianyu, Wang Jianxun)	Other commitments	1. Not to transfer benefits to other units or individuals without compensation or on unfair terms, nor to adopt other methods that harm the interests of the listed company; 2. To restrict my position-related consumption behavior; 3. Not to use the listed company's assets for investment or consumption activities unrelated to my duties; 4. To ensure the remuneration system established by the Board of Directors or the Compensation and Evaluation Committee is linked to the implementation of the listed company's measures to compensate for diluted immediate returns; 5. To ensure the exercise conditions of any proposed equity incentive plans (if any) are linked to the implementation of the listed company's measures to compensate for diluted immediate returns. I commit to strictly fulfilling the above commitments to ensure the company's return compensation measures can be effectively implemented. If I violate or refuse to fulfill the above commitments, resulting in losses to the listed company, I will bear legal responsibility for compensation, and agree to accept relevant penalties or management measures in accordance with regulations and rules established or issued by the China Securities Regulatory Commission, the Shenzhen Stock Exchange, and other securities regulatory authorities.	October 29, 2024	Long-term validity	The commitment is being fulfilled normally.
	China FAW Group Co., Ltd.	Commitments regarding horizontal	1. Following the completion of this restructuring, the Company will strictly exercise shareholder rights in accordance with the relevant provisions of the "Company Law" and other laws, administrative regulations, rules, and normative documents (hereinafter referred to as "laws and regulations") and the "Articles of Association of the Listed Company." The Company will fulfill its obligation to abstain from	October 29, 2024	Long-term validity	The commitment is being fulfilled normally.

		<p>competition, related party transactions, and fund appropriation</p>	<p>voting when the Board of Directors and shareholders' meetings vote on related party transactions involving the Company. 2. We will commit to putting an end to all illegal occupation of the funds and assets of the listed company, and guarantee not to illegally transfer the funds and assets of the listed company or harm the interests of the listed company and other shareholders of the listed company by making use of relevant transactions. 3. We will try our best to avoid or reduce related transactions with listed companies and enterprises controlled by them. For related transactions that cannot be avoided or exist with reasonable reasons, we will strictly follow the principles of fairness, impartiality and openness in the market, sign standardized related transaction agreements with listed companies according to law, and perform related transaction decision-making procedures in accordance with relevant laws and regulations and the Articles of Association of the Listed Company. The price of related transactions shall be determined based on the market-oriented pricing principle to ensure its fairness, and to perform the information disclosure obligation of related transactions in accordance with relevant laws and regulations and the Articles of Association, and to ensure that the legitimate rights and interests of the listed company and other shareholders of the listed company will not be harmed through related transactions. 4. The above commitments on regulating related transactions will also apply to enterprises actually controlled by the Company, and within the scope of legal shareholders' rights, the Company will urge its actually controlled enterprises to fulfill the obligations of regulating existing or possible related transactions with listed companies. We will make every effort to urge joint ventures or associated enterprises other than those actually controlled by the Company to fulfill the obligations to regulate related transactions that have occurred or may occur with</p>			
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			<p>listed companies.</p> <p>(I) Ensure the personnel independence of the listed company: 1. Maintain personnel independence with the listed company, and ensure that General Manager, Deputy General Manager, Financial Director, Secretary of the Board of Directors and other senior executives of the listed company do not hold positions other than directors and supervisors in the Company and its wholly-owned, holding or other enterprises and public institutions under actual control (hereinafter referred to as "subordinate units"), and do not receive salary from the Company and its subordinate units. 2. Ensure that the listed company has a complete and independent labor, human resources and salary management system, which is completely independent of the Company and its subordinate units. (II) Ensure the independence and integrity of the assets of the listed company: 1. Ensure that the listed company has independent and complete assets, all of which are under the control of the listed company, and are independently owned and operated by the listed company. 2. Ensure that the Company and its subordinate units currently do not and will not illegally occupy the funds and assets of the listed company. 3. The Company will not use the assets of the listed company to guarantee its debts. (III) Ensure the financial independence of the listed company: 1. Ensure that the listed company continues to maintain an independent financial department and an independent financial accounting system. 2. Ensure that the listed company has a standardized and independent financial and accounting system. 3. Ensure that the listed company opens a bank account independently and does not share a bank account with the Company. 4. Ensure that the financial personnel of the listed company do not take part-time jobs in the Company and its subordinate units. 5. Ensure that the listed company can make financial decisions independently, and the</p>	<p>October 29, 2024</p>	<p>Long-term validity</p>	<p>The commitment is being fulfilled normally.</p>
<p>China FAW Group Co., Ltd.</p>		<p>Other commitments</p>				

			<p>Company does not interfere with the use of funds by the listed company. 6. Ensure that the listed company pays taxes independently according to law. (IV) Ensure the institutional independence of the listed company: 1. Ensure that the listed company has an independent and complete organizational institution and can operate it independently. 2. Ensure that the office and production and business premises of the listed company are separated from the Company. 3. Ensure that the Board of Directors, Board of Supervisors and all functional departments of the listed company operate and exercise their functions and powers independently, without any affiliation or confusion with the functional departments of the Company. (V) Ensure the business independence of the listed company: 1. Maintain business independence with the listed company after the transaction and ensure substantial horizontal competition or obviously unfair related transactions do not exist or occur. 2. Ensure that the listed company has the assets, personnel, qualifications and capabilities to independently carry out business activities, and has the ability to independently operate in the market. 3. Ensure that the Company does not interfere with the normal business activities of the listed company except for participating in the operation and management of the listed company by exercising shareholders' rights.</p>			
	<p>China FAW Co., Ltd.</p>	<p>Commitment to share reduction</p>	<p>From the date of the first disclosure of FAW Jiefang's restructuring until its completion, the Company will not reduce its FAW Jiefang shareholdings, nor does it have any plans to reduce FAW Jiefang shares. During this period, if the Company receive additional shares due to FAW Jiefang's issuance of bonus shares, conversion of capital reserves into share capital, or other such events, I will also abide by the aforementioned arrangements. If the China Securities Regulatory Commission and the Shenzhen Stock Exchange implement new</p>	<p>October 29, 2024</p>	<p>To the completion of implementation</p>	<p>The commitment is being fulfilled normally.</p>

			regulations regarding share reduction, the Company will also strictly comply with such relevant regulations.			
	China FAW Co., Ltd.	Other commitments	1. Exercise shareholder rights in accordance with relevant laws, regulations and the "Articles of Association" of the listed company; not interfere with the business management activities of the listed company beyond authorized powers, and not misappropriate the interests of the listed company; 2. After the issuance date of this commitment and before the completion of this restructuring of the listed company, if the Shenzhen Stock Exchange issues other new regulatory requirements regarding return compensation measures and related commitments, and the above commitments cannot satisfy these requirements, the Company commits to issue supplementary commitments in accordance with the exchange's latest requirements; 3. If the Company violates or refuses to fulfill the above commitments, resulting in losses to the listed company, the Company will bear legal responsibility for compensation, and agree to accept relevant penalties or management measures in accordance with regulations and rules established or issued by the China Securities Regulatory Commission, the Shenzhen Stock Exchange, and other securities regulatory authorities.	October 29, 2024	To the completion of implementation	The commitment is being fulfilled normally.
	FAW Bestune Auto Co., Ltd.	Commitment to share reduction	From the date of the first disclosure of FAW Jiefang's restructuring until its completion, the Company will not reduce its FAW Jiefang shareholdings, nor does it have any plans to reduce FAW Jiefang shares. During this period, if the Company receive additional shares due to FAW Jiefang's issuance of bonus shares, conversion of capital reserves into share capital, or other such events, I will also abide by the aforementioned arrangements. If the China Securities Regulatory Commission and the Shenzhen Stock Exchange implement new regulations regarding share reduction, the Company will also strictly	October 22, 2024	To the completion of implementation	The commitment is being fulfilled normally.

			comply with such relevant regulations.			
Commitment made upon initial public offering or refinancing	Relevant directors, supervisors and senior officers of listed companies (Hu Hanjie, Wu Bilei, Li Sheng, Yu Changxin, Liu Yanchang, Han Fangming, Mao Zhihong, Dong Zhonglang, Wang Jianxun, Zhang Guohua, Bi Wenquan, Li Hongjian, Tian Haifeng, Ji Yizhi)	Commitment to measures to fill diluted spot returns	<p>1. I commit not to transfer benefits to other units or individuals without compensation or on unfair terms and not to use other methods that harm the Company's interests;</p> <p>2. I commit to restricting my position-related consumption behavior;</p> <p>3. I commit not to use Company assets for investment or consumption activities unrelated to my duties;</p> <p>4. I commit that the remuneration system established by the Board of Directors or the Compensation and Evaluation Committee will be linked to the implementation of the Company's return compensation measures;</p> <p>5. I commit that the exercise conditions for equity incentives will be linked to the implementation of the Company's return compensation measures;</p> <p>6. After the issuance date of this commitment and before the completion of this issuance, if the China Securities Regulatory Commission (CSRC) issues other new regulatory requirements regarding return compensation measures and related commitments, and the above commitments cannot satisfy these CSRC requirements, I commit to issuing supplementary commitments in accordance with the CSRC's latest requirements;</p> <p>7. I commit to effectively fulfill all commitments made. If I violate or refuse to fulfill these commitments, I will publicly provide explanations and apologize at the shareholders' meeting and in CSRC-designated publications, and accept relevant regulatory measures; if violations of these commitments cause losses to the Company or investors, I will bear legal responsibility in accordance with the law.</p>	June 19, 2023	Long-term validity	The commitment is being fulfilled normally.
	China FAW Co., Ltd., FAW Bestune Auto	Commitment	In accordance with relevant regulations, the Company's controlling shareholder FAW Bestune Auto Co., Ltd. and its party acting in	June 19, 2023	Long-term	The commitment

	Co., Ltd.	to measur es to fill diluted spot returns	concert, FAW Bestune Auto Co., Ltd., make the following commitments to ensure the Company's return compensation measures can be effectively implemented: 1. Not to interfere with the Company's business management activities beyond authorized powers and not to misappropriate the Company's interests; 2. After the issuance date of this commitment and before the completion of this issuance, if the China Securities Regulatory Commission and Shenzhen Stock Exchange issue other new regulatory requirements regarding return compensation measures and related commitments, and this commitment cannot satisfy these requirements, the Company commits to issue supplementary commitments in accordance with the latest requirements issued by the China Securities Regulatory Commission and Shenzhen Stock Exchange.		validity	nt is being fulfilled normally.
Equity incentive commitment	N/A					N/A
Other commitments to minority shareholders of the Company	N/A					N/A
Other commitments	China FAW Co., Ltd.	Other commitments	Based on confidence in your company's future development and recognition of its intrinsic value, and to enhance investor confidence, maintain capital market stability and protect investor interests, China FAW Co., Ltd. commits not to reduce its shareholding in your	January 17, 2025	In 2025	The commitment is being fulfilled

		<p>company through any means during 2025. During this commitment period, China FAW Co., Ltd. will also apply this commitment to any new shares acquired through your company's conversion of capital reserves into share capital, distribution of stock dividends, rights issues, additional share issuances, or other similar corporate actions.</p>			<p>normally.</p>
<p>Whether the commitment is fulfilled on time</p>	<p>Yes</p>				
<p>If the commitment is not fulfilled within the time limit, the specific reasons for the failure and the next work plan shall be explained in detail</p>	<p>N/A</p>				

2. If there is a profit forecast for the Company's assets or projects, and the reporting period is still in the profit forecast period, the Company shall explain that the assets or projects reaching the original profit forecast and the reasons

Applicable Not applicable

II. Non-operating Occupation of Funds by Controlling Shareholders and Other Related Parties to the Listed Company

Applicable Not applicable

During the reporting period, there was no non-operating occupation of funds by controlling shareholders and other related parties.

III. Illegal External Guarantee

Applicable Not applicable

The Company has no illegal external guarantee in the reporting period.

IV. Description of the Board of Directors on the latest "Non-standard Audit Report"

Applicable Not applicable

V. Description of the Board of Directors, the Board of Supervisors and Independent Directors (if any) on the "Non-standard Audit Report" of the Accounting Firm in the Reporting Period

Applicable Not applicable

VI. Description of Changes in Accounting Policies and Accounting Estimates or Correction of Significant Accounting Errors Compared with the Financial Report of the Previous Year

Applicable Not applicable

The Ministry of Finance issued "Interpretation No.18 of Accounting Standards for Business Enterprises" (CK [2024] No.24, Interpretation No.18) on December 31, 2024.

Accounting treatment of warranty-type quality assurance does not constitute a separate performance obligation

Interpretation No.18 stipulates that when accounting for provisions arising from warranty-type quality assurance that does not constitute a separate performance obligation, enterprises should, in accordance with the relevant provisions of "No.13 of Accounting Standards for Business Enterprises-

Contingencies", debit "Main Operating Costs", "Other Operating Costs" or other relevant accounts based on the determined provision amount, and credit the "Provisions" account. These should be correspondingly presented in the "Operating Costs" item in the income statement and in the "Other Current Liabilities", "Non-current Liabilities Due Within One Year", "Provisions" or other relevant items in the balance sheet.

The Company has implemented this provision from the date of issuance of Interpretation No.18 and has made retrospective adjustments.

The impact of implementing the above accounting policies on the consolidated income statement for 2024 is as follows:

Consolidated income statement items (2024)	Impact amount (Yuan)
Sales expenses	-649,934,273.23
Operating costs	649,934,273.23

The impact of implementing the above accounting policies on the consolidated income statement for 2023 is as follows:

Consolidated income statement items (2023)	Before adjustment (Yuan)	Adjustment amount (Yuan)	After adjustment (Yuan)
Sales expenses	1,677,186,816.57	-573,588,104.47	1,103,598,712.10
Operating costs	58,827,779,239.02	573,588,104.47	59,401,367,343.49

VII. Description of Changes in the Scope of Consolidated Statements Compared with the Financial Report of the Previous Year

Applicable Not applicable

1. On August 16, 2024, the Company invested in establishing FAW Jiefang Group International Automobile Co., Ltd.
2. In December 2024, the Company acquired 100% equity in Jiefang Motors Tanzania Ltd. from China Faw Group Import & Export Corp, a subsidiary of FAW Group, for 57,800,429.15 yuan in cash. Since both parties involved in the merger were under the control of FAW Group before and after the transaction, and this control was not temporary, this transaction constitutes a business combination under common control, with the merger date established as December 31, 2024.

3. In December 2024, the Company acquired 55% equity in FAW (Africa) Investment Co., Ltd. from China Faw Group Import & Export Corp, a subsidiary of FAW Group, for 327,948,795.48 yuan in cash. Since both parties involved in the merger were under the control of FAW Group before and after the transaction, and this control was not temporary, this transaction constitutes a business combination under common control, with the merger date established as December 31, 2024.

VIII. Appointment and Dismissal of Accounting Firm

Accounting Firm Currently Hired

Name of Domestic Accounting Firm	Grant Thornton Certified Public Accountants (Special General Partnership)
Remuneration of Domestic Accounting Firm (10 thousand yuan)	95
Consecutive Years of Audit Service Provided by Domestic Accounting Firm	8 years
Name of Certified Public Accountant of Domestic Accounting Firm	Wu Songlin, Yang Dongmin
Consecutive Years of Audit Service Provided by a Certified Public Accountant of a Domestic Accounting Firm	Wu Songlin (2 years), Yang Dongmin (3 years)

Whether to change to hire a new accounting firm in the current period

Yes No

Employment of accounting firm, financial consultant or sponsor for internal control audit

Applicable Not applicable

1. After deliberation and adoption at the 19th meeting of the 10th Board of Directors and the Fourth Extraordinary Shareholders' Meeting of 2024, Grant Thornton Accounting Firm (special general partnership) was appointed as the internal control audit institution of the Company in 2024, with an internal control audit fee of 600 thousand yuan.

2. The Company engaged China International Capital Corporation Limited as the sponsor and underwriter for its private placement of A-shares to specific targets, with total sponsorship, underwriting and continuous supervision fees amounting to 90 thousand yuan.

3. The Company engaged China Securities Co., Ltd. as an independent financial advisor for its major asset restructuring, with a financial advisory fee of 200 thousand yuan.

IX. Delisting after Disclosure of Annual Report

Applicable Not applicable

X. Matters Related to Bankruptcy Reorganization

Applicable Not applicable

The Company has no matter related to bankruptcy reorganization in the reporting period.

XI. Major Litigation and Arbitration Matters

Applicable Not applicable

Basic Information about Litigation (Arbitration)	Amount Involved (10 thousand yuan)	Estimated liabilities formed or not	Progress of Litigation (Arbitration)	Litigation (Arbitration) Results and Impact	Implementation of Litigation (Arbitration) Judgment	Date of Disclosure	Disclosure Index
Summary of other litigation not reaching the major disclosure standard	4,844.17	Including estimated liabilities of 23.9748 million yuan	Case not closed	No significant impact	Case not closed by the end of the reporting period		
	5,288.99	No	Case closed	No significant impact	Judgment has been made or the execution has been completed		

XII. Punishment and Rectification

Applicable Not applicable

The company has no punishment or rectification in the reporting period.

XIII. Integrity of the Company and Its Controlling Shareholders and Actual Controllers

Applicable Not applicable

XIV. Major Related Transactions**1. Related transactions related to daily operations**

☑Applicable ☐Not applicable

Related Transaction Party	Correlation	Type of Related Transaction	Content of Related Transaction	Pricing Principle of Related Transaction	Price of Related Transaction	Amount of Related Transaction (10 thousand yuan)	Proportion to the Amount of Similar Transactions	Approved Transaction Amount (10 thousand yuan)	Whether it Exceeds the Approved Amount	Settlement Method of Related Transaction	Available Market Value of Similar Transactions	Date of Disclosure	Disclosure Index
Fawer Auto Parts Co., Ltd.	Other related parties	Goods purchase and reception of labor services	Goods purchase and reception of labor services	Market price	Market price	139,356.56	2.64%	197,238	No	Cash + bill settlement	139,356.56	January 31, 2024	http://www.cninfo.com.cn/new/disclosure/stock?stockCode=000800&orgId=gssz0000800&sjstsBond=false#latestAnnouncement
China FAW Group Import & Export Co., Ltd.	The same ultimate controlling party	Sales of goods	Sales of goods	Market price	Market price	1,220,820.37	20.84%	1,475,014	No	Cash + bill settlement	1,220,820.37		
Total				--	--	1,360,176.93	--	1,672,252	--	--	--	--	--

Details of large sales returns	N/A
Actual performance in the reporting period, if the total amount of daily related transactions to be incurred in the current period is estimated by category	For details about the actual performance of related transactions in the reporting period, please see Item XIV, "Related Parties and Related Transactions," in Section X of this report.
Reasons for the large difference between transaction price and market reference price	N/A

2. Related transactions arising from the acquisition and sale of assets or equity

☑Applicable ☐Not applicable

Related Parties	Correlation	Type of Related Transaction	Content of Related Transaction	Pricing Principle of Related Transaction	Book value of transferred assets (10 thousand yuan)	Appraisal value of the transferred assets (10 thousand yuan)	Transfer price (10 thousand yuan)	Settlement Method of Related Transaction	Transaction profit and loss (10 thousand yuan)	Date of Disclosure	Disclosure Index
China FAW Co., Ltd.	Parent company of the Company	Equity sale	21.8393% Equity of the First Automobile Finance Co., Ltd.	Asset appraisal pricing	445,920.62	492,388.61	492,388.61	Cash settlement	46,926.53	October 29, 2024	http://www.cninfo.com.cn/new/disclosure/stock?stockCode=000800&orgId=gsz0000800&sjstsBond=false#latestAnnouncement
China FAW Group Import & Export Co., Ltd.	The same ultimate controlling party	Equity acquisition	55% equity of FAW (Africa) Investment Co., Ltd.	Asset appraisal pricing	72,753.54	61,627.05	32,794.88	Cash settlement	0	December 21, 2024	http://www.cninfo.com.cn/new/disclosure/stock?stockCode=000800&orgId=gsz0000800&sjstsBond=false#latestAnnouncement
Reasons for the large difference between the transfer price and the book value or appraisal value				N/A							
Impact on the Company's operating results and financial position				Sale of 21.8393% equity in First Automobile Finance Co., Ltd., with no change to the Company's main business operations, which will continue to develop core product lines; Acquisition of 55% equity in FAW (Africa) Investment Co., Ltd. will expand the Company's overseas capital operation channels, promote growth in overseas export volumes, while also extending influence to increase sales volumes in surrounding countries and regions							
Performance achievement during the reporting period, if the relevant transactions involve				N/A							

performance commitments

3. Related transactions of joint foreign investmentApplicable Not applicable**4. Related credit and debt transactions**Applicable Not applicable

Whether there are non-operating related credit and debt transactions

Yes No

The Company has had no non-operating related credit and debt transactions during the reporting period.

5. Transaction with related finance companiesApplicable Not applicable

Deposit Business

Related Parties	Correlation	Maximum Daily Deposit Limit (10 thousand yuan)	Deposit Interest Rate Range	Opening Balance (10 thousand yuan)	Amount Incurred in Current Period		Ending Balance (10 thousand yuan)
					Total Deposit Amount in the Current Period (10 thousand yuan)	Total Withdrawal Amount in the Current Period (10 thousand yuan)	
First Automobile Finance Co., Ltd.	The same ultimate controlling party	3,000,000	0.455%-2.3%	1,434,091.03	28,349,931.94	28,896,885.46	887,137.51

Credit Granting or Other Financial Businesses

Related Parties	Correlation	Business Type	Total Amount (10 thousand yuan)	Actual Amount Incurred (10 thousand yuan)
First Automobile Finance Co., Ltd.	The same ultimate controlling party	Other financial businesses	900,000	191,125.56

6. Transactions between finance companies controlled by the Company and related partiesApplicable Not applicable

There is no deposit, loan, credit granting or other financial businesses between the finance companies controlled by the Company and related parties.

7. Other major related transactions

Applicable Not applicable

On January 30, 2024, the 10th meeting of the 10th Board of Directors of the Company reviewed and approved the Proposal on Estimated Amount of Daily Related Transactions in 2024 and the Proposal on Estimated Amount of Financial Business with First Automobile Finance Co., Ltd. in 2024, which were reviewed and approved by the first extraordinary shareholders' meeting of the Company in 2024.

Relevant Inquiries on Disclosure Website of Interim Report of Major Related Transactions

Name of Temporary Announcement	Disclosure Date of Temporary Announcement	Name of Temporary Announcement Disclosure Website
Announcement on the estimated amount of daily related transactions in 2024	January 31, 2024	CNINFO (http://www.cninfo.com.cn)
Announcement on the estimated amount of financial business with First Automobile Finance Co., Ltd. in 2024	January 31, 2024	CNINFO (http://www.cninfo.com.cn)

XV. Major Contracts and Their Performance

1. Trusteeship, contracting and lease

(1) Trusteeship

Applicable Not applicable

There is no trusteeship made by the Company in the reporting period.

(2) Contracting

Applicable Not applicable

There is no contract made by the Company during the reporting period.

(3) Lease

Applicable Not applicable

Description of lease

For details of the Company's operating lease, please refer to Note 14 "Investment real estate", Note

15 "Fixed assets", and Note 19 "Right-of-use assets" in Notes to Items in VII "Consolidated Financial Statements" of Section X "Financial Report", and Note 5 "Information of related transactions" in XIV "Related parties and related transactions".

Projects that bring about profits and losses exceeding 10% of the total profit of the Company in the reporting period

Applicable Not applicable

The Company has no leasing project that brings about profits and losses exceeding 10% of the total profit of the Company in the reporting period.

2. Major guarantees

Applicable Not applicable

The Company has no major guarantee in the reporting period.

3. Cash Assets Management Entrusted to Others

(1) Entrusted financial management

Applicable Not applicable

The Company has no entrusted financial management in the reporting period.

(2) Entrusted loans

Applicable Not applicable

The Company has no entrusted loans in the reporting period.

4. Other major contracts

Applicable Not applicable

The Company has no other major contracts in the reporting period.

XVI. Other Major Matters to be Explained

Applicable Not applicable

On June 19, 2023, the Company held the 4th Meeting of the 10th Board of Directors and the 3rd Meeting of the 10th Board of Supervisors, respectively, to deliberate and approve relevant proposals such as the Proposal on the Company's Eligibility for Issuing A-shares to Specific Objects and the Proposal on the Company's Plan for Issuing A-shares to Specific Objects in 2023. These Proposals were deliberated and approved at the 2nd Extraordinary Shareholders' Meeting of the Company held

on July 18, 2023. On July 18, 2023, the Company disclosed the Announcement of Approval from China FAW Group Co., Ltd. Regarding the Matters of Issuing A-Share Stocks to Specific Objects in the Company in 2023. On August 3, 2023, the Company disclosed the Announcement on the Application for the Issuance of A-shares to Specific Objects in 2023 Accepted by the Shenzhen Stock Exchange. On October 13, 2023, the Company disclosed the Announcement on the Issuance of A-shares to Specific Objects in 2023, Accepted by the Listing Review Center of the Shenzhen Stock Exchange. On June 25, 2024, the Company disclosed the Announcement of Obtaining the Approval of the China Securities Regulatory Commission (CSRC) for the Application for Issuing Shares to Specific Objects and the Prospectus for Issuing A-shares to Specific Objects in 2023 (Registration Draft). On October 15, 2024, the Company disclosed the Prompt Announcement on the Disclosure of the Report on the Issuance of A-Shares Stocks to Specific Objects, the Report on the Issue of A-shares to Specific Objects in 2023 and other relevant announcements. On October 17, 2024, the Company held the 16th meeting of the 10th Board of Directors and the 13th meeting of the 10th Board of Supervisors, respectively, and reviewed and approved the Proposal on Adjusting the Amount of Raised Funds to be Invested in Fundraising Projects, Proposal on Adding Implementation Entities for Fundraising Projects and other related proposals. On October 18, 2024, the Company disclosed the Announcement on the Listing of A-shares Stocks Issued to Specific Objects in 2023 and other relevant announcements. The listing date of the new shares is October 21, 2025.

For details of the above matters, please refer to the Company's relevant announcements published in Securities Times, China Securities Journal and CNINFO (<http://www.cninfo.com.cn>).

XVII. Major Events of Subsidiaries

Applicable Not applicable

Section VII Changes in Shares and Shareholders

I. Changes in Shares

1. Changes in shares

Unit: share

	Before the Change		Increase/Decrease Made by the Change (+, -)					After the Change	
	Qty.	Scale	Issue of New Shares	Bonus shares	Share Transferred from Accumulation Fund	Others	Subtotal	Qty.	Scale
I. Restricted shares	14,433,543	0.31%	298,507,462	-	-	-12,923,310	285,584,152	300,017,695	6.09%
1. Shares held by the state								-	
2. Shares held by the state-owned legal person			135,820,894				135,820,894	135,820,894	2.76%
3. Shares held by other domestic enterprises	14,433,543	0.31%	145,970,151			-12,923,310	133,046,841	147,480,384	3.00%
Including: shares held by a domestic legal person			145,970,151				145,970,151	145,970,151	2.97%
Shares held by a domestic natural person	14,433,543	0.31%				-12,923,310	-12,923,310	1,510,233	0.03%
4. Shares held by foreign enterprises			16,716,417				16,716,417	16,716,417	0.34%
Including: shares held by an overseas legal person			16,716,417				16,716,417	16,716,417	0.34%
Shares held by overseas natural person							-	-	
II. Unrestricted shares	4,622,564,932	99.69%				-211,451	-211,451	4,622,353,481	93.91%

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1. CNY ordinary shares	4,622,564,932	99.69%				-211,451	-211,451	4,622,353,481	93.91%
2. Foreign shares listed in China								-	
3. Foreign shares listed overseas								-	
4. Others								-	
III. Total number of shares	4,636,998,475	100.00%	298,507,462			-13,134,761	285,372,701	4,922,371,176	100.00%

Reasons for changes in shares

Applicable Not applicable

1. During the reporting period, the Company failed to achieve the performance assessment objectives set for the third release period first granted and the second release period reserved by the Company's Phase I restricted share incentive plan, and a total of 13,134,761 shares were repurchased and canceled due to organizational transfer, statutory retirement and personal reasons.

2. During the reporting period, the Company completed the issue of A-shares to specific objects, and the number of shares issued was 298,507,462.

To sum up, the total equity of the Company was changed to 4,922,371,176 shares.

Approval of share changes

Applicable Not applicable

(1) The Proposal on the Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan was reviewed and approved at the 7th Meeting of the 10th Board of Directors and the 6th Meeting of the 10th Board of Supervisors on November 20, 2023. A total of 512,807 restricted shares were repurchased and canceled. On December 6, 2023, the Proposal was deliberated and approved at the Company's fourth Extraordinary Shareholders' Meeting in 2023.

(2) On March 28, 2024, the 11th meeting of the 10th Board of Directors and the 10th meeting of the 20th Board of Supervisors of the Company deliberated and approved the Proposal on Unsuccessful Lifting of Conditions of the Third Release Period First Granted by the Phase I Restricted Share Incentive Plan for Releasing the Restricted Sales and of Conditions of the Second Release Period Reserved by the Phase I Restricted Share Incentive Plan for Releasing the Restricted Sales and Repurchase and Cancellation of Some Restricted Shares, with a total number of 12,621,954 restricted shares repurchased and canceled. On April 25, 2024, the proposal was reviewed and approved at the Company's 2023 Annual Shareholders' Meeting.

(3) On June 19, 2023, the Company held the 4th Meeting of the 10th Board of Directors and the 3rd Meeting of the 10th Board of Supervisors, respectively, to deliberate and approve relevant proposals such as the Proposal on the Company's Eligibility for Issuing A-shares to Specific Objects and the Proposal on the Company's Plan for Issuing A-shares to Specific Objects in 2023. On July 13, 2023, FAW Group, the entity responsible for state-owned assets supervision and management, issued the "Reply on Matters Concerning FAW Jiefang Group Co., Ltd.'s 2023 Private Placement of A-shares to Specific Investors," approving the issuer's private placement. On July 18, 2023, the

aforementioned resolutions were reviewed and approved at the Company's second Extraordinary Shareholders' Meeting in 2023. On October 12, 2023, the Shenzhen Stock Exchange approved the Company's private placement of shares to specific investors. On June 21, 2024, the China Securities Regulatory Commission issued the "Reply on Approving the Registration of FAW Jiefang Group Co., Ltd.'s Private Placement of Shares to Specific Investors," approving the Company's registration application for the private placement of shares.

Transfer of share changes

Applicable Not applicable

(1) On March 15, 2024, the Company submitted relevant registration materials to CDSC for 512,807 shares involved in equity incentive repurchase and cancellation. On March 27, 2024, CSDC issued the Confirmation of Securities Transfer Registration to the Company, and the total share capital of the Company was reduced to 4,636,485,668 shares.

(2) On June 11, 2024, the Company submitted relevant registration materials to CDSC for 12,621,954 shares involved in equity incentive repurchase and cancellation. On June 13, 2024, CSDC issued the Confirmation of Securities Transfer Registration to the Company, and the total share capital of the Company was reduced to 4,623,863,714 shares.

(3) On October 12, 2024, the Company submitted relevant registration materials to the CDSC for the private placement of 298,507,462 shares. On November 16, 2024, CSDC issued the Confirmation of Acceptance of Application for Share Registration to the Company. The new shares were listed on the Shenzhen Stock Exchange on October 21, 2024, with the Company's total share capital decreasing to 4,922,371,176 shares.

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

Applicable Not applicable

In the reporting period, the increase in share capital of the Company was 285,372,701 shares, which had little impact on the Company's financial indicators such as basic earnings per share, diluted earnings per share and net assets per share attributable to common shareholders of the Company.

Other information disclosed as deemed necessary by the Company or required by the securities regulatory authority

Applicable Not applicable

2. Changes in restricted shares

Applicable Not applicable

Name of Shareholder	Number of Restricted Shares at the Beginning of the Period	Number of Restricted Shares Increased in the Current Period	Number of Restricted Shares Released in the Current Period	Number of Restricted Shares at the End of the Period	Reason for Restriction	Release Date
National Manufacturing Transformation and Upgrading Fund Co., Ltd.		67,164,179		67,164,179	Non-public offering	April 21, 2025
Lord Abbett China Asset Management Co., Ltd.		57,611,940		57,611,940	Non-public offering	April 21, 2025
Jilin Province Private Equity Co., Ltd.		46,268,656		46,268,656	Non-public offering	April 21, 2025
Caitong Fund Management Co., Ltd.		30,447,765		30,447,765	Non-public offering	April 21, 2025
AEGON-INDUSTRIAL Fund Management Co., Ltd.		25,074,626		25,074,626	Non-public offering	April 21, 2025
Jilin Province Yandong State-Owned Capital Investment Co., Ltd.		22,388,059		22,388,059	Non-public offering	April 21, 2025
UBS AG		16,716,417		16,716,417	Non-public offering	April 21, 2025
Jilin Changbai Mountain Private Fund Management Co., Ltd. - Jilin Province Qianheng Investment Partnership (Limited Partnership)		16,417,910		16,417,910	Non-public offering	April 21, 2025
Changchun Equity Investment Fund Management Co., Ltd. - Changchun Changxing Equity Investment Fund Partnership (Limited Partnership)		16,417,910		16,417,910	Non-public offering	April 21, 2025
Wu Bilei	95,992		58,853	37,139	Post-departure lockup	Lifting of restrictions in accordance with regulations after the post-departure lockup

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						period expires
Li Sheng	80,966		49,639	31,327	Executive lockup	Each year, 25% of the total shares held are released from restriction
Zhang Guohua	95,967		39,415	56,552	Executive lockup	Each year, 25% of the total shares held are released from restriction
Ji Yizhi	80,966		17,349	63,617	Post-departure lockup	Lifting of restrictions in accordance with regulations after the post-departure lockup period expires
Wang Jianyu	65,544		34,217	31,327	Executive lockup	Each year, 25% of the total shares held are released from restriction
Tian Haifeng	80,966		33,253	47,713	Executive lockup	Each year, 25% of the total shares held are released from restriction
Wang Jianxun	80,966		49,639	31,327	Executive lockup	Each year, 25% of the total shares held are released from restriction
Other core employees of senior director and above	13,852,176		12,640,945	1,211,231	Equity incentive, etc.	The restrictions on sales are lifted in accordance with the restricted stock incentive plan and assessment objectives, etc.

Total	14,433,543	298,507,462	12,923,310	300,017,695	--	--
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II. Issuance and Listing of Securities

1. Issuance of Securities (Excluding Preferred Share) in the Reporting Period

Applicable Not applicable

Name of Shares and Derivative Securities	Issue Date	Issue Price (or Interest Rate)	Quantity Issued	Date of Listing	Quantity Approved for Listing	Transaction Termination Date	Disclosure Index	Date of Disclosure
Stocks								
A share	September 27, 2024	6.70 yuan/share	298,507,462	October 21, 2024	298,507,462		http://www.cninfo.com.cn/new/disclosure/stock?stockCode=000800&orgId=gssz0000800&sjstsBond=false#latestAnnouncement	October 18, 2024

Description of issuance of securities (excluding preferred shares) in the reporting period

On June 21, 2024, the China Securities Regulatory Commission issued the "Reply on Approving the Registration of FAW Jiefang Group Co., Ltd.'s Private Placement of Shares to Specific Investors," approving the Company's registration application for the private placement of shares. The Company completed the issuance and listing of the relevant shares in October 2024.

2. Changes in the Total Number of Shares and Shareholder Structure, as well as Changes in the Structure of the Company's Assets and Liabilities

Applicable Not applicable

During the reporting period, according to the restricted share incentive plan, the Company repurchased and canceled a total of 13,134,761 granted shares of incentive objects that failed to conform to the restricted share incentive plan. In addition, the Company completed the issuance of a total of 298,507,462 shares to specific objects. The aforementioned transactions increased the Company's share capital by 285,372,701 shares in total, changing the Company's total number of shares from 4,636,998,475 to 4,922,371,176.

3. Existing Internal Employee Shares

Applicable Not applicable

III. Shareholders and Actual Controllers**1. Number of Shareholders and Shareholdings of the Company**

Unit: share

Total Number of Shareholders with Ordinary Shares at the End of the Reporting Period	71,949	Total Number of Ordinary Shareholders at the End of the Last Month before the Disclosure Date of the Annual Report	70,219	Total Number of Shareholders with Preferred Share with Restored Voting Rights at the End of the Reporting Period	0	Total Number of Preferred Shareholders with Resumed Voting Rights at the End of the Last Month before the Disclosure Date	0	
Shareholdings of Shareholders Holding More than 5% of the Shares or Top 10 Shareholders (Excluding Shares Lent through Securities Refinancing).								
Name of Shareholder	Nature of Shareholders	Share proportion	Number of Shares Held at the End of the Reporting Period	Increase and Decrease in the Reporting Period	Number of Restricted Shares Held	Number of Unrestricted Shares Held	Pledge, Marking or Freezing	
							Status of Shares	Qty
China FAW Co., Ltd.	State-owned legal person	62.18%	3,060,649,901	0	0	3,060,649,901	N/A	0
FAW Bestune Auto Co., Ltd.	State-owned legal person	15.94%	784,500,000	0	0	784,500,000	N/A	0
National Manufacturing Transformation and Upgrading Fund Co., Ltd.	State-owned legal person	1.36%	67,164,179	67,164,179	67,164,179		N/A	0

Hong Kong Securities Clearing Company Ltd.	Overseas legal person	1.23%	60,473,693	-2,341,266	0	60,473,693	N/A	0
Jilin Province Private Equity Co., Ltd.	State-owned legal person	0.94%	46,268,656	46,268,656	46,268,656		N/A	0
Qu Hongzhen	Overseas natural person	0.73%	36,096,590	36,096,590	0	36,096,590	N/A	0
Agricultural Bank of China Co., Ltd. – Xingquan CSI 300 Index Enhanced Securities Investment Fund (LOF)	Others	0.47%	23,340,134	23,340,134	22,373,134	967,000	N/A	0
Jilin Province Yandong State-Owned Capital Investment Co., Ltd.	State-owned legal person	0.45%	22,388,059	22,388,059	22,388,059	0	N/A	0
UBS AG	Overseas legal person	0.34%	16,917,541	16,254,800	16,716,417	201,124	N/A	0
Industrial and Commercial Bank	Others	0.34%	16,786,600	1,034,660	0	16,786,600	N/A	0

of China Co., Ltd.- Huatai-PineBridge CSI 300 Trading Open Index Securities Investment Fund								
Strategic investors or general legal persons who become the top 10 shareholders due to the issuance of new shares	Among the aforementioned shareholders, the National Manufacturing Transformation and Upgrading Fund Co., Ltd., Jilin Province Private Equity Co., Ltd., Agricultural Bank of China Co., Ltd. – Xingquan CSI 300 Index Enhanced Securities Investment Fund (LOF), Jilin Province Yandong State-Owned Capital Investment Co., Ltd., UBS AG and other investors have become the Company's top ten shareholders through the Company's private placement of shares. The listing date for their subscribed shares is October 21, 2024, with a 6-month lock-up period.							
Description of correlation or concerted action of the above shareholders	Among the above shareholders, FAW Bestune is a holding subsidiary of FAW, and is a person acting in concert as specified in the Regulations for the Takeover of Listed Companies. The public disclosure data indicates that the Company does not know whether there is a correlation between other shareholders of outstanding shares, nor whether other shareholders of outstanding shares are persons acting in concert as specified in the Regulations for the Takeover of Listed Companies.							
Description of involvement of the above shareholders in entrusting/entrusted voting rights and waiving voting rights	N/A							
Special description of the existence of repurchase special accounts among the top 10 shareholders	N/A							
Shareholding of Top 10 Shareholders with Unrestricted Ordinary Shares								
Name of Shareholder	Number of Unrestricted Shares Held at the End of the Reporting Period	Type of Shares						
		Type of Shares	Qty.					
China FAW Co., Ltd.	3,060,649,901	CNY ordinary shares	3,060,649,901					
FAW Bestune Auto Co., Ltd.	784,500,000	CNY ordinary shares	784,500,000					

Hong Kong Securities Clearing Company Ltd.	60,473,693	CNY ordinary shares	60,473,693
Qu Hongzhen	36,096,590	CNY ordinary shares	36,096,590
Industrial and Commercial Bank of China Co., Ltd.-Huatai-PineBridge CSI 300 Trading Open Index Securities Investment Fund	16,786,600	CNY ordinary shares	16,786,600
China Construction Bank Corporation Co., Ltd. – E Fund CSI 300 Exchange-Traded Open-End Index Initiated Fund (ETF)	11,717,100	CNY ordinary shares	11,717,100
Liang Jianhui	10,011,500	CNY ordinary shares	10,011,500
Chao Guo	8,460,758	CNY ordinary shares	8,460,758
Industrial and Commercial Bank of China Co., Ltd. – ChinaAMC CSI 300 Exchange-Traded Open-End Index Fund	7,795,100	CNY ordinary shares	7,795,100
Bank of China Limited – Harvest CSI 300 Exchange-Traded Open-End Index Fund	7,383,401	CNY ordinary shares	7,383,401
Description of correlation or concerted action between the top 10 shareholders of unrestricted shares, and between the top 10 shareholders of unrestricted shares and the top 10 shareholders	Among the above shareholders, FAW Bestune is a holding subsidiary of FAW, and is a person acting in concert as specified in the Regulations for the Takeover of Listed Companies. The public disclosure data indicates that the Company does not know whether there is a correlation between other shareholders of outstanding shares, nor whether other shareholders of outstanding shares are persons acting in concert as specified in the Regulations for the Takeover of Listed Companies.		
Description of participation in financing bonds business of top 10 shareholders with ordinary shares	The overseas natural person Qu Hongzhen holds 36,096,590 shares of the Company through the customer credit trading securities account of CITIC Securities Company Limited.		

Participation in securities lending business by shareholders holding more than 5%, top 10 shareholders, and top 10 shareholders of unrestricted tradable shares

Applicable Not applicable

Participation in securities lending business by shareholders holding more than 5%, top 10 shareholders, and top 10 shareholders of unrestricted tradable shares				
Name of Shareholder (Full Name)	Initial ordinary account, credit account shareholding	Initial refinancing lending shares and not yet returned	Ending ordinary account, credit account shareholding	Shares lent at the end of the period of refinancing and not yet returned

	Total Quantity	Proport ion to Total Share Capital	Total Quantity	Proporti on to Total Share Capital	Total Quantity	Proporti on to Total Share Capital	Total Quantit y	Proporti on to Total Share Capital
Industrial and Commercial Bank of China Co., Ltd.-Huatai-PineBridge CSI 300 Trading Open Index Securities Investment Fund	6,440,000	0.14%	568,300	0.01%	16,786,600	0.34%	0	0.00%
China Construction Bank Corporation Co., Ltd. – E Fund CSI 300 Exchange-Traded Open-End Index Initiated Fund (ETF)	2,295,300	0.05%	315,400	0.01%	11,717,100	0.24%	0	0.00%
Industrial and Commercial Bank of China Co., Ltd. – ChinaAMC CSI 300 Exchange-Traded Open-End Index Fund	1,636,600	0.04%	379,500	0.01%	7,795,100	0.16%	0	0.00%

Bank of China Limited – Harvest CSI 300 Exchange-Traded Open-End Index Fund	2,014,201	0.04%	183,700	0.00%	7,383,401	0.15%	0	0.00%
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Changes in the top 10 shareholders and top 10 shareholders of unrestricted tradable shares compared to the previous period due to securities lending/return activities

Applicable Not applicable

Do the top 10 shareholders with ordinary shares and the top 10 shareholders with unrestricted ordinary shares of the Company conduct agreed repurchase transactions in the reporting period

Yes No

The top 10 shareholders with ordinary shares and the top 10 shareholders with unrestricted ordinary shares of the Company do not conduct agreed repurchase transactions in the reporting period

2. Information on Controlling Shareholders of the Company

Nature of controlling shareholder: central state-owned holding

Type of controlling shareholder: legal person

Name of Controlling Shareholder	Legal Representative/Person in Charge	Date of Establishment	Organization code	Main Business
China FAW Co., Ltd.	Qiu Xiandong	June 28, 2011	91220101571145270J	Automobile manufacturing and remanufacturing, new energy vehicle manufacturing; Design, development, manufacturing, and sales of automobile parts including engines and transmissions; Metal casting and forging, mold processing; Engineering technology research and testing; Professional technical services; Computer and software services; Thermal power generation and electricity supply; Heat production and supply; Water and gas supply;

				Road freight transport; Warehousing; Sales of mechanical equipment, hardware and electrical appliances, electronic products and automotive materials; Machinery equipment leasing; Advertising design, production and publishing; Business services; Labor services; Automobile and used car sales (activities prohibited by laws, regulations and State Council decisions are not permitted; projects requiring approval by law may only be conducted after approval by relevant departments)**
Equity of Other Domestic and Foreign Listed Companies Controlled and Participated by Controlling Shareholders in the Reporting Period	N/A			

Changes in controlling shareholders in the reporting period

Applicable Not applicable

There was no change in the controlling shareholders of the Company during the reporting period.

3. Company's Actual Controllers and Persons Acting in Concert

Nature of actual controller: central state-owned assets management organization

Type of actual controller: legal person

Name of Actual Controller	Legal Representative /Person in Charge	Date of Establishment	Organization code	Main Business
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State-owned Assets Supervision and Administration Commission of the State Council	N/A		N/A	N/A
Equity of Other Domestic and Foreign Listed Companies Controlled by Actual Controllers in the Reporting Period	N/A			

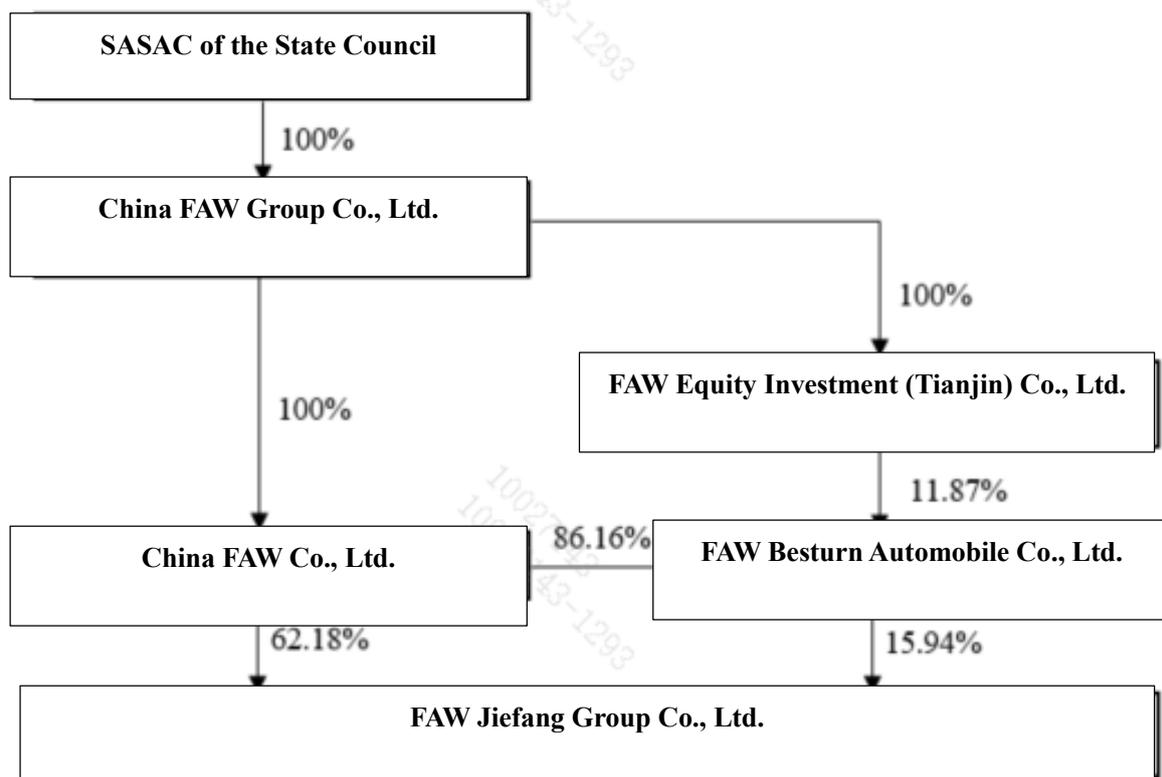
Change of actual controller in the reporting period

Applicable Not applicable

There was no change in the actual controller of the Company during the reporting period.

Block Diagram of Property Right and Control Relationship between the Company and the Actual Controllers

Ownership and Control Structure Between the Company and its Ultimate Controlling Shareholder



The actual controllers control the Company by trust or other asset management methods

Applicable Not applicable

4. The cumulative number of pledged shares of the Company's controlling shareholder or the largest shareholder and persons acting in concert accounts for 80% of the Company's shares held by them.

Applicable Not applicable

5. Other Corporate Shareholders Holding More Than 10% of the Shares

Applicable Not applicable

Name of Corporate Shareholder	Legal Representative/Person in Charge	Date of Establishment	Registered Capital	Main Business or Management Activities
FAW Bestune Auto Co., Ltd.	Yang Xiao	June 28, 2019	2.5 billion yuan	Development, manufacturing, and sales of automobiles and parts (including new energy vehicles and their related batteries, motors, electronic controls, excluding flammable and explosive hazardous chemicals), travel vehicles and accessories, intelligent products and equipment; Automobile repair; Processing of non-standard equipment; Sales of mechanical parts and electromechanical products (excluding small cars); Used car sales; Used car sales; Car rental; Building and workshop rental; Ordinary road freight transport; Modern trade logistics services; Technical services and consulting in the automotive field; Internet-based automobile business; Import and export of goods and technologies (excluding publishing materials; excluding state-restricted or prohibited goods and technologies); Used car brokerage; Ancillary insurance agency services; Motor vehicle repair and maintenance; Recycling of scrapped motor vehicles; Dismantling of scrapped motor vehicles;

				<p>Business training (excluding education training, vocational skills training and other training requiring licenses); Retail and wholesale of stationery items; Sales of automobile decoration products; Lubricating oil sales; Internet of Things technology development and services; Manufacturing of power transmission and control equipment; Advertising design and agency; Advertising production; Advertising publishing (excluding radio stations, television stations, newspaper publishers); Labor services (excluding labor dispatch); Motor vehicle safety inspection services; Artificial intelligence public data platform; Data processing and storage support services; Internet data services; Inspection and testing services; General cargo warehousing (excluding hazardous chemicals and other projects requiring approval); Marketing planning; Computer and communication equipment leasing; Conference and exhibition services; Mechanical equipment leasing; Type 1 value-added telecommunications business; Type 2 value-added telecommunications business; Intellectual property services (projects requiring approval by law may only be conducted after approval by relevant departments).</p>
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6. Restricted Reduction of Shares Held by Controlling Shareholders, Actual Controllers, Restructuring Parties and Other Commitment Subjects

Applicable Not applicable

IV. Specific Implementation of Share Repurchase in the Reporting Period

Implementation progress of share repurchase

Applicable Not applicable

Implementation Progress of Reducing Shareholding in Repurchased Shares by Centralized Bidding

Applicable Not applicable

Section VIII Preferred Shares

Applicable Not applicable

The Company has no preferred shares in the reporting period.

Section IX Bonds

Applicable Not applicable

Section X Financial Report

I. Audit Report

Type of Audit Opinion	Standard unqualified opinion
Signing Date of Audit Report	March 28, 2025
Name of Audit Institution	Grant Thornton Certified Public Accountants (Special General Partnership)
Audit Report No.	ZTSZ (2025) No.110A005445
Name of Certified Public Accountant	Wu Songlin, Yang Dongmin

Text of Audit Report

All shareholders of FAW JIEFANG GROUP CO., LTD.:

I. Audit Opinion

We have audited the financial statements of FAW Jiefang Group Co., Ltd. (hereinafter referred to as "FAW Jiefang"), including the Consolidated and the Company's Balance Sheets on December 31, 2024, 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 in 2024, and the Notes to Financial Statements for the year then ended.

In our opinion, the attached financial statements were compiled as per the provisions of Accounting Standards for Business Enterprises (ASBE) in all major aspects and can fairly present the consolidated and FAW Jiefang's financial status as of December 31, 2024, as well as their business performance and cash flows for the year then ended.

II. Basis for Opinion

We have conducted our audit in accordance with the Auditing Standards for Certified Public Accountants of China. The section in the Auditor's Report titled "CPAs' Responsibilities for the Audit of the Financial Statements" further describes our responsibilities under these standards. We are independent of FAW Jiefang in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit.

III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, we consider to be most significant to the audit of the financial statements for the period. These matters were

addressed in the context of our audit for the entire financial statements and the formation of our opinions thereon. We do not declare a separate opinion on these matters.

(I) Income Recognition

For details of relevant information disclosure, refer to 26 in Note III and 44 in Note V to the financial statements.

1. Description

The sales revenue of FAW Jiefang mainly comes from the vehicle sales business. In 2024, FAW Jiefang realized an operating revenue of 58.5811063 billion yuan, with vehicle sales revenue accounting for 54.0194902 billion yuan or 92.21% of the total. According to the specific method of income recognition of FAW Jiefang, the income is recognized when the complete vehicle and its accessories have been delivered to the delivery location as agreed in the contract, and the customer has accepted the goods and obtained control of the goods. The vehicle sales income has a significant impact on the financial statements of FAW Jiefang, so we identified income recognition as a key audit matter.

2. Audit response

Our audit procedures mainly include:

(1) Understand the effectiveness of internal control design related to income recognition and test the effectiveness of key control implementation;

(2) Analyze the income and gross profit rate in combination with the product type and compare them with the data of the same industry to judge whether the income and gross profit rate in the current period are abnormal;

(3) Interview with the management, check the terms of the sales contract, analyze and judge the time point of the control the right transfer of vehicle sales, and evaluate the rationality of the income recognition policy;

(4) Conduct the spot check on the supporting documents related to income recognition, including sales contracts, orders, sales invoices, product transportation documents, customer receipts, etc.;

(5) Execute transaction and correspondence confirmation for the sales business of major and new customers;

(6) For the sales revenue recognized before and after the balance sheet date, check the basis for customer receipt confirmation and evaluate whether the sales revenue is recorded in the appropriate period.

(II) Provision for Decline in Value of Inventories

For details of relevant information disclosure, refer to 13 in Note III and 7 in Note V to the financial statements.

1. Description

As of December 31, 2024, the book balance of inventory of FAW Jiefang was 10,559.2658 million yuan, and the balance of inventory depreciation reserves was 442.0526 million yuan, of which 352.6635 million yuan was provided in the current period. The provision amount for the decline in the value of inventories is significant and requires a significant judgment of the management, so we identified the provision for the decline in the value of inventories as a key audit matter.

2. Audit response

Our audit procedures mainly include:

(1) Test and evaluate the design and operational effectiveness of key internal controls related to the provision for inventory depreciation reserves by the management;

(2) Obtain the Calculation Sheet of Inventory Depreciation Reserves of FAW Jiefang, conduct inventory depreciation tests, analyze the changes in the provision for inventory depreciation reserves made in previous years and analyze whether the provision for inventory depreciation reserves in the current period is sufficient;

(3) Check the quantity and status of inventories in combination with the inventory supervision procedures, focus on checking long-aged inventories, and analyze the adequacy of provision for depreciation reserves of inventories with signs of impairment;

(4) Check the changes in the provision for inventory depreciation reserves made in previous years in the current period and analyze the rationality of the changes in the inventory depreciation reserves.

(III) Provision for Product Quality Guarantee Deposit

For details of relevant information disclosure, refer to 24 in Note III and 35 in Note V to the financial statements.

1. Description

As of December 31, 2024, FAW Jiefang has provided a product quality deposit of 649.9343 million yuan in the current year, and the balance of a product quality deposit in the estimated liabilities is 951.5131 million yuan. Based on the vehicle sales contract and relevant national laws

and regulations, customers can obtain warranty services provided by FAW Jiefang within the warranty period. The management of FAW Jiefang calculates the product quality deposit based on the relevant provisions in the product type, warranty period and warranty obligation clauses. The provision amount of product quality guarantee deposit is relatively large and involves significant estimation and judgment of the management, so we identified the provision for product quality guarantee deposit as a key audit matter.

2. Audit response

Our audit procedures mainly include:

(1) Test and evaluate the effectiveness of key internal control design and operation of key internal controls related to the provision for product quality deposit;

(2) Understand and evaluate whether the accounting policies related to the provision for product quality deposit are appropriate and consistently applied;

(3) Understand and evaluate the rationality of the method and calculation model adopted by FAW Jiefang for the provision of the product quality deposit according to laws, regulations and contract terms;

(4) Perform recalculation procedures to verify the accuracy of the management's provision for product quality deposit.

IV. Other Information

The management of FAW Jiefang is responsible for other information. Other information is included in the Annual Report of Year 2024 of FAW Jiefang but does not include the financial statements and our auditor's report thereon.

Our audit opinion on the financial statements does not cover other information, and we do not express an assurance conclusion of any kind on other information.

Based on our audit of the financial statements, our responsibility is to consider whether other information has material inconsistency or seems to have material misstatement with the financial statements or circumstances that we know during the audit while reading other information.

Based on the work we have performed, if we determine that other information is materially misstated, we should report that fact. In this regard, we have nothing to report.

V. Responsibilities of Management and Governance for the Financial Statements

The management of FAW Jiefang shall be responsible for preparing financial statements that present fairly the data in accordance with the Accounting Standards for Business Enterprises, and

for designing, implementing and maintaining the internal controls as the management deems necessary to enable the preparation of financial statements free from material misstatement, whether due to fraud or error.

In preparation of the financial statement, the management is responsible for assessing FAW Jiefang's sustainable operation ability, disclosing the sustainable operation-related items (if applicable) and applying sustainable operation assumptions, unless otherwise the management plans to liquidate FAW Jiefang, stop operation or it has no other practical choice.

The governance is responsible for supervising the financial reporting process of FAW Jiefang.

VI. CPAs' Responsibilities for the Audit of the Financial Statements

Our objective is to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement caused by fraud or error, and to issue an Auditor's Report containing our opinions. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with auditing standards can always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, and they could reasonably be expected to influence the economic decisions users would take on the basis of these financial statements.

We exercise professional judgment and maintain professional skepticism in carrying out our audit in accordance with the Auditing Standards. At the same time, we also:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of failing to detect a material misstatement due to fraud is higher than that due to error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or overriding internal controls.

(2) Understand the internal controls related to the audit to design appropriate audit procedures.

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

(4) Conclude on the appropriateness of the Management's use of the going-concern assumption. Based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on FAW Jiefang's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention

in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on information available as of the date of the Auditor's Report. However, future events or conditions may cause FAW Jiefang to cease to continue as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements and whether the financial statements can fairly reflect the transactions and items.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within FAW Jiefang to express an opinion on the financial statements. We are responsible for guiding, supervising, and performing the group audit and assume all responsibilities for our opinion.

We communicate with the Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the governance with a statement regarding compliance with ethical requirements related to independence and communicate with the governance about all relationships and other matters that could reasonably be considered to affect our independence, as well as related precautions (if applicable).

From the matters communicated with the governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, key audit matters. We have described these matters in the Auditor's Report, except that they are prohibited from being publicly disclosed as per the laws and regulations, or in rare cases, if a negative result may be caused by communicating some matter in the auditor's report as reasonably expected exceeds the benefit generated by the public interest, we determine not to communicate such matter in the auditor's report.

II. Financial Statements

The unit in the notes to the financial statement is Yuan

1. Consolidated balance sheet

Prepared by: FAW JIEFANG GROUP CO., LTD.

December 31, 2024

Unit: Yuan

Item	Ending balance	Opening balance
Current assets:		
Monetary capital	19,852,961,021.66	23,545,580,404.39

Settlement reserve fund		
Loans to banks and other financial institutions		
Financial assets held for trading		
Derivative financial assets		
Notes receivable	2,641,582.80	44,626,048.13
Accounts receivable	7,067,296,142.54	2,343,108,649.14
Accounts receivable financing	10,019,816,248.98	4,878,126,972.73
Prepayments	128,639,159.47	690,905,098.74
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserves receivable		
Other receivables	1,340,633,312.48	1,320,113,974.68
Including: interests receivable		
Dividends receivable	157,707,661.77	
Financial assets purchased under agreements to resell		
Inventories	10,117,213,109.97	10,056,641,462.05
Including: Data resources		
Contract assets	14,455,542.05	17,582,856.82
Held-for-sale assets		
Current portion of non-current assets	377,668,442.06	386,692,620.64
Other current assets	1,413,638,174.22	1,044,189,313.04
Total current assets	50,334,962,736.23	44,327,567,400.36
Non-current assets:		
Loans and advances		
Debt investment		
Other debt investments		
Long-term receivables	110,911,235.61	132,031,253.27
Long-term equity investments	1,176,288,461.09	5,469,591,970.26
Other equity instruments investments	540,066,528.00	480,780,000.00
Other non-current financial assets		
Investment properties	52,835,976.31	47,049,995.53
Fixed assets	11,198,300,572.20	11,480,849,245.90
Project under construction	688,181,815.22	816,484,299.18

Productive biological assets		
Oil and gas assets		
Right-of-use assets	104,360,320.57	150,436,856.00
Intangible assets	2,337,101,200.98	2,456,799,533.62
Including: Data resources		
Development expenditures	500,611,951.24	109,873,830.59
Including: Data resources		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	3,061,404,632.44	2,612,089,167.19
Other non-current assets	2,644,193,586.72	2,288,899.80
Total non-current assets	22,414,256,280.38	23,758,275,051.34
Total assets	72,749,219,016.61	68,085,842,451.70
Current liabilities:		
Short-term loans		
Borrowing from the central bank		
Placements from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	15,370,906,363.16	11,769,864,678.11
Accounts payable	17,246,353,969.05	17,717,604,892.29
Advance receipts	674,009.56	641,221.46
Contract liabilities	2,430,554,164.50	2,320,672,076.22
Financial assets sold under agreement to repurchase		
Deposits taking and interbank deposits		
Acting trading securities		
Acting underwriting securities		
Employee compensation payable	1,043,554,896.06	405,282,727.48
Taxes payable	215,532,903.02	181,964,139.60
Other payables	4,526,208,921.23	5,312,303,775.91
Including: interests payable		
Dividends payable	171,500.02	171,500.02
Handling charges and commissions payable		
Reinsurance accounts payable		

Held-for-sale liabilities		
Current portion of non-current liabilities	29,941,701.02	131,610,199.37
Other current liabilities	217,767,924.33	215,994,896.62
Total current liabilities	41,081,494,851.93	38,055,938,607.06
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: preferred shares		
Perpetual Bond		
Lease liabilities	27,431,600.64	37,973,873.14
Long-term payables		
Long-term employee compensation payable	692,790,054.95	672,957,633.25
Estimated liabilities	992,714,878.02	852,994,560.56
Deferred income	2,936,362,847.77	2,983,678,367.53
Deferred income tax liabilities	423,775,650.57	434,889,825.54
Other non-current liabilities		
Total non-current liabilities	5,073,075,031.95	4,982,494,260.02
Total liabilities	46,154,569,883.88	43,038,432,867.08
Owner's equities:		
Share capital	4,922,371,176.00	4,636,485,668.00
Other equity instruments		
Including: preferred shares		
Perpetual Bond		
Capital reserves	11,961,480,047.74	10,717,437,551.72
Less: treasury shares	6,246,851.73	86,131,497.27
Other comprehensive incomes	-96,912,346.71	-127,199,418.40
Special reserves	277,345,883.15	319,314,527.85
Surplus reserves	3,204,548,247.40	3,095,513,675.93
General risk provision		
Undistributed profits	6,055,339,906.81	6,246,533,634.66
Total equity attributable to owners of the parent company	26,317,926,062.66	24,801,954,142.49
Minority equity	276,723,070.07	245,455,442.13
Total owners' equity	26,594,649,132.73	25,047,409,584.62
Total liabilities and owner's equities	72,749,219,016.61	68,085,842,451.70

Legal representative: Li Sheng Person in charge of accounting: Yu Changxin Person in charge of the accounting organization: Fan Chao

2. Balance sheet of parent company

Unit: Yuan

Item	Ending balance	Opening balance
Current assets:		
Monetary capital	152,222,868.42	165,157,237.21
Financial assets held for trading		
Derivative financial assets		
Notes receivable		
Accounts receivable		
Accounts receivable financing		
Prepayments		84,000.00
Other receivables	6,470,963,348.86	219,864.00
Including: interests receivable		
Dividends receivable	156,960,226.90	
Inventories		
Including: Data resources		
Contract assets		
Held-for-sale assets		
Current portion of non-current assets		
Other current assets	653,349.48	261,636.19
Total current assets	6,623,839,566.76	165,722,737.40
Non-current assets:		
Debt investment		
Other debt investments		
Long-term receivables		
Long-term equity investments	21,795,117,325.10	25,594,049,970.19
Other equity instruments investments		
Other non-current financial assets		
Investment properties		
Fixed assets		
Project under construction		
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets		

Including: Data resources		
Development expenditures		
Including: Data resources		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets		
Total non-current assets	21,795,117,325.10	25,594,049,970.19
Total assets	28,418,956,891.86	25,759,772,707.59
Current liabilities:		
Short-term loans		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts payable	2,727,107.71	250,327.84
Advance receipts		
Contract liabilities		
Employee compensation payable		
Taxes payable	3,164,670.01	3,368,528.10
Other payables	342,246,068.80	90,343,250.16
Including: interests payable		
Dividends payable	171,500.02	171,500.02
Held-for-sale liabilities		
Current portion of non-current liabilities		
Other current liabilities		
Total current liabilities	348,137,846.52	93,962,106.10
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred shares		
Perpetual Bond		
Lease liabilities		
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities		

Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	348,137,846.52	93,962,106.10
Owner's equities:		
Share capital	4,922,371,176.00	4,636,485,668.00
Other equity instruments		
Including: preferred shares		
Perpetual Bond		
Capital reserves	13,802,357,345.82	12,171,693,342.10
Less: treasury shares	6,246,851.73	86,131,497.27
Other comprehensive incomes	12,671,266.92	863,137.93
Special reserves		
Surplus reserves	1,968,725,127.44	1,859,690,555.97
Undistributed profits	7,370,940,980.89	7,083,209,394.76
Total owners' equity	28,070,819,045.34	25,665,810,601.49
Total liabilities and owner's equities	28,418,956,891.86	25,759,772,707.59

3. Consolidated profit statement

Unit: Yuan

Item	2024	2023
I. Total operating income	58,581,106,258.53	64,324,640,770.64
Including: operating income	58,581,106,258.53	64,324,640,770.64
Interest income		
Premium earned		
Handling charges and commission income		
II. Total operating cost	59,785,978,592.21	64,774,277,946.69
Including: operating cost	54,908,076,523.43	59,401,367,343.49
Interest expense		
Handling charges and commission expense		
Surrender value		
Net payments for insurance claims		
Net allotment of reserves for insurance liabilities		
Policy dividend expenditure		
Reinsurance expenses		
Taxes and surcharges	220,408,020.64	263,881,839.13
Sales expenses	1,273,327,595.92	1,103,598,712.10
Administrative expenses	1,780,652,477.10	1,956,239,032.27

R&D expenses	2,409,485,641.76	2,982,257,879.16
Financial expenses	-805,971,666.64	-933,066,859.46
Including: interest expenses	2,594,098.03	4,228,160.85
Interest income	619,382,020.15	810,531,561.26
Add: Other income	1,129,409,077.07	613,391,651.76
Investment income (loss to be listed with "-")	629,692,626.51	282,328,848.08
Including: income from investment in associates and joint ventures	310,581,812.67	347,980,074.28
Gains on derecognition of financial assets at amortized cost		
Foreign exchange gains (loss to be listed with "-")		
Net exposure hedging income (loss to be listed with "-")		
Profit arising from changes in fair value (loss to be listed with "-")		
Credit impairment loss (loss to be listed with "-")	54,491,805.98	-95,384,424.83
Asset impairment loss (loss to be listed with "-")	-352,823,109.54	-192,267,861.91
Income from assets disposal (loss to be listed with "-")	-2,556,989.65	192,668,373.15
III. Operating profit (loss to be listed with "-")	253,341,076.69	351,099,410.20
Add: non-operating income	101,492,545.66	197,837,768.23
Less: non-operating expenses	28,784,917.57	27,525,146.98
IV. Total profit (loss to be listed with "-")	326,048,704.78	521,412,031.45
Less: Income tax expenses	-333,222,447.51	-306,887,662.21
V. Net profit (net loss to be listed with "-")	659,271,152.29	828,299,693.66
(I) Classified by continuity of operation		
1. Net profit from continuing operations (net loss to be listed with "-")	659,271,152.29	828,299,693.66
2. Net profit from discontinuing operations (net loss to be listed with "-")		
(II) Classified by attribution of the ownership		
1. Net profit attributable to the parent company's shareholders	622,427,699.65	806,096,685.30
2. Minority interests	36,843,452.64	22,203,008.36
VI. Net after-tax amount of other comprehensive income	33,703,948.06	-10,185,931.92
Net after-tax amount of other comprehensive income attributable to the owners of the parent company	30,279,772.76	-7,777,554.53
(I) Other comprehensive incomes that cannot be reclassified into profits or losses	27,627,126.17	-4,710,588.55
1. Changes arising from re-measurement of the defined benefit plan	-49,140,000.00	-5,170,000.00
2. Other comprehensive incomes that cannot be transferred to profits or losses under the equity method	17,480,598.17	459,411.45
3. Changes in fair value of investment in other equity instruments	59,286,528.00	

4. Changes in the fair value of the Company's credit risk		
5. Others		
(II) Other comprehensive incomes that will be reclassified into profits or losses	2,652,646.59	-3,066,965.98
1. Other comprehensive incomes that can be transferred to profits or losses under the equity method	-5,729,510.11	871,354.25
2. Changes in the fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive incomes		
4. Other debt investment credit impairment provisions		
5. Cash flow hedging reserve		
6. Translation difference in foreign currency financial statements	8,382,156.70	-3,938,320.23
7. Others		
Net after-tax amount of other comprehensive income attributable to minority shareholders	3,424,175.30	-2,408,377.39
VII. Total comprehensive income	692,975,100.35	818,113,761.74
Total comprehensive income attributable to the owners of the parent company	652,707,472.41	798,319,130.77
Total comprehensive income attributable to minority shareholders	40,267,627.94	19,794,630.97
VIII. Earnings per share:		
(I) Basic income per share	0.1266	0.1805
(II) Diluted income per share	0.1266	0.1805

In the case of a business merger under common control in the current period, the net profit realized by the combined party before the merger and that in the previous period are 132,844,483.67 yuan and 68,387,521.68 yuan.

Legal representative: Li Sheng Person in charge of accounting: Yu Changxin Person in charge of the accounting organization: Fan Chao

4. Profit statement of parent company

Item	Unit: Yuan	
	2024	2023
I. Operating income	0.00	0.00
Less: operating costs	0.00	0.00
Taxes and surcharges	3,166,349.56	93,606.12
Sales expenses		
Administrative expenses	6,547,907.38	3,496,572.38
R&D expenses		
Financial expenses	-2,851,411.56	465,699.73
Including: interest expenses	319,616.24	644,156.98
Interest income	3,172,289.49	184,637.25
Add: Other incomes	57,741.82	344,768.40
Investment income (loss to be listed with "-")	1,097,043,292.58	325,302,522.88

Including: income from investment in associates and joint ventures	274,277,967.89	325,302,522.88
Gains on derecognition of financial assets at amortized cost (loss to be listed with "-")		
Net exposure hedging income (loss to be listed with "-")		
Profit arising from changes in fair value (loss to be listed with "-")		
Credit impairment loss (loss to be listed with "-")	114,430.26	-4,268.76
Asset impairment loss (loss to be listed with "-")		
Income from assets disposal (loss to be listed with "-")		
II. Operating profit (loss to be listed with "-")	1,090,352,619.28	321,587,144.29
Add: non-operating income	394.35	
Less: non-operating expenses		
III. Total profit (total loss to be listed with "-")	1,090,353,013.63	321,587,144.29
Less: Income tax expenses		
IV. Net profit (net loss to be listed with "-")	1,090,353,013.63	321,587,144.29
(I) Net profit from continuing operations (net loss to be listed with "-")	1,090,353,013.63	321,587,144.29
(II) Net profit from discontinuing operations (net loss to be listed with "-")		
V. Net after-tax amount of other comprehensive incomes	11,800,830.06	1,343,932.70
(I) Other comprehensive incomes that cannot be reclassified into profits or losses	17,530,340.17	472,578.45
1. Changes arising from re-measurement of the defined benefit plan		
2. Other comprehensive incomes that cannot be transferred to profits or losses under the equity method	17,530,340.17	472,578.45
3. Changes in fair value of investment in other equity instruments		
4. Changes in the fair value of the Company's credit risk		
5. Others		
(II) Other comprehensive incomes that will be reclassified into profits or losses	-5,729,510.11	871,354.25
1. Other comprehensive incomes that can be transferred to profits or losses under the equity method	-5,729,510.11	871,354.25
2. Changes in the fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive incomes		
4. Other debt investment credit impairment provisions		
5. Cash flow hedging reserve		
6. Translation difference in foreign currency financial statements		
7. Others		
VI. Total comprehensive income	1,102,153,843.69	322,931,076.99
VII. Income per share:		

(I) Basic income per share		
(II) Diluted income per share		

5. Consolidated cash flow statement

Unit: Yuan

Item	2024	2023
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of services	54,819,630,825.44	61,772,979,886.03
Net increase in customer bank deposits due to banks and other financial institutions		
Net increase in borrowings from the central bank		
Net increase in placements from other financial institutions		
Cash from a premium of the original insurance contract		
Net cash received from reinsurance business		
Net increase in deposits and investments from policyholders		
Cash received from interests, handling charges and commissions		
Net increase in placements from banks and other financial institutions		
Net increase in repurchase business capital		
Net cash received from securities brokerage		
Tax refunds received	145,692,795.01	887,649,958.36
Other cash received relating to operating activities	1,146,308,516.29	1,913,439,711.75
Subtotal of cash inflows from operating activities	56,111,632,136.74	64,574,069,556.14
Cash paid for goods and services	54,675,385,707.83	51,372,475,533.60
Net increase in loans and advances to customers		
Net increase in deposits with the central bank and other financial institutions		
Cash paid for original insurance contract claims		
Net increase in loans to banks and other financial institutions		
Cash paid for interests, handling charges and commissions		
Cash paid for policyholder dividend		
Cash paid to and on behalf of employees	4,710,884,428.17	5,340,718,511.51
Taxes paid	1,151,234,164.25	2,001,039,146.79
Cash paid for other operating activities	1,424,414,143.54	1,770,162,970.46
Subtotal of cash outflows from operating activities	61,961,918,443.79	60,484,396,162.36
Net cash flows from operating activities	-5,850,286,307.05	4,089,673,393.78
II. Cash flows from investment activities:		
Cash received from the return on investment	4,357,068,905.33	
Cash received from the acquirement of investment income	574,641,722.82	299,242,143.02

Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	167,582,454.39	105,700,761.87
Net cash received from the disposal of subsidiaries and other business entities		
Cash received from other investment activities		
Subtotal of cash inflows from investment activities	5,099,293,082.54	404,942,904.89
Cash paid to acquire fixed assets, intangible assets and other long-term assets	1,513,680,646.75	2,252,066,814.63
Cash paid to for investment	4,900,000.00	529,266,800.00
Net increase in pledged loans		
Net cash paid to acquire subsidiaries and other business units	220,832,137.93	
Other cash paid relating to investment activities	2,400,000,000.00	17,676,304.33
Subtotal of cash outflows from investment activities	4,139,412,784.68	2,799,009,918.96
Net cash flows from investment activities	959,880,297.86	-2,394,067,014.07
III. Cash flows from financing activities:		
Cash received from absorbing investment	1,999,915,089.75	
Including: Cash received by subsidiaries absorbing minority shareholders' investments		
Cash received from borrowings		
Cash received relating to other financing activities		16,400,000.00
Subtotal of cash inflows from financing activities	1,999,915,089.75	16,400,000.00
Cash paid for repayment of debts	99,890,000.00	
Cash paid for distribution of dividends, profits or interest repayment	713,696,364.17	
Including: dividends and profits paid to minority shareholders by subsidiaries	20,000,000.00	
Other cash paid relating to financing activities	16,667,194.16	28,987,570.03
Subtotal of cash outflows from financing activities	830,253,558.33	28,987,570.03
Net cash flows from financing activities	1,169,661,531.42	-12,587,570.03
IV. Effects from change of exchange rate on cash and cash equivalents	3,231,527.59	-3,046,363.70
V. Net increase in cash and cash equivalents	-3,717,512,950.18	1,679,972,445.98
Add: opening balance of cash and cash equivalents	23,108,714,054.86	21,428,741,608.88
VI. Ending balance of cash and cash equivalents	19,391,201,104.68	23,108,714,054.86

6. Cash flow statement of parent company

Item	Unit: Yuan	
	2024	2023
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of services		
Tax refunds received		
Other cash received relating to operating activities	884,438,956.93	100,021,565.10
Subtotal of cash inflows from operating activities	884,438,956.93	100,021,565.10
Cash paid for goods and services		
Cash paid to and on behalf of employees	378,000.00	378,000.00

Taxes paid		99,071.82
Cash paid for other operating activities	7,100,228,311.31	226,723,494.82
Subtotal of cash outflows from operating activities	7,100,606,311.31	227,200,566.64
Net cash flows from operating activities	-6,216,167,354.38	-127,179,001.54
II. Cash flows from investment activities:		
Cash received from the return on investment	4,357,068,905.33	
Cash received from the acquirement of investment income	920,317,192.20	288,101,230.25
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from the disposal of subsidiaries and other business entities		
Cash received from other investment activities		
Subtotal of cash inflows from investment activities	5,277,386,097.53	288,101,230.25
Cash paid to acquire fixed assets, intangible assets and other long-term assets		
Cash paid to for investment	380,371,837.52	
Net cash paid to acquire subsidiaries and other business units		
Other cash paid relating to investment activities		
Subtotal of cash outflows from investment activities	380,371,837.52	
Net cash flows from investment activities	4,897,014,260.01	288,101,230.25
III. Cash flows from financing activities:		
Cash received from absorbing investment	1,999,915,089.75	
Cash received from borrowings		
Cash received relating to other financing activities		
Subtotal of cash inflows from financing activities	1,999,915,089.75	
Cash paid for repayment of debts		
Cash paid for distribution of dividends, profits or interest repayment	693,696,364.17	
Other cash paid relating to financing activities		
Subtotal of cash outflows from financing activities	693,696,364.17	
Net cash flows from financing activities	1,306,218,725.58	
IV. Effects from change of exchange rate on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-12,934,368.79	160,922,228.71
Add: opening balance of cash and cash equivalents	165,157,237.21	4,235,008.50
VI. Ending balance of cash and cash equivalents	152,222,868.42	165,157,237.21

7. Consolidated statement of changes in owners' equity

Amount in the current period

Unit: Yuan

Item	2024												Minority equity	Total owners' equity
	Equity Attributable To Owners of the Parent Company										Subtotal			
	Share capital	Other equity instruments		Capital reserves	Less: treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	General risk provision	Undistributed profits		Others		
	Preferred Shares	Other												
I. Ending balance of the previous year	4,636,485,668			10,343,418,951.73	86,131,497.27	-8,514,110.10	319,314,527.85	3,090,408,316.87		6,191,777,512.32		24,486,759,369.40		24,486,759,369.40
Add: changes in accountin														

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g polici es														
Corre ction of prior perio d error s														
Other s				374,018,599.99		-118,685,308.30		5,105,359.06		54,756,122.34		315,194,773.09	245,455,442.13	560,650,215.22
II. Open ing balan ce of the curre nt year	4,636,485,668			10,717,437,551.72	86,131,497.27	-127,199,418.40	319,314,527.85	3,095,513,675.93		6,246,533,634.66		24,801,954,142.49	245,455,442.13	25,047,409,584.62
III. Incre ase/d ecrea se in the amou nt of the curre nt perio d (decr ease to be	285,885,508			1,244,042,496.02	-79,884,645.54	30,287,071.69	-41,968,644.70	109,034,571.47		-191,193,727.85		1,515,971,920.17	31,267,627.94	1,547,239,548.11

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listed with "-")														
(I) Total comprehensive income						30,279,772.76				622,427,699.65		652,707,472.41	40,267,627.94	692,975,100.35
(II) Invested and decreased capital of owners	285,885,508			1,244,042,496.02	-79,884,645.54							1,609,812,649.56		1,609,812,649.56
1. Ordinary shares invested by owners	285,885,508			1,632,043,242.50								1,917,928,750.50		1,917,928,750.50
2. Capital contributed by holders of														

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other equity instruments														
3. Amounts of share-based payments recorded in owner's equity				-2,522,576.52								-2,522,576.52	-2,522,576.52	
4. Other				-385,478,169.96	-79,884,645.54							-305,593,524.42	-305,593,524.42	
(III) Profit distribution								109,035,301.36	-813,614,858.46			-704,579,557.10	-9,000,000.00	-713,579,557.10
1. Appropriation to surplus reser								109,035,301.36	-109,035,301.36					

ves													
2. Appropria tion to gener al risk reser ves													
3. Distri butio n to owne rs (or share holde rs)										-693,579,557.10	-693,579,557.10	-9,000,000.00	-702,579,557.10
4. Other s										-11,000,000.00	-11,000,000.00		-11,000,000.00
(IV) Inter nal carry over of owne rs' equit y						7,298.93		-729.89		-6,569.04			
1. Trans fer from													

capit al reser ve to paid- in capit al (or share capit al)														
2. Trans fer from surpl us reser ves to paid- in capit al (or share capit al)														
3. Reco very of losse s by surpl us reser ves														
4.														

Retained earnings carried forward from changes in defined benefit plans													
5. Retained earnings carried forward from other comprehensive income						7,298.93		-729.89		-6,569.04			
6. Others													
(V) Speci							-41,968,644.70				-41,968,644.70		-41,968,644.70

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al reser ves													
1. Appr opria tion in the curre nt perio d							28,475,434.87				28,475,434.87		28,475,434.87
2. Use in the curre nt perio d							-70,444,079.57				-70,444,079.57		-70,444,079.57
(VI) Other s													
IV. Endi ng balan ce of the curre nt perio d	4,922,371,176			11,961,480,047.74	6,246,851.73	-96,912,346.71	277,345,883.15	3,204,548,247.40	6,055,339,906.81	26,317,926,062.66	276,723,070.07		26,594,649,132.73

Amount of the Previous Period

Unit: Yuan

Item	2023		
	Equity Attributable To Owners of the Parent Company	Minority equity	Total owners' equity

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	Share capital	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	General risk provision	Undistributed profits	Others	Subtotal		
		Preferred Shares	Perpetual Bond	Others											
I. Ending balance of the previous year	4,651,965,655				10,451,088,236.74	267,837,184.11	-5,399,120.81	370,420,291.86	3,058,249,602.44		5,460,939,601.36		23,719,427,082.48		23,719,427,082.48
Add: changes in accounting policies											-28,331.75		-28,331.75		-28,331.75
Correction of prior period errors															
Others					374,018,599.99		-114,022,743.06		4,546,767.65		3,222,985.59		267,765,610.17	218,280,811.16	486,046,421.33
II. Opening balance of the current year	4,651,965,655				10,825,106,836.73	267,837,184.11	-119,421,863.87	370,420,291.86	3,062,796,370.09		5,464,134,255.20		23,987,164,360.90	218,280,811.16	24,205,445,172.06
III. Increase/decrease in the amount of the current period (decrease to be listed with "-")	-15,479,987				-107,669,285.01	-181,705,686.84	-7,777,554.53	-51,105,764.01	32,717,305.84		782,399,379.46		814,789,781.59	27,174,630.97	841,964,412.56
(I) Total comprehensive income							-7,777,554.53				806,096,685.30		798,319,130.77	19,794,630.97	818,113,761.74
(II) Invested and decreased capital of owners	-15,479,987				-107,669,285.01	-181,705,686.84							58,556,414.83		58,556,414.83
1. Ordinary shares	-15,479,987				-82,470,046.45								-97,950,033.45		-97,950,033.45

(VI) Others															
IV. Ending balance of the current period	4,636,485,668				10,717,437,551.72	86,131,497.27	-127,199,418.40	319,314,527.85	3,095,513,675.93		6,246,533,634.66		24,801,954,142.49	245,455,442.13	25,047,409,584.62

8. Statement of Changes in Owners' Equity of Parent Company

Amount in the current period

Unit: Yuan

Item	2024											
	Share capital	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Undistributed profits	Others	Total owners' equity
		Preferred Shares	Perpetual Bonds	Others								
I. Ending balance of the previous year	4,636,485,668				12,171,693,342.10	86,131,497.27	863,137.93		1,859,690,555.97	7,083,209,394.76		25,665,810,601.49
Add: changes in accounting policies												
Correction of prior period errors												
Others												
II. Opening balance of the current year	4,636,485,668				12,171,693,342.10	86,131,497.27	863,137.93		1,859,690,555.97	7,083,209,394.76		25,665,810,601.49
III. Increase/decrease	285,885,508				1,630,664,003.72	-79,884,645.54	11,808,128.99		109,034,571.47	287,731,586.13		2,405,008,443.85

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ase in the amount of the current period (decrease to be listed with "-")											
(I) Total comprehensive income						11,800,830.06			1,090,353,013.63		1,102,153,843.69
(II) Invested and decreased capital of owners	285,885,508				1,630,664,003.72	-79,884,645.54					1,996,434,157.26
1. Ordinary shares invested by owners	285,885,508				1,632,043,242.50						1,917,928,750.50
2. Capital contributed by holders of other equity instruments											
3. Amounts of share-based payments recorded in owner's equity					-2,522,576.52						-2,522,576.52
4. Others					1,143,337.74	-79,884,645.54					81,027,983.28
(III) Profit distribution								109,035,301.36	-802,614,858.46		-693,579,557.10
1. Appropriation to surplus reserves								109,035,301.36	-109,035,301.36		
2. Distribution to owners (or									-693,579,557.10		-693,579,557.10

shareholders)												
3. Others												
(IV) Internal carryover of owners' equity						7,298.93		-729.89		-6,569.04		
1. Transfer from capital reserve to paid-in capital (or share capital)												
2. Transfer from surplus reserves to paid-in capital (or share capital)												
3. Recovery of losses by surplus reserves												
4. Retained earnings carried forward from changes in defined benefit plans												
5. Retained earnings carried forward from other comprehensive income						7,298.93		-729.89		-6,569.04		
6. Others												

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(V) Special reserves											
1. Appropriation in the current period											
2. Use in the current period											
(VI) Others											
IV. Ending balance of the current period	4,922,371,176				13,802,357,345.82	6,246,851.73	12,671,266.92		1,968,725,127.44	7,370,940,980.89	28,070,819,045.34

Amount of the Previous Period

Unit: Yuan

Item	2023											
	Share capital	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Undistributed profits	Others	Total owners' equity
		Preferred Shares	Perpetual Bonds	Others								
I. Ending balance of the previous year	4,651,965,655				12,278,939,213.88	267,837,184.11	-480,794.77		1,827,531,841.54	6,793,780,964.90		25,283,899,696.44
Add: changes in accounting policies												
Correction of prior												

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period errors											
Others											
II. Opening balance of the current year	4,651,965,655			12,278,939,213.88	267,837,184.11	-480,794.77		1,827,531,841.54	6,793,780,964.90		25,283,899,696.44
III. Increase/decrease in the amount of the current period (decrease to be listed with "-")	-15,479,987			-107,245,871.78	-181,705,686.84	1,343,932.70		32,158,714.43	289,428,429.86		381,910,905.05
(I) Total comprehensive income						1,343,932.70			321,587,144.29		322,931,076.99
(II) Invested and decreased capital of owners	-15,479,987			-107,245,871.78	-181,705,686.84						58,979,828.06
1. Ordinary shares invested by owners	-15,479,987			-82,470,046.45							-97,950,033.45
2. Capital contributed by holders of other equity instruments											
3. Amounts of share-based payments recorded in owner's equity				-24,775,825.33							-24,775,825.33
4. Others					-181,705,686.84						181,705,686.84
(III) Profit distribution								32,158,714.43	-32,158,714.43		

1. Appropriation to surplus reserves									32,158,714.43	-32,158,714.43		
2. Distribution to owners (or shareholders)												
3. Others												
(IV) Internal carryover of owners' equity												
1. Transfer from capital reserve to paid-in capital (or share capital)												
2. Transfer from surplus reserves to paid-in capital (or share capital)												
3. Recovery of losses by surplus reserves												
4. Retained earnings carried forward from changes in defined benefit plans												
5. Retained earnings carried forward from other comprehensive income												
6. Others												

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(V) Special reserves												
1. Appropriation in the current period												
2. Use in the current period												
(VI) Others												
IV. Ending balance of the current period	4,636,485,668				12,171,693,342.10	86,131,497.27	863,137.93		1,859,690,555.97	7,083,209,394.76		25,665,810,601.49

III. Company Profile

FAW JIEFANG GROUP CO., LTD., formerly known as FAW Car Co., Ltd., is a limited liability company registered in Changchun City, Jilin Province.

FAW Car was approved by TGS [1997] No.55 Document of the State Commission for Restructuring the Economic Systems in 1997 and established exclusively by CHINA FAW GROUP CO., LTD. On June 18, 1997, FAW Car was approved by the China Securities Regulatory Commission to issue shares publicly and listed on the Shenzhen Stock Exchange for circulation.

On April 9, 2012, FAW Group invested 862,983,689 shares of FAW Car into China FAW Co., Ltd. as its capital contribution to FAW, and received the Confirmation of Securities Transfer Registration issued by China Securities Depository & Clearing Co., Ltd. Shenzhen Branch on the same day.

On November 28, 2019, FAW Car held the 10th meeting of the 8th Board of Directors, and reviewed and approved the adjustment plan for major asset restructuring. After the adjustment, FAW Car transferred all its assets and liabilities except the equity and some reserved assets of First Automobile Finance Co., Ltd. and Sanguard Automobile Insurance Co., Ltd. to FAW Besturn (now renamed FAW Bestune Auto Co., Ltd.). Subsequently, FAW Car used its 100% equity in FAW Besturn as divested assets to exchange for an equivalent part of 100% equity of FAW Jiefang Automotive Co., Ltd. held by FAW. At the same time, FAW Car purchased the difference between the purchased assets and the sold assets from FAW by issuing shares and paying cash.

On March 12, 2020, FAW Car received the Reply on Approving the Major Asset Restructuring of FAW Car Co., Ltd. and Issuing Shares to China FAW Co., Ltd. for Asset Purchase (ZJXK [2020] No.352) issued by the China Securities Regulatory Commission, and China Securities Regulatory Commission reviewed and approved the major asset replacement, share issuance and cash payment for assets purchase and related transactions of FAW Car.

The Capital Verification Report (XYZH/2020BJA100417) issued by ShineWing Accounting Firm (special general partnership) indicates that, as of March 19, 2020, all proposed purchased assets, i.e. 100% equity of Jiefang Limited, to be replaced by FAW Car to FAW by issuing shares had been transferred to FAW Car. The industrial and commercial change registration procedures of Jiefang Limited had been completed, all proposed assets, i.e. 100% equity of FAW Bestune, had been transferred to FAW, and the industrial and commercial change registration procedures of FAW Bestune had been completed. The registered capital of FAW Car is 4,609,666,212.00 yuan after this change.

In May 2020, the name of FAW Car was changed to "FAW JIEFANG GROUP CO., LTD." and the stock abbreviation was changed to "FAW Jiefang".

On January 11, 2021, the Company held the first 2021 extraordinary shareholders' meeting, and reviewed and approved the Proposal on the Restricted Share Incentive Plan of FAW Jiefang Group Co., Ltd. (Draft) and Its Abstract, the Proposal on the Regulations for the Implementation Assessment of Restricted Share Incentive Plan of FAW Jiefang Group Co., Ltd., the Proposal on the Regulations for Restricted Share Incentive of FAW Jiefang Group Co., Ltd., and the Proposal on Requesting the Shareholders Meeting to Authorize the Board of Directors to Handle Matters Related to the Company's Restricted Share Incentive Plan. On January 15, 2021, the Company held the 12th meeting of the 9th Board of Directors, and reviewed and approved the Proposal on Adjusting the List of the First Batch of Incentive Objects and the Number of Grants in the Phase I Restricted Share Incentive Plan and the Proposal on Granting Restricted Shares to the Incentive Objects of the Phase I Restricted Share Incentive Plan

for the First Time. Nine directors and senior executives, including Hu Hanjie, Zhu Qixin, Zhang Guohua, Wang Ruijian, Shang Xingwu, Ou Aimin, Kong Dejun, Wu Bilei and Wang Jianxun, and 310 other core employees with the title of senior director and above were granted to subscribe for 40,987,657 new shares of the Company at an issue price of 7.54 yuan per share, and the registered capital of the Company was changed to 4,650,653,869.00 yuan. This change was verified by the Capital Verification Report (ZTYZ (2021) No.110C000033) issued by Grant Thornton Certified Public Accountants (Special General Partnership). On February 1, 2021, the Company disclosed the Announcement on the Completion of the First Grant Registration of the Phase I Restricted Share Incentive Plan.

On December 9, 2021, the Company held the 20th meeting of the 9th Board of Directors and the 19th meeting of the 9th Board of Supervisors, and reviewed and approved the Proposal on Granting Reserved Part of Restricted Shares in the Phase I Restricted Share Incentive Plan to Incentive Objects and the Proposal on Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan respectively. Thirty-three core technicians and management backbones, including Wang Manhong, Zhang Yu and Qu Yi, subscribed for 3,721,601 new shares at an issue price of 6.38 yuan/share, and 260,857 shares were repurchased at a price of 7.04 yuan/share from 2 employees who were no longer eligible for incentive objects. The registered capital of the Company was changed to 4,654,114,613.00 yuan. This change was verified by the Capital Verification Report (ZTYZ (2021) No.110C000927) issued by Grant Thornton Accounting Firm (special general partnership). On January 6, 2022, the Company disclosed the Announcement on the Completion of Registration of the Grant of Reserved Part of Restricted Shares in the Phase I Restricted Share Incentive Plan. On January 17, 2022, the Company disclosed the Announcement on the Completion of the Repurchase and Cancellation of Some Restricted Shares.

On August 29, 2022, the Company held the 26th meeting of the 9th Board of Directors and the 23rd meeting of the 9th Board of Supervisors, and reviewed and approved the Proposal on the Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan. It was agreed to repurchase 789,711 shares at a price of 6.39 yuan/share from 6 employees who are no longer qualified as incentive objects, and the registered capital of the Company was changed to 4,653,324,902.00 yuan. This change was verified according to the Capital Verification Report (XYZH/2022CCAA2B0016) issued by ShineWing Accounting Firm (special general partnership). On November 14, 2022, the Company disclosed the Announcement on the Completion of the Repurchase and Cancellation of Some Restricted Shares.

On October 28, 2022, the Company held the 28th meeting of the 9th Board of Directors and the 24th meeting of the 9th Board of Supervisors, and reviewed and approved the Proposal on the Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan, and agreed to repurchase 1,359,247 shares at a price of 6.39 yuan/share from 11 employees who are no longer qualified as incentive objects. The registered capital of the Company was changed to 4,651,965,655.00 yuan. This change was verified according to the Capital Verification Report (XYZH/2023CCAA2B0001) issued by ShineWing Accounting Firm (special general partnership). On January 17, 2023, the Company disclosed the Announcement of the Completion of the Repurchase and Cancellation of Some Restricted Shares.

On December 15, 2022, the Company held the 30th Meeting of the 9th Board of Directors and the 26th Meeting of the 9th Board of Supervisors, and reviewed and approved the Proposal on the Achievement of Unlocking Conditions in the First Release Period of the Restricted Shares Firstly Granted in the Phase I Restricted Incentive Plan. The unlocking conditions in the first release period of the restricted shares first granted in the phase I restricted incentive plan had been fulfilled. The unlocking matters of the first restriction releasing period for restricted shares first granted were handled in accordance with the restricted share incentive plan. There were a total of 311 incentive

objects eligible for unlocking, and the number of restricted stocks unlocked this time was 13,042,347; these shares were listed on May 16, 2023. On February 3, 2024, the Company disclosed the Indicative Announcement on the Listing and Circulation of Unlocked Shares in the First Release Period of the Restricted Shares Firstly Granted in the Phase I Restricted Share Incentive Plan.

The Proposal on the Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan was reviewed and approved at the 30th Meeting of the 9th Board of Directors and the 26th Meeting of the 9th Board of Supervisors on December 15, 2022. The participant at the meeting agreed to repurchase and cancel all or some restricted shares granted to 6 incentive objects but not yet released, totaling 723,435 shares, and the registered capital of the Company was changed to 4,651,242,220 yuan. This change was verified according to the Capital Verification Report (XYZH/2023CCAA2B0103) issued by ShineWing Accounting Firm (special general partnership). On April 28, 2023, the Company disclosed the Announcement of the Completion of the Repurchase and Cancellation of Some Restricted Shares.

On March 31, 2023, the Proposal on Unfulfilling Conditions for Releasing Restricted Sales in the Second Period of Releasing Restricted Shares Firstly Granted and Conditions for the First Period of Releasing Restricted Shares Reserved for Granting in Phase I Restricted Share Incentive Plan and Repurchase and Cancellation of Some Restricted Shares was reviewed and approved at the 32nd Meeting of the 9th Board of Directors and the 28th Meeting of the 9th Board of Supervisors. The participants at the meeting agreed to repurchase and cancel all or some restricted shares granted to 327 incentive objects but not yet released, totaling 13,909,890 shares, and the registered capital of the Company was changed to 4,637,332,330 yuan. This change was verified according to the Capital Verification Report (XYZH/2023CCAA2B017) issued by ShineWing Accounting Firm (special general partnership). On June 30, 2023, the Company disclosed the Announcement of the Completion of the Repurchase and Cancellation of Some Restricted Shares.

On April 27, 2023, the Company held the 2nd Meeting of the 10th Board of Directors and the 2nd Meeting of the 10th Board of Supervisors, respectively, and reviewed and approved the Proposal on Releasing Restriction on Sales of Part of Restricted Shares. The Board of Directors believed that conditions for releasing restricted sales of restricted shares in the first restriction releasing period for incentive objects Hu Hanjie, Wu Bilei, Zhang Guohua and Wang Jianxun had been fulfilled, and agreed to release restricted sales of restricted shares in the first restriction releasing period for them, totaling 64,954 shares, and these shares were listed on May 16, 2023. On May 15, 2023, the Company disclosed the Indicative Announcement on Sales Restriction Releasing and Listing and Circulation of Part of Restricted Shares.

The Proposal on the Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan was reviewed and approved at the 5th Meeting of the 10th Board of Directors and the 4th Meeting of the 10th Board of Supervisors on August 29, 2023. The participants at the meeting agreed to repurchase and cancel all or some restricted shares granted to 8 incentive objects but not yet released, totaling 333,855 shares, and the registered capital of the Company was changed to 4,636,998,475.00 yuan. This change was verified according to the Capital Verification Report (XYZH/2023CCAA2B0188) issued by ShineWing Accounting Firm (special general partnership). On November 29, 2023, the Company disclosed the Announcement of the Completion of the Repurchase and Cancellation of Some Restricted Shares.

The Proposal on the Repurchase and Cancellation of Partial Restricted Shares in the Phase I Restricted Share Incentive Plan was reviewed and approved at the 7th Meeting of the 10th Board of Directors and the 6th Meeting of the 10th Board of Supervisors on November 20, 2023. The participants at the meeting agreed to repurchase and

cancel all or some restricted shares granted to some incentive objects but not yet released, totaling 512,807 shares, and the registered capital of the Company was changed to 4,636,485,668 yuan. This change was verified according to the Capital Verification Report (XYZH/2024CCAA2B0020) issued by ShineWing Accounting Firm (special general partnership). On March 28, 2024, the Company disclosed the Announcement on the Completion of the Repurchase and Cancellation of Some Restricted Shares.

On March 28, 2024, the Company held the 11th meeting of the 10th Board of Directors and the 10th meeting of the 10th Board of Supervisors. Subsequently, on April 25, 2024, the Company held its 2023 Annual General Meeting of Shareholders. These meetings reviewed and approved "Proposal on Unfulfilling Conditions for Releasing Restricted Sales in the Third Period of Releasing Restricted Shares Firstly Granted and Conditions for the Second Period of Releasing Restricted Shares Reserved for Granting in Phase I Restricted Share Incentive Plan and Repurchase and Cancellation of Some Restricted Shares." The meetings approved the repurchase and cancellation of 12,621,954 restricted shares that had been granted to plan participants but had not yet vested. As a result, the Company's registered capital will be changed to 4,623,863,714 yuan. This change was verified according to the Capital Verification Report (XYZH/2024CCAA2B0173) issued by ShineWing Accounting Firm (special general partnership). On June 15, 2024, the Company disclosed the Announcement on the Completion of the Repurchase and Cancellation of Some Restricted Shares.

According to the resolutions passed at the Company's Second Extraordinary General Meeting of Shareholders in 2023 and the Second Extraordinary General Meeting of Shareholders in 2024, and as approved by the CSRC's document "Reply on Approving the Registration of FAW Jiefang Group Co., Ltd.'s Non-public Issuance of Shares" (CSRC [2024] No.972) issued on June 21, 2024, the Company conducted a non-public issuance of 298,507,462.00 A-shares, increasing the registered capital by 298,507,462.00 yuan. Consequently, the Company's registered capital has changed to 4,922,371,176.00 yuan. This non-public issuance of shares has been verified by the Capital Verification Report (ZTYZ [2024] No.110C000357) issued by Grant Thornton Accounting Firm (special general partnership).

The Company has established a corporate governance structure consisting of a Shareholders' Meeting, a Board of Directors, and a Board of Supervisors. It owns two wholly-owned subsidiaries - Jiefang Limited and FAW Jiefang Group International Automobile Co., Ltd. - and one non-wholly-owned subsidiary, FAW Africa Investment Co., Ltd. Jiefang Limited has six wholly-owned subsidiaries, namely FAW Jiefang (Qingdao) Automotive Co., Ltd., Wuxi Dahao Power Co., Ltd., FAW Jiefang Dalian Diesel Engine Co., Ltd., FAW Jiefang Austria R&D Co., Ltd., FAW Jiefang Automobile Sales Co., Ltd., and FAW Jiefang Younida Transportation Technology (Tianjin) Co., Ltd., as well as one non-wholly-owned subsidiary, Jiefang Motors Tanzania Ltd. It also has 10 associated companies, namely, Sanguard Automobile Insurance Co., Ltd., FAW Changchun Baoyou Jiefang Steel Processing and Distribution Co., Ltd., FAW Changchun Ansteel Steel Processing and Distribution Co., Ltd., Changchun Wabco Automotive Control System Co., Ltd., Suzhou Zhito Technology Co., Ltd., FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd., Smartlink Intelligent Technology (Nanjing) Co., Ltd., Foshan Diyi Yuansu New Energy Technology Co., Ltd., Changchun Automotive Test Center Co., Ltd. and Diyi AESC New Energy Power Technology (Wuxi) Co., Ltd. Additionally, it owns one joint venture company, Jiefang Times New Energy Technology Co., Ltd., while FAW (Africa) Investment Co., Ltd. has one non-wholly-owned subsidiary, FAW Vehicle Manufacturing South Africa Co., Ltd.

Business scope of the Company: R&D, production and sales of medium and heavy trucks, vehicles, buses, bus chassis, medium truck deformation vehicles, automobile assemblies and parts, machining, diesel engines and accessories (non-vehicle), mechanical equipment and accessories, instruments, technical services, technical

consultation, installation and maintenance of mechanical equipment, lease of mechanical equipment and facilities, lease of houses and workshops, labor services (excluding foreign labor cooperation and domestic labor dispatch), sales of steel, automobile trunks, hardware & electrical equipment and electronic products, testing of internal combustion engine, engineering technology research and testing, advertising design, production and release, import and export of goods and technologies (excluding publication import business and commodities and technologies restricted or prohibited for import and export by the state); (the following items are operated by the branch company) Chinese food production and sales, warehousing and logistics (excluding flammable, explosive and precursor dangerous chemicals), automobile repair, tank manufacturing of chemical liquid tanker, automobile trunk manufacturing (items subject to approval according to law can be operated only after being approved by relevant authorities).

Registered address of the Company: No.2259, Dongfeng Street, Changchun Automobile Development Zone, Jilin Province.

The legal representative of the Company is Li Sheng.

The financial statements and notes to the financial statements were approved for issue by the Board of Directors of the Company on March 28, 2025.

IV. Basis of Preparation for Financial Statements

1. Preparation basis

The financial statements are prepared according to the Accounting Standards for Business Enterprises issued by the Ministry of Finance and their application guidelines, interpretations, and other relevant provisions (hereinafter collectively referred to as "ASBE"). In addition, the Company also discloses relevant financial information according to Rules No.15 for Preparing Information Disclosure by Companies Offering Securities to the Public - General Provisions on Financial Reporting (2023 Revision) issued by China Securities Regulatory Commission.

2. Continuing operations

The financial statements on continuing operations are presented.

The financial accounting of the Company is based on accrual. The financial statements are prepared on a historical cost basis except for certain financial instruments. If the assets are impaired, the corresponding provision for impairment shall be made as specified.

V. Significant Accounting Policies and Accounting Estimates

Tips for specific accounting policies and accounting estimates:

The Company determines the depreciation of fixed assets, amortization of intangible assets, capitalization conditions of R&D expenses and income recognition policies according to its own production and operation characteristics. For specific accounting policies, please see 21, 24 and 31 in V "Significant Accounting Policies and Accounting Estimates" in Section X - Financial Report.

1. Statement of compliance with accounting standards for business enterprises

The financial statements prepared by the Company met the requirements of ASBE and truly and fully reflected the consolidated and company's financial position as of December 31, 2024 of the Company and its information such as consolidated and company's financial performance and consolidated and company's cash flow for the year then ended.

2. Accounting period

The accounting period of the Company is a calendar year, namely, from January 1 to December 31 every year.

3. Operating cycle

The operating cycle of the Company is 12 months.

4. Recording currency

The Company and its domestic subsidiaries use CNY as their recording currency. The Company's overseas subsidiaries determine their functional currency based on the currency of the main economic environment in which they operate. The Company uses CNY to prepare the financial statements.

5. Methods for determining materiality criteria and selection basis

Applicable Not applicable

Item	Materiality Criteria
Receivables with significant provision for bad debts by individual item	10% of the absolute value of net profit or 10% of similar business
Write-off of significant receivables in the current period	10% of the absolute value of net profit or 10% of similar business
Significant changes in the book value of contractual assets	10% of the absolute value of net profit or 10% of similar business
Major projects under construction	10% of the absolute value of net profit or 10% of similar business
Significant capitalized R&D projects	10% of the absolute value of net profit or 10% of similar business

6. Accounting treatment method for business merger under common control and different control**(1) Business merger under common control**

As to the business merger under common control, the assets and liabilities of the combined party obtained by the combined party are calculated in the book value in the consolidated financial statements of the ultimate controller by the combined party on the combination date. The capital reserve (stock premium) is adjusted based on the difference between the book value of the combination consideration and the book value of the net assets obtained in the combination. The retained earnings are adjusted if the capital reserve (stock premium) is insufficient for offset.

Business merger under common control realized step-by-step through multiple transactions

The assets and liabilities of the combined party obtained by the combined party are calculated in the book value in the consolidated financial statements of the ultimate controller on the combination date. The difference between the sum of the book value of investment held prior to the business combination plus the book value of new consideration paid on the combination date, and the book value of net assets acquired in the combination, shall be used to adjust capital reserve (share premium). If the capital reserve is insufficient for this adjustment, the retained earnings shall be adjusted accordingly. The long-term equity investment held before the acquisition of the combined party's control by the combining party and the profit or loss, other comprehensive incomes and changes in other owners' equities that have been recognized during the period from the date of acquisition of the original equity, or the date of common control of the combining party and the combined entity (which is later) to the combination date shall offset against the retained opening earnings or current profit or loss respectively during the period of the comparative statement.

(2) Business merger under different control

In the case of business merger under different control, the combination cost is the fair value of assets paid, liabilities incurred or assumed and equity securities issued on the acquisition date for acquiring the control over the acquiree. The assets, liabilities and contingent liabilities of the acquiree obtained are recognized as per the fair value on the acquisition date.

Where the combination cost is greater than the fair value of identifiable net assets obtained from the acquiree, the difference shall be recognized as goodwill and subsequently measured by deducting the accumulated depreciation provision by cost. Where the combination cost is less than the fair value of identifiable net assets obtained from the acquiree, the difference shall be included in current profits and losses after review.

Business merger not under common control realized step-by-step through multiple transactions

The combination cost is the sum of the consideration paid on the acquisition date and the fair value of the acquiree's equity already held before the acquisition date on the acquisition date. The acquiree's equity held before the acquisition date shall be remeasured at the fair value of the equity on the acquisition date. The difference between the fair value and its book value shall be included in the investment income for the current period. If the acquiree's equity held before the acquisition date involves other comprehensive income, changes in other owner's equities shall be transformed into the current profit on the acquisition date, except other comprehensive income generated due to remeasuring the change in net liabilities or net assets of the defined benefit plan (DBP) by the investee, and other comprehensive income related to a non-trading equity instrument investment originally measured at fair value with its changes included in other comprehensive income.

(3) Disposal of related handling charges for business merger

The overhead for the business merger of the combining party, including the expenses for audit, legal services, assessment, and other administrative expenses, shall be recorded in current profits and losses when they occur. The transaction expenses of the equity securities or liability securities issued as the consideration for the combination shall be recorded as the initial recognition amount of the equity securities or liability securities.

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

(1) Criteria for control

The scope of consolidated financial statements is determined on the basis of control. Control refers to the power of the Company over the investee, with which the Company enjoys variable returns through participating in related activities of the investee and is able to influence its amount of return with the power over the investee. The Company will carry out re-assessment when changes in relevant facts and circumstances result in changes in elements involved in the definition of control.

When determining whether to include structured entities in the consolidation scope, the Company assesses whether to control the structured entity by comprehensively taking all facts and circumstances into consideration, including assessing the purpose and design of the structured entity, identifying the types of variable returns, and assessing whether it assumes part or all of the variability of the returns through its participation in related activities of the entity.

(2) Preparation methods of consolidated financial statements

The consolidated financial statements are prepared by the Company based on the financial statements of the Company and its subsidiaries and with other relevant data. The major accounting policies and accounting periods adopted by the subsidiaries are defined in the same way as those of the Company during the preparation of the consolidated financial statements. The significant transactions and balances between companies are offset.

Where a subsidiary or business has been acquired through a business merger involving enterprises under common control in the reporting period, the subsidiary or business is deemed to be included in the consolidated financial statements from the date they are controlled by the ultimate controlling party. Their operating results and cash flows are respectively included in the consolidated income statement and consolidated cash flow statement from the date they are controlled by the ultimate controlling party.

For the subsidiaries and businesses that increased in the reporting period due to business merger under different control, their earnings, expenses and profits from the acquisition date to the end of the reporting period are included in the consolidated profit statement, and their cash flows are included in the consolidated cash flow statement.

The portion of shareholders' equity of subsidiaries not belonging to the Company shall be listed separately under the item "Shareholders' Equity" in the consolidated balance sheet as minority shareholders' equity. The portion of net profit or loss of subsidiaries in the current period belonging to minority shareholders' equity shall be listed separately under the item "Minority Shareholders' Profit or Loss" in the consolidated income statement. If the loss of a subsidiary borne by minority shareholders exceeds the amount of their shares of owners' equity in the subsidiary at the beginning, the balance shall offset the minority equity.

(3) Purchase of minority shareholders' equity in subsidiaries

The capital reserve (stock premium) in the consolidated balance sheet is adjusted based on the difference between the newly acquired long-term equity investment cost from the purchase of minority equity and the share of net assets in the subsidiary calculated constantly from the purchase date or combination date as per the newly increased shareholding proportion, and the difference between the disposal price obtained from the partial disposal of equity

investment in the subsidiary without losing the right of control and the share of net assets in the subsidiary calculated continuously from the purchase date or combination date corresponding to the disposed long-term equity investment. The retained earnings are adjusted if the capital reserve is insufficient for offset.

(4) Disposal of the loss of control over subsidiaries

If the control power on the original subsidiaries is lost due to the disposal of part of an equity investment or other reasons, the remaining equity shall be recalculated at fair value on the day when the control power is lost. The balance from the sum of consideration obtained from the disposal of equity and the fair value of the remaining equity minus the sum of the share of net assets book value and the goodwill of original subsidiaries calculated continuously starting from the purchase date as per the original shareholding ratio shall be included in current investment income at the loss of control.

Other comprehensive income in connection with equity investment of the original subsidiaries shall be subject to accounting method on the same basis as the original subsidiary's direct disposal of relevant assets or liabilities upon the loss of control. Other changes in owners' equity related to the original subsidiary that are accounted for by the equity method shall be transferred to the current profits and losses upon the loss of control.

8. Classification of Joint Venture Arrangement and Accounting Treatment Methods for Joint Operations

Joint arrangement refers to an arrangement jointly controlled by two or more participants. Joint arrangements of the Company include joint operations and joint ventures.

(1) Joint operation

Joint operation refers to the joint arrangement in which the Company enjoys related assets and bears related liabilities.

The Company recognizes the following items related to the interest share in the joint operation and carries out accounting according to the ASBE:

- A. Recognizing the assets held separately and the assets held jointly as per its shares;
- B. Recognizing the liabilities borne separately and the liabilities borne jointly according to its shares;
- C. Recognizing the income generated from the sale of shares enjoyed in the joint operation;
- D. Recognizing the income generated from the sale of shares enjoyed in the joint operation as per its shares;
- E. Recognizing the expenses incurred separately and the expenses arising from joint operation as per its shares.

(2) Joint ventures

Joint venture refers to a joint arrangement in which the Company only has power over the net assets of the arrangement.

The Company conducts accounting for the investment of joint ventures according to provisions of the equity method accounting for long-term equity investments.

9. Standards for recognition of cash and cash equivalents

Cash refers to the cash on hand and the deposits that are readily available for payment. Cash equivalents refer to the short-term and highly liquid investments held by the Company that are readily convertible into known amounts of cash and with low risk in value change.

10. Foreign currency transaction and foreign currency statement translation

(1) Foreign currency transaction

Foreign currency transactions of the Company are converted into the amount in recording currency at the exchange rate determined by systematic and reasonable methods.

On the balance sheet date, the foreign currency monetary items are converted at the spot exchange rate on the balance sheet date. The exchange difference arising from the difference between the spot exchange rate on the balance sheet date and the spot exchange rate at the time of initial recognition or on the previous balance sheet date is included in current profits and losses. Foreign currency non-monetary items measured at historical cost are still converted at the spot exchange rate on the transaction date. Foreign currency non-monetary items measured at fair value are converted at the spot exchange rate on the date when the fair value is determined. The difference between the converted recording currency amount and the original recording currency amount is included in current profits and losses or other comprehensive income according to the nature of the non-monetary items.

(2) Translation of foreign currency financial statements

At the balance sheet date, when the foreign currency financial statements of overseas subsidiaries are translated, the assets and liabilities of the balance sheet are translated to CNY using the spot exchange rate at the balance sheet date. Items of the shareholders' equity, except for "undistributed profits", are translated at the spot exchange rate at the dates on which such items arose.

The income and expense items in the profit statement are translated at the exchange rate determined by systematic and reasonable methods.

All items in the cash flow statement are translated at the exchange rate determined by systematic and reasonable methods. As an adjustment item for the influence amount of cash, exchange rate movement is independently presented as "Influence of exchange rate movement to cash and cash equivalent" in the cash flow statement.

Differences arising from the translation of financial statements are separately presented as "other comprehensive income" in the shareholders' equity of the balance sheet.

During the disposal of overseas operation and upon the loss of the right of control, the conversion difference of foreign currency statements listed under the shareholders' equity items in the balance sheet and related to the overseas operation is transferred to the current profits and losses of disposal in full or as per the disposal proportion of the overseas operation.

11. Financial instruments

Financial instruments refer to contracts that form the financial assets of a party, and form financial liabilities or equity instruments of other parties.

(1) Recognition and derecognition of the financial instruments

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

If one of the following conditions is met, the financial assets are terminated:

- ① The contractual right to receive the cash flow of the financial asset is terminated.
- ② The financial asset has been transferred and is in accordance with the following conditions for derecognition. If the current obligations of financial liability have been discharged in total or in part, derecognize all or part of it. The Company (the Debtor) signs an agreement with the Creditor to replace the existing financial liabilities with new financial liabilities; the existing financial liabilities are derecognized, and the new financial liabilities are recognized when the contractual terms of the new financial liabilities and those of the existing financial liabilities are different in essence.

Financial assets transacted in a conventional way are subject to accounting recognition and derecognition on the transaction date.

(2) Classification and measurement of financial assets

The Company classifies financial assets into the following three categories according to the business mode of financial assets management and the contractual cash flow characteristics of financial assets at the time of initial recognition: financial assets measured at amortized cost, financial assets at fair value through other comprehensive income, and financial assets measured at fair value with their changes included in the current profits or losses.

Financial assets are measured at fair value upon initial recognition. For financial assets at fair value through profit or loss, relevant transaction costs are directly included in current profits and losses; for other types of financial assets, relevant transaction costs are included in the initially recognized amount. For receivables arising from the sale of products or the provision of services that do not include or take into account significant financing components, the Company takes into consideration the amount entitled to receive in expectation as the initially recognized amount.

Financial assets measured at amortized cost

The Company classifies the financial assets that meet the following conditions but are not designated to be measured at fair value and with the changes included in current profits or losses as the financial assets measured at amortized cost:

- The Company manages the financial assets in order to collect contractual cash flows;
- The contract terms of the financial assets stipulate that the cash flow generated on a specific date is only the payment of the principal and the interest based on the outstanding principal amount.

After initial recognition, such financial assets are measured at amortized cost using the effective interest method. Any gains or losses on financial assets at amortized cost that are not part of the hedging relationship are charged to the current profit or loss at derecognition, amortization using the effective interest method, or recognition of impairment.

Financial assets at fair value through other comprehensive income

The Company classifies financial assets that meet the following conditions and are not designated to be financial assets at fair value with their changes included in current profit or loss as financial assets at fair value with their changes included in other comprehensive incomes:

- The Company manages the financial assets in order not only to collect contractual cash flows but also to sell the financial assets;
- The contract terms of the financial assets stipulate that the cash flow generated on a specific date is only the payment of the principal and the interest based on the outstanding principal amount.

After initial recognition, such financial assets are subsequently measured at fair value. Interests, impairment losses or gains and exchange gains and losses calculated with the effective interest method are included in the current profits and losses, and other gains or losses are included in other comprehensive income. When the financial assets are derecognized, the accumulated profits or losses previously included in other comprehensive income are transferred out and included in the current profits and losses.

Financial assets at fair value through profit or loss

Except for the above-mentioned financial assets measured at amortized cost and fair value through other comprehensive income, the Company classifies all remaining financial assets as financial assets measured at fair value through profit or loss. At the time of initial recognition, in order to eliminate or significantly reduce accounting mismatch, the Company irrevocably designates some financial assets that should be measured at amortized cost or fair value through other comprehensive income as financial assets measured at fair value through current profits and losses.

After initial recognition, such financial assets are subsequently measured at fair value, and the gains or losses (including interest and dividend income) incurred are included in current profits and losses unless they are part of a hedging relationship.

The business model of managing financial assets refers to how the Company manages financial assets to generate cash flows. The business model determines whether the cash flow of financial assets managed by the Company comes from collecting contractual cash flows, selling financial assets, or both. The Company determines the business model for managing financial assets on the basis of objective facts and specific business objectives for managing financial assets decided by key management personnel.

The Company evaluates the contractual cash flow characteristics of financial assets to determine whether the contractual cash flow generated by relevant financial assets on a specific date is only the payment of principal and interest based on the outstanding principal amount. Principal refers to the fair value of financial assets at initial recognition; interest includes consideration for the time value of money, credit risk associated with the amount of principal outstanding over a specific period, and other underlying borrowing risks, costs and profits. In addition, the Company evaluates the contract terms that may cause changes in the time distribution or amount of contractual cash

flows of financial assets to determine whether they meet the requirements for the above-mentioned contractual cash flow characteristics.

Only when the Company changes its business model for managing financial assets can all affected related financial assets be reclassified on the first day of the first reporting period after the change in business model; otherwise, financial assets shall not be reclassified after initial recognition.

(3) Classification and measurement of financial liabilities

The financial liabilities of the Company are classified into financial liabilities at fair value through profit or loss, and financial liabilities are measured at amortized cost upon initial recognition. For financial liabilities not classified as those measured at fair value through profit or loss, relevant transaction costs are included in their initially recognized amounts.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and those designated upon initial recognition to be measured at fair value through profit or loss. Such financial liabilities are subsequently measured at fair value, and the gains or losses arising from changes in fair value, as well as dividends and interest expenses related to such financial liabilities, are included in current profits and losses.

Financial liabilities measured at amortized cost

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, and gains or losses arising from derecognition or amortization are included in current profits and losses.

Distinction between financial liabilities and equity instruments

Financial liabilities refer to those that meet one of the following conditions:

- ① Contractual obligations to deliver cash or other financial assets to other parties.
- ② Contractual obligations to exchange financial assets or financial liabilities with other parties under potentially adverse conditions.
- ③ A non-derivative instrument contract that must or can be settled with the enterprise's own equity instruments in the future and according to which the enterprise will deliver a variable number of its own equity instruments.
- ④ A derivative contract that must or can be settled with the enterprise's own equity instruments in the future, except for derivative contracts where a fixed amount of its own equity instruments is exchanged for a fixed amount of cash or other financial assets.

An equity instrument refers to a contract that can prove the residual equity in the assets of an enterprise after all liabilities are deducted.

If the Company cannot unconditionally avoid performing a contractual obligation by delivering cash or other financial assets, the contractual obligation meets the definition of financial liabilities.

If a financial instrument must or can be settled with the Company's own equity instruments, it is necessary to consider whether the Company's own equity instruments used for settlement of such instruments are used as substitutes for cash or other financial assets or to enable the instrument holder to enjoy residual equity in the assets of the issuer after deduction of all liabilities. If it meets the former condition, the financial instrument should be

recognized as financial liabilities; If it meets the latter condition, the financial instrument is recognized as an equity instrument.

(4) Fair value of financial instruments

For the determination methods for the fair value of financial assets and liabilities, refer to 38 "Others" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

(5) Impairment of financial assets

The Company accounts for impairment and recognizes the loss provision for the following items on the basis of expected credit losses:

- Financial assets measured at amortized cost;
- Receivables and debt instrument investments measured at fair value through other comprehensive income;
- Contract assets as defined in ASBE NO.14 - Revenue;
- Lease receivables;
- Financial guarantee contracts (except for those measured at fair value through profit and loss, where the transfer of financial assets does not meet derecognition conditions or is continuously involved in the transferred financial assets).

Measurement of expected credit losses

Expected credit loss refers to the weighted average of the credit losses of financial instruments that are weighted by the risk of default. Credit loss refers to the difference between all contractual cash flows receivable according to the contract and discounted by the Company at the original effective interest rate and all cash flows expected to be collected, that is, the present value of all cash shortages.

The Company considers reasonable and reliable information about past events, current situation and forecast of the future economic situation, weighs the risk of default, calculates the probability-weighted amount of the present value of the difference between the cash flow receivable from the contract and the cash flow expected to be received, and recognizes the expected credit loss.

The Company measures the expected credit losses of financial instruments at different stages, respectively. For financial instruments whose credit risk has not significantly increased since initial recognition, they are in Stage I, and the Company measures the loss allowance based on expected credit losses for the next 12 months; for financial instruments whose credit risk has significantly increased since initial recognition but have not incurred credit impairment, they are in Stage II, and the Company measures the loss allowance based on lifetime expected credit losses of the instrument; For financial instruments that have incurred credit impairment since initial recognition, they are in Stage III, and the Company measures the loss allowance based on lifetime expected credit losses of the instrument.

The Company assumes that the credit risk of the financial instruments with a low credit risk on the balance sheet date has not increased significantly since the initial recognition and measures the provision for loss based on the expected credit loss in the next 12 months.

The expected credit loss during the whole duration refers to the expected credit loss caused by all default events that may occur during the whole expected duration of financial instruments. The expected credit loss in the next 12 months refers to that caused by the possible default events of the financial instruments within 12 months after the balance sheet date (or the expected duration if the expected duration of financial instruments is less than 12 months), which is a part of the expected credit loss in the whole duration.

During the measurement of expected credit losses, the maximum term to be considered by the Company is the maximum contract term of the enterprise facing credit risk (including the option to renew the contract).

For financial instruments in the first and second stages and with low credit risk, the Company calculates interest income according to the book balance before deducting impairment provision and the actual interest rate. For financial instruments in the third stage, interest income is calculated according to their book balance minus the amortized cost after impairment provision and the effective interest rate.

Notes receivable, accounts receivable and contract assets

For notes receivable, accounts receivable, and contract assets, the Company always measures their loss provision according to the amount equivalent to the expected credit loss for the whole duration, no matter whether there is any significant financing component.

If the expected credit loss of a single financial or contractual asset cannot be evaluated at a reasonable cost, the Company divides the notes receivable, accounts receivable and contractual assets into portfolios according to the credit risk characteristics based on the following and calculates the expected credit loss on the basis of the portfolios:

A. Notes Receivable

- Notes receivable portfolio 1: bank acceptance bills
- Notes receivable portfolio 2: commercial acceptance bills

B. Accounts Receivable

- Aging portfolio

C. Contract assets

- Aging portfolio

The Company calculates the expected credit loss of the notes receivable and contract assets divided into portfolios by referring to the historical credit loss experience, combining the current situation and the forecast of the future economic situation, and based on the default risk exposure and the expected credit loss rate for the whole duration.

For accounts receivable divided into portfolios, the Company prepares a comparison table of account receivable aging/overdue days and expected credit loss rate for the whole duration with reference to historical credit loss experience and in combination with the current situation and forecast of the future economic situation, so as to calculate the expected credit loss. The aging of accounts receivable is calculated from the date of recognition and the number of days overdue from the credit expiration date.

Other receivables

The Company divides other receivables into several portfolios according to the credit risk characteristics based on the following and calculates the expected credit loss according to the portfolios:

- Portfolio 1 of other receivables: portfolio of margin, deposit and reserve fund
- Portfolio 2 of other receivables: aging portfolio

For other receivables divided into portfolios, the Company calculates the expected credit loss through default risk exposure and expected credit loss rate in the next 12 months or the whole duration. The aging of other receivables divided into portfolios by aging is calculated from the date of recognition.

Long-term receivables

The Company's long-term receivables include the receivables from sales of goods by installments.

The Company divides the long-term receivables into several portfolios according to the credit risk characteristics based on the following and calculates the expected credit loss on the basis of the portfolios:

- Long-term receivables portfolio 1: receivables from sales of goods by installments
- Long-term receivables portfolio 2: other receivables

The Company calculates the expected credit loss of the receivables from sales of goods by installments based on the default risk exposure and the expected credit loss rate for the whole duration with reference to the historical credit loss experience, the current situation and the forecast of the future economic situation.

The Company calculates the expected credit loss of other receivables and long-term receivables divided into portfolios other than receivables from sales of goods by installments according to the default risk exposure and the expected credit loss rate in the next 12 months or the whole duration.

Debt investment and other debt investments

For debt investments and other debt investments, the Company calculates expected credit losses according to the nature of the investment, various types of counterparties and risk exposures, default risk exposures and expected credit loss rates in the next 12 months or throughout the duration.

Assessment of significant increase in credit risk

The Company compares the risk of default of financial instruments on the balance sheet date with the risk of default on the initial recognition date so as to determine the relative change in the default risk of financial instruments in the expected duration and evaluate whether the credit risk of financial instruments has increased significantly since the initial recognition.

In determining whether the credit risk has increased significantly since initial recognition, the Company considers reasonable and well-founded information (including forward-looking information) that can be obtained without unnecessary additional costs or efforts. The information to be considered by the Company is as follows:

- Failure of the debtor to pay the principal and interest on the due date of the contract;

- Serious deterioration in the external or internal credit rating (if any) of the financial instrument that has occurred or is expected;
- Serious deterioration of the debtor's operating results that has occurred or is expected;
- Changes in the technical, market, economic or legal environment that has occurred or is expected and their potential material adverse effect on the repayment ability of the debtor to the Company.

According to the nature of financial instruments, the Company evaluates whether the credit risk has increased significantly on the basis of individual financial instruments or portfolios of financial instruments. When evaluating financial instruments on the basis of portfolios, the Company may classify the financial instruments based on common credit risk characteristics, such as overdue information and credit risk rating.

If it is overdue for more than 30 days, the Company determines that the credit risk of financial instruments has increased significantly.

Credit-impaired financial assets

The Company evaluates on the balance sheet date whether credit impairment has occurred on the financial assets measured at amortized cost and on the creditor's debt investment measured at fair value through other comprehensive income. A financial asset becomes credit-impaired when one or more events that have an adverse impact on its expected future cash flows occur. Evidence of credit impairment of financial assets includes the following observable information:

- The issuer or the debtor is involved in serious financial difficulties;
- The debtor breaches the contract, such as default on or overdue repayment of interest or principal;
- The Company, for economic or contractual reasons relating to the debtor's financial difficulty, grants the debtor concessions that would not have been made in any other circumstances.
- There is a great possibility of bankruptcy or other financial restructuring of the debtor;
- The financial difficulties of the issuer or debtor result in the disappearance of the active market of such financial assets.

Presentation of provision for expected credit loss

In order to reflect the changes in the credit risk of financial instruments since the initial recognition, the Company remeasures the expected credit loss on each balance sheet date; the increased or reversed amount of the loss provision arising therefrom shall be included in the current profits and losses as impairment losses or gains. The loss provision of the financial assets measured at amortized cost is used to offset their book value presented in the balance sheet. For the debt investment measured at fair value with its changes included in other comprehensive income, the Company recognizes its loss provision in other comprehensive income, which will not offset the book value of the financial assets.

Write-off

The Company writes down the book balance of the financial assets when it no longer reasonably expects that the contractual cash flow of the financial asset can be recovered in whole or in part. Such write-down constitutes the derecognition of related financial assets. This usually occurs when the Company determines that the debtor has no assets or sources of income that can generate sufficient cash flows to repay the amount to be written down. However,

the written-down financial assets may still be affected by the execution activities according to the Company's procedures for recovering due amounts.

Any financial assets that have been previously written off and subsequently recovered are recognized as a reversal of impairment loss and recorded in the current period's income statement.

(6) Transfer of financial assets

Transfer of financial assets refers to the assignment or delivery of financial assets to the party (transferee) other than the issuer of such financial assets.

The financial asset is derecognized if the Company has transferred substantially all the risks and rewards of ownership of a financial asset to the transferee. The financial asset is not derecognized if the Company has retained substantially all the risks and rewards of ownership of a financial asset.

If the Company neither transfers nor retains almost all risks and rewards of ownership of a financial asset, it shall deal with them as follows: if the control over the financial asset is waived, the financial asset shall be derecognized and the assets and liabilities incurred shall be recognized; if the control over the financial asset is not waived, the relevant financial asset shall be recognized to the extent that it continues to be involved in the transferred financial asset, and the relevant liabilities shall be recognized accordingly.

(7) Offset of financial assets and financial liabilities

Financial assets and financial liabilities are presented in the balance sheet with the amount after offsetting each other when the Company has a legal right to offset the recognized financial assets and financial liabilities and the legal right can be exercised currently, and when the Company intends either to settle on a net basis, or to realize the financial assets and pay off the financial liabilities simultaneously. In other cases, financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other.

12 Notes receivable

Refer to 11 "Financial instruments" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

13 Accounts receivable

Refer to 11 "Financial instruments" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

14 Receivables financing

Refer to 11 "Financial instruments" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

15 Other receivables

Refer to 11 "Financial instruments" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

16 Contract assets

Refer to 11 "Financial instruments" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

17. Inventories

(1) Classification of inventories

The inventories of the Company are divided into raw materials, self-made semi-finished products and goods in process, goods in stock, revolving materials, etc.

(2) Valuation method for inventories sent out

The Company's inventories are accounted for at the planned cost when acquired. The difference between the planned cost and the actual cost is accounted for through the cost variance account, and the cost variance that should be borne by the inventories sent out is carried forward on schedule to adjust the planned cost to the actual cost.

(3) Basis and method for provision of inventory depreciation reserves

On the balance sheet date, inventories are measured at a lower cost and net realizable value. When the net realizable value of the inventories is lower than their cost, a provision for inventory depreciation reserves is made.

Net realizable value refers to the difference between the estimated sale price of inventory minus the cost to be incurred until completion, estimated sales expenses and related taxes. The net realizable value of inventories is determined based on the unambiguous evidence obtained as well as the consideration of the purpose of holding inventories and the impact of events after the balance sheet date.

The Company makes provision for inventory depreciation reserves on an individual inventory item basis. Provision for inventory depreciation reserves is made by inventory category for inventories with large quantities and low unit prices.

On the balance sheet date, if the factors affecting the previous write-down of inventory value have disappeared, the inventory falling price reserves shall be reversed within the amount originally provided for.

(4) Inventory system

The Company adopts the perpetual inventory system.

The Company expenses low-value consumables in full when issued using the one-time write-off method; Packaging materials are expensed in full when issued using the one-time write-off method.

18. Long-term receivables

Refer to 11 "Financial instruments" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

19. Long-term equity investments

Long-term equity investments include equity investments in subsidiaries, joint ventures, and associated enterprises. The investee, which may be subject to significant influence of the Company, is an associated enterprise of the Company.

(1) Recognition of initial investment cost

Long-term equity investments acquired from the business combination: For the long-term equity investment acquired from the business combination under common control, the investment cost refers to the share of the book value of the owner's equity of the combined party in the consolidated financial statements of the ultimate controlling party on the combination date; for the long-term equity investment acquired from the business combination under different control, the investment cost refers to the combination cost.

For long-term equity investments acquired by other methods: For those acquired with cash payment, the actual purchase price shall be recognized as the initial investment cost; for those acquired through the issuance of equity securities, the fair value of issued equity securities shall be recognized as the initial investment cost.

(2) Subsequent measurement and recognition of profit or loss

Investments to subsidiaries are accounted for using the cost method unless the investment meets the conditions for held-for-sale; investments to associated enterprises and joint ventures are accounted for using the equity method.

For long-term equity investments calculated by cost method, except for the declared but not yet released cash dividends or profits included in the actual price or consideration paid when the investment is acquired, the distributed cash dividends or profits declared by the investee shall be recognized as investment income and included in current profits and losses.

For the long-term equity investments accounted for with the equity method, the investment cost is not adjusted if the initial investment cost exceeds the share of the fair value of the investee's identifiable net assets at the time of the investment; the book value of the long-term equity investment is adjusted, and the difference is included in the current profits and losses if the initial investment cost is less than the share of the fair value of the investee's identifiable net assets at the time of the investment.

For accounts with the equity method, the investment income and other comprehensive income shall be recognized respectively according to the share of the net profits and losses and other comprehensive income realized by the investee that shall be enjoyed or shared. Meanwhile, the book value of the long-term equity investments shall be adjusted. The part of the due share shall be calculated according to the distributed profit or cash dividend declared by the investee, and the book value of the long-term equity investment shall be reduced accordingly. For other changes in the owners' equity of the investee except net profit and loss, as well as other comprehensive income and profit distribution, the book value of long-term equity investment shall be adjusted and included in the capital reserve (other capital reserve). The Company recognizes its share of the investee's net profits or losses based on the

fair values of the investee's individual separately identifiable assets at the time of acquisition after making appropriate adjustments thereto in conformity with the accounting policies and accounting periods of the Company.

The sum of the fair value of the original equity and the new investment cost is taken as the initial investment cost calculated with the equity method on the date of conversion if it is possible to exert significant influence on or implement joint control but not constitute control over the investee due to additional investment or other reasons. The cumulative changes in fair value originally included in other comprehensive income related to the original equity are transferred to retained earnings when the equity method is adopted if the original equity is classified as a non-trading equity instrument measured at fair value through other comprehensive income.

In case the Company loses joint control of or the significant influence on the investee due to the disposal of part of the equity investment, the residual equity after the disposal is accounted for in accordance with the Accounting Standards for Business Enterprises No.22 - Recognition and Measurement of Financial Instruments on the date of losing the joint control or significant influence, and the difference between the fair value and the book value is included in the current profits and losses. Other comprehensive income recognized from the original equity investment accounted with the equity method shall be accounted for on the same basis as the direct disposal of relevant assets or liabilities of the investee when the equity method is terminated. Other changes in owner's equity related to the original equity investment shall be transferred into current profit and loss.

In case the Company loses the right of control over the investee due to the disposal of partial equity investment or other reasons, the equity method is applied, and it is deemed that the residual equity is adjusted with the equity method from the time of acquisition; if the residual equity after disposal can exert joint control over or significant influence on the investee; the accounting is carried out according to the Accounting Standards for Business Enterprises No.22 - Recognition and Measurement of Financial Instruments, and the difference between the fair value and the book value on the date of losing control is included in the current profits and losses if the residual equity after disposal cannot exert joint control over or significant influence on the investee.

If the shareholding ratio of the Company decreases due to capital increase by other investors, resulting in loss of control but joint control over or significant influence on the investee, the Company's share of net assets increases due to capital increase and share expansion of the investee shall be recognized according to the new shareholding ratio, and the difference from the original book value of long-term equity investment corresponding to the decrease in shareholding ratio that shall be carried forward shall be included in current profits and losses. Then, adjustments are made based on the new shareholding ratio with the equity method as if it had been used since the acquisition of the investment.

Unrealized gains and losses from internal transactions between the Company and its associated enterprises and joint ventures that are attributable to the Company are calculated based on the shareholding ratio, and investment profits and losses are recognized based on the offsetting of that portion. However, the unrealized loss from internal transactions incurred between the Company and its investee is not offset if it belongs to impairment loss from assets transferred.

(3) Basis for determining joint control and significant influence on the investee

Joint control refers to the control over certain arrangements under related agreements, and related activities of the arrangement can only be determined with the unanimous consent of the parties sharing the control. During the judgment of joint control, it is required to determine whether the arrangement is controlled collectively by all participants or combinations of participants and then determine whether decisions on activities related to the

arrangement must be made with the unanimous consent of those participants who collectively control the arrangement. It is deemed that all participants or a group of participants collectively control the arrangement if related activities of an arrangement can be decided only with the concerted action of all participants or a group of participants. If there are two or more combinations of parties that can collectively control an arrangement, this situation does not constitute joint control. Protective rights are not taken into account when determining whether there is joint control.

Significant influence refers to the power of the investor to participate in making decisions on the financial and operating policies of the investee, but cannot control or jointly control with other parties over the preparation of these policies. The possibility of exerting significant influence on the investee is determined by considering the influence of the voting shares of the investee directly or indirectly held by the investor and the influence when it is assumed that the potential voting rights executable for the current period held by the investor and other parties are converted into the equity of the investee, including the influence of the warrants, stock options and corporate bonds which can be converted in the current period issued by the investee.

It is generally considered that the Company has significant influence on the investee when the Company directly holds more than 20% (inclusive) but less than 50% of the voting shares of the investee or holds indirectly through subsidiaries, unless there is clear evidence indicating that it cannot participate in the production and operation decisions of the investee under such circumstances, in which case it has no significant influence. It is generally not considered that the Company has significant influence on the investee when the Company owns less than 20% (exclusive) of the voting shares of the investee, unless there is clear evidence indicating that it can participate in the production and operation decisions of the investee under such circumstances, in which case it has significant influence.

(4) Impairment test method and impairment provision methods

For investments to subsidiaries, associated enterprises and joint ventures, the method of provision for asset impairment is described in 38 "Others" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

20 Investment properties

Measurement mode of investment properties: cost method

Depreciation or amortization method

Investment properties refer to the properties held for earning rent or, capital appreciation, or both. Investment properties of the Company include the land use rights that have already been rented, the land use rights held for transfer after appreciation, and the buildings that have been rented.

Investment properties of the Company are initially measured as per the price upon acquisition and depreciated or amortized on schedule as per relevant provisions on fixed assets or intangible assets.

For the investment real estate, which is subsequently measured with the cost mode, the method of drawing asset impairment is described in 38 "Others" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

The disposal income from the sale, transfer, retirement or damage of investment properties shall be included in

current profits and losses after deducting its book value and relevant taxes.

21. Fixed assets

(1) Recognition conditions

Fixed assets of the Company refer to the tangible assets held for the production of goods, rendering of services, renting or operating, and managing, with a useful life exceeding one accounting year.

The fixed assets can be recognized only when the economic benefits related to such fixed assets are likely to flow into the enterprise, and the cost of such fixed assets can be measured reliably.

Fixed assets of the Company are initially measured at the actual cost upon acquisition.

Subsequent expenditures related to fixed assets are included in the cost of fixed assets when the related economic benefits are likely to flow into the Company, and the costs can be reliably measured. The daily repair costs of fixed assets that do not meet the conditions for the subsequent expenditure of fixed assets capitalization are included in the current profits and losses or the costs of relevant assets based on the beneficiaries at the time of occurrence. For the replaced part, its book value is derecognized.

(2) Depreciation method

Category	Depreciation Method	Depreciation Period	Residual Rate	Annual Depreciation Rate
Houses and Buildings	Straight-line method	20-25 years	3-5	4.85-4.75
Machinery equipment	Straight-line method	10 years	0-3	10.00-9.70
Transportation equipment	Straight-line method	4-10 years	0-5	25.00-9.50
Electronic equipment	Straight-line method	3 years	0-5	33.33-31.67
Office equipment	Straight-line method	5 years	3-5	19.40-19.00
Others	Straight-line method	5 years	0-5	20.00-19.00

The Company uses the straight-line method for depreciation. The depreciation of fixed assets starts when they reach the expected serviceable condition and stops when they are derecognized or classified as non-current assets held for

sale. Depreciation rates are determined based on fixed asset categories, expected useful life, and estimated residual values without considering impairment provisions. However, for fixed assets with provision for impairment, the accumulated amount of provision for impairment shall also be deducted to calculate and determine the depreciation rate.

(3) For the impairment test methods and impairment provision methods of fixed assets, please refer to 38 "Others" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

(4) The Company reviews the useful life, expected net residual value and depreciation method of fixed assets at the end of each year.

The useful life of fixed assets shall be adjusted if the expected useful life is different from the original estimate, and the estimated net residual value shall be adjusted if the estimated net residual value is different from the original estimate.

(5) Disposal of fixed assets

If a fixed asset is disposed of or if no economic benefit will be obtained from the use or disposal, the recognition of such fixed asset is terminated. The disposal income from the sale, transfer, retirement or damage of fixed assets shall be included in current profits and losses after deducting its book value and relevant taxes.

22 Construction in progress

The cost of construction in progress of the Company is recognized according to the actual construction expenditures, including various necessary construction expenditures incurred during the construction period, borrowing costs that shall be capitalized before the construction reaches the expected condition for its intended use, and other relevant expenses.

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

For the method of provision for asset impairment of construction in progress, refer to 38 "Others" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

23. Borrowing costs

(1) Recognition principles for capitalization of borrowing costs

Borrowing costs incurred by the Company that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized and included in the cost of related assets; other borrowing costs are recognized as expenses based on their incurred amounts and included in current profit or loss when incurred. Borrowing costs begin to be capitalized when all of the following conditions are met:

- ① Asset expenditures have been incurred, including cash payments, transfers of non-cash assets, or assumptions of interest-bearing debts for the acquisition, construction or production of qualifying assets;
- ② Borrowing costs have been incurred;
- ③ Activities necessary to prepare the asset for its intended use or sale have commenced.

(2) Capitalization period of borrowing costs

The Company ceases capitalizing borrowing costs when qualifying assets have reached their intended usable or saleable condition. Borrowing costs incurred after qualifying assets have reached their intended usable or saleable condition are recognized as expenses based on amounts incurred and included in current profit or loss.

Capitalization of borrowing costs is suspended during periods in which the acquisition, construction or production of qualifying assets is abnormally interrupted for more than three consecutive months; Borrowing costs during normal interruption periods continue to be capitalized.

(3) Calculation methods for the capitalization rate and amount of borrowing costs

For specific borrowings, the capitalized amount is determined by deducting interest income earned from depositing unused borrowing funds in banks or investment income from temporary investments from the actual interest expenses incurred during the current period; for general borrowings, the capitalized amount is determined by multiplying the weighted average of asset expenditures exceeding the specific borrowings by the capitalization rate of general borrowings. The capitalization rate is calculated based on the weighted average interest rate of general borrowings.

During the capitalization period, all exchange differences on specific foreign currency borrowings are capitalized; Exchange differences on general foreign currency borrowings are included in the current profit or loss.

24. Intangible assets**(1) Useful life and its determination basis, estimate, amortization method or review procedure**

Intangible assets of the Company include land use rights, software, non-patented technologies, etc.

Intangible assets are initially measured at cost, and their useful life is analyzed and judged at the time of acquisition. Where the useful life is limited, the intangible asset is amortized over its expected useful life, from the time it is available, with an amortization method that reflects the expected realization of the economic benefits associated with the asset. The straight-line method is adopted for amortization if the expected realization mode cannot be determined reliably. Intangible assets with uncertain useful life are not amortized.

The amortization method for intangible assets with limited useful life is as follows:

Category	Useful Life	Amortization Method	Remarks
Land use right	50 years	Straight-line method	
Software	2-10 years	Straight-line method	
Non-patented technology	5-10 years	Straight-line method	

The Company reviews the useful life and amortization method of intangible assets with limited useful life at the end of each year. If it is different from the previous estimate, the original estimate shall be adjusted and treated as a change in accounting estimates.

The book value of an intangible asset is transferred into the current profits and losses in full if it is expected that the asset cannot bring economic benefits to the enterprise in the future on the balance sheet date.

For the method of provision for asset impairment of the intangible assets, refer to 38 "Others" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

(2) Scope of aggregation of expenditures on research and development and related accounting treatment methods

The Company's research and development expenditures are directly related to the Company's research and development activities, including research and development labor costs, test expenses, depreciation costs, design fees, and trial production fees.

The Company divides the expenditures of internal research and development projects into expenditures at the research stage and expenditures at the development stage.

The expenditures at the research stage are included in current profits and losses when incurred.

Expenditures in the development phase can be capitalized only when all the following conditions are met: completion of the intangible asset to enable its use or sale is technically feasible; There is an intention to complete and use or sell the intangible asset; The manner in which the intangible asset will generate economic benefits can be demonstrated, including proving that a market exists for the products produced using the intangible asset or for the intangible asset itself, or if the intangible asset will be used internally, proving its usefulness; Adequate technical, financial and other resources are available to complete the development and to use or sell the intangible asset; The expenditure attributable to the development phase of the intangible asset can be measured reliably. The development expenditures failing to meet the above conditions are included in current profits and losses when they occur.

The R&D projects of the Company enter the development stage after project approval by meeting the above conditions and passing the technical feasibility and economic feasibility study.

The capitalized expenditures at the development stage are presented as development expenditures on the balance sheet and are transferred into intangible assets from the date when the project realizes its intended use.

The capitalization conditions of specific research and development projects are as follows: The Company's research and development project ends with product planning, and the division point of the research and development stages lies in the fact that the overall plan of the development project is prepared and adopted through deliberation and decision-making on the product project review meeting (that is, project initiation). The expenses incurred in the planning stage before the project initiation are directly included in the current profits and losses, and those incurred after the project initiation are included in expenditures in the development stage.

25. Impairment of long-term assets

The asset impairment of long-term equity investment to subsidiaries, associated enterprises and joint ventures, investment real estate subsequently measured by cost model, fixed assets, projects under construction, right-of-use assets, intangible assets, etc. (except for inventories, deferred income tax assets and financial assets) is recognized with the following methods:

The Company judges whether there is a sign of impairment to assets on the balance sheet date. If such a sign exists, the Company estimates the recoverable amount and conducts the impairment test. Impairment tests shall be carried out every year on goodwill resulting from business mergers, intangible assets with uncertain useful life and intangible assets that have not yet reached their intended use, no matter whether there is any sign of impairment.

The recoverable amount is the net amount of the fair value of the assets after deducting the disposal expenses or the present value of the expected future cash flow of the assets, whichever is higher. The Company estimates the recoverable amount based on a single asset. If it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the asset group shall be determined based on the asset group to which the asset belongs. An asset group is determined based on the fact that the main cash inflows generated by the asset group are independent of the cash inflows of other assets or asset groups.

When the recoverable amount of an asset or asset group is lower than its book value, the Company writes down its book value to the recoverable amount, and the write-down amount is included in current profits and losses, and the corresponding impairment provision of assets is made at the same time.

For the impairment test of goodwill, the book value of goodwill resulting from a business merger is amortized to relevant asset groups with reasonable methods from the acquisition date, or amortized to relevant asset group portfolio if it is difficult to amortize it to relevant asset groups. Relevant asset groups or portfolios of asset groups are those that can benefit from the synergies of business merger and are not greater than the reporting segment determined by the Company.

If there is any sign of impairment in the asset group or portfolio of asset groups related to goodwill during the impairment test, the impairment test shall be carried out on the asset group or portfolio of asset groups not including goodwill, and the recoverable amount shall be calculated to determine the corresponding impairment loss. Then, an impairment test is carried out on the asset group or portfolio of asset groups including goodwill to compare its book value and recoverable amount, and determine the impairment loss of goodwill if the recoverable amount is lower than the book value.

Once the impairment loss of assets is determined, it will never be reversed in subsequent accounting periods.

26. Long-term deferred expenses

Long-term unamortized expenses of the Company shall be valued as per actual cost and averagely amortized as per the expected benefit period. The amortized value of the long-term deferred expenses that cannot benefit the future accounting period is included in the current profits and losses.

27. Contract liabilities

The Company presents the contract assets or contract liabilities in the balance sheet according to the relationship between the performance obligations and the customer's payment. The Company presents the contract assets and liabilities under the same contract on a net basis after offsetting each other.

Contractual liability refers to an obligation to transfer goods or services to a customer for which customer consideration has been received or receivable, such as payments received by an enterprise prior to the transfer of promised goods or services.

28. Employee compensation

(1) Accounting method of short-term compensation

Employee compensation refers to various forms of remuneration or compensation given by enterprises to obtain services provided by employees or to terminate labor relations. Employee compensation includes short-term compensation, post-employment benefits, dismissal benefits and other long-term employee benefits. The benefits provided by the enterprise to employees' spouses, children, dependents, survivors of deceased employees and other beneficiaries also belong to employee compensation.

According to liquidity, employee compensation is listed in the "employee compensation payable" and "long-term employee compensation payable" items of the balance sheet.

Short-term compensation

In the accounting period when employees provide services, the Company recognizes the employee wages, bonuses, and social security contributions according to regulations such as medical insurance, work injury insurance and maternity insurance, as well as housing funds as liability, and includes them in current profits and losses or relevant asset costs.

(2) Accounting method of post-employment benefits

The post-employment benefit plan includes a defined contribution plan and a defined benefit plan. The defined contribution plan refers to the post-employment benefit plan in which the enterprise will no longer bear the payment obligation after paying fixed fees to independent funds. The defined benefit plan refers to the post-employment benefit plan other than the defined contribution plan.

Defined contribution plan

The defined contribution plan includes basic pension insurance, unemployment insurance and an enterprise annuity plan.

In the accounting period when employees provide services, the Company recognizes the amount payable to a defined contribution plan as a liability, and includes it in the current profit or loss or relevant asset cost.

Defined benefit plan

The defined benefit plan shows that an actuarial valuation is performed by an independent actuary on the annual balance sheet date, and the benefit-cost is determined with the expected cumulative benefit unit method. The Company recognizes the following components of employee benefits cost arising from defined benefit plans:

① Service costs include current service costs, past service costs and settlement gains or losses. Among them, the current service cost refers to the increase in the present value of the defined benefit plan obligations due to the provision of services by employees in the current period; the past service cost refers to the increase or decrease in the present value of the defined benefit plan obligations related to the employee services in the previous period due to the modification of the defined benefit plan.

② Net interest on net liabilities or assets of defined benefit plans, including interest income of plan assets, interest expense of defined benefit plan obligations and interest affected by asset ceiling.

③ Changes arising from remeasurement of net liabilities or net assets of defined benefit plans.

The Company includes the above items ① and ② in the current profits and losses, unless other accounting standards require or allow the cost of employee benefits to be included in the cost of assets; item ③ is included in other comprehensive income and will not be reversed back to profit or loss in subsequent accounting periods, and the part originally included in other comprehensive income within the equity scope is carried forward to undistributed profit when the original defined benefit plan terminates.

(3) Accounting method of dismissal welfare

When the Company provides dismissal welfare to employees, the liabilities of the employee compensation arising from dismissal welfare are recognized at the earlier of the following two dates and included in the current profit or loss: the Company cannot unilaterally provide the dismissal welfare provided due to the labor relation termination plan or the layoff suggestions; the Company recognizes the costs or expenses related to the restructuring of termination benefits payment.

If the early retirement plan is implemented, the economic compensation before the official retirement date belongs to dismissal welfare. The wages proposed to be paid to the early retired employee and the social insurance premiums to be paid are included in the current profits and losses in a lump sum from the date when the employee stops providing services to the normal retirement date. Economic compensation after the official retirement date (such as a normal pension) belongs to post-employment benefits.

(4) Accounting method of other long-term employee benefits

Other long-term employee benefits provided by the Company to the employees satisfying the conditions for classifying as a defined contributions plan are accounted for in accordance with the above requirements relating to a defined contribution plan. The benefits that meet the requirements of the defined benefit plan are treated in accordance with the provisions of the plan. However, the "changes caused by remeasurement of net liabilities or net assets of the defined benefit plan" in relevant employee compensation costs are included in current profits and losses or relevant asset costs.

29. Estimated liabilities

The Company recognizes the obligations related to contingencies as estimated liabilities if they meet all of the following conditions:

- (1) The obligation is the current obligation of the Company;
- (2) Performance of this obligation will probably cause an outflow of economic interest of the Company;
- (3) The amount of such obligation can be measured reliably.

Expected liabilities are initially measured at the optimal estimate required to perform the relevant current obligation, in careful consideration of the risks, uncertainty, time value of money, and other factors pertinent to the Contingencies. The best estimate is determined by discounting the relevant future cash outflow if the time value of

money has a significant impact. At the balance sheet date, the book value of the estimated liabilities is reviewed and adjusted by the Company to reflect the current best estimate.

If all or part of the expenditures necessary for clearing off the recognized provisions are expected to be compensated by a third party or any other party, the amount of compensation shall be recognized as assets separately only when it is basically sure that the amount can be obtained. The recognized amount of compensation shall not exceed the book value of recognized liabilities.

30. Share-based payment

(1) Types of share-based payment

The share-based payments of the Company are divided into equity-settled share-based payments and cash-settled share-based payments.

(2) Determination methods for fair value of equity instruments

The Company recognizes the fair value of equity instruments such as granted options with an active market according to the quotation of the active market. The Company recognizes the fair value of equity instruments such as granted options without active market by using the option pricing model. The selected option pricing model considers the following factors: A. The exercise price of the option; B. The term of the option; C. The current price of the underlying shares; D. The expected volatility of the share price; E. The expected dividends on the shares; F. The risk-free interest rate during the term of the option.

(3) Basis for determining the optimal estimate of vested equity instruments

The Company makes the optimal estimate based on the latest follow-up information such as changes in the number of vesting employees, and corrects the expected number of vested equity instruments on each balance sheet date within the vesting period. On the vesting date, the final estimated number of vested equity instruments shall be consistent with the number of actual vested equity instruments.

(4) Accounting treatment related to implementation, modification and termination of share-based payment plan

Share-based payments settled by equity are measured at the fair value of the equity instruments granted to employees. Where the equity instrument can be vested immediately upon being granted, the share-based payment is included in relevant costs or expenses at the fair value of the equity instrument on the granting date, and the capital reserve shall be increased accordingly. Where the equity instrument can not be vested until the vesting period comes to an end or until the specified performance conditions are met, at each balance sheet date within the vesting period, the services obtained in the current period are, based on the optimal estimate of the number of vested equity instruments, including in relevant costs or expenses and capital reserve at the fair value specified on the granting date of equity instruments. After the vesting date, no adjustment shall be made to the relevant costs or expenses, as well as the total amount of the owner's equities that have been confirmed.

Share-based payments settled by cash are measured at the fair value of liabilities recognized based on shares or other equity instruments assumed by the Company. Where the equity instrument can be vested immediately upon being granted, the payment shall be included in the relevant costs or expenses at the fair value of the liabilities assumed by the Company on the granting date, and the liabilities shall be increased accordingly. Where the share-based payment settled by cash cannot be vested until the vesting period comes to an end or until the specified performance conditions are met, on each balance sheet date within the vesting period, the services acquired in the current period are, based on the optimal estimation of the vesting right, included in costs or expenses and corresponding liabilities at the fair value of the liabilities assumed by the Company. On each balance sheet date and the settlement date prior to the settlement of the relevant liabilities, the fair value of the liabilities shall be re-measured, with its changes included in the current profits and losses.

When the Company modifies the share-based payment plan, the increase in services obtained shall be recognized based on the increase (if any) in the fair value of equity instruments; if the quantity of granted equity instruments is increased, the fair value of the increased equity instruments shall be recognized accordingly as the increase in the services obtained. The increase in the fair value of equity instruments refers to the difference between the fair values of equity instruments before and after modification on the modification date. If the total fair value of the share-based payment is reduced in the modification or the terms and conditions of the share-based payment plan are modified in other ways unfavorable to employees, the accounting treatment on acquired services shall continue as if the change has never occurred, unless the Company has canceled part or all of the granted equity instruments.

If, during the vesting period, the granted instruments are canceled (except for those canceled because of failure to meet the non-market conditions of the vesting conditions), the Company shall accelerate the vesting of the granted equity instruments, and immediately include the amount to be recognized in the remaining vesting period in the current profit and loss, and determine the capital reserve in the meantime. In the event that the employees or other parties can choose to meet the non-vesting conditions but fail to meet such conditions during the vesting period, the Company shall treat it as the cancellation of granted equity instruments.

(5) Restricted shares

The Company grants restricted shares to the incentive objects in the equity incentive plan, and the incentive objects subscribe to the shares preferentially. If the unlocking conditions stipulated in the equity incentive plan are not met subsequently, the Company will repurchase the shares at the price agreed in advance. If the restricted shares issued to employees have completed capital increase procedures such as registration as specified, the Company shall determine the share capital and capital reserve (share premium) according to the share subscription money received from employees on the granting date and determine the treasury shares and other payables in terms of the repurchase obligation.

31. Income

Accounting policies adopted for recognition and measurement of income disclosed by business type

(1) General principles

The Company recognizes its income when it has fulfilled its performance obligations of the contract, i.e., the customer has obtained the control rights of the relevant goods or services.

If the contract contains two or more performance obligations, the Company shall, at the beginning date of the contract, apportion the transaction price to each performance obligation according to the relative proportion of the individual selling price of the goods or services promised by each performance obligation, and measure the income according to the transaction price apportioned to each performance obligation.

In case one of the following conditions is met, the Company will perform the performance obligations within a period of time. Otherwise, it will perform the performance obligations at a time point:

① The customer obtains and consumes the economic benefits brought by the performance of the contract by the Company at the same time.

② The customer can control the goods under construction during the Company's performance;

③ The goods produced during the performance of the Company are irreplaceable, and the Company has been entitled to receive payment for the performance accumulated so far throughout the term of the contract.

For the performance obligations performed within a certain period of time, the Company shall determine the income within that period according to the performance progress. If the performance progress cannot be reasonably confirmed, and the costs incurred by the Company can be expected to be compensated, the incomes shall be recognized according to the amount of costs incurred until the performance progress can be reasonably confirmed.

For performance obligations performed at a certain time point, the Company shall confirm the income at the time point when the customer gains control rights of the relevant goods or services. In determining whether a customer has obtained the control rights of the goods or services, the Company shall take the following signs into consideration:

① The Company enjoys the right to the current collection, i.e., the customer has an obligation to pay immediately with respect to the goods;

② The Company has transferred the legal ownership of the goods to the customer, i.e., The customer owns the legal ownership of the goods;

③ The Company has transferred the goods to the customer in kind, i.e., The customer has possessed the goods;

④ The Company has transferred the major risks and remuneration on the ownership of the goods to the customer, i.e., The customer has obtained the major risks and remuneration on the ownership of the goods.

⑤ The customer has accepted such goods or services.

⑥ Other signs indicate that the customer has obtained the right to control the goods.

(2) Specific methods

The Company's specific method for recognizing revenue from sales of vehicles and their accessories is as follows: When vehicles and their accessories are transported to the agreed delivery location as specified in the contract, and the customer has accepted the goods and obtained control of the goods, the Company recognizes revenue.

Situations where different operating models for similar businesses involve different revenue recognition methods and measurement approaches: None

32. Contract cost

The contract cost includes the incremental cost incurred for obtaining a contract and the contract performance cost.

Incremental costs incurred for obtaining a contract refer to the costs (such as sales commissions) that would not have occurred if the Company had not obtained the contract. If the cost is expected to be recovered, the Company recognizes it as a contract acquisition cost and an asset. Other expenditures incurred by the Company for obtaining contracts other than incremental costs that are expected to be recovered are included in current profits and losses when incurred.

If the cost incurred for contract performance is not within the scope of other accounting standards for business enterprises such as inventories and meets the following conditions at the same time, the Company recognizes it as an asset for the contract performance cost:

- ① The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing costs (or similar costs), the costs clearly borne by the customer, and other costs incurred only by the Contract;
- ② This cost increases the Company's resources for performing the performance obligations in the future;
- ③ This cost is expected to be recovered.

Assets recognized as contract acquisition costs and that recognized as contract performance costs (hereinafter referred to as "assets related to contract costs") are amortized on the same basis as revenue recognition of goods or services related to the assets and are included in current profits and losses.

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

- ① The residual consideration expected to be obtained by the Company from the transfer of goods or services related to the asset;
- ② The estimated costs to be incurred for the transfer of relevant goods or services.

33. Government subsidies

The government subsidies shall be recognized when all the attached conditions are satisfied, and the government subsidies are received.

The government subsidies considered as monetary assets are measured at the amount received or receivable. The government subsidies considered as non-monetary assets are measured based on the fair value, or the nominal amount of 1 yuan if the fair value cannot be acquired reliably.

Asset-related government subsidies refer to those obtained by the Company and used for acquiring or forming long-term assets in other ways; otherwise, they are regarded as income-related government subsidies.

For the government subsidies with the grant objects not expressly stipulated in the government documents, if they can be used to form long-term assets, the government subsidies corresponding to the asset value are deemed as the government subsidies related to assets, while the rest is deemed as the one related to income; for the government

subsidies that are difficult to differentiate, the government subsidies as a whole are deemed as income-related government subsidies.

Asset-related government subsidies are recognized as deferred income and included in profits or losses by stages with a reasonable and systematic method within the useful life of related assets. For the income-related government subsidies, they shall be included in the current profit and loss if used to compensate for the incurred related costs or losses; if used to compensate for the related costs or losses during future periods, they shall be included in the deferred income and included in the current profit and loss during the period when the related costs or losses are recognized. Government subsidies measured at the nominal amount are directly included in the current profit and loss. The Company adopts the same treatment for transactions with similar government subsidies.

The government subsidies related to daily activities shall be included in other incomes based on the substance of business transactions. Government subsidies irrelevant to daily activities are included in non-business income.

If it is necessary to refund the government subsidies that have been recognized, the book value of the assets which has been offset at the time of initial recognition is adjusted; the book balance of the deferred income concerned (if any) is offset, and the excess is included in the current profits and losses; others are directly included in the current profits and losses.

34. Deferred income tax assets and deferred income tax liabilities

Income tax includes current income tax and deferred income tax. The income tax shall be included in the current profit and loss as income tax expenses, except that the deferred income taxes related to the adjustment of goodwill due to a business merger or the transactions or matters directly included in the owner's equity are included in the owner's equity.

The Company recognizes deferred income tax by the balance sheet liability method according to the temporary difference between the book value of assets and liabilities on the balance sheet date and the tax base.

Relevant deferred tax liabilities shall be recognized for each taxable temporary difference, unless the taxable temporary difference arises from the following transactions:

- (1) The initial recognition of goodwill or the initial recognition of assets or liabilities incurred in a transaction that is neither a business combination nor affects the accounting profit or taxable income at the time of the transaction (except for individual transactions where the assets and liabilities initially recognized result in equal amounts of taxable temporary differences and deductible temporary differences);
- (2) Concerning the taxable temporary difference related to the investment of subsidiaries, joint ventures and associated enterprises, the time of reversal of the temporary difference can be controlled, and the temporary difference is unlikely to be reversed in the foreseeable future.

The Company recognizes a deferred tax asset for the carry-forward of deductible temporary differences, deductible losses and tax credits to subsequent periods, to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, deductible losses and tax credits can be utilized, except for those incurred in the following transactions:

(1) The transaction is neither a business combination nor affects the accounting profit or taxable income at the time of the transaction (except for individual transactions where the assets and liabilities initially recognized result in equal amounts of taxable temporary differences and deductible temporary differences);

(2) Corresponding deferred income tax assets are recognized if the deductible temporary difference associated with investments in subsidiaries, associated enterprises and joint ventures meets all of the following conditions: The temporary difference is likely to be reversed in the foreseeable future, and the taxable income which is used to deduct the deductible temporary difference is likely to be obtained in the future.

The Company measures the deferred income tax assets and deferred income tax liabilities at the applicable tax rate during the expected period for recovering the assets or paying off the liabilities on the balance sheet date and reflects the impact on income tax from assets recovery or liability settlement on the balance sheet date.

At the balance sheet date, the Company reviews the book value of a deferred income tax asset. If it is likely that sufficient taxable profits will not be available in future periods to deduct the benefit of the deferred tax assets, the book value of the deferred tax assets is reduced. Any such write-down shall be subsequently reversed where it becomes probable that sufficient taxable income will be available.

At the balance sheet date, deferred income tax assets and deferred income tax liabilities are presented by net amount after set-off when both of the following conditions are satisfied:

(1) The taxpayer within the Company has the legal rights to settle the income tax assets and income tax liabilities in the current period by net amount;

(2) Deferred income tax assets and deferred tax liabilities are associated with the income taxes imposed by the same taxation authority on the same taxpayer within the Company.

35. Lease

(1) Accounting treatment methods of the lease with the Company as the lessee

Identification of lease

On the commencement date of the contract, the Company, as the lessee or lessor, evaluates whether the customer in the contract is entitled to obtain almost all economic benefits arising from the use of the identified assets during the use period and is entitled to dominate the use of the identified assets during the use period. If one party to the contract abalienates the right to control the use of one or more identified assets within a certain period of time in exchange for consideration, the Company determines that the contract is a lease or includes a lease.

The Company acting as the lessee

At the commencement of the lease term, the Company recognizes right-of-use assets and lease liabilities for all leases, except for simplified short-term leases and low-value asset leases.

For the accounting policies of the right-of-use assets, see 38 "Others" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

Lease liabilities shall be initially measured at the present value calculated by the interest rate implicit in the lease according to the unpaid lease payment on the commencement date of the lease term. If the interest rate implicit in the lease cannot be determined, the incremental borrowing rate shall be used as the discount rate. Lease payments include fixed payments and in-substance fixed payments, less any lease incentives; Variable lease payments that depend on an index or rate; The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; Payments for terminating the lease if the lease term reflects the lessee exercising an option to terminate the lease; And amounts expected to be payable under residual value guarantees provided by the lessee. The interest expenses of the lease liabilities within each lease term shall be calculated subsequently according to the fixed periodic rate and included in the current profits and losses. Variable lease payments not included in the measurement of lease liabilities are included in the current profits and losses when they actually occur.

Short-term lease

Short-term lease refers to a lease with a lease term of not more than 12 months on the commencement date of the lease term, except for the lease containing the purchase option.

The Company includes the lease payment for short-term lease into relevant asset costs or current profits and losses by the straight-line method at each period within the lease term.

For short-term leases, the Company selects the aforementioned simplified treatment method for items that meet short-term lease conditions by category of leased assets.

Low-value asset lease

Low-value asset lease refers to the lease in which the value of a single new leased asset is less than 40 thousand yuan.

The Company includes the payment of low-value asset leases into relevant asset costs or current profits and losses with the straight-line method in each period within the lease term.

For low-value asset leases, the Company selects the above-simplified treatment method according to the specific conditions of each lease.

Lease change

If the lease changes and meets the following conditions at the same time, the Company takes the lease change as a separate lease for the accounting treatment: ① The lease change expands the lease scope by increasing the right to use one or more leased assets; and ② the increased consideration is equivalent to the amount by adjusting the separate price of the expanded lease scope according to the contract.

If the lease change is not taken as a separate lease for accounting treatment, the Company will, on the effective date of the lease change, reallocate the consideration of the changed contract, redetermine the lease term, and remeasure the lease liabilities according to the changed lease payment and the present value calculated by the revised discount rate.

If the lease scope is reduced or the lease term is shortened due to the lease change, the Company will correspondingly reduce the book value of right-of-use assets and include relevant profits or losses of partial or complete termination of leasing in current profits and losses.

If the lease liabilities are remeasured due to the other lease changes, the Company shall adjust the book value of the right-of-use asset accordingly.

(2) Accounting methods of lease with the Company as the lessor

When the Company is the lessor, the lease that substantially transfers all risks and rewards related to the ownership of the assets is recognized as a finance lease, and other leases than finance leases are recognized as operating leases.

Finance lease

In the financial lease, at the commencement of the lease term, the Company takes the net investment in a lease as the entry value of the finance lease receivables, and the net investment in a lease is the sum of the unguaranteed residual value and the present value of the lease receipts not yet received at the commencement of the lease term discounted at the interest rate implicit in the lease. The Company, as the lessor, calculates and recognizes interest income in each lease term at a fixed periodic rate. The variable lease payment obtained by the Company as the lessor and not included in the measurement of net lease investment is included in the current profits and losses when it actually occurs.

Derecognition and impairment of finance lease receivables are accounted for according to the ASBE No.22 - Recognition and Measurement of Financial Instruments and the ASBE No.23 - Transfer of Financial Assets.

Operating lease

Lease income from operating leases is included in current profits or losses by the Company as per the straight-line method over the lease term. The initial direct cost related to the operating lease shall be capitalized and amortized within the lease term according to the same base with the recognition of rental income and included in the current profits and losses by stages. The variable lease receipts obtained by the Company related to operating leases and not charged to the lease receipts shall be charged to the current profit and loss when they actually occur.

Lease change

In case of any change in an operating lease, the Company carries out accounting treatment as it is a new lease since the effective date of the change, and the advance receipts and receivables related to the lease before the change are deemed as the receipts of the new lease.

If the financial lease changes and meets the following conditions, the Company takes the change as a separate lease for accounting treatment: ① The change expands the lease scope by increasing the right to use one or more leased assets; and ② the increased consideration is equivalent to the amount by adjusting the separate price of the expanded lease scope according to the contract.

If the change of finance lease is not taken as a separate lease for accounting treatment, the Company treats the changed lease under the following circumstances respectively: ① If the change takes effect on the commencement date of the lease and the lease is classified as an operating lease, the Company takes it as a new lease for accounting treatment from the effective date of the lease change, and takes the net investment in the lease before the effective date of the lease change as the book value of the leased asset; ② If the change takes effect on the commencement date of the lease and the lease will be classified as a finance lease, the Company shall carry out accounting treatment

in accordance with the provisions of the Accounting Standards for Business Enterprises No.22 - Recognition and Measurement of Financial Instruments on modifying or renegotiating the contract.

36. Other significant accounting policies and accounting estimates

The Company continuously evaluates the significant accounting estimates and key assumptions adopted based on historical experience and other factors, including reasonable expectations for future events. Significant accounting estimates and key assumptions that may lead to significant adjustment risk to the book value of assets and liabilities in the next accounting year are presented as follows:

Classification of financial assets

Major judgments involved in determining the classification of financial assets include the analysis of business models and contractual cash flow characteristics.

The Company determines the business model of managing financial assets at the level of the financial asset portfolio, considering the way of evaluating and reporting financial asset performance to key management personnel, the risks affecting the financial asset performance and their management methods, and the way for the relevant business management personnel to obtain the remuneration.

When evaluating whether the contractual cash flow of financial assets is consistent with the basic loan arrangement, the Company has the following main judgments: May the principal change in the time distribution or amount in the duration due to prepayment and other reasons? Does the interest include only the time value of money, credit risk, other basic borrowing risks, and consideration for costs and profits? For example, does the amount of prepayment only reflect the unpaid principal and interest based on the outstanding principal, as well as reasonable compensation paid due to early termination of the contract?

Measurement of expected credit losses on accounts receivable

The Company calculates the expected credit loss of accounts receivable through default risk exposure and the expected credit loss rate of accounts receivable, and it determines the expected credit loss rate based on default probability and loss given by default. In determining the expected credit loss rate, the Company uses the internal historical credit loss experience and other data, and adjusts the historical data according to the current situation and forward-looking information. When the forward-looking information is considered, the indicators used by the Company include risks of economic downturn, changes in the external market environment, technological environment and customer conditions. The Company regularly monitors and reviews the assumptions related to the calculation of expected credit losses.

Development expenditures

In determining the capitalization amounts, the management must make assumptions on the expected future cash flow generation of assets, discount rate to be adopted and expected benefit period.

Deferred income tax assets

The deferred tax assets shall be recognized with respect to all unused tax losses to the extent it is highly probable that there will be sufficient taxable profits available to offset the losses. This requires the management to estimate

the timing and amount of future taxable profit using large amounts of judgment and to determine the recognized amount of deferred tax assets by referring to the tax planning strategy.

Estimated liabilities

Expected liabilities are initially measured at the optimal estimate required to perform the relevant current obligation, in careful consideration of the risks, uncertainty, time value of money, and other factors pertinent to the Contingencies. The best estimate is determined by discounting the relevant future cash outflow if the time value of money has a significant impact. At the balance sheet date, the book value of the estimated liabilities is reviewed and adjusted by the Company to reflect the current best estimate.

If all or part of the expenditures necessary for clearing off the recognized provisions are expected to be compensated by a third party or any other party, the amount of compensation shall be recognized as assets separately only when it is basically sure that the amount can be obtained. The recognized amount of compensation shall not exceed the book value of recognized liabilities.

37. Changes in significant accounting policies and accounting estimates

(1) Change in significant accounting policies

Applicable Not applicable

Interpretation No.18 of Accounting Standards for Business Enterprises

The Ministry of Finance issued "Interpretation No.18 of Accounting Standards for Business Enterprises" (CK [2024] No.24, Interpretation No.18) on December 31, 2024.

Accounting treatment of warranty-type quality assurance does not constitute a separate performance obligation

Interpretation No.18 stipulates that when accounting for provisions arising from warranty-type quality assurance that does not constitute a separate performance obligation, enterprises should, in accordance with the relevant provisions of "No.13 of Accounting Standards for Business Enterprises- Contingencies", debit "Main Operating Costs", "Other Operating Costs" or other relevant accounts based on the determined provision amount, and credit the "Provisions" account. These should be correspondingly presented in the "Operating Costs" item in the income statement and in the "Other Current Liabilities", "Non-current Liabilities Due Within One Year", "Provisions" or other relevant items in the balance sheet.

The Company has implemented this provision from the date of issuance of Interpretation No.18 and has made retrospective adjustments.

The impact of implementing the above accounting policies on the consolidated income statement for 2024 is as follows:

Consolidated income statement items (2024)	Impact amount (Yuan)
Sales expenses	-649,934,273.23
Operating costs	649,934,273.23

The impact of implementing the above accounting policies on the consolidated income statement for 2023 is as follows:

Consolidated income statement items (2023)	Before adjustment (Yuan)	Adjustment amount (Yuan)	After adjustment (Yuan)
Sales expenses	1,677,186,816.57	-573,588,104.47	1,103,598,712.10
Operating costs	58,827,779,239.02	573,588,104.47	59,401,367,343.49

(2) Change in significant accounting estimates

Applicable Not applicable

(3) Adjustment of relevant items in the financial statements at the beginning of the year after the first implementation of the new accounting standards since 2024

Applicable Not applicable

38. Others**(1) Fair value measurement**

Fair value refers to the price to be received for the sale of an asset or to be paid for the transfer of liability by market participants in the orderly transaction on the measurement date.

The Company measures related assets or liabilities at fair value, assuming that the sale of an asset or the transfer of liability is conducted in major markets for relevant assets or liabilities in an orderly transaction. If the major market is not provided, the transaction shall be assumed to be performed in the most favorable market for relevant assets or liabilities. Major markets (or most favorable markets) are the markets where the Company can enter on the measurement date. The Company uses the assumptions used by market participants to maximize their economic benefits when they price the asset or liability.

The fair value of financial assets or financial liabilities with the active market is determined based on quotations in the active market by the Company. The fair value of a financial instrument without an active market is determined through valuation techniques.

When non-financial assets are measured at fair value, it is required to consider the ability of market participants to use the asset for optimal purposes to produce economic benefits, or to sell the asset to other market participants that can use such assets for optimal purposes to produce economic benefits.

The Company shall adopt the estimation technique that is applicable in the current conditions and is supported sufficiently by available data and other information. The relevant observable input values shall be used in priority during the application of the estimation technique. Only when relevant observable value cannot be obtained or can be obtained but is not feasible can the unobservable input value be used.

For assets and liabilities measured or disclosed at fair value in the financial statements, the level to which the fair value belongs is determined according to the lowest level input value that is of significance for the whole fair value measurement: The input value for the first level refers to the unadjusted quotation of the same assets or liabilities in the active market that can be obtained on the measurement date; the input value for the second level refers to the input value that can be directly or indirectly observed for relevant assets or liabilities other than that for the first level; and the input value for the third level refers to the input value that cannot be observed for relevant assets or liabilities.

The Company reassesses the assets and liabilities successively measured at fair value recognized in financial statements on each balance sheet date to determine the transition among fair value measurement levels.

(2) Right-of-use assets

1) Recognition conditions for right-of-use assets

Right-of-use assets refer to the right of the Company, as the lessee, to use the leasing assets within the lease term.

At the commencement date of the lease term, the right-of-use assets are initially measured at cost. This cost includes the initial measurement amount of lease liabilities, lease payments made on or before the lease commencement date, from which any lease incentives enjoyed (if any) needed to be deducted, initial direct costs incurred by the Company as a lessee, and the estimated costs expected to be incurred by the Company as a lessee for dismantling and removing the leased asset, restoring the leased asset's site, or restoring the leased asset to the contractual conditions as stipulated in the lease agreement. The Company, as the lessee, recognizes and measures the cost of demolition and restoration in accordance with the Accounting Standards for Business Enterprises No.13 - Contingencies. Subsequent adjustments are made for any remeasurement of the lease liabilities.

2) Depreciation method of right-of-use assets

The Company uses the straight-line method for depreciation. If the Company, as the lessee, can reasonably confirm that it obtains the ownership of the leasing assets at the expiration of the lease term, the depreciation shall be drawn within the remaining useful life of the leasing assets. In case of a failure to reasonably determine the ownership of the leased assets at the end of the lease period, the depreciation shall be drawn within the lease term or the remaining useful life of leasing assets, whichever is shorter.

3) The impairment test method and drawing method for impairment provision of right-of-use assets are described in 38 "Others" in V "Significant Accounting Policies and Accounting Estimates" of Section X - Financial Report.

(3) Work safety cost and maintenance & renovation cost

The Company withdraws the work safety cost month by month in an average manner by taking the method of excess regression based on the actual operating income of the previous year according to the provisions of CZ [2022] No.136 document. The specific standards are as follows:

For mechanical manufacturing enterprises with operating revenue not exceeding 10 million yuan, the accrual rate is 2.35%; For the portion of operating revenue exceeding 10 million yuan up to 100 million yuan, the accrual rate is 1.25%; For the portion of operating revenue exceeding 100 million yuan up to 1 billion yuan, the accrual rate is 0.25%; For the portion of operating revenue exceeding 1 billion yuan up to 5 billion yuan, the accrual rate is 0.1%; For the portion of operating revenue exceeding 5 billion yuan, the accrual rate is 0.05%.

For transportation enterprises, the work safety cost is withdrawn month by month in an average manner according to the following standards based on the actual operating income in the previous year: 1% for ordinary freight business, 1.5% for passenger transportation, pipeline transportation, dangerous goods transportation and other special freight businesses. Work safety costs and maintenance & renovation costs are included in the cost of relevant products or the current profit and loss when withdrawn, and are also included in the "special reserve" account.

For the withdrawn work safety cost and maintenance & renovation cost used within the specified scope, those belong to expense expenditures are directly offset by specific reserves; those costs incurred via collection under the item of "construction in progress" are recognized when the safety project completes and is ready for the intended use. At the same time, the Company will offset the specific reserves according to the cost that formed fixed assets and determine the accumulated depreciation of the same amount. The fixed assets will no longer be depreciated in subsequent periods.

(4) Repurchase of shares

Shares repurchased by the Company are managed as treasury shares before being canceled or transferred, and all expenditures on repurchased shares are transferred to treasury share costs. Considerations in the payment for shares repurchase and reduced owner's equity in transaction expenses are not recognized as profits or losses during repurchase, assignment and write-off of the Company's shares.

The transferred treasury shares are included in the capital reserve based on the difference between the amount actually received and the book value of the treasury shares. The surplus reserve and undistributed profits shall be offset if the capital reserve is insufficient to offset. The canceled treasury shares are used to offset the capital reserve based on the difference between the book balance and the face value of the canceled treasury shares by reducing the share capital according to the face value of the shares and the number of canceled shares. The surplus reserve and undistributed profits shall be offset if the capital reserve is insufficient to offset.

(5) Asset impairment

The asset impairment of long-term equity investment to subsidiaries, associated enterprises and joint ventures, investment real estate subsequently measured by cost model, fixed assets, projects under construction, right-of-use assets, intangible assets, etc. (except for inventories, deferred income tax assets and financial assets) is recognized with the following methods:

The Company judges whether there is a sign of impairment to assets on the balance sheet date. If such a sign exists, the Company estimates the recoverable amount and conducts the impairment test. Impairment tests shall be carried out every year on goodwill resulting from business mergers, intangible assets with uncertain useful life and intangible assets that have not yet reached their intended use, no matter whether there is any sign of impairment.

The recoverable amount is the net amount of the fair value of the assets after deducting the disposal expenses or the present value of the expected future cash flow of the assets, whichever is higher. The Company estimates the recoverable amount based on a single asset. If it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the asset group shall be determined based on the asset group to which the asset belongs. An asset group is determined based on the fact that the main cash inflows generated by the asset group are independent of the cash inflows of other assets or asset groups.

When the recoverable amount of an asset or asset group is lower than its book value, the Company writes down its book value to the recoverable amount, and the write-down amount is included in current profits and losses, and the corresponding impairment provision of assets is made at the same time.

For the impairment test of goodwill, the book value of goodwill resulting from a business merger is amortized to relevant asset groups with reasonable methods from the acquisition date, or amortized to relevant asset group portfolio if it is difficult to amortize it to relevant asset groups. Relevant asset groups or portfolios of asset groups

are those that can benefit from the synergies of business merger and are not greater than the reporting segment determined by the Company.

If there is any sign of impairment in the asset group or portfolio of asset groups related to goodwill during the impairment test, the impairment test shall be carried out on the asset group or portfolio of asset groups not including goodwill, and the recoverable amount shall be calculated to determine the corresponding impairment loss. Then, an impairment test is carried out on the asset group or portfolio of asset groups including goodwill, to compare its book value and recoverable amount, and determine the impairment loss of goodwill if the recoverable amount is lower than the book value.

Once the impairment loss of assets is determined, it will never be reversed in subsequent accounting periods.

VI. Taxes

1. Main taxes and tax rates

Tax Category	Tax Basis	Tax Rate
VAT	Taxable value-added tax (the tax payable is calculated by multiplying taxable sales by the applicable tax rate and then deducting input tax allowed to be deducted for the current period)	18%, 15%, 13%, 9%, 6%, 5%
Urban maintenance and construction tax	Turnover tax actually paid	7%, 5%, 3%
Corporate income tax	Taxable income	25%
Education surcharges	Turnover tax actually paid	3%
Local educational surcharges	Turnover tax actually paid	2%
Land use tax	Land use area	9 yuan/m ² , 14 yuan/m ² , etc.
Property tax	Property residual value and rental income	1.2%, 12%

Disclosure of different corporate income tax rates for taxable entities

Name of Taxpayer	Income tax rate
The Company	25%
Jiefang Limited	15%
Wuxi Dahao Power Co., Ltd.	25%
FAW Jiefang (Qingdao) Automotive Co., Ltd.	25%
FAW Jiefang Dalian Diesel Engine Co., Ltd.	15%
FAW Jiefang Austria R&D Co., Ltd.	23%
FAW Jiefang Automotive Sales Co., Ltd.	25%

FAW Jiefang Uni-D Transportation Technology (Tianjin) Co., Ltd.	25%
Jiefang Motors Tanzania Ltd.	30%
FAW Vehicle Manufacturing South Africa Co., Ltd.	27%
FAW (Africa) Investment Co., Ltd.	25%
FAW Jiefang Group International Automobile Co., Ltd.	25%

2. Tax preference

(1) Income tax

Jiefang Limited, a subsidiary of the Company, is recognized as a high-tech enterprise, with a validity period of three years and an income tax rate of 15% within the validity period according to the High-tech Enterprise Certificate (issued on October 16, 2023, with a certificate number of GR202322000922) jointly issued by the Science and Technology Department of Jilin Province, the Department of Finance of Jilin Province and the Jilin Provincial Tax Service of State Taxation Administration.

FAW Jiefang Dalian Diesel Engine Co., Ltd., a subsidiary of the Company, is recognized as a high-tech enterprise with a validity period of three years and an income tax rate of 15% within the validity period according to the list of the second batch of high-tech enterprises in 2024 (with a certificate number of GR202421200987) issued by Dalian on December 24, 2024.

(2) VAT

FAW Jiefang Automotive Co., Ltd. and FAW Jiefang Dalian Diesel Engine Co., Ltd. satisfy the conditions for advanced manufacturing enterprises and are allowed to add 5% of the current deductible input tax to offset the amount of VAT payable from January 1, 2023 according to the Document No.43 issued by the Ministry of Finance and the State Taxation Administration in 2023, Announcement on VAT Additional Tax Credit Policy for Advanced Manufacturing Enterprises.

VII. Notes to Items in Consolidated Financial Statements

1. Monetary capital

Unit: Yuan

Item	Ending balance	Opening balance
Cash on hand	300,158.23	38,698.84
Bank deposit	10,959,276,854.87	9,181,802,999.73
Other monetary capital	22,157,571.16	24,815,735.14

Deposit in finance companies	8,871,226,437.40	14,338,922,970.68
Total	19,852,961,021.66	23,545,580,404.39
Including: total amount deposited abroad	442,153,591.03	336,307,985.27

Other description:

Details of restricted cash are as follows: Unit: Yuan

Item	Ending balance	Ending balance of the previous year
Security deposit for three types of personnel	28,438,604.73	27,839,503.40
Housing maintenance fund	22,157,571.16	22,103,193.44
Court freezing	214,000.00	725,230.81
Total	50,810,175.89	50,667,927.65

2. Notes receivable

(1) Classified presentation of notes receivable

Unit: Yuan

Item	Ending balance	Opening balance
Commercial acceptance notes	2,641,582.80	44,626,048.13
Total	2,641,582.80	44,626,048.13

(2) Disclosure by the method of provision for bad debts

Unit: Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for Bad Debts		Book Value	Book balance		Provision for Bad Debts		Book Value
	Amount	Scale	Amount	Provision proportion		Amount	Scale	Amount	Provision proportion	
Including:										
Notes receivable with provision for bad debts by portfolio	2,649,000.00	100.00%	7,417.20	0.28%	2,641,582.80	44,841,286.30	100.00%	215,238.17	0.48%	44,626,048.13
Including:										
Commercial acceptance bill	2,649,000.00	100.00%	7,417.20	0.28%	2,641,582.80	44,841,286.30	100.00%	215,238.17	0.48%	44,626,048.13
Total	2,649,000.00	100.00%	7,417.20	0.28%	2,641,582.80	44,841,286.30	100.00%	215,238.17	0.48%	44,626,048.13

Provision for bad debts by portfolio: commercial acceptance bill

Unit: Yuan

Name	Ending balance		
	Book balance	Provision for Bad Debts	Provision proportion
Within 1 year	2,649,000.00	7,417.20	0.28%
Total	2,649,000.00	7,417.20	

Description of the basis for determining this portfolio:

If the provision for bad debts of notes receivable is withdrawn based on the general model of expected credit losses:

Applicable Not applicable

Unit: Yuan

Provision for Bad Debts	Stage I	Stage II	Stage III	Total
	Expected Credit Losses for the Next 12 Months	Expected credit loss in the duration (credit impairment not occurred)	Expected credit loss for the entire duration (with credit impairment)	
Balance as of January 1, 2024	215,238.17			215,238.17
Balance on January 1, 2024 in the current period				
Provision in the current period	-207,820.97			-207,820.97
Balance as of December 31, 2024	7,417.20			7,417.20

Basis for stage classification and bad debt provision rates: Stage I provisions are based on aging, with a rate of 0.28% for receivables within 1 year.

Explanation of significant changes in the carrying amount of notes receivable for which loss allowances changed during the current period: None

(3) Provision for bad debts provided, recovered or reversed in the current period

Provision for bad debts in the current period:

Unit: Yuan

Category	Opening balance	Change in the Current Period				Ending balance
		Provision	Recovery or reversal	Write-off	Others	
Commercial acceptance bill	215,238.17	-207,820.97				7,417.20
Total	215,238.17	-207,820.97				7,417.20

Important provision for bad debts recovered or reversed in the current period:

Applicable Not applicable

3. Accounts receivable

(1) Disclosure by aging

Unit: Yuan

Aging	Ending book balance	Beginning Book Balance
Within 1 year (including 1 year)	6,872,611,350.77	2,149,306,339.50
Including: 0-6 months	6,651,660,144.83	2,000,561,741.56
7-12 months	220,951,205.94	148,744,597.94
1-2 years	157,505,139.84	105,577,172.64

2-3 years	75,249,438.78	124,209,251.51
Over 3 years	217,725,478.29	206,012,308.00
3-4 years	23,161,532.86	46,216,240.91
4-5 years	38,071,959.47	5,578,090.58
Over 5 years	156,491,985.96	154,217,976.51
Total	7,323,091,407.68	2,585,105,071.65

(2) Disclosure by the method of provision for bad debts

Unit: Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for Bad Debts		Book Value	Book balance		Provision for Bad Debts		Book Value
	Amount	Scale	Amount	Provision proportion		Amount	Scale	Amount	Provision proportion	
Accounts receivable with provision for bad debts on an individual basis	178,969,510.25	2.44%	156,416,729.05	87.40%	22,552,781.20	185,971,701.17	7.19%	152,713,675.53	82.12%	33,258,025.64
Including:										
Accounts receivable with provision for bad debts by portfolio	7,144,121,897.43	97.56%	99,378,536.09	1.39%	7,044,743,361.34	2,399,133,370.48	92.81%	89,282,746.98	3.72%	2,309,850,623.50
Including:										
Including: Aging portfolio	7,144,121,897.43	97.56%	99,378,536.09	1.39%	7,044,743,361.34	2,399,133,370.48	92.81%	89,282,746.98	3.72%	2,309,850,623.50
Total	7,323,091,407.68	100.00%	255,795,265.14	3.49%	7,067,296,142.54	2,585,105,071.65	100.00%	241,996,422.51	9.36%	2,343,108,649.14

Provision for bad debts on an individual basis

Unit: Yuan

Name	Opening balance		Ending balance			
	Book balance	Provision for Bad Debts	Book balance	Provision for Bad Debts	Provision proportion	Reasons for provision
Jiangsu Xinrui New Energy Vehicle Technology Co., Ltd.	37,612,001.70	37,612,001.70	37,612,001.70	37,612,001.70	100.00%	It is highly probable that the amounts will not be recovered
MOHAMMED ENTERPRISES (T) LTD,	11,772,391.81	11,772,391.81	11,948,079.30	11,948,079.30	100.00%	It is highly probable that the amounts will not be recovered
AFRICA LOGISTICS SOLUTIONS LIMITED	11,061,236.75	11,061,236.75	11,226,311.19	11,226,311.19	100.00%	It is highly probable that the amounts will not be recovered
THOSMA LOGISTICS LIMITED	10,659,505.50	3,209,585.42	10,820,948.89	3,246,284.67	30.00%	It is highly probable that the amounts will not be recovered
FUHUA MOTORS	9,918,717.47	2,904,817.47	10,066,741.31	3,052,841.31	30.33%	It is highly probable that the amounts will not be recovered
MO GREEN INTERNATIONAL CO.LTD	9,575,810.40	2,903,460.94	9,720,879.01	2,916,263.70	30.00%	It is highly probable that the amounts will not be recovered
Zhejiang Hanglun Ligang Trading Co., Ltd.	8,581,536.83	8,581,536.83	8,581,536.83	8,581,536.83	100.00%	It is highly probable that the amounts will not be recovered
Putian New Energy Automotive (Shandong) Co., Ltd.	8,156,900.00	8,156,900.00	727,900.00	727,900.00	100.00%	It is highly probable that the amounts will not be recovered
Dalian Qingfeng	8,043,264.87	8,043,264.87	8,043,264.87	8,043,264.87	100.00%	It is highly probable

Bus Co., Ltd.						that the amounts will not be recovered
REDDYFA RMSLIMIT E			7,732,179.52	7,732,179.52	100.00%	It is highly probable that the amounts will not be recovered
Beijing Hotan Automobile Modification Co., Ltd.	7,436,520.00	7,436,520.00	7,436,520.00	7,436,520.00	100.00%	It is highly probable that the amounts will not be recovered
Changchun Xiongtu New Energy Vehicle Co., Ltd.	6,230,500.00	6,230,500.00	6,230,500.00	6,230,500.00	100.00%	It is highly probable that the amounts will not be recovered
Zhonghe Shunyang Supply Chain Management (Jilin) Co., Ltd.	5,643,600.00	5,643,600.00	5,643,600.00	5,643,600.00	100.00%	It is highly probable that the amounts will not be recovered
Others	51,279,715.84	39,157,859.74	43,179,047.63	42,019,445.96	97.31%	It is highly probable that the amounts will not be recovered
Total	185,971,701.17	152,713,675.53	178,969,510.25	156,416,729.05		

Bad debt provision made as per portfolio:

Unit: Yuan

Name	Ending balance		
	Book balance	Provision for Bad Debts	Provision proportion
Within 1 year	6,871,181,268.41	14,976,650.57	0.22%
1-2 years	139,485,746.96	11,293,705.62	8.10%
2-3 years	60,589,030.29	9,518,353.46	15.71%
3-4 years	23,161,532.86	13,885,507.53	59.95%
Over 4 years	49,704,318.91	49,704,318.91	100.00%
Total	7,144,121,897.43	99,378,536.09	

Description of the basis for determining this portfolio:

If the provision for bad debts of accounts receivable is withdrawn based on the general model of expected credit losses:

Applicable Not applicable

Unit: Yuan

Provision for Bad Debts	Stage I	Stage II	Stage III	Total
	Expected Credit Losses for the Next 12 Months	Expected credit loss in the duration (credit impairment not occurred)	Expected credit loss for the entire duration (with credit impairment)	
Balance as of January 1, 2024	6,510,874.43	82,771,872.55	152,713,675.53	241,996,422.51
Balance on January 1, 2024 in the current period				
-- Transfer to stage II	-432,405.82	432,405.82		
Provision in the current period	8,730,475.36	177,745.51	10,629,465.24	19,537,686.11
Reversal in the current period			7,429,000.00	7,429,000.00
Other changes	-167,706.60	-1,019,861.64	-502,588.28	-1,690,156.52
Balance as of December 31, 2024	14,976,650.57	84,401,885.52	156,416,729.05	255,795,265.14

Basis for stage classification and bad debt provision rates: For Stage I and Stage II, provisions are based on aging, with rates of 0.22% for within 1 year, 8.10% for 1-2 years, 15.71% for 2-3 years, 59.95% for 3-4 years, and 100% for over 4 years. For Stage III, the Company measures the loss allowance based on lifetime expected credit losses for such accounts receivable.

Description of significant changes in the book balance of accounts receivable with changes in provision for loss in the current period: None

(3) Provision for bad debts provided, recovered or reversed in the current period

Provision for bad debts in the current period:

Unit: Yuan

Category	Opening balance	Change in the Current Period				Ending balance
		Provision	Recovery or reversal	Write-off	Others	
Accounts receivable	241,996,422.51	19,537,686.11	7,429,000.00		-1,690,156.52	255,795,265.14
Total	241,996,422.51	19,537,686.11	7,429,000.00		-1,690,156.52	255,795,265.14

Important provision for bad debts recovered or reversed in the current period:

Unit: Yuan

Name of Unit	Amount recovered or reversed	Reason for reversal	Recovery method	Basis of determining the proportion of provision for original bad debts and its rationality
Putian New Energy Automotive (Shandong) Co., Ltd.	7,429,000.00	Recovered	Notes, cash	Litigation has been initiated; the counterparty faces financial difficulties, making recovery

				unlikely
Total	7,429,000.00			

(4) Other accounts receivable and contractual assets from the top five borrowers classified based on the ending balance

Unit: Yuan

Name of Unit	Ending balance of accounts receivable	Ending balance of contractual assets	Ending balance of accounts receivable and contractual assets	Proportion in total ending balance of accounts receivable and contractual assets	Ending balance of bad debt provision for accounts receivable and impairment provision for contractual assets
China FAW Group Import & Export Co., Ltd.	5,859,058,467.14		5,859,058,467.14	79.84%	7,201,938.50
Customer 1	96,904,000.00		96,904,000.00	1.32%	271,331.20
Customer 2	58,184,000.00		58,184,000.00	0.79%	162,915.20
Customer 3	57,462,872.71		57,462,872.71	0.78%	804,480.22
FAW-HONGTA Yunnan Automobile Co., Ltd.	43,170,001.84		43,170,001.84	0.59%	16,226,515.53
Total	6,114,779,341.69		6,114,779,341.69	83.32%	24,667,180.65

4. Contract assets

(1) Contractual assets

Unit: Yuan

Item	Ending balance			Opening balance		
	Book balance	Provision for Bad Debts	Book Value	Book balance	Provision for Bad Debts	Book Value
Contract assets	15,055,893.05	600,351.00	14,455,542.05	18,023,563.08	440,706.26	17,582,856.82
Total	15,055,893.05	600,351.00	14,455,542.05	18,023,563.08	440,706.26	17,582,856.82

(2) Disclosure by the method of provision for bad debts

Unit: Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for Bad Debts		Book Value	Book balance		Provision for Bad Debts		Book Value
	Amount	Scale	Amount	Provision proportion		Amount	Scale	Amount	Provision proportion	
Including:										
Provision for bad debts made by portfolio	15,055,893.05	100.00%	600,351.00	3.99%	14,455,542.05	18,023,563.08	100.00%	440,706.26	2.45%	17,582,856.82
Including:										
Total	15,055,893.05	100.00%	600,351.00	3.99%	14,455,542.05	18,023,563.08	100.00%	440,706.26	2.45%	17,582,856.82

Bad debt provision made as per portfolio:

Unit: Yuan

Name	Ending balance		
	Book balance	Provision for Bad Debts	Provision proportion
Within 1 year	13,802,561.97	32,721.57	0.24%
1-2 years	403,404.08	49,938.77	12.38%
2-3 years	469,927.00	137,690.66	29.30%
Over 3 years	380,000.00	380,000.00	100.00%
Total	15,055,893.05	600,351.00	

Description of the basis for determining this portfolio:

Provision for bad debts based on the general model of expected credit losses

Applicable Not applicable

Unit: Yuan

Provision for Bad Debts	Stage I	Stage II	Stage III	Total
	Expected Credit Losses for the Next 12 Months	Expected credit loss in the duration (credit impairment not occurred)	Expected credit loss for the entire duration (with credit impairment)	
Balance as of January 1, 2024	60,935.81	379,770.45		440,706.26
Balance on January 1, 2024 in the current period				
Provision in the current period	-28,214.24	187,858.98		159,644.74
Balance as of December 31, 2024	32,721.57	567,629.43		600,351.00

Basis for stage classification and bad debt provision rates: For Stage I and Stage II, provisions are based on aging, with rates of 0.24% for within 1 year, 12.38% for 1-2 years, 29.30% for 2-3 years, and 100% for over 3 years.

Description of significant changes in the book balance of contractual assets with changes in provision for loss in the current period: None

(3) Provision for bad debts provided, recovered or reversed in the current period

Unit: Yuan

Item	Provision in the current period	Recovery or reversal in the current period	Charge-off/Write-off in the Current Period	Reason
Impairment provision of contract assets	159,644.74			Risks in payment collection
Total	159,644.74			—

Important provision for bad debts recovered or reversed in the current period:

5. Receivables financing**(1) Presentation of receivables financing by category**

Unit: Yuan

Item	Ending balance	Opening balance
Notes receivable	10,019,816,248.98	4,878,126,972.73
Total	10,019,816,248.98	4,878,126,972.73

(2) Financing of receivables endorsed or discounted by the Company at the end of the period and not yet due on the balance sheet date

Unit: Yuan

Item	Derecognized amount at the end of the period	Amount not derecognized at the end of the period
Bank acceptance bill	28,875,448,786.42	
Total	28,875,448,786.42	

Certain subsidiaries of the Company discount and endorse some bank acceptance bills based on their daily cash management requirements; therefore, these subsidiaries' bank acceptance bills are classified as financial assets measured at fair value through other comprehensive income.

The Company has no bank acceptance bills with impairment provisions for individual items. At the end of the period, the Company believes that the bank acceptance bills held have no material credit risk and do not bring material losses as a result of a bank default.

6. Other receivables

Unit: Yuan

Item	Ending balance	Opening balance
Dividends receivable	157,707,661.77	
Other receivables	1,182,925,650.71	1,320,113,974.68
Total	1,340,633,312.48	1,320,113,974.68

(1) Dividends receivable**1) Classification of dividends receivable**

Unit: Yuan

Item (or Investee)	Ending balance	Opening balance
First Automobile Finance Co., Ltd.	156,960,226.90	
FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd.	747,434.87	
Total	157,707,661.77	

(2) Other receivables**1) Classification of other receivables by nature**

Unit: Yuan

Nature	Ending book balance	Beginning Book Balance
Current account	916,206,955.43	1,202,191,858.30
Claim payment	262,619,355.01	192,151,504.78
Margin, deposit	30,382,472.86	41,880,669.47
Reserve fund	9,876,260.52	621,409.08
Total	1,219,085,043.82	1,436,845,441.63

2) Disclosure by aging

Unit: Yuan

Aging	Ending book balance	Beginning book balance
Within 1 year (including 1 year)	348,766,762.84	582,287,476.30
Including: 0-6 months	347,605,932.37	566,702,655.95
6-12 months	1,160,830.47	15,584,820.35
1-2 years	164,029,838.32	764,998,219.89
2-3 years	688,094,494.92	1,331,719.31
Over 3 years	18,193,947.74	88,228,026.13
3-4 years	726,113.75	3,745,596.19
4-5 years	3,701,471.89	149,607.62
Over 5 years	13,766,362.10	84,332,822.32
Total	1,219,085,043.82	1,436,845,441.63

3) Disclosure by the method of provision for bad debts

☑Applicable ☐Not applicable

Unit: Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for Bad Debts		Book value	Book balance		Provision for Bad Debts		Book value
	Amount	Scale	Amount	Provision proportion		Amount	Scale	Amount	Provision proportion	
Provision for bad debts made by individual item	2,097,739.41	0.17%	2,097,739.41	100.00%	0.00	60,417,839.41	4.20%	60,417,839.41	100.00%	0.00
Including:										
Provision for bad debts made by portfolio	1,216,987,304.41	99.83%	34,061,653.70	2.80%	1,182,925,650.71	1,376,427,602.22	95.80%	56,313,627.54	4.09%	1,320,113,974.68
Including:										
Total	1,219,085,043.82	100.00%	36,159,393.11	2.97%	1,182,925,650.71	1,436,845,441.63	100.00%	116,731,466.95	8.12%	1,320,113,974.68

Provision for bad debts on an individual basis

Unit: Yuan

Name	Opening balance		Ending balance			
	Book balance	Provision for Bad Debts	Book balance	Provision for Bad Debts	Provision proportion	Reasons for provision
Changchun Finance Bureau	37,820,100.00	37,820,100.00				
The People's Government of Dalian Municipality	20,500,000.00	20,500,000.00				
Wuxi Large Cargo Port Lifting and Transportation Co., Ltd.	542,293.00	542,293.00	542,293.00	542,293.00	100.00%	It is highly probable that the amounts will not be recovered
FAW Jilin Automobile Co., Ltd.	538,200.00	538,200.00	538,200.00	538,200.00	100.00%	It is highly probable that the amounts will not be recovered
FAW Jingye Automobile Co., Ltd.	199,194.30	199,194.30	199,194.30	199,194.30	100.00%	It is highly probable that the amounts will not be recovered
Beijing Torchstar Automation Technology Co., Ltd.	198,000.00	198,000.00	198,000.00	198,000.00	100.00%	It is highly probable that the amounts will not be recovered
Chongqing Jinhua Automobile Brake Corporation	154,539.47	154,539.47	154,539.47	154,539.47	100.00%	It is highly probable that the amounts will not be recovered
Nanjing Xinpu Electromechani	135,000.00	135,000.00	135,000.00	135,000.00	100.00%	It is highly probable

cal Equipment Manufacturing Co., Ltd.						that the amounts will not be recovered
Hunan Changji Technology Development Co., Ltd.	119,600.00	119,600.00	119,600.00	119,600.00	100.00%	It is highly probable that the amounts will not be recovered
Other 9 items	210,912.64	210,912.64	210,912.64	210,912.64	100.00%	It is highly probable that the amounts will not be recovered
Total	60,417,839.41	60,417,839.41	2,097,739.41	2,097,739.41		

Bad debt provision made as per portfolio:

Unit: Yuan

Name	Ending balance		
	Book balance	Provision for Bad Debts	Provision proportion
Aging portfolio	1,219,085,043.82	36,159,393.11	2.97%
Total	1,219,085,043.82	36,159,393.11	

Description of the basis for determining this portfolio:

Provision for bad debts based on the general model of expected credit losses:

Unit: Yuan

Provision for Bad Debts	Stage I	Stage II	Stage III	Total
	Expected Credit Losses for the Next 12 Months	Expected credit loss in the duration (credit impairment not occurred)	Expected credit loss for the entire duration (with credit impairment)	
Balance as of January 1, 2024	12,948,199.25	43,365,428.29	60,417,839.41	116,731,466.95
Balance on January 1, 2024 in the current period				
-- Transfer to stage II	-1,623,715.16	1,623,715.16		
Provision in the current period	-8,353,485.47	-13,898,488.37		-22,251,973.84
Reversal in the current period			58,320,100.00	58,320,100.00
Balance as of December 31, 2024	2,970,998.62	31,090,655.08	2,097,739.41	36,159,393.11

Basis for stage classification and bad debt provision rates: For Stage I and Stage II, provisions are based on aging, with rates of 0.79% for Stage I and 3.70% for Stage II. For receivables in Stage III, the Company measures the loss

allowance based on lifetime expected credit losses for such accounts receivable.

Significant book balance changes occurred in the provision for losses in the current period

Applicable Not applicable

4) Provision, recovery, or reversal of bad debts in the current period

Provision for bad debts in the current period:

Unit: Yuan

Category	Opening balance	Change in the Current Period				Ending balance
		Provision	Recovery or reversal	Charge-off or write-off	Others	
Other receivables	116,731,466.95	-22,251,973.84	58,320,100.00			36,159,393.11
Total	116,731,466.95	-22,251,973.84	58,320,100.00			36,159,393.11

Important provision for bad debts recovered or reversed in the current period:

Unit: Yuan

Name of Unit	Amount recovered or reversed	Reason for reversal	Recovery method	Basis of determining the proportion of provision for original bad debts and its rationality
The People's Government of Dalian Municipality	20,500,000.00	Recovered	Cash recovery	Expected that the amounts will not be recovered
Total	20,500,000.00			

5) Top five ending balances of other receivables classified by debtors

Unit: Yuan

Name of Unit	Nature of Payment	Ending balance	Aging	Proportion in total ending balance of other receivables	Ending Balance of Provision for Bad Debts
Customer 1	Funds for land purchase and reserve	660,862,800.00	2-3 years	54.21%	7,269,490.80
Customer 2	New energy subsidy	58,955,300.00	Less than 1 year, 1-2 years	4.84%	4,106,396.08
Customer 3	New energy subsidy	48,318,584.07	1-2 years	3.96%	3,952,460.18
Customer 4	New energy	48,010,000.00	1-2 years	3.94%	528,110.00

	subsidy				
Customer 5	New energy subsidy	29,982,300.88	Within 1 year	2.46%	479,716.81
Total		846,128,984.95		69.41%	16,336,173.87

7. Advance payment

(1) Presentation of advance payment by aging

Unit: Yuan

Aging	Ending balance		Opening balance	
	Amount	Scale	Amount	Scale
Within 1 year	118,197,236.62	91.88%	439,795,208.40	63.65%
1-2 years	1,609,861.97	1.25%	155,859,251.52	22.56%
2-3 years	8,541,250.38	6.64%	75,025,163.59	10.86%
Over 3 years	290,810.50	0.23%	20,225,475.23	2.93%
Total	128,639,159.47		690,905,098.74	

Reasons for delay in settlement of advance payment with important amounts and aging over 1 year: Unit: Yuan

Name of Debtor	Book balance	Proportion in Total Advance Payment (%)	Provision for Bad Debts
RiseSun MGL	7,245,030.70	5.63%	

(2) Top five ending balances of advance payments classified by advance payment objects

The advance payments with the top five closing balances classified by the prepaid parties in the current period is 53,167,717.55 yuan, accounting for 41.33% of the total closing balance of advance payments.

Other description: none

8. Inventories

Does the Company need to comply with the disclosure requirements of the real estate industry: No

(1) Classification of inventories

Unit: Yuan

Item	Ending balance			Opening balance		
	Book balance	Impairment Provision of Inventories or Contract Performance Costs	Book Value	Book balance	Impairment Provision of Inventories or Contract Performance Costs	Book Value
Raw material	314,311,378.76	38,992,671.09	275,318,707.67	346,085,168.15	33,387,013.66	312,698,154.49
Goods in process	445,006,311.26	11,526,023.10	433,480,288.16	449,087,779.38	14,783,370.86	434,304,408.52
Goods in	7,452,128,355.61	253,655,992.67	7,198,472,362.94	7,066,822,539.59	178,277,353.30	6,888,545,186.29

stock						
Revolving material	77,088,960.57	2,406,972.14	74,681,988.43	96,527,196.36	1,940,234.71	94,586,961.65
Outsourced semi-finished products	2,270,730,746.00	135,470,983.23	2,135,259,762.77	2,488,739,701.04	162,232,949.94	2,326,506,751.10
Total	10,559,265,752.20	442,052,642.23	10,117,213,109.97	10,447,262,384.52	390,620,922.47	10,056,641,462.05

(2) Impairment provision of inventories and contract performance costs

Unit: Yuan

Item	Opening balance	Increase in the Current Period		Decrease in the Current Period		Ending balance
		Provision	Others	Reverse or charge-off	Others	
Raw material	33,387,013.66	7,508,863.72		1,903,206.29		38,992,671.09
Goods in process	14,783,370.86	1,984,039.85		5,241,387.61		11,526,023.10
Goods in stock	178,277,353.30	321,251,498.24	1,513,798.78	247,386,657.65		253,655,992.67
Revolving material	1,940,234.71	5,030,079.41		4,563,341.98		2,406,972.14
Outsourced semi-finished products	162,232,949.94	16,888,983.58		43,650,950.29		135,470,983.23
Total	390,620,922.47	352,663,464.80	1,513,798.78	302,745,543.82		442,052,642.23

Item	Specific basis for determining the net realizable value	Reversal or write-off in the current period Reasons for inventory provision for depreciation
Raw material	Estimated selling price of products minus costs, related expenses and taxes to completion	Increase in net realizable value, sale or use
Goods in process	Estimated selling price of products minus costs, related expenses and taxes to completion	Increase in net realizable value, sale or use
Goods in stock	Estimated selling price of products minus costs, related expenses and taxes to completion	Increase in net realizable value, sale or use
Revolving material	Estimated selling price of products minus costs, related expenses and taxes to completion	Increase in net realizable value, sale or use
Outsourced semi-finished products	Estimated selling price of products minus costs, related expenses and taxes to completion	Increase in net realizable value, sale or use

Provision for inventory depreciation reserve on a portfolio basis

9. Long-term receivables due within 1 year

Unit: Yuan

Item	Ending balance	Opening balance
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Long-term receivables due within 1 year	377,668,442.06	386,692,620.64
Total	377,668,442.06	386,692,620.64

10. Other current assets

Unit: Yuan

Item	Ending balance	Opening balance
Input VAT	802,923,987.38	410,162,184.87
Input VAT to be certified	610,578,724.24	625,978,432.77
Prepaid income tax		8,048,695.40
Others	135,462.60	
Total	1,413,638,174.22	1,044,189,313.04

Other description:

11. Investment in other equity instruments

Unit: Yuan

Project name	Ending balance	Opening balance	Gains included in other comprehensive incomes in the current period	Losses included in other comprehensive incomes in the current period	Cumulative gains included in other comprehensive incomes at the end of the current period	Cumulative losses included in other comprehensive incomes at the end of the current period	Dividend income recognized in the current period	Reason for being designated as being measured at fair value and changes included in other comprehensive incomes
REFIRE	540,066,528.00	480,780,000.00	59,286,528.00		59,286,528.00			Changes in fair value
Total	540,066,528.00	480,780,000.00	59,286,528.00		59,286,528.00			

Other notes: The equity of Shanghai Refire Group Limited is an investment that the Company plans to hold for a long time for strategic purposes, so the Company designates it as a financial asset measured at fair value and whose changes are included in other comprehensive incomes.

12. Long-term receivables**(1) Long-term receivables**

Unit: Yuan

Item	Ending balance			Opening balance			Discount rate range
	Book balance	Provision for Bad Debts	Book Value	Book balance	Provision for Bad Debts	Book Value	
Sales of goods by installment	542,060,036.98	53,480,359.31	488,579,677.67	557,610,217.25	38,886,343.34	518,723,873.91	
Long-term receivables due within 1 year	-430,595,782.49	-52,927,340.43	-377,668,442.06	-424,889,783.15	-38,197,162.51	-386,692,620.64	
Total	111,464,254.49	553,018.88	110,911,235.61	132,720,434.10	689,180.83	132,031,253.27	

(2) Provision for bad debts provided, recovered or reversed in the current period

Unit: Yuan

Category	Opening balance	Change in the Current Period				Ending balance
		Provision	Recovery or reversal	Charge-off or write-off	Others	
Long-term receivables	38,886,343.34	14,179,402.72			-414,613.25	53,480,359.31
Total	38,886,343.34	14,179,402.72			-414,613.25	53,480,359.31

13. Long-term equity investments

Unit: Yuan

Investee	Opening balance (book value)	Opening balance of impairment provision	Increase/Decrease in the current period								Ending balance (book value)	Ending balance of impairment provision	
			Additional Investment	Reduced Investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Changes in other equity	Cash dividends and profits declared to pay	Impairment Provision	Others			
I. Joint ventures													
Jiefang Times New Energy Technology Co., Ltd.	41,528,982.67				64,994.00						-610,747.85	40,983,228.82	
Subtotal	41,528,982.67				64,994.00						-610,747.85	40,983,228.82	
II. Associated enterprises													
First	4,337,808,758.45			3,887,756,356.82	273,826,162.32	-101,144.85			723,777,419.10				

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Automobile Finance Co., Ltd.												
Changchun Automotive Test Center Co., Ltd.	700,656,627.27				34,460,055.90	-49,742.00						735,066,941.17
Sanguard Automobile Insurance Co., Ltd.	171,795,598.71				451,805.57	11,854,751.09						184,102,155.37
FAW Changchun Ansteel Steel Processing and Distribution Co., Ltd.	87,942,751.83				1,376,872.48	-81,112.81		1,324,000.00				87,914,511.50
FAW Changchun Baoyou Jiefang	43,464,086.43				6,902,383.03			6,500,530.62				43,865,938.84

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Steel Processing and Distribution Co., Ltd.												
FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd.	36,982,856.24				553,066.08		352,167.48	747,434.87		-43,751.49		37,096,903.44
Foshan Diyiyan New Energy Technology Co., Ltd.	33,214,745.08				-4,730,665.10							28,484,079.98
Changchun Wabco Automotive Control System Co., Ltd.	16,197,563.58				-1,463,642.82							14,733,920.76
Diyi AESC			4,900,000.00		-859,218.79							4,040,781.21

New Energy Power Technology (Wuxi) Co., Ltd.												
Smart Link												
Suzhou Zhito Technology Co., Ltd.												
Subtotal	5,428,062,987.59		4,900,000.00	3,887,756,356.82	310,516,818.67	11,703,864.24	271,054.67	732,349,384.59		-43,751.49	1,135,305,232.27	
Total	5,469,591,970.26		4,900,000.00	3,887,756,356.82	310,581,812.67	11,703,864.24	271,054.67	732,349,384.59		-654,499.34	1,176,288,461.09	

The recoverable amount is the net amount of the fair value after deducting the disposal expenses

Applicable Not applicable

The recoverable amount is the present value of the expected future cash flow

Applicable Not applicable

Reason for apparent discrepancies between the foregoing information and the information used in the impairment test or external information in the previous year:
None

Reason for apparent discrepancies between the information used in the Company's impairment test of the previous year and the actual situation in the current year:
None

Other description: none

14. Investment properties**(1) Investment properties measured at cost**

☑Applicable ☐Not applicable

Unit: Yuan

Item	Houses and Buildings	Land use right	Project under construction	Total
I. Original book value				
1. Opening balance	72,815,332.95	7,474,052.82		80,289,385.77
2. Increase in the current period	38,648,741.45	24,710.62		38,673,452.07
(1) Purchase				
(2) Transfer from inventories/fixed assets/construction in progress				
(3) Increase due to business combination				
(4) Transfer of fixed assets and intangible assets	38,648,741.45	24,710.62		38,673,452.07
3. Decrease in the current period	2,835,927.00			2,835,927.00
(1) Disposal				
(2) Other transfer-out				
(3) Transferred back to construction in progress	2,835,927.00			2,835,927.00
4. Ending balance	108,628,147.40	7,498,763.44		116,126,910.84
II. Accumulated depreciation and accumulated amortization				
1. Opening balance	31,844,973.90	1,394,416.34		33,239,390.24
2. Increase in the current period	32,637,904.17	164,489.31		32,802,393.48
(1) Provision or amortization	3,314,733.84	151,641.96		3,466,375.80
(2) Transfer of fixed assets and intangible assets	29,323,170.33	12,847.35		29,336,017.68
3. Decrease in the current period	2,750,849.19			2,750,849.19
(1) Disposal				
(2) Other transfer-out				
(3) Transferred back to construction in progress	2,750,849.19			2,750,849.19
4. Ending balance	61,732,028.88	1,558,905.65		63,290,934.53
III. Impairment provision				
1. Opening balance				
2. Increase in the current				

period				
(1) Provision				
3. Decrease in the current period				
(1) Disposal				
(2) Other transfer-out				
4. Ending balance				
IV. Book value				
1. Ending book value	46,896,118.52	5,939,857.79		52,835,976.31
2. Beginning book value	40,970,359.05	6,079,636.48		47,049,995.53

The recoverable amount is the net amount of the fair value after deducting the disposal expenses

Applicable Not applicable

The recoverable amount is the present value of the expected future cash flow

Applicable Not applicable

Reason for apparent discrepancies between the foregoing information and the information used in the impairment test or external information in the previous year: None

Reason for apparent discrepancies between the information used in the Company's impairment test of the previous year and the actual situation in the current year: None

Other description: none

(2) Investment properties measured at fair value

Applicable Not applicable

(3) Investment real estate without property ownership certificates

Unit: Yuan

Item	Book Value	Reasons for failure to obtain the certificate
Property, No.949, Chongqing Middle Road, Licang District	640,927.41	This plot has been included in the government renovation project, and cannot be handled at present

Other description: none

15. Fixed assets

Unit: Yuan

Item	Ending balance	Opening balance
Fixed assets	11,192,711,830.63	11,473,133,567.13
Disposal of fixed assets	5,588,741.57	7,715,678.77
Total	11,198,300,572.20	11,480,849,245.90

(1) Details of fixed assets

Unit: Yuan

Item	Houses and Buildings	Machinery equipment	Transportation equipment	Electronic equipment	Office equipment	Others	Total
I. Original book value							
1. Opening balance	6,370,670,101.71	17,976,807,890.25	170,729,445.73	730,816,759.24	66,124,082.78	1,375,794,704.45	26,690,942,984.16
2. Increase in the current period	235,575,991.03	1,298,979,452.36	27,160,845.08	45,672,204.60	6,403,178.05	40,455,511.78	1,654,247,182.90
(1) Purchase	122,567,033.28	224,821,861.12	3,778,202.86	29,210,479.03	2,185,080.10	23,181,454.47	405,744,110.86
(2) Transfer from construction in progress	111,704,975.31	1,071,457,113.05	23,220,247.77	15,997,825.96	3,595,109.65	17,272,644.83	1,243,247,916.57
(3) Increase due to business combination							
(4) Other increases	1,303,982.44	2,700,478.19	162,394.45	463,899.61	622,988.30	1,412.48	5,255,155.47
3. Decrease in the current period	260,616,290.92	368,511,018.64	7,469,280.06	24,691,794.76	5,732,613.49	14,189,415.98	681,210,413.85
(1) Disposal or retirement	840,042.28	283,241,413.05	7,433,881.81	23,748,719.34	5,588,823.72	5,042,068.18	325,894,948.38
(2) Other decreases	259,776,248.64	85,269,605.59	35,398.25	943,075.42	143,789.77	9,147,347.80	355,315,465.47
4. Ending balance	6,345,629,801.82	18,907,276,323.97	190,421,010.75	751,797,169.08	66,794,647.34	1,402,060,800.25	27,663,979,753.21
II. Accumulated depreciation							
1. Opening balance	2,498,421,526.38	10,813,134,009.79	128,577,837.53	574,696,629.61	46,966,988.31	1,130,727,557.84	15,192,524,549.46
2. Increase in the current period	314,037,532.94	1,261,247,456.75	20,844,626.67	101,221,636.65	6,560,343.42	74,738,938.66	1,778,650,535.09
(1) Provision	313,747,732.97	1,260,814,918.06	20,717,556.70	101,032,278.34	6,189,366.04	74,737,661.81	1,777,239,513.92
(2) Other increases	289,799.97	432,538.69	127,069.97	189,358.31	370,977.38	1,276.85	1,411,021.17
3. Decrease in the current period	164,638,121.63	309,305,058.05	7,120,658.57	24,620,768.27	5,537,748.17	12,131,608.71	523,353,963.40
(1) Disposal or retirement	814,841.01	270,833,621.64	7,120,658.57	23,677,692.85	5,430,818.48	4,887,216.04	312,764,848.59

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(2) Other decreases	163,823,280.62	38,471,436.41		943,075.42	106,929.69	7,244,392.67	210,589,114.81
4. Ending balance	2,647,820,937.69	11,765,076,408.49	142,301,805.63	651,297,497.99	47,989,583.56	1,193,334,887.79	16,447,821,121.15
III. Impairment provision							
1. Opening balance	12,344.37	22,288,724.08			43,047.04	2,940,752.08	25,284,867.57
2. Increase in the current period							
(1) Provision							
3. Decrease in the current period		1,837,369.50			696.64		1,838,066.14
(1) Disposal or retirement		1,837,369.50			696.64		1,838,066.14
4. Ending balance	12,344.37	20,451,354.58			42,350.40	2,940,752.08	23,446,801.43
IV. Book value							
1. Ending book value	3,697,796,519.76	7,121,748,560.90	48,119,205.12	100,499,671.09	18,762,713.38	205,785,160.38	11,192,711,830.63
2. Beginning book value	3,872,236,230.96	7,141,385,156.38	42,151,608.20	156,120,129.63	19,114,047.43	242,126,394.53	11,473,133,567.13

(2) Temporary idle fixed assets

Unit: Yuan

Item	Original book value	Accumulated depreciation	Impairment Provision	Book Value	Remarks
Houses and Buildings	43,559,517.61	26,164,891.28	12,344.37	17,382,281.96	
Machinery equipment	287,081,728.01	249,774,969.99	9,987,575.23	27,319,182.79	
Transportation equipment	255,116.40	255,116.40			
Electronic equipment	2,535,332.71	2,535,332.71			
Office equipment	2,806,415.11	2,646,088.07	42,142.85	118,184.19	
Others	14,140,537.80	12,950,129.95	803,978.77	386,429.08	
Total	350,378,647.64	294,326,528.40	10,846,041.22	45,206,078.02	

(3) Fixed assets without property ownership certificates

Unit: Yuan

Item	Book Value	Reasons for failure to obtain the certificate
Guanghan base project	345,977,710.81	The property ownership certificate will be applied for after the final account audit upon completion of the project
Project of exiting the city and entering the industrial park	39,718,005.70	It is a new plant, and the information is incomplete and currently being processed.
Equipment and plant project	93,370,032.35	The property ownership certificate has not yet been applied for
Total	479,065,748.86	

Other description:

(4) Disposal of fixed assets

Unit: Yuan

Item	Ending balance	Opening balance
Houses and Buildings	44,184.97	44,864.97
Machinery equipment	3,066,994.74	5,776,946.67
Means of transport	357,163.02	125,020.45
Electronic equipment	23,158.49	12,316.70
Office equipment	1,004,714.07	132,249.55
Others	1,092,526.28	1,624,280.43
Total	5,588,741.57	7,715,678.77

Other description:

16. Construction in progress

Unit: Yuan

Item	Ending balance	Opening balance
Project under construction	688,181,815.22	816,484,299.18
Total	688,181,815.22	816,484,299.18

(1) Construction in progress

Unit: Yuan

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book Value	Book balance	Impairment provision	Book Value
New and reconstructed investment project	30,573,415.10	1,945,416.12	28,627,998.98	109,030,761.94	1,945,416.12	107,085,345.82
Technical transformation investment project	659,609,313.43	55,497.19	659,553,816.24	709,454,450.55	55,497.19	709,398,953.36
Total	690,182,728.53	2,000,913.31	688,181,815.22	818,485,212.49	2,000,913.31	816,484,299.18

(2) Changes in important construction in progress in the current period

Unit: Yuan

Project name	Budget	Opening balance	Increase in the Current Period	Amount transferred to fixed assets in the current period	Other Decreases in the Current Period	Ending balance	Proportion of accumulated investment in constructions to budget	Project Progress	Cumulative amount of capitalized interest	Including: Capitalized interest amount during the current period	Capitalization rate of interest in current period	Capital source
R&D capacity improvement project of FAW Jiefang Qingdao Base	691,362,100.00	216,719,303.35	196,374,831.91			413,094,135.26	59.75%	87.55%				Raised funds + others
FAW Jiefang Wuxi R&D Center Construction Project	423,550,000.00	12,690,733.03	121,070,052.75	7,176,830.96		126,583,954.82	31.58%	55.41%				Raised funds + others
Project of	936,068,800.00	19,204,724.39				19,204,724.39	71.43%	96.00%				Others

exiting the city and entering the industrial park												
Second-generation E/E architecture commercial vehicle HIL simulator	32,000,000.00		16,401,117.40			16,401,117.40	51.25%	51.00%				Others
Heavy-duty vehicle transmission life test bed	20,250,000.00	9,875,983.28	1,432,729.20			11,308,712.48	55.85%	55.85%				Others
Business integration and technology upgrading project of light	227,508,500.00	13,655,092.51	166,199,720.89	171,103,259.18		8,751,554.22	75.21%	87.78%				Raised funds + others

vehicle frame of Qingdao Vehicle Division of Jiefang Limited												
Environmental protection technology upgrade project of cab coating line of Qingdao Vehicle Division of Jiefang Limited	79,800,000.00	177,811.32	14,957,522.12	8,074,690.27		7,060,643.17	10.12%	62.78%				Raised funds + others
Axle base construction project and heavy	989,859,950.93	115,204,550.24	95,078,910.70	204,579,228.66		5,704,232.28	75.96%	92.17%				Raised funds + others

replace ment axle technol ogy upgrad e (phase I)												
FAW Jiefang South New Energy Base project	413,800,000.00	48,893,985.90	39,280,944.24	82,931,775.45		5,243,154.69	57.98%	92.00%				Other s
Techni cal transfo rmati on project of integra ted heavy- duty AMT gearbo x	898,000,000.00	232,307,221.17	403,095,254.16	630,935,482.18		4,466,993.15	71.09%	80.86%				Raise d funds + others
Total	4,712,199,350.93	668,729,405.19	1,053,891,083.37	1,104,801,266.70		617,819,221.86						

(3) Impairment testing of projects under construction

Applicable Not applicable

17 Productive biological assets**(1) Productive biological assets measured at cost**

Applicable Not applicable

(2) Impairment test of productive biological assets measured at cost

Applicable Not applicable

(3) Productive biological assets measured at fair value

Applicable Not applicable

18 Oil and gas assets

Applicable Not applicable

19. Right-of-use assets**(1) Right-of-use assets**

Unit: Yuan

Item	Houses and Buildings	Machinery equipment	Land	Total
I. Original book value				
1. Opening balance	200,044,437.59	54,778,761.06	17,683,197.66	272,506,396.31
2. Increase in the current period	3,538,091.51	3,533,351.98	354,361.41	7,425,804.90
(1) Lease-in	3,019,057.93	3,533,351.98	345,429.87	6,897,839.78
(2) Other increases	519,033.58		8,931.54	527,965.12
3. Decrease in the current period	20,454,136.66		235,270.13	20,689,406.79
(1) Lease expiration	14,880,855.90		235,270.13	15,116,126.03
(2) Other decreases	5,573,280.76			5,573,280.76
4. Ending balance	183,128,392.44	58,312,113.04	17,802,288.94	259,242,794.42
II. Accumulated depreciation				
1. Opening balance	99,398,182.59	10,955,752.21	11,715,605.51	122,069,540.31

2. Increase in the current period	36,502,331.95	11,668,624.99	4,017,370.54	52,188,327.48
(1) Provision	36,201,260.82	11,668,624.99	4,013,152.85	51,883,038.66
(2) Other increases	301,071.13		4,217.69	305,288.82
3. Decrease in the current period	19,140,123.81		235,270.13	19,375,393.94
(1) Disposal				
(2) Lease expiration	14,880,855.90		235,270.13	15,116,126.03
(3) Other decreases	4,259,267.91			4,259,267.91
4. Ending balance	116,760,390.73	22,624,377.20	15,497,705.92	154,882,473.85
III. Impairment provision				
1. Opening balance				
2. Increase in the current period				
(1) Provision				
3. Decrease in the current period				
(1) Disposal				
4. Ending balance				
IV. Book value				
1. Ending book value	66,368,001.71	35,687,735.84	2,304,583.02	104,360,320.57
2. Beginning book value	100,646,255.00	43,823,008.85	5,967,592.15	150,436,856.00

(2) Impairment test of right-of-use assets

Applicable Not applicable

Other description: none

20. Intangible assets**(1) Details of intangible assets**

Unit: Yuan

Item	Land use right	Patent rights	Non-patented technology	Software	Total
I. Original book value					

1. Opening balance	2,613,441,659.36		507,713,333.30	565,897,350.18	3,687,052,342.84
2. Increase in the current period	502,930.16		10,637,280.64	79,704,650.81	90,844,861.61
(1) Purchase			5,898,959.15	56,213,481.89	62,112,441.04
(2) Internal R&D					
(3) Increase due to business combination					
(4) Other increases	502,930.16		4,738,321.49	23,491,168.92	28,732,420.57
3. Decrease in the current period	24,710.62			12,557,581.42	12,582,292.04
(1) Disposal				7,819,259.93	7,819,259.93
(2) Other decreases	24,710.62			4,738,321.49	4,763,032.11
4. Ending balance	2,613,919,878.90		518,350,613.94	633,044,419.57	3,765,314,912.41
II. Accumulated amortization					
1. Opening balance	597,486,572.38		338,000,836.46	294,647,182.19	1,230,134,591.03
2. Increase in the current period	64,678,551.56		37,746,505.52	103,787,970.29	206,213,027.37
(1) Provision	64,627,729.20		37,312,176.79	103,750,159.44	205,690,065.43
(2) Other increases	50,822.36		434,328.73	37,810.85	522,961.94
3. Decrease in the current period	12,847.35			8,247,823.03	8,260,670.38
(1) Disposal				7,813,494.30	7,813,494.30
(2) Other decreases	12,847.35			434,328.73	447,176.08
4. Ending balance	662,152,276.59		375,747,341.98	390,187,329.45	1,428,086,948.02
III. Impairment provision					
1. Opening balance	118,218.19				118,218.19
2. Increase in the current period	8,545.22				8,545.22
(1) Provision					
(2) Other increases	8,545.22				8,545.22
3. Decrease in the current period					
(1) Disposal					

4. Ending balance	126,763.41				126,763.41
IV. Book value					
1. Ending book value	1,951,640,838.90		142,603,271.96	242,857,090.12	2,337,101,200.98
2. Beginning book value	2,015,836,868.79		169,712,496.84	271,250,167.99	2,456,799,533.62

The intangible assets that did not result from internal research and development of the Company account for 0.00% of the balance of intangible assets at the end of the current period.

(2) Data resources recognized as intangible assets

Applicable Not applicable

(3) Impairment testing of intangible assets

Applicable Not applicable

21. Deferred income tax assets and deferred income tax liabilities

(1) Deferred income tax assets not offset

Unit: Yuan

Item	Ending balance		Opening balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Impairment provision of assets	797,768,103.97	148,751,169.98	801,447,775.98	151,139,383.30
Unrealized profits of internal transactions	153,881,436.39	38,470,359.10	173,759,629.21	43,439,907.30
Deductible losses	10,589,766,314.64	1,765,089,314.84	8,023,847,062.56	1,401,699,212.71
Accrued expenses	3,227,055,244.11	769,751,687.24	2,939,042,487.84	699,976,188.17
Estimated liabilities	697,556,880.11	115,586,665.72	643,639,504.01	105,676,319.80
Contract liabilities	553,633,245.41	85,386,658.52	477,559,638.17	73,059,220.04
Deferred income	512,685,762.47	109,012,100.36	498,058,268.35	105,908,875.92
Employee compensation payable	94,430,202.39	15,390,464.58	89,862,914.88	15,035,569.66
Lease liabilities	58,263,018.99	13,770,069.13	70,122,314.73	15,971,569.46
Assets	653,809.89	196,142.97	609,736.10	182,920.83

depreciation differences				
Total	16,685,694,018.37	3,061,404,632.44	13,717,949,331.83	2,612,089,167.19

(2) Deferred income tax liabilities not offset

Unit: Yuan

Item	Ending balance		Opening balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Depreciation of fixed assets with an amortization period longer than the tax preference period	1,833,126,166.73	337,124,836.34	1,968,635,320.15	361,356,664.66
Accrued interest income	476,710,852.22	76,467,601.95	386,198,421.88	58,128,494.37
Right-of-use assets	43,191,229.17	10,183,212.28	67,966,004.09	15,404,666.51
Total	2,353,028,248.12	423,775,650.57	2,422,799,746.12	434,889,825.54

(3) Deferred tax assets or liabilities presented in net amount after offset

Unit: Yuan

Item	Ending Mutual Offset Amount of Deferred Tax Assets and Liabilities	Ending balance of deferred tax assets or liabilities after offset	Opening mutual offset amount of deferred tax assets and liabilities	Opening balance of deferred tax assets or liabilities after offset
Deferred income tax assets		3,061,404,632.44		2,612,089,167.19
Deferred income tax liabilities		423,775,650.57		434,889,825.54

(4) Details of unrecognized deferred tax assets

Unit: Yuan

Item	Ending balance	Opening balance
Deductible temporary difference	572,093,879.05	577,137,993.79
Deductible losses	225,388,600.72	433,079,936.50
Total	797,482,479.77	1,010,217,930.29

(5) Deductible losses of unrecognized deferred tax assets will be due in the following years

Unit: Yuan

Year	Ending amount	Beginning balance	Remarks
2026	1,441,940.00	1,441,940.00	
2027	3,524,136.57	3,524,136.57	
2028	6,764,901.92	201,247,514.48	
2029	15,796,963.90	28,041,132.70	
2032	197,860,658.33	198,825,212.75	

Total	225,388,600.72	433,079,936.50	
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Other description: none

22. Assets with restricted ownership or use right

Unit: Yuan

Item	Ending				Beginning			
	Book balance	Book Value	Restriction type	Restriction	Book balance	Book Value	Restriction type	Restriction
Monetary capital	50,810,175.89	50,810,175.89		Housing maintenance fund, security deposit for three types of personnel and frozen funds	50,667,927.65	50,667,927.65		Housing maintenance fund, security deposit for three types of personnel and frozen funds
Intangible assets	2,059,491.56	1,150,344.99		Due to the Tanzanian government's central railway reconstruction project, approximately 2000 square meters of land belonging to the Company's Tanzanian subsidiary was expropriated in March 2017. To date, no official documentation or notification has	1,920,659.75	1,099,342.90		Due to the Tanzanian government's central railway reconstruction project, approximately 2000 square meters of land belonging to the Company's Tanzanian subsidiary was expropriated in March 2017. To date, no official documentation or notification has been received from the Tanzanian

				been received from the Tanzanian authorities.				authorities.
Total	52,869,667.45	51,960,520.88			52,588,587.40	51,767,270.55		

Other description:

23. Notes payable

Unit: Yuan

Category	Ending balance	Opening balance
Bank acceptance bill	15,370,906,363.16	11,769,864,678.11
Total	15,370,906,363.16	11,769,864,678.11

The total amount of notes payable due but unpaid at the end of the current period is 0.00 yuan.

24. Accounts payable**(1) Presentation of accounts payable**

Unit: Yuan

Item	Ending balance	Opening balance
Payment for goods	16,650,985,030.88	16,968,149,222.10
Project payment		71,355,989.71
Expenses and others	595,368,938.17	678,099,680.48
Total	17,246,353,969.05	17,717,604,892.29

(2) Significant accounts payable with aging over one year or overdue

Unit: Yuan

Item	Ending balance	Reasons for not being repaid or carried over
Beijing SinoHytec Co., Ltd.	38,925,592.27	Undue settlement period
Tangshan Qianchen New Energy Development Co., Ltd.	28,659,999.04	Undue settlement period
Total	67,585,591.31	

Other description:

25. Other payables

Unit: Yuan

Item	Ending balance	Opening balance
Dividends payable	171,500.02	171,500.02
Other payables	4,526,037,421.21	5,312,132,275.89
Total	4,526,208,921.23	5,312,303,775.91

(1) Dividends payable

Unit: Yuan

Item	Ending balance	Opening balance
Ordinary stock dividends	171,500.02	171,500.02
Total	171,500.02	171,500.02

Other description, including the disclosure of the reasons for not paying the important dividends payable for more than 1 year:

(2) Other payables

1) Presentation of other payables by payment nature

Unit: Yuan

Item	Ending balance	Opening balance
Expenses payable	2,665,746,970.54	3,421,638,209.55
Margin, deposit	235,940,482.07	310,785,014.96
Project funds payable	1,188,958,861.78	1,296,325,132.82
Repurchase obligations of restricted shares	6,246,851.73	86,131,497.27
Current accounts payable and others	429,144,255.09	197,252,421.29
Total	4,526,037,421.21	5,312,132,275.89

2) Other significant payables with aging over 1 year or overdue

Unit: Yuan

Item	Ending balance	Reasons for not being repaid or carried over
Fawer Auto Parts Co., Ltd.	9,670,000.00	Undue settlement period
Wuhan Liao Automation Co., Ltd.	8,670,040.00	Undue settlement period
China FAW Group Import & Export Co., Ltd.	6,579,161.93	Undue settlement period
Hangzhou Hikrobot Co., Ltd.	6,374,071.10	Project not completed
Bock (China) Testing Equipment Co., Ltd.	5,567,800.00	Project not completed
SIASUN Robot & Automation Co., Ltd.	5,453,060.00	Project not completed
The Ninth Institute of Project Planning & Research of China Machinery Industry (FIPPR)	5,407,655.40	Project not completed
Shanghai Machine Tool Works Ltd.	5,068,000.00	Project not completed
Total	52,789,788.43	

26. Advance receipts

Presentation of advance receipts

Unit: Yuan

Item	Ending balance	Opening balance
Rental fee	674,009.56	641,221.46
Total	674,009.56	641,221.46

27. Contract liabilities

Unit: Yuan

Item	Ending balance	Opening balance
Payment for goods	2,015,193,856.18	1,980,963,703.80
Others	633,128,232.65	555,703,269.04
Contract liabilities included in other current liabilities	-217,767,924.33	-215,994,896.62
Total	2,430,554,164.50	2,320,672,076.22

Significant contractual liabilities with aging over 1 year

28. Employee compensation payable**(1) Presentation of employee compensation payable**

Unit: Yuan

Item	Opening balance	Increase in the Current Period	Decrease in the Current Period	Ending balance
I. Short-term compensation	299,038,713.67	4,613,134,851.20	3,957,931,961.91	954,241,602.96
II. Post-employment benefits - defined contribution plan	17,213,124.02	661,854,373.57	678,295,945.93	771,551.66
III. Dismissal welfare	38,420,889.80	47,219,824.80	46,208,973.16	39,431,741.44
IV. Other benefits due within one year	50,609,999.99	52,054,076.10	53,554,076.09	49,110,000.00
Total	405,282,727.48	5,374,263,125.67	4,735,990,957.09	1,043,554,896.06

(2) Presentation of short-term compensation

Unit: Yuan

Item	Opening balance	Increase in the Current Period	Decrease in the Current Period	Ending balance
1. Wages, bonuses, allowances and subsidies	227,776.65	3,199,338,185.61	2,573,228,938.66	626,337,023.60
2. Employee welfare expenses		264,221,634.02	264,221,634.02	
3. Social insurance premiums	3,953,212.23	359,300,959.15	362,017,631.13	1,236,540.25
Including: medical insurance premiums	3,953,212.23	338,242,095.12	340,958,767.10	1,236,540.25
Work-related injury insurance premiums		21,058,864.03	21,058,864.03	

4. Housing provident fund		488,964,042.43	488,964,042.43	
5. Labor union funds and employee education funds	293,055,697.93	110,739,260.52	79,059,202.82	324,735,755.63
6. Other short-term compensations	1,802,026.86	190,570,769.47	190,440,512.85	1,932,283.48
Total	299,038,713.67	4,613,134,851.20	3,957,931,961.91	954,241,602.96

(3) Presentation of defined contribution plan

Unit: Yuan

Item	Opening balance	Increase in the Current Period	Decrease in the Current Period	Ending balance
1. Basic endowment insurance	14,357,638.13	450,111,399.70	464,160,323.27	308,714.56
2. Unemployment insurance premiums	2,855,485.89	17,391,135.37	19,783,784.16	462,837.10
3. Payment of enterprise annuity		194,351,838.50	194,351,838.50	
Total	17,213,124.02	661,854,373.57	678,295,945.93	771,551.66

Other description:

29. Taxes payable

Unit: Yuan

Item	Ending balance	Opening balance
VAT	34,237,788.67	33,868,153.98
Corporate income tax	136,470,856.41	63,956,600.70
Individual income tax	7,020,253.06	45,447,179.02
Urban maintenance and construction tax	3,308,379.91	1,886,871.46
Property tax	7,843,917.34	12,070,417.66
Education surcharges	4,430,820.03	3,588,461.26
Land use tax	3,902,829.10	4,302,440.45
Other taxes	18,318,058.50	16,844,015.07
Total	215,532,903.02	181,964,139.60

Other description:

30. Non-current liabilities due within one year

Unit: Yuan

Item	Ending balance	Opening balance
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Lease liabilities due within one year	29,941,701.02	31,720,199.37
Long-term debts due within one year		99,890,000.00
Total	29,941,701.02	131,610,199.37

Other description:

Including: long-term loans due within one year Unit: Yuan

Item	Ending balance	Ending balance of the previous year
Credit loans		99,890,000.00

31. Other current liabilities

Unit: Yuan

Item	Ending balance	Opening balance
Taxes to be written off	217,767,924.33	215,994,896.62
Total	217,767,924.33	215,994,896.62

Other description:

32. Long-term debts

Classification of long-term debts

Unit: Yuan

Item	Ending balance	Opening balance
Credit loans		99,890,000.00
Long-term debts due within one year		-99,890,000.00

Notes to the classification of long-term debts:

Other notes, including interest rate range:

33. Lease liabilities

Unit: Yuan

Item	Ending balance	Opening balance
Lease payment	59,490,077.98	73,609,360.61
Unrecognized financing charges	-2,116,776.32	-3,915,288.10
Lease liabilities due within one year	-29,941,701.02	-31,720,199.37
Total	27,431,600.64	37,973,873.14

Other description:

34. Long-term employee compensation payable**Table of long-term payroll payable**

Unit: Yuan

Item	Ending balance	Opening balance
I. Post-employment welfare - net liabilities of defined benefit plan	682,430,000.00	667,280,000.00
II. Dismissal welfare	98,901,796.39	94,708,523.04
Long-term employee compensation payable due within one year	-88,541,741.44	-89,030,889.79
Total	692,790,054.95	672,957,633.25

35. Provisions

Unit: Yuan

Item	Ending balance	Opening balance	Reason
Pending litigation	23,974,831.93	7,321,618.04	
Product quality assurance	951,513,050.80	825,489,785.23	
Others	17,226,995.29	20,183,157.29	Labor social security, etc.
Total	992,714,878.02	852,994,560.56	

Other description, including important assumptions and estimation descriptions related to important estimated liabilities:

36. Deferred income

Unit: Yuan

Item	Opening balance	Increase in the Current Period	Decrease in the Current Period	Ending balance	Reason
Government subsidies	2,983,678,367.53	237,397,704.40	284,713,224.16	2,936,362,847.77	
Total	2,983,678,367.53	237,397,704.40	284,713,224.16	2,936,362,847.77	--

Other description:

37. Share capital

Unit: Yuan

Opening balance	Increase/Decrease (+/-)					Ending balance
	Issue of New Shares	Bonus shares	Share Transferred from Accumulated	Others	Subtotal	

				mulat ion Fund			
Total share s	4,636,485,668.00	298,507,462.00			-12,621,954.00	285,885,508.00	4,922,371,176.00

Other description: The Company's new share issuance during this period was verified by Capital Verification Report No.110C000357 ZTYZ (2024) issued by Grant Thornton Certified Public Accountants (Special General Partnership). The decrease in share capital of 12,621,954.00 yuan during this period resulted from the repurchase and cancellation of restricted shares, as verified by Capital Verification Report XYZH/2024CCAA2B0173 issued by ShineWing Accounting Firm (Special General Partnership). For details, please refer to Section X Financial Report, III. Company Basic Information.

38. Capital reserves

Unit: Yuan

Item	Opening balance	Increase in the Current Period	Decrease in the Current Period	Ending balance
Capital premium (stock premium)	9,715,540,999.01	1,699,305,934.04	453,011,916.17	10,961,835,016.88
Other capital reserves	1,001,896,552.71	271,054.67	2,522,576.52	999,645,030.86
Total	10,717,437,551.72	1,699,576,988.71	455,534,492.69	11,961,480,047.74

Other description, including increase/decrease in the current period and reasons for change:

(1) Reasons for adjustment of capital reserves (equity premium) at the beginning of the year:

During this period, FAW Jiefang acquired 100% equity in Jiefang Motors Tanzania Ltd. and 55.00% equity in FAW (Africa) Investment Co., Ltd. through cash payment. According to accounting standards, these transactions qualify as business combinations under common control, with a combination date of December 31, 2024. When preparing the opening balances for the 2024 consolidated financial statements, the owner's equity of Jiefang Motors Tanzania Ltd. and FAW (Africa) Investment Co., Ltd. as of end-2023, after deducting other comprehensive income and retained earnings, was adjusted to capital reserve (share premium) in the amount of 374,018,599.99 yuan.

(2) Reasons for the increase in capital reserves (share premium) in the current period:

The Company's capital reserve (share premium) increased by 1,699,305,934.04 yuan due to the private placement of A shares. For details, refer to Section X Financial Report, III. Company Basic Information.

(3) Reasons for the decrease of 453,011,916.17 yuan in capital reserve (share premium):

① The Company completed the business combination under the common control of Jiefang Limited on December 31, 2024, reversing the initial adjustment amount of 374,018,599.99 yuan mentioned in (1) above.

② The Company completed the business combination under the common control of Jiefang Motors Tanzania Ltd. and FAW (Africa) Investment Co., Ltd. on December 31, 2024. The difference between the consideration paid and

the book value of owner's equity attributable to the Company was -34,642,433.92 yuan, which adjusted the capital reserve (share premium) per accounting standards.

③ The other comprehensive income and retained earnings accumulated by Jiefang Motors Tanzania Ltd. and FAW (Africa) Investment Co., Ltd. before the combination was adjusted to capital reserve (share premium) in the amount of 46,373,058.56 yuan.

④ The capital reserve (share premium) decreased by 67,262,691.54 yuan due to the repurchase and cancellation of restricted shares following the failure to achieve the performance assessment objectives set for the third release period first granted and the second release period reserved by the Company's Phase I restricted share incentive plan

(4) Reason for increase in capital reserve (other capital reserve):

The Company recognized an increase of 271,054.67 yuan based on its proportionate share of changes in investees' equity other than those from net profit, other comprehensive income, and profit distribution.

(5) Reason for a decrease of 2,522,576.52 yuan in capital reserve (other capital reserve):

The failure to achieve the performance assessment objectives set for the third release period first granted and the second release period reserved by the Company's Phase I restricted share incentive plan resulted in a decrease of 2,522,576.52 yuan.

39. Treasury shares

Unit: Yuan

Item	Opening balance	Increase in the Current Period	Decrease in the Current Period	Ending balance
Treasury shares	86,131,497.27		79,884,645.54	6,246,851.73
Total	86,131,497.27		79,884,645.54	6,246,851.73

Other descriptions, including the increase/decrease and reasons for changes in the current period: The decrease of 79,884,645.54 yuan in treasury share capital in the current period was caused by the repurchase and cancellation by the Company.

40 Other comprehensive incomes

Unit: Yuan

Item	Opening balance	Amount Incurred in Current Period						Ending balance
		Amount incurred before income tax in the current period	Less: Current Profits or Losses Transferred from Other Comprehensive Income Recorded	Less: Current Retained Earnings Transferred from Other Comprehensive Income Recorded in the Previous	Less: Income tax expenses	After-tax amount attributable to the parent company	After-tax amount attributable to minority shareholders	

			ed in the Previous Period	Period				
I. Other comprehensive incomes that cannot be reclassified into profits or losses	-8,735,366.35	27,627,126.17		-7,298.93		27,634,425.10		18,899,058.75
Including: changes arising from the re-measurement of the defined benefit plan	-9,210,000.00	-49,140,000.00				-49,140,000.00		-58,350,000.00
Other comprehensive incomes that cannot be reclassified into profit or loss under the equity method	474,633.65	17,480,598.17		-7,298.93		17,487,897.10		17,962,530.75
Changes in fair value of investment in other equity instruments		59,286,528.00				59,286,528.00		59,286,528.00
II. Other comprehensive incomes that will be reclassified into profits or losses	-118,464,052.05	2,652,646.59				2,652,646.59		-115,811,405.46
Including: other comprehensive incomes that can be reclassified into profits	375,337.28	-5,729,510.11				-5,729,510.11		-5,354,172.83

or losses under the equity method								
Translation difference in foreign currency financial statements	-118,839,389.33	8,382,156.70				8,382,156.70		-110,457,232.63
Total other comprehensive incomes	-127,199,418.40	30,279,772.76		-7,298.93		30,287,071.69		-96,912,346.71

Other description, including the adjustment of the effective part of cash flow hedging profit or loss transferred to the initially recognized amount of the hedged item:

41 Special reserves

Unit: Yuan

Item	Opening balance	Increase in the Current Period	Decrease in the Current Period	Ending balance
Work safety cost	319,314,527.85	28,475,434.87	70,444,079.57	277,345,883.15
Total	319,314,527.85	28,475,434.87	70,444,079.57	277,345,883.15

Other description, including increase/decrease in the current period and reasons for change:

42. Surplus reserves

Unit: Yuan

Item	Opening balance	Increase in the Current Period	Decrease in the Current Period	Ending balance
Statutory surplus reserve	2,797,987,184.22	109,035,301.36	729.89	2,907,021,755.69
Discretionary surplus reserves	297,526,491.71			297,526,491.71
Total	3,095,513,675.93	109,035,301.36	729.89	3,204,548,247.40

Description of the surplus reserve, including increase/decrease and reasons for change in the current period:

- (1) The statutory surplus reserve at the beginning of the current period increased by 5,105,359.06 yuan due to retrospective adjustments from business combinations under common control;
- (2) The statutory surplus reserve at the beginning of the previous period increased by 4,546,767.65 yuan due to retrospective adjustments from business combinations under common control;
- (3) In accordance with the Company Law and Articles of Association, the Company appropriated 109,035,301.36 yuan to the statutory surplus reserve, representing 10% of net profit. If the accumulated amount of statutory surplus reserve is more than 50% of the registered capital of the Company, it may not be withdrawn any more.

(4) The surplus reserve decreased by 729.89 yuan due to the sale of 21.8393% equity in First Automobile Finance Co., Ltd., previously accounted for using the equity method, whereby the associated non-reclassifiable other comprehensive income was transferred to retained earnings.

43. Undistributed profits

Unit: Yuan

Item	Current period	Previous period
Undistributed profits at the end of the previous period before adjustment	6,191,777,512.32	5,460,939,601.36
Total amount of opening undistributed profit adjusted ("+" for increase, "-" for decrease)	54,756,122.34	3,194,653.84
Undistributed profits at the beginning of the current period after adjustment	6,246,533,634.66	5,464,134,255.20
Add: net profit attributable to owners of parent company in the current period	622,427,699.65	806,096,685.30
Less: withdrawal of statutory surplus reserve	109,035,301.36	32,717,305.84
Common stock dividends payable	693,579,557.10	
Others	11,006,569.04	-9,020,000.00
Undistributed profits at the end of the period	6,055,339,906.81	6,246,533,634.66

Details of adjustment to undistributed profits at the beginning of the period:

- 1) The retroactive adjustment of the Accounting Standards for Business Enterprises and its relevant new regulations impacts the opening undistributed profit by 0.00 yuan.
- 2) The undistributed profit at the beginning of the period affected by changes in accounting policies is 0.00 yuan.
- 3) The correction of major accounting errors impacts the opening undistributed profit by 0.00 yuan.
- 4) The change in combination scope caused by the same control impacts the opening undistributed profit by 54,756,122.34 yuan.
- 5) Other adjustments affect the opening undistributed profit by 0.00 yuan in total.

44. Operating income and operating cost

Unit: Yuan

Item	Amount Incurred in Current Period		Amount Incurred in the Previous Period	
	Income	Cost	Income	Cost
Main business	56,781,606,864.49	53,523,342,363.25	62,387,958,459.56	57,905,561,816.09
Other business	1,799,499,394.04	1,384,734,160.18	1,936,682,311.08	1,495,805,527.40
Total	58,581,106,258.53	54,908,076,523.43	64,324,640,770.64	59,401,367,343.49

Whether the audited lower net profit before and after the deduction of non-recurring profit or loss is negative

☑Yes ☐No

Unit: Yuan

Item	Current Year	Specific Deductions	Previous Year	Specific Deductions
Amount of operating income	58,581,106,258.53	Sales revenue of complete vehicles, parts and components, materials, purchased semi-finished products, etc.	64,324,640,770.64	Sales revenue of complete vehicles, parts and components, materials, purchased semi-finished products, etc.
Total amount of operating income deduction items	356,109,842.75	Lease income and revenue of subsidiaries from the beginning of the period to the combination date in business combinations under common control	431,418,385.07	Lease income and revenue of subsidiaries from the beginning of the period to the combination date in business combinations under common control
Proportion of total amount of operating income deduction items in operating income	0.61%		0.67%	
I. Business income irrelevant to the main business				
1. Other business income other than normal operation. Income from the leasing of fixed assets, intangible assets, packaging materials, sales of materials, exchange of non-monetary assets with materials, operation of trusteeship management business, etc., and income that is included in the	25,222,637.35	Rental income	11,310,091.46	Rental income

main business income but belongs to income other than the normal operation of listed companies.				
2. Revenue of subsidiaries from the beginning of the period to the combination date in business combinations under common control	330,887,205.40	Revenue of subsidiaries from the beginning of the period to the combination date in business combinations under common control	420,108,293.61	Revenue of subsidiaries from the beginning of the period to the combination date in business combinations under common control
Subtotal of business income irrelevant to the main business	356,109,842.75	Lease income and revenue of subsidiaries from the beginning of the period to the combination date in business combinations under common control	431,418,385.07	Lease income and revenue of subsidiaries from the beginning of the period to the combination date in business combinations under common control
II. Income without commercial substance				
Subtotal of income without commercial substance	0.00	N/A	0.00	N/A
III. Other incomes irrelevant to the main business or without commercial substance	0.00	N/A	0.00	N/A
Amount of operating income after deduction	58,224,996,415.78	Excluding lease income and revenue of subsidiaries from the beginning of the period to the combination date in business combinations under common control	63,893,222,385.57	Excluding lease income and revenue of subsidiaries from the beginning of the period to the combination date in business combinations under common control

Other description

Information related to the transaction price apportioned to the remaining performance obligation: At the end of the reporting period, the income corresponding to the performance obligations that have been signed but have not been performed or fulfilled is 633,128,232.65 yuan, of which 633,128,232.65 yuan is expected to be recognized in 2025.

45. Taxes and surcharges

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Urban maintenance and construction tax	24,096,553.91	56,747,629.14
Education surcharges	15,981,804.33	36,481,730.95
Property tax	71,614,904.12	70,287,308.66
Land use tax	44,935,261.58	35,743,310.23
Vehicle and vessel use tax	129,183.90	153,731.13
Stamp duty	61,581,104.85	62,913,176.18
Environmental protection tax	667,407.02	284,890.41
Others	1,401,800.93	1,270,062.43
Total	220,408,020.64	263,881,839.13

Other description: none

46. Administrative expenses

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Employee compensation	1,036,574,708.68	1,165,957,695.26
Repair cost of fixed assets	200,223,047.11	224,298,550.15
Depreciation cost	134,953,520.82	135,496,348.78
Amortization of intangible assets	92,882,626.65	89,101,204.84
Information system service fee	40,195,945.27	45,902,720.17
Labor outsourcing fee	38,843,662.53	43,793,358.88
Rental fee	31,039,387.49	30,936,892.44
Kinetic energy and workshop heating cost	28,457,378.32	30,230,843.03
Travel expense	25,567,986.89	26,959,825.27
Test and inspection fee	19,455,221.58	16,551,475.16
Publicity fee	18,704,673.47	14,480,896.95
Sewage charge	16,276,329.49	24,116,561.43
Consultation expenses	14,923,324.98	25,168,917.70
Environmental improvement fee	12,388,194.76	13,254,188.88
Security deposit for the disabled	8,946,720.97	7,933,560.44

Property insurance	6,633,180.44	7,057,973.90
Authentication fee	6,614,996.60	5,033,526.02
Office expenses	6,308,679.04	7,404,843.25
Amortization of low-value consumables	5,847,170.42	9,810,114.81
Others	35,815,721.59	32,749,534.91
Total	1,780,652,477.10	1,956,239,032.27

Other description: none

47. Sales expenses

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Employee compensation	606,050,106.71	573,571,126.18
Travel expense	132,924,519.61	92,948,369.87
Packing cost	122,479,099.15	98,493,329.64
Storage fee	120,442,414.18	121,382,744.57
Sales service fee	58,823,277.30	24,546,263.54
Rental fee	56,013,886.40	48,965,173.65
Publicity expenses	54,592,817.18	55,127,804.87
Promotion fee	26,754,452.90	9,754,960.71
Depreciation cost	15,341,686.60	5,773,216.23
Labor outsourcing	14,169,830.66	14,007,484.23
Insurance premium	12,634,504.23	2,110,840.38
Office expenses	6,868,963.20	4,587,091.58
Conference expenses	6,355,536.81	5,637,425.69
Consultation expenses	5,757,883.34	8,022,625.48
Customer training fee	4,854,480.39	2,255,558.39
Exhibition fees	2,716,158.55	5,510,100.63
Business entertainment expenses	1,427,702.24	1,210,866.54
Others	25,120,276.47	29,693,729.92
Total	1,273,327,595.92	1,103,598,712.10

Other description: none

48. R&D expenses

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Labor cost	1,484,942,094.42	1,636,551,834.14
Material cost	187,891,190.14	466,540,598.59
Test fee	279,968,389.34	316,626,655.94
Depreciation amortization expense	239,634,685.96	254,417,232.35

Water, electricity and gas charges	58,957,598.67	84,675,033.97
Technical development cost	47,994,217.53	58,499,726.43
Others	110,097,465.70	164,946,797.74
Total	2,409,485,641.76	2,982,257,879.16

Other description: none

49 Financial expenses

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Interest expense	2,594,098.03	4,228,160.85
Interest income	-619,382,020.15	-810,531,561.26
Exchange gain or loss	-81,571,963.58	22,472,253.73
Cash discount	-130,500,808.28	-173,364,601.86
Net actuarial interest	17,984,781.72	22,534,650.42
Fees and other charges	4,904,245.62	1,594,238.66
Total	-805,971,666.64	-933,066,859.46

Other description: none

50. Other income

Unit: Yuan

Sources of other income	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Additional deduction of VAT	509,114,356.63	64,529,919.18
Refund of handling fees to individual income tax	2,035,928.98	2,021,691.30
Government subsidies	618,258,791.46	546,840,041.28
Total	1,129,409,077.07	613,391,651.76

51. Investment income

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Income from long-term equity investments accounted for using the equity method	310,581,812.67	347,980,074.28
Investment income from the disposal of long-term equity investment	469,265,324.69	
Others	-150,154,510.85	-65,651,226.20
Total	629,692,626.51	282,328,848.08

Other description: none

52. Credit impairment loss

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Bad debt losses of notes receivable	207,820.97	586,187.61
Bad debt losses of accounts receivable	-12,108,686.11	-40,506,126.54
Bad debt losses of other receivables	80,572,073.84	-19,414,371.16
Bad debt losses of long-term receivables	-14,179,402.72	-36,050,114.74
Total	54,491,805.98	-95,384,424.83

Other description: none

53. Asset impairment loss

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
I. Inventory falling price loss and contract performance cost impairment loss	-352,663,464.80	-185,910,574.96
II. Loss from fixed assets impairment		-6,128,378.48
III. Loss from contractual asset impairment	-159,644.74	-228,908.47
Total	-352,823,109.54	-192,267,861.91

Other description: none

54. Income from assets disposal

Unit: Yuan

Sources of income from assets disposal	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Gains from disposal of fixed assets ("-" for loss)	-2,556,989.65	8,226,688.31
Gains from disposal of intangible assets ("-" for losses)		184,441,684.84
Total	-2,556,989.65	192,668,373.15

55. Non-operating income

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period	Amount included in current non-recurring profits and losses
Unpayable amounts confirmed	69,577,213.54	110,679,101.87	69,577,213.54
Income from compensation, liquidated damages and fines	22,783,642.56	25,287,277.01	22,783,642.56
Gains from damage and retirement of non-current assets	841,253.88	891,307.00	841,253.88
Others	8,290,435.68	60,980,082.35	8,290,435.68
Total	101,492,545.66	197,837,768.23	101,492,545.66

Other description: none

56. Non-operating expenses

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period	Amount included in current non-recurring profits and losses
Donation	8,988,110.00	12,050,000.00	8,988,110.00
Losses from damage and retirement of non-current assets	1,873,692.16	4,685,419.26	1,873,692.16
Expenditure of liquidated damages and penalties	17,552,554.47	10,494,522.73	17,552,554.47
Others	370,560.94	295,204.99	370,560.94
Total	28,784,917.57	27,525,146.98	28,784,917.57

Other description: none

57. Income tax expenses**(1) Statement of income tax expenses**

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Current income tax expenses	126,075,087.26	138,928,165.68
Deferred income tax expense	-459,297,534.77	-445,815,827.89
Total	-333,222,447.51	-306,887,662.21

(2) Adjustment process of accounting profits and income tax expenses

Unit: Yuan

Item	Amount Incurred in Current Period
Total profits	326,048,704.78
Income tax expense calculated at statutory/applicable tax rate	81,512,176.20
Effect of different tax rates applied to subsidiaries	163,745,525.94
Effect of adjustment to income tax of previous periods	-80,960,321.67
Effect of non-taxable income	-664,042.49
Effect of non-deductible costs, expenses and losses	14,140,005.68
Effect of using the deductible losses of deferred tax assets not recognized in the previous periods	-149,167,006.39
Effects of deductible temporary differences or deductible losses of deferred income tax assets unrecognized in the current period	9,443,668.44
Profit or loss of joint ventures and associated enterprises calculated by equity method	-74,015,068.69
Tax effect of R&D expenses plus deduction (to be listed with "-")	-296,687,406.45
Others	-569,978.09
Income tax expenses	-333,222,447.51

Other description:

58. Other comprehensive incomes

For details, please refer to 40 in VII "Notes to Consolidated Financial Statements" of Section X - Financial Report.

59. Items of cash flow statement**(1) Cash related to operating activities**

Other cash received related to operating activities

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Government subsidies received	571,544,389.16	495,135,671.78
Collection and payment	391,660,955.82	591,395,448.15
Bank interest	126,285,131.12	704,789,225.69
Fines and indemnities received	13,638,624.11	6,771,123.26
Rental fee received	13,306,512.62	20,310,385.96
Recovery of reserve funds	1,657,105.19	3,864,873.02

Refund of handling fees	952,392.24	788,831.31
Deposits received	753,316.41	25,639,855.20
Other current accounts	26,510,089.62	64,744,297.38
Total	1,146,308,516.29	1,913,439,711.75

Description of other cash received related to operating activities:

Other cash paid related to operating activities

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Out-of-pocket expenses	1,137,805,570.04	1,343,669,941.85
Current account	277,620,463.50	414,443,028.61
Donations	8,988,110.00	12,050,000.00
Total	1,424,414,143.54	1,770,162,970.46

Description of other cash payments related to operating activities:

(2) Cash related to investing activities

Cash received from significant investing activities

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Disposal price of long-term equity investments accounted for using the equity method	4,357,068,905.33	
Total	4,357,068,905.33	

Description of other cash received related to investing activities:

Other cash paid related to investing activities

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Fixed deposits	2,400,000,000.00	
Cash attached to the invested business		17,676,304.33
Total	2,400,000,000.00	17,676,304.33

Cash paid for important investing activities

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Cash paid for the purchase of equity in FAW (Africa) Investment	180,371,837.52	

Co., Ltd.		
Cash paid to purchase the equity of Jiefang Motors Tanzania Ltd.	40,460,300.41	
Total	220,832,137.93	

Description of other cash paid related to investing activities:

(3) Cash related to financing activities

Cash received relating to other financing activities

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Dividends returned by the original shareholders of the subsidiary		16,400,000.00
Total		16,400,000.00

Cash received from other financing activities:

Other cash paid related to financing activities

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Principal and interest on lease liabilities	16,667,194.16	28,987,570.03
Total	16,667,194.16	28,987,570.03

Description of other cash payments related to financing activities:

Changes in liabilities arising from financing activities

Applicable Not applicable

60. Supplementary information to cash flow statement

(1) Supplementary information to cash flow statement

Unit: Yuan

Supplementary Information	Amount in the current period	Amount of the Previous Period
1. Reconciliation of net profit to cash flows from operating activities		
Net Profit	659,271,152.29	828,299,693.66
Add: impairment provision of assets	298,331,303.56	287,652,286.74
Depreciation of fixed assets, depletion of oil and gas assets and productive biological assets	1,780,705,889.72	1,651,696,628.24
Depreciation of right-of-use asset	51,883,038.66	67,697,072.30
Amortization of intangible assets	205,690,065.43	188,260,081.04

Amortization of long-term deferred expenses		130,771.72
Losses from disposal of fixed assets, intangible assets and other long-term assets (incomes to be listed with "-")	2,556,989.65	-192,668,373.15
Loss from retirement of fixed assets (incomes to be listed with "-")	1,873,692.16	4,685,419.26
Loss from changes in fair value (incomes to be listed with "-")		
Financial expenses (incomes to be listed with "-")	-474,436,370.43	-383,221,499.22
Investment losses (incomes to be listed with "-")	-779,847,137.36	-448,976,452.61
Decrease of deferred income tax assets (increase to be listed with "-")	-449,315,465.25	-417,012,690.00
Increases of deferred income tax liabilities (decrease to be listed with "-")	11,114,174.97	-29,271,199.00
Decrease in inventories (increase to be listed with "-")	-413,235,112.72	-3,189,313,118.26
Decrease in operating receivables (increase to be listed with "-")	-10,160,069,654.49	-1,828,364,906.10
Increase in operating items payable (decrease to be listed with "-")	3,504,475,291.22	7,739,492,761.57
Others	-89,284,164.46	-189,413,082.41
Net cash flows from operating activities	-5,850,286,307.05	4,089,673,393.78
2. Major investment and financing activities not related to cash deposit and withdrawal:		
Conversion of debt into capital		
Convertible corporate bonds within one year		
Fixed assets acquired under financial lease		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	19,391,201,104.68	23,108,714,054.86
Less: opening balance of cash	23,108,714,054.86	21,428,741,608.88
Add: ending balance of cash equivalents		
Less: opening balance of cash equivalents		
Net increase in cash and cash equivalents	-3,717,512,950.18	1,679,972,445.98

(2) Net cash paid for the acquisition of subsidiaries in the current period

Unit: Yuan

	Amount
Cash or cash equivalents paid in the current period for business combination occurred in the current period	220,832,137.93
Including:	
FAW (Africa) Investment Co., Ltd.	180,371,837.52
Jiefang Motors Tanzania Ltd.	40,460,300.41
Less: cash and cash equivalents held by subsidiaries on the acquisition date	663,903,958.50
Including:	
FAW (Africa) Investment Co., Ltd.	605,709,893.05

Jiefang Motors Tanzania Ltd.	58,194,065.45
Including:	
Net cash paid to acquire subsidiaries	-443,071,820.57

Other description:

(3) Composition of cash and cash equivalents

Unit: Yuan

Item	Ending balance	Opening balance
I. Cash	19,391,201,104.68	23,108,714,054.86
Including: cash on hand	300,158.23	38,698.84
Bank deposits readily available for payment	19,390,900,946.45	23,108,675,356.02
II. Ending balance of cash and cash equivalents	19,391,201,104.68	23,108,714,054.86

61. Notes to items of the statement of changes in owners' equity

Description of "Other" items adjusting prior year-end balances and adjustment amounts:

(1) Due to retrospective adjustments from business combinations under common control, capital reserves at the beginning of the current period increased by 374,018,599.98 yuan, other comprehensive income decreased by 118,685,308.30 yuan, surplus reserves and retained earnings increased by 5,105,359.06 yuan and 54,756,122.34 yuan respectively, and non-controlling interests increased by 245,455,442.13 yuan;

(2) Due to retrospective adjustments from business combinations under common control, capital reserves at the beginning of the previous period increased by 374,018,599.99 yuan, other comprehensive income decreased by 114,022,743.06 yuan, surplus reserves and retained earnings increased by 4,546,767.65 yuan and 3,222,985.59 yuan respectively, and non-controlling interests increased by 218,280,811.16 yuan.

62. Foreign currency monetary items

(1) Foreign currency monetary items

Unit: Yuan

Item	Foreign Currency Balance at the End of the Period	Exchange rate	Ending Balance Converted into CNY
Monetary capital			579,723,964.46
Including: USD	26,404,557.94	7.1884	189,817,608.35
EUR	500,030.77	7.5257	3,763,081.57
HKD			
USD	32,290,338.08	7.3008	235,746,559.59
Shilling	2,792,828,760.38	0.0030	8,385,110.52

Rand	364,132,319.04	0.3900	142,011,604.43
Accounts receivable			527,513,308.71
Including: USD	41,557,598.18	7.1884	298,788,820.27
EUR			
HKD			
USD	12,884,411.01	7.3008	94,067,010.37
Shilling	845,789,494.76	0.0030	2,539,374.59
Rand	338,764,367.91	0.3900	132,118,103.48
Long-term loans			
Including: USD			
EUR			
HKD			
Other receivables	29,126,617.29		5,316,727.06
Including: USD	660,000.00	7.1884	4,745,400.00
USD	66,575.85	7.3008	486,059.57
Shilling	28,400,041.44	0.0030	85,267.49
Accounts payable	1,292,069,625.04		958,899,948.55
Including: USD	124,897,104.67	7.1884	897,810,669.16
Shilling	1,018,373,175.72	0.0030	3,057,534.98
Rand	148,799,344.65	0.3900	58,031,744.41
Other payables	33,915,715.95		19,501,001.53
Including: USD	922,845.42	7.1884	6,633,782.02
Rand	32,992,870.53	0.3900	12,867,219.51

Other description:

(2) Description of overseas operating entities, including the disclosure of main overseas business place, recording currency and selection basis, or changes in the recording currency (if any) for important overseas operating entities.

Applicable Not applicable

Unit	Business place	Registered Capital	Recording currency
FAW Jiefang Austria R&D Co., Ltd.	Steyr, Austria	EUR 2 million	EUR
Jiefang Motors Tanzania Ltd.	Dar es Salaam, Tanzania	220 thousand shillings	Tanzanian shilling
FAW Vehicle Manufacturing South Africa Co., Ltd.	Johannesburg, South Africa	624.339531 million Rand	South African Rand

63. Lease

(1) The Company acting as the lessee

Applicable Not applicable

Variable lease payments not included in the measurement of lease liabilities

Applicable Not applicable

Lease expenses for simplified short-term leases or low-value asset leases

Applicable Not applicable

As the lessee Unit: Yuan

Item	Amount Incurred in Current Period
Short-term lease expense	44,499,835.93
Low-value asset lease expense	
Variable lease payments not included in the measurement of lease liabilities	
Total	44,499,835.93

Circumstances involving sale and leaseback transactions

(2) The Company acting as the lessor

Operating lease with the Company acting as the lessor

Applicable Not applicable

Unit: Yuan

Item	Rental income	Including: income related to variable lease payments not included in the lease receipts
Rental income	25,222,637.35	
Total	25,222,637.35	

Financing lease with the Company acting as the lessor

Applicable Not applicable

Yearly undiscounted lease receipts for the next five years

Applicable Not applicable

(3) Gains and losses recognized from sales of finance lease as a manufacturer or distributor

Applicable Not applicable

VIII. R&D Expenditures

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Including: Expensed R&D expenditure	2,409,485,641.76	2,982,257,879.16
Capitalized R&D expenditure	390,738,120.65	122,705,199.95

1. R&D projects eligible for capitalization

Unit: Yuan

Item	Opening balance	Increase in the Current Period		Decrease in the Current Period		Ending balance
		Internal development expenditures	Others	Recognized as intangible assets	Transferred to current profits and losses	
A2205	5,393,345.15	18,154,652.03				23,547,997.18
A2207	9,870,532.29	31,664,765.51				41,535,297.80
A2208	12,756,268.51	17,768,467.74				30,524,736.25
A2209	26,396,041.18	5,651,329.61				32,047,370.79
A2305	12,547,492.73	26,952,715.67				39,500,208.40
A2306	16,094,984.19	30,976,947.51				47,071,931.70
A2307	2,723,108.10	59,728,261.87				62,451,369.97
A2308	12,945,847.92	34,002,797.55				46,948,645.47
L126		22,108,818.25				22,108,818.25
L2403		38,408.37				38,408.37
L2405		228,815.19				228,815.19
T2208	8,944,559.08	26,172,820.94				35,117,380.02
T2209	2,201,651.44	12,356,137.14				14,557,788.58
T2303		1,611,856.86				1,611,856.86
T2402		778,994.99				778,994.99
XC2311120		8,011,745.85				8,011,745.85
XC2411020		7,488,163.90				7,488,163.90
XC2411030		7,794,198.22				7,794,198.22
XC2411098		12,152,129.50				12,152,129.50
XC2411107		2,967,534.05				2,967,534.05
Z2407		12,299,822.33				12,299,822.33
Z2408		9,466,942.22				9,466,942.22
Z2409		9,393,773.35				9,393,773.35
Z2442		32,424,484.68				32,424,484.68
Z2443		411,413.51				411,413.51
Z2444		132,123.81				132,123.81
Total	109,873,830.59	390,738,120.65				500,611,951.24

Significant capitalized R&D projects

Item	R&D progress	Expected completion time	Expected generation method of economic benefits	Time point of capitalization starting	Specific basis for capitalization starting
A2207	Engineering design and verification	November 30, 2026	Production and sales	January 1, 2023	Being adopted by consideration and decision-making

					at the project review meeting
A2208	Engineering design and verification	November 30, 2026	Production and sales	January 1, 2023	Being adopted by consideration and decision-making at the project review meeting
A2209	Trial production	June 30, 2025	Production and sales	January 1, 2023	Being adopted by consideration and decision-making at the project review meeting
A2308	Engineering design and verification	June 1, 2026	Production and sales	March 1, 2023	Being adopted by consideration and decision-making at the project review meeting
A2306	Small batch release	January 1, 2025	Production and sales	March 1, 2023	Being adopted by consideration and decision-making at the project review meeting
A2307	Engineering design and verification	February 1, 2026	Production and sales	March 1, 2023	Being adopted by consideration and decision-making at the project review meeting
A2305	Engineering design and verification	February 1, 2026	Production and sales	March 1, 2023	Being adopted by consideration and decision-making at the project review meeting
T2208	Engineering design and verification	April 30, 2026	Production and sales	January 1, 2023	Being adopted by consideration and decision-making at the project review meeting
Z2442	Passed the PDCP node	December 1, 2025	Production and sales	June 1, 2024	Being adopted by consideration and decision-making at the project review meeting
Z2407	Completed the loading of the engineering prototype	December 31, 2025	Production and sales	February 01, 2024	Being adopted by consideration and decision-making at the project review meeting
T2209	Trial production	January 30, 2025	Production and sales	January 1, 2023	Being adopted by consideration and

					decision-making at the project review meeting
L126	A round of reliability validation/producti on approval for launching/TR4A stage	May 10, 2026	Production and sales	April 7, 2024	Being adopted by consideration and decision-making at the project review meeting
A2205	A round of reliability validation/producti on approval for launching/TR4A	June 1, 2027	Production and sales	December 1, 2023	Being adopted by consideration and decision-making at the project review meeting

IX. Changes in Consolidation Scope**1. Business merger under common control****(1) Business combination under common control in the current period**

Unit: Yuan

Combined party	Proportion of equity acquired from business combination	Basis for business combination under common control	Merger date	Determination basis of the combination date	Revenue of the combined party from the beginning of the combination period to the combination date	Net profit of the combined party from the beginning of the combination period to the combination date	Revenue of the combined party during the comparison period	Net profit of the combined party during the comparison period
Jiefang Motors Tanzania Ltd.	100.00%	Under common control of FAW Group	December 31, 2024	Acquisition of control	523,442,328.24	52,510,826.99	530,967,163.42	19,982,474.73
FAW (Africa) Investment Co., Ltd.	55.00%	Under common control of FAW Group	December 31, 2024	Acquisition of control	1,746,073,985.00	80,333,656.68	1,505,245,964.57	48,405,046.95

Other description:

① In December 2024, the Company acquired 100% equity in Jiefang Motors Tanzania Ltd. from China Faw Group Import & Export Corp, a subsidiary of FAW Group, for 57,800,429.15 yuan in cash. Since both parties involved in the merger were under the control of FAW Group before and after the transaction, and this control was not temporary, this transaction constitutes a business combination under common control, with the merger date established as December 31, 2024.

② In December 2024, the Company acquired 55% equity in FAW (Africa) Investment Co., Ltd. from China Faw Group Import & Export Corp, a subsidiary of FAW Group, for 327,948,795.48 yuan in cash. Since both parties involved in the merger were under the control of FAW Group before and after the transaction, and this control was not temporary, this transaction constitutes a business combination under common control, with the merger date established as December 31, 2024.

(2) Combination cost

Unit: Yuan

Combination cost	Jiefang Motors Tanzania Ltd.	FAW (Africa) Investment Co., Ltd.
--Cash	57,800,429.15	327,948,795.48
- Book value of non-cash assets		
- Book value of debts issued or assumed		
- Par value of equity securities issued		
- Contingent consideration		

Contingent consideration and its changes:

Other description:

(3) Book value of the combined party's assets and liabilities on the combination date

Unit: Yuan

	Jiefang Motors Tanzania Ltd.		FAW (Africa) Investment Co., Ltd.	
	Merger date	End of the previous period	Merger date	End of the previous period
Assets:				
Monetary capital	58,194,065.45	42,602,811.40	605,709,893.05	582,266,689.87
Accounts receivable	216,488,946.64	203,701,695.49	213,477,432.80	150,020,783.88
Inventories	694,223,632.15	257,824,639.82	969,723,442.27	603,412,376.55
Fixed assets	182,854.41	126,818.59	80,367,306.48	100,436,261.73
Intangible assets	1,150,344.99	1,140,110.29	8,428,418.82	17,225,642.68
Prepayments	2,718,981.87	307,172.91	2,933,456.35	976,828.17
Other receivables	92,457.97	4,757,546.00	26,416,058.89	10,647,706.41
Current portion of non-current assets			89,852,372.01	164,027,995.75
Other current assets	12,267,535.02	3,091,040.17	16,655,624.57	9,008,457.64
Long-term receivables			652,158.39	
Right-of-use assets	195,598.02	912,063.10	7,244,798.19	10,534,906.20
Deferred income tax assets	11,054,066.78	6,495,150.60	80,561,338.54	56,991,609.49
Other non-current assets				2,288,899.80
Liabilities:	12,267,535.02	3,091,040.17	16,655,624.57	9,008,457.64
Loans				
Accounts payable	839,310,900.82	463,576,037.45	1,119,118,441.68	763,124,911.69
Contract liabilities	29,648,129.94	8,549,220.06	59,333,041.42	107,430,253.39
Employee compensation payable	1,932,283.48	1,802,026.86	1,977,378.53	1,440,815.43
Taxes payable	29,044,829.30	6,915,808.67	104,543,611.96	45,825,957.61
Other payables			20,123,901.52	7,246,730.73
Current portion of non-current liabilities	214,654.05	933,667.70	3,649,812.54	103,505,336.27
Other current liabilities	4,516,564.08	1,538,859.62		
Lease liabilities			4,219,734.42	7,479,859.01

Estimated liabilities	542,916.89	3,371,864.41	170,994,193.87	113,912,392.12
Deferred income tax liabilities	58,679.41		12,246,981.14	19,818,067.45
Net assets	91,299,525.33	34,271,563.60	605,815,203.28	538,053,834.47
Less: Minority equity			7,465,870.16	6,056,757.49
Net assets acquired	91,299,525.33		329,092,133.22	

Contingent liabilities assumed in business combinations:

Other description:

X. Equity in Other Entities

1. Equity in subsidiaries

(1) Composition of the enterprise group

Unit: Yuan

Name of Subsidiary	Registered Capital	Principal business place	Registered address	Nature of Business	Share proportion		Way of Acquisition
					Direct	Indirect	
FAW Jiefang Automotive Co., Ltd.	10,803,012,510.01	Changchun	Changchun	Vehicle manufacturing	100.00%		Business merger under common control
FAW Jiefang (Qingdao) Automotive Co., Ltd.	802,000,000.00	Qingdao	Qingdao	Vehicle manufacturing and sales	100.00%		Business merger under common control
FAW Jiefang Dalian Diesel Engine Co., Ltd.	1,400,000,000.00	Dalian	Dalian	Automotive engine manufacturing	100.00%		Business merger under common control
Wuxi Dahao Power Co., Ltd.	38,094,059.61	Wuxi	Wuxi	Manufacturing of automotive components and accessories	100.00%		Business merger under common control
FAW Jiefang Austria R&D Co., Ltd.	15,765,000.00	Austria	Austria	Technology research and development	100.00%		Business merger under common control
FAW Jiefang Automotive Sales Co., Ltd.	200,000,000.00	Changchun	Changchun	Vehicle sales	100.00%		Establishment by investment
FAW Jiefang Uni-D Transportation Technology (Tianjin) Co., Ltd.	90,000,000.00	Tianjin	Tianjin	Technical services and other services	100.00%		Establishment by investment
Jiefang Motors Tanzania Ltd.	1,654	Tanzania	Tanzania	Vehicle sales	100.00%		Business merger under common control

FAW (Africa) Investment Co., Ltd.	680,000,000.00	Chang chun	Chang chun	Vehicle sales	55.00%		Business merger under common control
FAW Vehicle Manufacturing South Africa Co., Ltd.	466,105,291.49	South Africa	South Africa	Vehicle manufacturing and sales	98.00%		Business merger under common control
FAW Jiefang Group International Automobile Co., Ltd.	200,000,000.00	Chang chun	Chang chun	Vehicle sales	100.00%		Establishment by investment

Description of the fact that the shareholding proportion in subsidiaries is different from the proportion of voting rights: none

Basis for holding half or less of the voting rights but still controlling the investee, and for holding more than half of the voting rights but not controlling the investee: none

Basis for control of important structured entities included in the consolidation scope: none

Basis for determining whether the Company is an agent or a principal: none

Other description: none

(2) Significant non-wholly owned subsidiary

Unit: Yuan

Name of Subsidiary	Minority shareholder percentage	Current period profit or loss attributable to minority shareholders	Dividends declared to minority shareholders for the period	Ending balance of minority shareholders' equity
FAW (Africa) Investment Co., Ltd.	45.00%	35,582,894.22	9,000,000.00	269,257,199.91
FAW Vehicle Manufacturing South Africa Co., Ltd.	2.00%	1,260,558.42		7,465,870.16

Description of differences between the shareholding percentage and voting rights percentage of minority shareholders in subsidiaries:

Other description:

(3) Key financial information of significant non-wholly owned subsidiaries

Unit: Yuan

Name of Subsidiary	Ending balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
FAW (Africa) Investment Co., Ltd.	1,924,768,279.94	177,254,020.42	2,102,022,300.36	1,308,746,187.65	187,460,909.43	1,496,207,097.08
FAW Vehicle Manufacturing South Africa Co., Ltd.	1,660,758,671.79	168,319,044.76	1,829,077,716.55	1,262,192,399.99	187,460,909.43	1,449,653,309.42

Unit: Yuan

Name of Subsidiary	Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
FAW (Africa) Investment Co., Ltd.	1,520,360,838.27	187,477,319.90	1,707,838,158.17	1,028,574,005.12	141,210,318.58	1,169,784,323.70
FAW Vehicle Manufacturing South Africa Co., Ltd.	1,190,163,654.43	178,936,593.43	1,369,100,247.86	918,921,155.37	141,210,318.58	1,060,131,473.95

Unit: Yuan

Name of Subsidiary	Amount Incurred in Current Period				Amount Incurred in the Previous Period			
	Operating Income	Net Profit	Total comprehensive income	Cash flow from operating activities	Operating Income	Net Profit	Total comprehensive income	Cash flow from operating activities
FAW (Africa) Investment Co., Ltd.	1,746,073,985.00	80,333,656.68	87,761,368.81	146,056,485.80	1,505,245,964.57	48,405,046.95	43,180,800.99	-126,826,562.67
FAW Vehicle Manufacturing South Africa Co., Ltd.	1,743,838,969.30	63,027,921.09	70,455,633.22	102,946,177.56	1,325,574,185.82	38,248,839.50	33,024,593.54	-167,469,638.42

Other description:

2. Equities in joint ventures or associated enterprise

(1) Important joint ventures or associated enterprises

Name of Joint Ventures or Associated Enterprises	Principal business place	Registered address	Nature of Business	Share proportion		Accounting Treatment Method for Investment in Joint Ventures or Associated Enterprises
				Direct	Indirect	
Sanguard Automobile Insurance Co., Ltd.	Changchun	Changchun	Financial insurance	17.50%		Equity method
FAW Changchun Ansteel Jiefang Steel Processing and Distribution Co., Ltd.	Changchun	Changchun	Industrial manufacturing	40.00%		Equity method
FAW Changchun Baoyou Jiefang Steel Processing and Distribution Co., Ltd.	Changchun	Changchun	Industrial manufacturing	21.81%		Equity method
Changchun Wabco Automotive Control System Co., Ltd.	Changchun	Changchun	Manufacturing of automotive components and accessories	40.00%		Equity method
Suzhou Zhito Technology Co., Ltd.	Suzhou	Suzhou	Research and experimental development	25.68%		Equity method
FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd.	Tianjin	Tianjin	Software and information technology services	10.00%		Equity method
SmartLink	Nanjing	Nanjing	Software and information technology services	29.48%		Equity method
Foshan Diyiyuansu New Energy Technology Co., Ltd.	Foshan	Foshan	Manufacturing and technical services	45.00%		Equity method
Changchun Automotive Test Center Co., Ltd.	Changchun	Changchun	Technical services	14.63%		Equity method
Jiefang Times New Energy Technology Co., Ltd.	Shijiazhuang	Shijiazhuang	Technical services and other services	50.00%		Equity method
Diyi AESC New Energy Power Technology (Wuxi) Co., Ltd.	Wuxi	Wuxi	Engineering and technology	49.00%		Equity method

			research and experiment development			
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Explanation of the fact that the shareholding proportion in joint ventures or associated enterprises is different from the proportion of voting rights: there is no difference between the shareholding proportion and the proportion of voting rights.

Basis for holding less than 20% of voting rights but with significant influence, or holding 20% or more of voting rights but without significant influence: The Company holds 17.50% of the shares of Sanguard Automobile Insurance Co., Ltd., but it sends one director to the later according to the Articles of Association of the later, so the Company can exert significant influence on Sanguard Automobile Insurance Co., Ltd. The Company holds 10.00% of the shares of FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd., but it sends three directors to the later according to the Articles of Association of the later, so the Company can exert significant influence on FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd. The Company holds a 14.63% equity interest in Changchun Automotive Test Center Co., Ltd. According to the Company's Articles of Association, the Company appoints one director to this entity, enabling the Company to exercise significant influence over Changchun Automotive Test Center Co., Ltd.

(2) Main financial information of important joint ventures

Unit: Yuan

	Ending Balance/Amount Incurred in Current Period	Opening Balance/Amount Incurred in Previous Period
	Jiefang Times New Energy Technology Co., Ltd.	Jiefang Times New Energy Technology Co., Ltd.
Current assets	227,009,344.13	106,516,730.29
Including: Cash and cash equivalents	116,492,002.58	23,493,644.57
Non-current assets	280,467,665.95	180,155,847.21
Total assets	507,477,010.08	286,672,577.50
Current liabilities	188,297,198.16	225,396.83
Non-current liabilities	235,991,858.58	203,389,215.33
Total liabilities	424,289,056.74	203,614,612.16
Minority equity		
Equity attributable to shareholders of the parent company	83,187,953.34	83,057,965.34
Shares of net assets calculated as per the shareholding proportion	41,593,976.67	41,528,982.67
Adjustments	-610,747.85	
--Goodwill		
--Unrealized profits from internal transactions		
--Others		

Book value of equity investment to joint ventures	40,983,228.82	41,528,982.67
The fair value of equity investment in joint ventures with a public offer		
Operating Income	478,132,676.54	23,610,012.53
Financial expenses		
Income tax expenses		
Net Profit	129,988.00	-6,942,034.66
Net profit from discontinued operations		
Other comprehensive incomes		
Total comprehensive income	129,988.00	-6,942,034.66
Dividends received from joint ventures in the current year		

Other description:

(3) Main financial information on important associated enterprises

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Unit: Yuan

	Ending Balance/Amount Incurred in Current Period								
	Sanguard Automobile Insurance Co., Ltd.	FAW Changchun Ansteel Jiefang Steel Processing and Distribution Co., Ltd.	Changchun Wabco Automotive Control System Co., Ltd.	FAW Changchun Baoyou Jiefang Steel Processing and Distribution Co., Ltd.	Suzhou Zhito Technology Co., Ltd.	FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd.	SmartLink	Foshan Diyiyuansu New Energy Technology Co., Ltd.	Changchun Automotive Test Center Co., Ltd.
Current assets	1,633,645,315.68	225,754,966.29	18,709,402.50	379,817,350.83	437,704,016.91	1,652,760,773.79	254,019,254.09	68,521,099.90	1,888,429,711.43
Non-current assets	728,117,619.35	56,379,164.36	21,176,837.03	52,684,567.98	65,076,092.06	553,963,942.84	205,199,282.03	379,084.99	2,106,666,455.86
Total assets	2,361,762,935.03	282,134,130.65	39,886,239.53	432,501,918.81	502,780,108.97	2,206,724,716.63	459,218,536.12	68,900,184.89	3,995,096,167.29
Current liabilities	422,757,528.38	62,347,851.84	3,051,437.70	228,746,889.03	299,946,243.29	1,676,736,398.91	336,302,462.02	5,602,229.38	216,419,291.20
Non-current liabilities	886,993,090.23			2,590,493.30	910,425,147.64	164,077,695.41	189,224,616.83		134,984,402.20
Total liabilities	1,309,750,618.61	62,347,851.84	3,051,437.70	231,337,382.33	1,210,371,390.93	1,840,814,094.32	525,527,078.85	5,602,229.38	351,403,693.40
Net Assets	1,052,012,316.42	219,786,278.81	36,834,801.83	201,164,536.48	-707,591,281.96	365,910,622.31	-66,308,542.73	63,297,955.51	3,643,692,473.89
Minority equity						7,600.52			445,046,483.22
Equity attributable to shareholders of the parent company	1,052,012,316.42	219,786,278.81	36,834,801.83	201,164,536.48	-707,591,281.96	365,903,021.79	-66,308,542.73	63,297,955.51	3,198,645,990.67
Shares of net assets calculated as per the shareholding	184,102,155.37	87,914,511.52	14,733,920.73	43,865,938.82	-181,709,441.21	36,590,302.18	-19,547,758.40	28,484,079.98	467,961,908.43

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proportion									
Adjustments						506,601.26			267,105,032.74
--Goodwill									
--Unrealized profits from internal transactions									
--Others									
Book value of equity investment in associated enterprises	184,102,155.37	87,914,511.50	14,733,920.76	43,865,938.84		37,096,903.44		28,484,079.98	735,066,941.17
Fair value of equity investment in associated enterprises with a public offer									
Operating Income	669,419,255.51	546,313,343.75	1,496,989.12	1,113,344,442.48	207,656,277.18	1,308,411,205.27	460,578,255.51	50,306,825.24	731,748,783.24
Net Profit	3,092,280.51	3,442,181.20	-1,451,672.89	31,653,595.49	-199,112,260.45	12,062,800.59	-76,034,225.12	-8,528,017.08	231,920,911.69
Net profit from discontinued operations									
Other comprehensive incomes	67,741,434.81								-340,000.00

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Total comprehensive income	70,323,180.91	3,442,181.20	-1,451,672.89	31,653,595.49	-199,112,260.45	12,062,800.59	-76,034,225.12	-8,528,017.08	231,580,911.69
Dividends received from associated enterprises in the current year		1,324,000.00		6,500,530.62		747,434.87			

Unit: Yuan

	Opening Balance/Amount Incurred in Previous Period								
	FAW Changchun Ansteel Jiefang Steel Processing and Distribution Co., Ltd.	Changchun Wabco Automotive Control System Co., Ltd.	FAW Changchun Baoyou Jiefang Steel Processing and Distribution Co., Ltd.	Suzhou Zhito Technology Co., Ltd.	FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd.	SmartLink	Foshan Diyiyuansu New Energy Technology Co., Ltd.	Changchun Automotive Test Center Co., Ltd.	Sanguard Automobile Insurance Co., Ltd.
Current assets	269,973,515.28	34,757,850.89	357,052,308.05	435,005,995.30	2,019,060,250.13	175,926,690.46	74,360,794.55	1,905,889,144.98	1,702,254,232.36
Non-current assets	61,635,140.40	24,179,782.51	49,442,981.99	86,241,055.85	845,687,497.81	183,160,633.97	1,980,391.85	1,778,261,365.48	876,220,650.46
Total assets	331,608,655.68	58,937,633.40	406,495,290.04	521,247,051.15	2,864,747,747.94	359,087,324.43	76,341,186.40	3,684,150,510.46	2,578,474,882.82
Current liabilities	111,751,776.05	18,443,724.53	205,065,072.99	127,443,900.05	2,188,704,666.79	286,751,551.15	2,530,641.78	148,517,574.12	409,136,482.45
Non-current liabilities			2,108,533.06	905,831,430.48	301,718,046.26	90,779,279.56		123,521,374.14	1,187,649,264.86
Total liabilities	111,751,776.05	18,443,724.53	207,173,606.05	1,033,275,330.53	2,490,422,713.05	377,530,830.71	2,530,641.78	272,038,948.26	1,596,785,747.31
Net Assets	219,856,879.63	40,493,908.87	199,321,683.99	-512,028,279.38	374,325,034.89	-18,443,506.28	73,810,544.62	3,412,111,562.20	981,689,135.51
Minority equity						-1,056,387.18		448,669,357.62	
Equity attributable to shareholders of the parent	219,856,879.63	40,493,908.87	199,321,683.99	-512,028,279.38	374,325,034.89	-17,387,119.10	73,810,544.62	2,963,442,204.58	981,689,135.51

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company									
Shares of net assets calculated as per the shareholding proportion	87,942,751.83	16,197,563.58	43,464,086.43	-131,488,862.14	37,432,503.49	-6,085,491.68	33,214,745.08	433,551,594.53	171,795,598.71
Adjustments					-449,647.25			267,105,032.74	
--Goodwill									
--Unrealized profits from internal transactions									
--Others									
Book value of equity investment in associated enterprises	87,942,751.83	16,197,563.58	43,464,086.43		36,982,856.24		33,214,745.08	700,656,627.27	171,795,598.71
Fair value of equity investment in associated enterprises with a public offer									
Operating Income	628,235,851.66	58,341,332.83	1,648,271,059.88	146,454,823.25	3,084,484,599.82	419,681,174.18		669,737,782.82	847,730,093.47
Net Profit	7,349,839.74	-2,726,506.37	29,810,742.99	-237,673,409.93	23,691,687.78	1,271,971.81	-6,189,455.38	220,843,105.36	-145,922,318.21
Net profit from discontinued operations									

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Other comprehensive incomes								-90,000.00	6,641,842.09
Total comprehensive income	7,349,839.74	-2,726,506.37	29,810,742.99	-237,673,409.93	23,691,687.78	1,271,971.81	-6,189,455.38	220,753,105.36	-139,280,476.12
Dividends received from associated enterprises in the current year	1,640,000.00		6,892,912.77						4,835,877.87

Other description:

(4) Excess losses incurred by joint ventures or associated enterprises

Unit: Yuan

Name of Joint Ventures or Associated Enterprises	Unrecognized Losses Accumulated in Prior Periods	Unrecognized Losses in the Current Period (or Net Profit Shared in the Current Period)	Accumulated Unrecognized Losses at the End of the Current Period
Suzhou Zhito Technology Co., Ltd.	131,488,862.14	50,220,579.07	181,709,441.21
SmartLink	6,085,491.68	13,462,266.72	19,547,758.40

Other description:

XI. Government subsidies**1. Government subsidies recognized at the receivable amount at the end of the reporting period**Applicable Not applicable

Reasons for failing to receive the expected amount of government subsidies at the expected time point

Applicable Not applicable**2. Liability items with government subsidies**Applicable Not applicable**3. Government subsidies included in the current profit or loss**Applicable Not applicable

Unit: Yuan

Account item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Government subsidies	618,258,791.46	611,369,960.46

Other description:

XII. Risks Related to Financial Instruments**1. Various risks arising from financial instruments****(1) Risk management objectives and policies**

The main financial instruments of the Company include monetary capital, notes receivable, accounts receivable, receivables financing, other receivables, non-current assets due within one year, other current assets, long-term receivables, other equity instrument investments, notes payable, accounts payable, other payables, non-current liabilities due within one year, and lease liabilities. Details of each financial instrument have been disclosed in relevant notes. The risks related to these financial instruments and the risk management policies adopted by the Company to reduce these risks are described below. The management of the Company manages and monitors these

risk exposures to ensure that the above risks are controlled within a limited range.

The Company carries out risk management to achieve an appropriate balance between risks and benefits, minimize the negative impact of risks on the Company's business performance, and maximize the interests of shareholders and other equity investors. The Company, based on the risk management objectives, adopts the basic risk management strategy of determining and analyzing various risks faced by the Company, establishing an appropriate baseline for risk tolerance and carrying out risk management, and supervising various risks in a timely and reliable manner to control the risks within a limited range.

Main risks caused by the financial instruments of the Company include credit risk, liquidity risk and market risk (including exchange rate risk and interest rate risk).

① Credit risk

Credit risk refers to the risk of financial loss to the Company caused by the counterparty's failure to perform its contractual obligations.

The Company manages credit risks by portfolio classification. Credit risk mainly arises from bank deposits, notes receivable, accounts receivable, other receivables, long-term receivables, etc.

The Company's deposits are mainly deposited in state-owned banks and other large and medium-sized listed banks, as well as First Automobile Finance Co., Ltd., and the Company does not expect significant credit risks in its bank deposits.

The Company makes relevant policies to control the credit risk exposure for notes receivable, accounts receivable, other receivables and long-term receivables. The Company evaluates the credit qualification of customers and sets the credit period based on their financial conditions, credit records and other factors such as current market situations. The Company monitors the credit records of customers regularly and takes measures such as written reminders, shortening of credit period or cancellation of credit period for customers with poor credit records, so as to ensure that the overall credit risk is within a controllable range.

The debtors of the Company's accounts receivable are customers distributed in different industries and regions. The Company carries out continuous credit assessments on the financial condition of accounts receivable and purchases credit guarantee insurance when appropriate.

The maximum credit risk exposure borne by the Company is the book value of each financial asset in the balance sheet. The Company does not provide any other guarantee that may expose the Company to credit risk.

The accounts receivable from the Company's five largest customers represent 83.50% of the Company's total accounts receivable (2023: 62.80%); The other receivables from the five companies with the largest outstanding amounts represent 69.41% of the Company's total other receivables (2023: 74.79%).

② Liquidity risk

Liquidity risk refers to the risk of capital shortage when the Company performs its obligations of settlement by delivering cash or other financial assets.

The Company maintains and monitors cash and cash equivalents deemed adequate by the management during liquidity risk management to meet the Company's operating needs and reduce the impact of fluctuations in cash

flows. The management of the Company monitors the use of bank loans and ensures compliance with the loan agreements. Meanwhile, the Company obtains commitments from major financial institutions to provide sufficient reserve funds to meet short-term and long-term funding needs.

The sources of the Company's working capital include funds generated from operating activities, bank loans and other loans. As of December 31, 2024, the Company's unused bank credit facilities amounted to 5.643 billion yuan (December 31, 2023: 17.203 billion yuan).

③ Market risk

Market risk of financial instruments refers to the risk of fluctuation in fair value or future cash flow of financial instruments due to the changes in market price, including interest rate risk, exchange rate risk and other price risks.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates. Interest rate risk may arise from both recognized interest-bearing financial instruments and unrecognized financial instruments.

The risk of changes in the cash flow of financial instruments caused by changes in interest rates of the Company is mainly related to bank loans with floating interest rates. It is the policy of the Company to maintain floating interest rates on these loans.

Sensitivity analysis of interest rate risk:

The sensitivity analysis of interest rate risk is based on the assumption that changes in market interest rates affect interest income or expenses on variable-rate financial instruments.

The Company had no interest-bearing debts such as bank loans as of December 31, 2024.

Exchange rate risk

Exchange rate risk refers to the risk of fluctuation in fair value or future cash flow of financial instruments due to changes in foreign exchange rates. Exchange rate risk may come from financial instruments denominated in a foreign currency other than the recording currency.

The Company's foreign exchange risk exposure is primarily related to the euro. Except for assets held by subsidiaries established in Austria, Tanzania, and South Africa that are denominated in euros, shillings, and rand, respectively, the Company's main business activities are priced and settled in CNY. The balance of Company's assets and liabilities were all in CNY as of December 31, 2024, except a small amount of monetary capital including the balance in EUR. Therefore, the Company does not believe that the exchange rate risk faced is significant.

(2) Capital management

The Company prepares a capital management policy to ensure the continuous operation of the Company, thus providing returns to shareholders, benefiting other stakeholders, and maintaining the best capital structure to reduce capital costs.

In order to maintain or adjust the capital structure, the Company may adjust the financing method, adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and other equity instruments, or sell assets to reduce debt.

The Company monitors the capital structure based on the asset-liability ratio (i.e. total liabilities divided by total assets). As at December 31, 2024, the asset-liability ratio of the Company is 63.44% (63.21% at the end of the previous year).

2. Financial assets

(1) Classification of transfer methods

Applicable Not applicable

(2) Financial assets derecognized due to transfer

Applicable Not applicable

(3) Financial assets with continuous involvement in asset transfer

Applicable Not applicable

Other description

XIII. Disclosure of Fair Value

1. Fair value of assets and liabilities measured at fair value at the end of the period

Unit: Yuan

Item	End-of-period fair value			
	Level I fair value measurement	Level II fair value measurement	Level III fair value measurement	Total
I. Ongoing fair value measurement	--	--	--	--
(I) Investment in other equity instruments	540,066,528.00			540,066,528.00
Total assets measured at fair value on an ongoing basis	540,066,528.00			540,066,528.00
II. Non-ongoing fair value measurement	--	--	--	--

2. Basis for determination of market prices for continuous and non-continuous level I measurement items at fair value

Quotations for the same assets or liabilities in active markets (unadjusted).

3. Valuation techniques and qualitative and quantitative information about key parameters of items subject to continuous and non-continuous level II fair value measurement

Observable input values other than market quotations for assets or liabilities in level I are used directly (i.e. price) or indirectly (i.e. derived from price).

4. Valuation techniques and qualitative and quantitative information about key parameters of items subject to continuous and non-continuous level III fair value measurement

Any input value (non-observable input value) not based on observable market data is used for assets or liabilities.

XIV. Related Parties and Related Party Transactions**1. Parent company of the Company**

Name of Parent Company	Registered address	Nature of Business	Registered Capital	Shareholding Proportion of the Parent Company in the Company	Proportion of Voting Rights of the Parent Company in the Company
FAW	Changchun	Production and sales of automobiles and parts	78 billion yuan	62.18%	62.18%

Description of the parent company of the Company: The ultimate controlling party of the Company is FAW Group.

Other description: The registered capital of the parent company did not change during the reporting period.

2. Subsidiaries of the Company

For details of subsidiaries of the Company, please refer to Article 1 in X "Equity in Other Entities" of Section X "Financial Report".

3. Information on joint ventures and associated enterprises of the Company

For details of important joint ventures or associated enterprises of the Company, please refer to Article 2 in X "Equity in Other Entities" of Section X "Financial Report".

Other joint ventures or associated enterprises that have related party transactions with the Company in the current period or in the previous period, resulting in balance, are as follows:

Name of Joint Ventures or Associated Enterprises	Relationship with the Company
Sanguard Automobile Insurance Co., Ltd.	Associated enterprise of the Company, the same ultimate controlling party
Changchun Automotive Test Center Co., Ltd.	Associated enterprise of the Company, the same ultimate controlling party
Changchun Ansteel Jiefang Metal Material Processing & Distribution Co., Ltd.	Associated enterprise of the Company
Changchun Wabco Automotive Control System Co., Ltd.	Associated enterprise of the Company
Suzhou Zhito Technology Co., Ltd.	Associated enterprise of the Company
FAW Changchun Baoyou Jiefang Steel Processing and Distribution Co., Ltd.	Associated enterprise of the Company
FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd.	Associated enterprise of the Company
SmartLink	Associated enterprise of the Company
Foshan Diyiyuansu New Energy Technology Co., Ltd.	Associated enterprise of the Company
Jiefang Times New Energy Technology Co., Ltd.	Joint venture of the Company
Diyi AESC New Energy Power Technology (Wuxi) Co., Ltd.	Associated enterprise of the Company

Other description:

4. Information on other related parties

Names Of Other Related Parties	Relationship between Other Related Parties and the Company
FAW Bestune Auto Co., Ltd.	The same ultimate controlling party
FAW Harbin Light-Automobile Co., Ltd.	The same ultimate controlling party
Sanguard Automobile Insurance Co., Ltd.	The same ultimate controlling party
FAW Logistics Co., Ltd.	The same ultimate controlling party
FAW Logistics (Changchun Lushun) Storage and Transportation Co., Ltd.	The same ultimate controlling party
FAW Logistics (Foshan) Co., Ltd.	The same ultimate controlling party
FAW Logistics (Qingdao) Co., Ltd.	The same ultimate controlling party
FAW (Dalian) International Logistics Co., Ltd.	The same ultimate controlling party
FAW Foundry Co., Ltd.	The same ultimate controlling party
FAW Forging (Jilin) Co., Ltd.	The same ultimate controlling party
FAW Mold Manufacturing Co., Ltd.	The same ultimate controlling party

China FAW Group Import & Export Co., Ltd.	The same ultimate controlling party
Qiming Information Technology Co., Ltd.	The same ultimate controlling party
Dalian Qiming Haitong Information Technology Co., Ltd.	The same ultimate controlling party
Jilin Qiming Anxin Information Security Technology Co., Ltd.	The same ultimate controlling party
FAW Asset Management Co., Ltd.	The same ultimate controlling party
Changchun FAW International Tendering Co., Ltd.	The same ultimate controlling party
FAW Zhixing Technology (Nanjing) Co., Ltd.	The same ultimate controlling party
Changchun Faw Service Trade Co., Ltd.	The same ultimate controlling party
FAW Changchun Automobile Trading Service Co., Ltd.	The same ultimate controlling party
Wuxi Sawane Spring Co., Ltd.	The same ultimate controlling party
FAW New Energy Vehicle Sales (Shenzhen) Co., Ltd.	The same ultimate controlling party
Changchun Automotive Test Center Co., Ltd.	The same ultimate controlling party
Hainan Tropical Automobile Test Co., Ltd.	The same ultimate controlling party
FAW-Volkswagen Automotive Co., Ltd.	The same ultimate controlling party
Changchun FAW Automobile Culture Communication Co., Ltd.	The same ultimate controlling party
Changchun FAW International Logistics Co., Ltd.	The same ultimate controlling party
FAW Southern (Shenzhen) Technology Development Co., Ltd.	The same ultimate controlling party
FAW Equity Investment (Tianjin) Co., Ltd.	The same ultimate controlling party
First Automobile Finance Co., Ltd.	The same ultimate controlling party
FAW-HONGTA Yunnan Automobile Co., Ltd.	The same ultimate controlling party
Cinda FAW Commercial Factoring Co., Ltd.	Other related parties
The Ninth Institute of Project Planning & Research of China Machinery Industry (FIPPR)	Other related parties
Changchun FAW United Casting Company	Other related parties
Changchun Yidong Clutch Co., Ltd.	Other related parties
Fawer Auto Parts Co., Ltd.	Other related parties
China Unicom Intelligent Network Technology Co., Ltd.	Other related parties
Changchun FAWSN Group Co., Ltd.	Other related parties
FAW Changchun Communication Technology Co., Ltd.	Other related parties
United Fuel Cell System R&D (Beijing) Co., Ltd.	Other related parties
Changchun FAWAY Automobile Components Co., Ltd.	Other related parties
FAW Jilin Automobile Co., Ltd.	Other related parties
Changchun Automotive Economic and Technological Development Zone Environmental Sanitation and Cleaning Co., Ltd.	Other related parties

FAW Jingye Engine Co., Ltd.	Other related parties
Wuxi CRRC New Energy Automobile Co., Ltd.	Other related parties
FAW Changchun Comprehensive Utilization Co., Ltd.	Other related parties
FAW Changchun Industrial Shuixing Rubber and Plastic Products Co., Ltd.	Other related parties
FAW Changchun Yanfeng Visteon Electronics Co., Ltd.	Other related parties
FAW Changchun Industrial Sodis Management Service Co., Ltd.	Other related parties
Shandong Pengxiang Automobile Co., Ltd.	Other related parties
FAW Changchun Tianqi Process Equipment Engineering Co., Ltd.	Other related parties
Hongqi Intelligent Mobility Technology (Beijing) Co., Ltd.	Other related parties
Grammer Vehicle Parts (Harbin) Co., Ltd.	Other related parties
Grammer Vehicle Parts (Qingdao) Co., Ltd.	Other related parties
Jilin Checheng Garden Hotel Co., Ltd.	Other related parties
Changchun Sodexo Management Service Co., Ltd.	Other related parties

Other description:

5. Related transactions

(1) Related transactions of purchasing or selling goods and providing or receiving labor services

Statement of Goods Purchase/Reception of Labor Services

Unit: Yuan

Related Parties	Content of Related Transaction	Amount Incurred in Current Period	Approved Transaction Amount	Is the Transaction Amount Exceeded	Amount Incurred in the Previous Period
China FAW Group Import & Export Co., Ltd.	Goods purchase and reception of labor services	48,192,920.53	375,350,000.00	No	25,285,761.48
Fawer Auto Parts Co., Ltd.	Goods purchase and reception of labor services	1,393,565,622.28	1,972,380,000.00	No	1,659,607,907.68
FAW Foundry Co., Ltd.	Goods purchase	657,358,784.92	931,140,000.00	No	719,806,260.27

	and reception of labor services				
Changchun FAWSN Group Co., Ltd.	Goods purchase and reception of labor services	511,097,465.83	604,920,000.00	No	477,587,989.87
FAW Changchun Baoyou Jiefang Steel Processing and Distribution Co., Ltd.	Goods purchase and reception of labor services	369,869,782.69	502,720,000.00	No	369,253,850.87
FAW Forging (Jilin) Co., Ltd.	Goods purchase and reception of labor services	365,403,123.07	557,310,000.00	No	457,919,812.83
Changchun Ansteel Jiefang Metal Material Processing & Distribution Co., Ltd.	Goods purchase and reception of labor services	358,054,094.91	516,630,000.00	No	377,742,520.02
Changchun FAWAY Automobile Components Co., Ltd.	Goods purchase and reception of labor services	339,991,796.88	585,000,000.00	No	468,240,684.46
Shandong Pengxiang Automobile Co., Ltd.	Goods purchase and reception of labor services	304,925,953.37	723,730,000.00	No	639,215,809.17
China FAW Co., Ltd.	Goods purchase and reception of services, fuel and power	252,730,203.20	460,000,000.00	No	334,754,422.65
FAW Logistics	Goods	241,776,955.70	426,220,000.00	No	312,669,087.26

(Qingdao) Co., Ltd.	purchase and reception of labor services				
SmartLink	Goods purchase and reception of labor services	220,434,387.96	302,560,000.00	No	201,735,640.71
FAW Logistics Co., Ltd.	Goods purchase and reception of labor services	219,212,318.30	495,900,000.00	No	382,993,131.18
Grammer Vehicle Parts (Harbin) Co., Ltd.	Goods purchase and reception of labor services	197,447,028.27	284,590,000.00	No	229,686,526.22
The Ninth Institute of Project Planning & Research of China Machinery Industry (FIPPR)	Goods purchase and reception of labor services	186,538,068.22	235,580,000.00	No	204,289,200.11
Changchun Yidong Clutch Co., Ltd.	Goods purchase and reception of labor services	183,035,565.44	250,180,000.00	No	200,320,876.60
Changchun Automotive Test Center Co., Ltd.	Goods purchase and reception of labor services	82,265,371.58	119,170,000.00	No	120,524,077.09
Qiming Information Technology Co., Ltd.	Goods purchase and reception of labor services	75,209,697.68	194,010,000.00	No	157,514,667.25
FAW Harbin Light-Automobile Co., Ltd.	Goods purchase	66,731,302.84	138,020,000.00	No	109,010,564.50

	and reception of labor services				
FAW Mold Manufacturing Co., Ltd.	Goods purchase and reception of labor services	44,109,513.62	60,000,000.00	No	14,470,053.09
FAW Logistics (Changchun Lushun) Storage and Transportation Co., Ltd.	Goods purchase and reception of labor services	40,700,350.99	50,000,000.00	No	75,055,638.23
Changchun Wabco Automotive Control System Co., Ltd.	Goods purchase and reception of labor services	40,435,106.61	50,000,000.00	No	50,209,527.83
FAW Jilin Automobile Co., Ltd.	Goods purchase and reception of labor services	29,630,896.32	251,930,000.00	No	17,773,899.93
FAW (Dalian) International Logistics Co., Ltd.	Goods purchase and reception of labor services	25,760,070.64	50,000,000.00	No	22,123,885.88
Sanguard Automobile Insurance Co., Ltd.	Goods purchase and reception of labor services	23,231,707.86	30,000,000.00	No	23,753,449.15
Suzhou Zhito Technology Co., Ltd.	Goods purchase and reception of labor services	17,926,888.44	30,000,000.00	No	1,769,496.50
China FAW Group Co., Ltd.	Goods purchase and	11,667,626.56	30,000,000.00	No	13,627,907.80

	reception of labor services				
FAW Changchun Automobile Trading Service Co., Ltd.	Goods purchase and reception of labor services	6,998,968.90	8,000,000.00	No	9,359,470.16
Wuxi Sawane Spring Co., Ltd.	Goods purchase and reception of labor services	5,739,515.66	8,000,000.00	No	5,795,996.05
FAW Changchun Communication Technology Co., Ltd.	Goods purchase and reception of labor services	5,666,483.91	8,000,000.00	No	36,244,311.07
FAW Changchun Comprehensive Utilization Co., Ltd.	Goods purchase and reception of labor services	5,249,146.17	8,000,000.00	No	6,269,917.66
Hainan Tropical Automobile Test Co., Ltd.	Goods purchase and reception of labor services	4,609,624.31	8,000,000.00	No	4,471,020.41
Changchun FAW United Casting Company	Goods purchase and reception of labor services	4,309,336.49	8,000,000.00	No	1,561,241.13
Hongqi Intelligent Mobility Technology (Beijing) Co., Ltd.	Goods purchase and reception of labor services	4,233,166.24	6,000,000.00	No	1,901,350.79
FAW-HONGTA Yunnan Automobile Co., Ltd.	Goods purchase and reception	3,385,823.36	6,000,000.00	No	3,333,481.77

	of labor services				
Wuxi CRRC New Energy Automobile Co., Ltd.	Goods purchase and reception of labor services	2,216,489.15	6,000,000.00	No	2,951,329.20
Changchun FAW International Logistics Co., Ltd.	Goods purchase and reception of labor services	2,042,163.88	6,000,000.00	No	
Changchun Sodexo Management Service Co., Ltd.	Goods purchase and reception of labor services	1,580,391.34	3,000,000.00	No	
FAW Asset Management Co., Ltd.	Goods purchase and reception of labor services	1,445,995.65	3,000,000.00	No	1,350,856.25
Changchun Automotive Economic and Technological Development Zone Environmental Sanitation and Cleaning Co., Ltd.	Goods purchase and reception of labor services	1,232,310.68	3,000,000.00	No	2,480,191.44
Dalian Qiming Haitong Information Technology Co., Ltd.	Goods purchase and reception of labor services	434,640.55	1,900,000.00	No	679,245.27
FAW Zhixing Technology (Nanjing) Co., Ltd.	Goods purchase and reception of labor services	393,773.74	1,000,000.00	No	157,699.08
FAW Changchun Yanfeng Visteon Electronics Co., Ltd.	Goods purchase and reception	217,579.40	1,000,000.00	No	530,977.43

	of labor services				
FAW Southern (Shenzhen) Technology Development Co., Ltd.	Goods purchase and reception of labor services	149,355.26	1,000,000.00	No	
FAW Logistics (Foshan) Co., Ltd.	Goods purchase and reception of labor services	7,650.00	1,000,000.00	No	4,050.00
Changchun FAW Automobile Culture Communication Co., Ltd.	Goods purchase and reception of labor services		1,000,000.00	No	82,355.84
Changchun FAW International Tendering Co., Ltd.	Goods purchase and reception of labor services	4,339.64	1,000,000.00	No	352,288.66
Jilin Checheng Garden Hotel Co., Ltd.	Goods purchase and reception of labor services	2,897.94	1,000,000.00	No	
Grammer Vehicle Parts (Qingdao) Co., Ltd.	Goods purchase and reception of labor services				
FAW Changchun Industrial Sodis Management Service Co., Ltd.	Goods purchase and reception of labor services				2,981,286.13
Changchun Faw Service Trade Co., Ltd.	Goods purchase and reception of labor				1,646,126.01

	services				
FAW Changchun Tianqi Process Equipment Engineering Co., Ltd.	Goods purchase and reception of labor services				1,575,945.99
Jilin Qiming Anxin Information Security Technology Co., Ltd.	Goods purchase and reception of labor services				208,000.00
China Unicom Intelligent Network Technology Co., Ltd.	Goods purchase and reception of labor services				65,672.64

Statement of Goods Sales/Rendering of Services

Unit: Yuan

Related Parties	Content of Related Transaction	Amount Incurred in Current Period	Amount Incurred in the Previous Period
China FAW Group Import & Export Co., Ltd.	Sales of goods	12,208,203,691.11	11,568,030,597.11
FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd.	Sales of goods	1,070,399,702.99	2,446,872,744.97
Jiefang Times New Energy Technology Co., Ltd.	Sales of goods	214,999,831.32	298,543,205.58
FAW Changchun Comprehensive Utilization Co., Ltd.	Sales of goods	181,631,688.30	205,149,077.38
Changchun Faw Service Trade Co., Ltd.	Sales of goods	170,491,057.39	17,192,553.61
China FAW Group Co., Ltd.	Sales of goods	62,262,063.78	
Suzhou Zhito Technology Co., Ltd.	Sales of goods	32,391,918.11	8,676,773.64
FAW Harbin Light-Automobile Co., Ltd.	Sales of goods	24,481,436.37	230,480,872.70
FAW Asset Management Co., Ltd.	Sales of goods	20,944,655.05	8,792,475.43
SmartLink	Sales of goods	8,196,340.81	107,773,406.53
China FAW Co., Ltd.	Sales of goods	4,753,955.93	17,191,730.77
FAW Logistics (Qingdao) Co., Ltd.	Sales of goods	4,764,279.24	141,854.72

FAW Foundry Co., Ltd.	Sales of goods	4,233,103.98	11,614.68
Grammer Vehicle Parts (Harbin) Co., Ltd.	Sales of goods	2,552,270.00	106,470.00
Changchun Yidong Clutch Co., Ltd.	Sales of goods	1,709,226.48	2,620,014.69
Fawer Auto Parts Co., Ltd.	Sales of goods	1,579,535.98	719,960.37
FAW Logistics Co., Ltd.	Sales of goods	928,362.64	218,688.15
United Fuel Cell System R&D (Beijing) Co., Ltd.	Sales of goods	563,852.74	883,287.65
Shandong Pengxiang Automobile Co., Ltd.	Sales of goods	499,679.96	1,310,470.28
Cinda FAW Commercial Factoring Co., Ltd.	Sales of goods	283,354.40	189,390.03
Qiming Information Technology Co., Ltd.	Sales of goods	181,862.73	1,730,374.32
FAW-HONGTA Yunnan Automobile Co., Ltd.	Sales of goods	122,822.65	
Changchun FAWSN Group Co., Ltd.	Sales of goods	78,102.10	6,086.49
FAW Equity Investment (Tianjin) Co., Ltd.	Sales of goods	75,670.00	
Foshan DiyiuanSU New Energy Technology Co., Ltd.	Sales of goods	70,642.95	80,254.07
FAW Changchun Communication Technology Co., Ltd.	Sales of goods	40,366.97	93,577.97
FAW Changchun Yanfeng Visteon Electronics Co., Ltd.	Sales of goods	5,136.78	7,562.98
Changchun Automotive Test Center Co., Ltd.	Sales of goods	2,174.19	2,443,809.58
Changchun FAWAY Automobile Components Co., Ltd.	Sales of goods		7,673.40
FAW Changchun Baoyou Jiefang Steel Processing and Distribution Co., Ltd.	Sales of goods		1,056,155.96
FAW Changchun Automobile Trading Service Co., Ltd.	Sales of goods		15,048,966.05
FAW Logistics (Changchun Lushun) Storage and Transportation Co., Ltd.	Sales of goods		63,448.12
FAW Forging (Jilin) Co., Ltd.	Sales of goods		57,933.33
Wuxi Sawane Spring Co., Ltd.	Sales of goods		14,150.94
FAW Bestune Auto Co., Ltd.	Sales of goods		10,211.32
FAW Jilin Automobile Co., Ltd.	Sales of goods		1,938.32

Description of related transactions of purchasing or selling goods and providing or receiving labor services:

(2) Related lease

The Company, as the lessor:

Unit: Yuan

Name of Lessee	Type of Leased Assets	Lease Income Recognized in the Current Period	Lease Income Recognized in the Previous Period
Changchun FAWAY Automobile Components Co., Ltd.	Houses and buildings, equipment	7,779,052.50	
Changchun Automotive Test Center Co., Ltd.	Houses, buildings and land	6,000,000.00	1,288,392.96
FAW Changchun Baoyou Jiefang Steel Processing and Distribution Co., Ltd.	Houses and Buildings	1,059,049.54	1,056,155.96
China FAW Co., Ltd.	Houses and Buildings	774,875.72	1,017,306.92
Shandong Pengxiang Automobile Co., Ltd.	Houses and Buildings	772,040.36	767,705.50
Fawer Auto Parts Co., Ltd.	Houses and Buildings	395,405.50	395,405.52
FAW Changchun Communication Technology Co., Ltd.	Houses, buildings and land	44,036.69	93,577.97
Foshan Diyi Yuansu New Energy Technology Co., Ltd.	Houses and Buildings	48,441.12	75,391.68

The Company, as the lessee:

Unit: Yuan

Name of lessor	Type of Lease Assets	Rental expenses for simplified short-term leases or low-value asset leases		Variable lease payments not included in the measurement of lease liabilities		Rent Paid		Interest Expense on Lease Liabilities Incurred		Increased Right-of-use Assets	
		Amount Incurred in Current Period	Amount Incurred in the Previous Period	Amount Incurred in Current Period	Amount Incurred in the Previous Period	Amount Incurred in Current Period	Amount Incurred in the Previous Period	Amount Incurred in Current Period	Amount Incurred in the Previous Period	Amount Incurred in Current Period	Amount Incurred in the Previous Period
China FAW Co., Ltd.	Houses and Buildings					5,439,057.94	11,954,237.52	154,694.08	623,377.44		629,506.67
China FAW Group Co., Ltd.	Land					4,265,876.00	3,913,647.70	114,069.31	302,739.30		
Changchun Automotive Test Center Co., Ltd.	Houses and Buildings						2,335,846.88	23,051.33	93,731.36		

Description of related leases

(3) Remuneration of key management personnel

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Remuneration of key management personnel	12,319,100.00	16,025,900.00

(4) Other related transactions

① Interest income and expenses Unit: Yuan

Related Parties	Transaction content	Amount in the current period	Amount of the Previous Period
First Automobile Finance Co., Ltd.	Interest income	137,754,954.50	96,959,146.12

② Equity investments Unit: Yuan

Related Parties	Amount Incurred in Current Period	Amount Incurred in the Previous Period
China FAW Group Import & Export Co., Ltd.	385,749,224.63	
Changchun Automotive Test Center Co., Ltd.		670,872,897.94

③ Equity sales Unit: Yuan

Related Parties	Amount Incurred in Current Period	Description
FAW	4,357,068,905.33	The Company signed an Equity Transfer Agreement with FAW Co., Ltd. to sell its 21.8393% equity stake in First Automobile Finance Co., Ltd.

④ Other financial services Unit: Yuan

Related Parties	Transaction content	Amount in the current period	Amount of the Previous Period
First Automobile Finance Co., Ltd.	Interest expense		494,444.40

6. Receivables and payables of related parties**(1) Receivables**

Unit: Yuan

Project name	Related Parties	Ending balance		Opening balance	
		Book balance	Provision for Bad Debts	Book balance	Provision for Bad Debts
Accounts receivable	China FAW Group Import & Export Co., Ltd.	5,859,058,467.14	7,201,938.50	565,602,786.91	1,438,890.29
Accounts receivable	Jiefang Times New Energy Technology	48,121,630.43	741,664.91	193,088,998.31	743,368.60

	Co., Ltd.				
Accounts receivable	FAW-HONGTA Yunnan Automobile Co., Ltd.	43,170,001.84	16,226,515.53	54,814,238.73	11,781,810.57
Accounts receivable	China FAW Group Co., Ltd.	18,690,000.00	52,332.00		
Accounts receivable	FAW Asset Management Co., Ltd.	5,535,503.14	460,080.44	454,999.94	454,999.94
Accounts receivable	FAW Harbin Light-Automobile Co., Ltd.	5,280,362.59	14,785.02	260,081,914.30	261,998.72
Accounts receivable	FAW Jingye Engine Co., Ltd.	1,820,957.23	1,820,958.23	1,820,957.23	1,820,957.23
Accounts receivable	China FAW Co., Ltd.	215,088.20	64.53	2,150,000.00	10,320.00
Accounts receivable	Grammer Vehicle Parts (Harbin) Co., Ltd.	128,609.10	360.11	116,052.30	557.05
Accounts receivable	Shandong Pengxiang Automobile Co., Ltd.	98,139.49	274.79	13,086.18	62.81
Accounts receivable	Fawer Auto Parts Co., Ltd.	113,274.44	317.17		
Accounts receivable	FAW Changchun Yanfeng Visteon Electronics Co., Ltd.	2,722.49	7.62		
Accounts receivable	SmartLink			5,106,986.20	5,106.99
Accounts receivable	United Fuel Cell System R&D (Beijing) Co., Ltd.			210,717.10	1,011.44
Accounts receivable	Qiming Information Technology Co., Ltd.			131,897.06	633.11
Accounts receivable	FAW Changchun Comprehensive Utilization Co.,			24,427.35	117.25

	Ltd.				
Accounts receivable	Changchun Yidong Clutch Co., Ltd.			15,885.93	76.25
Accounts receivable	Changchun FAWAY Automobile Components Co., Ltd.			8,670.94	41.62
Prepayments	FAW Mold Manufacturing Co., Ltd.	38,487,775.26		12,268,345.36	
Prepayments	China FAW Group Import & Export Co., Ltd.	10,406,342.22		291,602,226.68	
Prepayments	Qiming Information Technology Co., Ltd.	266,654.10		2,083,957.10	
Prepayments	The Ninth Institute of Project Planning & Research of China Machinery Industry (FIPPR)	267,810.00		600,000.00	
Prepayments	FAW Jilin Automobile Co., Ltd.			12,256,098.84	
Prepayments	Fawer Auto Parts Co., Ltd.	1,718.69			
Prepayments	Changchun Automotive Test Center Co., Ltd.			26,426,263.51	
Prepayments	SmartLink			5,473,400.00	
Prepayments	FAW Foundry Co., Ltd.			20,532.03	
Other receivables	First Automobile Finance Co., Ltd.	156,960,226.90			
Other receivables	FAW Jiefang Fujie (Tianjin) Technology Industry Co.,	747,434.87			

	Ltd.				
Other receivables	FAW Logistics Co., Ltd.	719,064.22	795.61	55,370.79	1,688.81
Other receivables	China FAW Group Import & Export Co., Ltd.	605,190.66	60.52		
Other receivables	FAW Jilin Automobile Co., Ltd.	538,200.00	538,200.00	538,200.00	538,200.00
Other receivables	Changchun Yidong Clutch Co., Ltd.	144,919.63	144,919.63		
Other receivables	FAW Forging (Jilin) Co., Ltd.	25,771.06	412.34	23,548.67	718.23
Other receivables	FAW Logistics (Changchun Lushun) Storage and Transportation Co., Ltd.	2,115.85	33.85	1,219.65	37.20
Other receivables	SmartLink			7,597,737.61	231,731.00
Other receivables	FAW Asset Management Co., Ltd.			3,124,921.61	93,785.11
Other receivables	FAW Mold Manufacturing Co., Ltd.			19,983.53	609.50

(2) Payables

Unit: Yuan

Project name	Related Parties	Ending book balance	Beginning Book Balance
Accounts payable	China FAW Group Import & Export Co., Ltd.	1,898,694,473.44	1,284,719,375.59
Accounts payable	Fawer Auto Parts Co., Ltd.	355,988,850.46	321,637,528.00
Accounts payable	FAW Foundry Co., Ltd.	91,061,337.27	44,286,964.68
Accounts payable	Changchun FAWAY Automobile Components Co., Ltd.	88,446,817.25	142,502,192.54
Accounts payable	Changchun FAWSN Group Co., Ltd.	85,321,175.51	33,612,267.32
Accounts payable	FAW Forging (Jilin) Co., Ltd.	52,222,805.16	76,891,932.23
Accounts payable	Shandong Pengxiang Automobile Co., Ltd.	50,367,519.94	95,007,782.33
Accounts	Changchun Yidong Clutch Co., Ltd.	38,821,930.69	52,247,878.28

payable			
Accounts payable	Grammer Vehicle Parts (Harbin) Co., Ltd.	28,653,515.03	10,120,909.07
Accounts payable	SmartLink	28,517,491.67	18,624,052.12
Accounts payable	FAW Harbin Light-Automobile Co., Ltd.	19,881,614.85	65,513,752.89
Accounts payable	China FAW Co., Ltd.	13,917,957.95	29,476,172.06
Accounts payable	Changchun Automotive Test Center Co., Ltd.	13,024,962.13	6,851,687.59
Accounts payable	FAW Logistics Co., Ltd.	12,125,258.95	80,290,107.51
Accounts payable	Qiming Information Technology Co., Ltd.	12,060,584.46	32,864,573.86
Accounts payable	FAW Logistics (Changchun Lushun) Storage and Transportation Co., Ltd.	11,418,896.25	8,629,745.71
Accounts payable	Suzhou Zhito Technology Co., Ltd.	5,359,358.44	10,237.07
Accounts payable	FAW (Dalian) International Logistics Co., Ltd.	2,913,425.11	6,942,812.41
Accounts payable	China FAW Group Co., Ltd.	2,167,054.00	2,212,607.00
Accounts payable	Changchun FAW International Logistics Co., Ltd.	2,164,693.74	
Accounts payable	FAW Changchun Automobile Trading Service Co., Ltd.	1,730,558.14	2,609,565.02
Accounts payable	Wuxi Sawane Spring Co., Ltd.	1,561,718.65	377,207.77
Accounts payable	Hainan Tropical Automobile Test Co., Ltd.	1,297,348.12	1,625,476.03
Accounts payable	Changchun FAW United Casting Company	925,760.20	39,972.52
Accounts payable	FAW Changchun Comprehensive Utilization Co., Ltd.	793,257.18	2,361,868.60
Accounts payable	Sanguard Automobile Insurance Co., Ltd.	767,333.24	2,822,789.08
Accounts payable	FAW Logistics (Qingdao) Co., Ltd.	767,333.24	104,662,732.36
Accounts payable	FAW Changchun Communication Technology Co., Ltd.	570,673.57	61,517.85
Accounts payable	Changchun Sodexo Management Service Co., Ltd.	364,975.90	
Accounts payable	FAW Mold Manufacturing Co., Ltd.	265,639.24	1,133,423.20
Accounts payable	The Ninth Institute of Project Planning & Research of China Machinery Industry (FIPPR)	211,295.00	
Accounts payable	FAW Zhixing Technology (Nanjing) Co., Ltd.	162,764.38	16,200.00

Accounts payable	Hongqi Intelligent Mobility Technology (Beijing) Co., Ltd.	161,683.99	326,523.80
Accounts payable	FAW Changchun Baoyou Jiefang Steel Processing and Distribution Co., Ltd.	117,302.64	117,304.27
Accounts payable	FAW Changchun Yanfeng Visteon Electronics Co., Ltd.	113,757.79	51,837.99
Accounts payable	FAW Asset Management Co., Ltd.	95,370.72	226,180.17
Accounts payable	Changchun Automotive Economic and Technological Development Zone Environmental Sanitation and Cleaning Co., Ltd.	74,164.68	451,864.50
Accounts payable	FAW Logistics (Foshan) Co., Ltd.	8,109.00	4,293.00
Accounts payable	Changchun Wabco Automotive Control System Co., Ltd.	2,394.60	5,414,883.93
Accounts payable	Dalian Qiming Haitong Information Technology Co., Ltd.		240,000.00
Accounts payable	China Unicom Intelligent Network Technology Co., Ltd.		30,249.00
Accounts payable	Changchun FAW International Tendering Co., Ltd.		26,778.00
Accounts payable	FAW Changchun Industrial Shuixing Rubber and Plastic Products Co., Ltd.		15,197.33
Accounts payable	FAW Changchun Tianqi Process Equipment Engineering Co., Ltd.		178,081.90
Accounts received in advance	Shandong Pengxiang Automobile Co., Ltd.	210,381.00	210,381.00
Accounts received in advance	Fawer Auto Parts Co., Ltd.	107,748.00	107,748.00
Accounts received in advance	FAW Changchun Communication Technology Co., Ltd.	17,431.21	
Contract liabilities	FAW Jiefang Fujie (Tianjin) Technology Industry Co., Ltd.	534,710,214.15	309,314,130.28
Contract liabilities	Changchun Faw Service Trade Co., Ltd.	37,006,295.80	28,117,018.95
Contract liabilities	China FAW Group Import & Export Co., Ltd.	1,630,202.78	4,240,039.72
Contract liabilities	FAW Changchun Comprehensive Utilization Co., Ltd.	1,060,984.43	2,463,687.98
Contract liabilities	Suzhou Zhito Technology Co., Ltd.	334,399.64	334,400.00
Contract liabilities	Shandong Pengxiang Automobile Co., Ltd.	117,868.88	492,721.62
Contract liabilities	FAW Changchun Automobile Trading Service Co., Ltd.	26,830.00	26,830.00

Contract liabilities	FAW Asset Management Co., Ltd.	26,613.23	
Contract liabilities	FAW New Energy Vehicle Sales (Shenzhen) Co., Ltd.		8,060.00
Other payables	The Ninth Institute of Project Planning & Research of China Machinery Industry (FIPPR)	48,072,993.31	94,265,971.56
Other payables	FAW Mold Manufacturing Co., Ltd.	41,077,996.08	17,227,387.87
Other payables	China FAW Group Import & Export Co., Ltd.	178,714,672.05	10,022,320.82
Other payables	Fawer Auto Parts Co., Ltd.	18,670,420.82	10,095,378.21
Other payables	Qiming Information Technology Co., Ltd.	16,459,597.55	21,046,660.22
Other payables	Changchun Automotive Test Center Co., Ltd.	2,335,846.87	26,847,716.00
Other payables	China FAW Co., Ltd.	3,964,596.49	95,802,940.17
Other payables	SmartLink	2,021,250.49	1,876,477.00
Other payables	Shandong Pengxiang Automobile Co., Ltd.	900,000.00	1,040,000.00
Other payables	FAW Changchun Automobile Trading Service Co., Ltd.	680,077.79	
Other payables	FAW Changchun Communication Technology Co., Ltd.	407,106.82	3,062,361.99
Other payables	Changchun Yidong Clutch Co., Ltd.	144,919.63	
Other payables	Hongqi Intelligent Mobility Technology (Beijing) Co., Ltd.	19,498.41	
Other payables	Suzhou Zhito Technology Co., Ltd.	10,000.00	10,000.00
Other payables	FAW-HONGTA Yunnan Automobile Co., Ltd.	7,841.86	134,832,393.40
Other payables	Sanguard Automobile Insurance Co., Ltd.		77,800.00
Other payables	Changchun Faw Service Trade Co., Ltd.		320,000.00
Other payables	FAW Harbin Light-Automobile Co., Ltd.		8,241,822.24
Other payables	FAW Asset Management Co., Ltd.		3,925.62

XV. Share-based Payment

1. General conditions of share-based payments

Applicable Not applicable

Unit: Yuan

Grantee category	Shares granted in the current period		Shares exercised in the current period		Shares unlocked in the current period		Shares invalidated in the current period	
	Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Amount
Manager							12,621,954.00	79,884,645.54
Total							12,621,954.00	79,884,645.54

Stock options or other equity instruments outstanding at the end of the current period

Applicable Not applicable

Other description:

2. Equity-settled share-based paymentApplicable Not applicable

Unit: Yuan

Measures for determining the fair value of equity instruments on the grant date	Restricted shares are determined according to the closing price on the grant date, and stock options are determined according to the B-S option pricing model.
Important parameters of fair value of equity instruments on the grant date	Quoted prices in active markets
Basis for determining the number of exercisable equity instruments	The Company determines the number according to the Proposal on the Restricted Share Incentive Plan of FAW JIEFANG GROUP CO., LTD. (Draft) and Its Summary, the Proposal on the Regulations for the Implementation Assessment of Restricted Share Incentive Plan of FAW JIEFANG GROUP CO., LTD., the Proposal on the Regulations for Restricted Share Incentive of FAW JIEFANG GROUP CO., LTD., and the Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors to Handle Matters Related to the Company's Restricted Share Incentive Plan.
Reasons for significant differences between current estimates and previous estimates	N/A
Aggregate amount of equity-settled share-based payment charged to the capital reserve	50,594,181.86
Total expenses recognized by equity-settled share-based payment in the current period	-2,522,576.58

Other description:

3. Cash-settled share-based payment

Applicable Not applicable

4. Share-based payment expenses in the current period

Applicable Not applicable

Unit: Yuan

Grantee category	Equity-settled share-based payment expenses	Cash-settled share-based payment expenses
Manager	-2,522,576.58	
Total	-2,522,576.58	

Other description:

XVI. Commitments and Contingencies

1. Important commitments

Important commitments existing on the balance sheet date

The Company has no other commitments that should be disclosed as of December 31, 2024.

2. Contingencies

(1) Important contingencies existing on the balance sheet date

Contingent liabilities arising from pending litigation and arbitration and their financial impact

Unit: Yuan

Plaintiff	Defendant	Cause of Action	Court of Acceptance	Subject Amount	Case Progress
Sun Zhongwu	Zaozhuang Jujin Vehicle Co., Ltd., and China FAW Group Co., Ltd.	Product liability cases	Yicheng District People's Court of Zaozhuang City	1,580,000.00	First instance
Zhao Qianqian, Yu Xiufeng, Li Shunxi, Li Mengyuan	Jilin Anrui Lifting Transportation Co., Ltd., Shandong Yongseng Rubber Group Co., Ltd., and China FAW Group Co., Ltd.	Product liability dispute	Gaobeidian Municipal People's Court of Hebei Province	1,289,951.00	First instance
Liling Huatong Logistics Transportation Co., Ltd., Feng Xianwei, Liu Mu, Feng Xueren	China FAW Group Co., Ltd., Changsha FAW Automobile Co., Ltd., Asia-Pacific Property Insurance Co., Ltd. Hunan Branch	Product liability dispute	Changsha County People's Court of Hunan Province	1,033,154.64	First instance

Plaintiff	Defendant	Cause of Action	Court of Acceptance	Subject Amount	Case Progress
Dubon Property Insurance Co., Ltd. Qingbaijiang Branch	China FAW Group Co., Ltd. Sichuan Feichi Vehicle Co., Ltd.	Product liability cases	Longmatan District People's Court of Luzhou City	1,011,245.00	First instance

As of December 31, 2024, the Company has no contingencies other than those mentioned above that should be disclosed.

(2) Explanation is also required when the Company has no important contingencies to be disclosed

The Company has no important contingencies to be disclosed.

(3) Other information required by the industry information disclosure guidelines

The Company shall meet the disclosure requirements for the automobile manufacturing industry specified in the "No.3 Guideline of Shenzhen Stock Exchange on Self-Regulatory Supervision of Listed Companies - Industry Information Disclosure."

The sales amount of mortgage sales, financial leases and other modes account for more than 10% of the operating income.

Applicable Not applicable

The Company's guarantee to dealer

Applicable Not applicable

XVII. Events after the Balance Sheet Date

1. Profit distribution

Dividends to be distributed per 10 shares (Yuan)	0.50
Dividends per 10 shares declared upon deliberation and approval (Yuan)	0.50
Profit distribution scheme	<p>Based on the 4,922,371,176 shares of the Company, a cash dividend of 0.5 yuan (tax inclusive) will be distributed to all shareholders for every 10 shares they hold; the cash dividends to be distributed will reach 246,118,558.80 yuan (tax inclusive), and the remaining undistributed profits will be carried forward to the next accounting year. The Company does not convert its capital reserves into share capital.</p> <p>For any change to the total share capital of the Company due to the equity incentive plan before the implementation of the distribution plan, the cash dividend of</p>

	<p>0.50 yuan (tax inclusive) will be distributed to all shareholders per 10 shares based on the total share capital registered on the date of record when the profit distribution plan is implemented in the future, and the specific amount will be subject to the actual distribution.</p> <p>This distribution plan is subject to the review and approval of the 2024 annual shareholders' meeting before implementation.</p>
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2. Notes on other events after the balance sheet date

In accordance with the construction requirements of Chengdu's Ecological Ring Zone, the Sanhe Street Office of Xindu District People's Government in Chengdu plans to expropriate and demolish relevant buildings, land, and attached facilities owned by the Company's subsidiary, Jiefang Limited, located in Xindu District, Chengdu. On March 7, 2025, the Company convened the 23rd meeting of its 10th Board of Directors and approved the "Proposal on the Expropriation of Subsidiary's Land, Buildings and Other Assets." Jiefang Limited intends to sign an "Ecological Ring Zone Construction Project Demolition Compensation Agreement" with the Sanhe Street Office of Xindu District People's Government in Chengdu. The total compensation for this expropriation is expected to be 215 million yuan.

As of March 28, 2025, the Company had no events after the balance sheet date to be disclosed.

XVIII. Other Significant Matters

On October 25, 2024 and November 10, 2024, the Company held the 17th and 18th meetings of the 10th Board of Directors, respectively, and on November 21, 2024, convened the third extraordinary shareholders meeting of 2024, approving proposals related to the Company's significant asset disposal. The Company signed an Equity Transfer Agreement with FAW Co., Ltd., agreeing to sell its 21.8393% equity stake in First Automobile Finance Co., Ltd. to FAW Co., Ltd. for 4,923,886.1 thousand yuan (this price would be adjusted accordingly if First Automobile Finance Co., Ltd. distributes cash dividends for profits earned before the valuation reference date). On December 19, 2024 and December 24, 2024, the Company received dividend payments from First Automobile Finance Co., Ltd. and equity transfer payments from FAW Co., Ltd., totaling 4,923,886.1 thousand yuan. As of March 28, 2025, First Automobile Finance Co., Ltd. still needs to complete the business registration change procedures.

XIX. Notes to Major Items of Parent Company's Financial Statements**1 Other receivables**

Unit: Yuan

Item	Ending balance	Opening balance
Dividends receivable	156,960,226.90	
Other receivables	6,314,003,121.96	219,864.00
Total	6,470,963,348.86	219,864.00

(1) Dividends receivable**1) Classification of dividends receivable**

Unit: Yuan

Item (or Investee)	Ending balance	Opening balance
First Automobile Finance Co., Ltd.	156,960,226.90	
Total	156,960,226.90	

(2) Other receivables**1) Classification of other receivables by nature**

Unit: Yuan

Nature	Ending book balance	Beginning Book Balance
Current account	6,314,127,833.96	459,006.26
Total	6,314,127,833.96	459,006.26

2) Disclosure by aging

Unit: Yuan

Aging	Ending book balance	Beginning Book Balance
Within 1 year (including 1 year)	6,313,668,827.70	
Including: 0-6 months	6,313,668,827.70	
2-3 years		459,006.26
Over 3 years	459,006.26	
3-4 years	459,006.26	
Total	6,314,127,833.96	459,006.26

3) Disclosure by the method of provision for bad debts

Unit: Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for Bad Debts		Book Value	Book balance		Provision for Bad Debts		Book Value
	Amount	Scale	Amount	Provision proportion		Amount	Scale	Amount	Provision proportion	
Including:										
Provision for bad debts made by portfolio	6,314,127,833.96	100.00%	124,712.00	0.00%	6,314,003,121.96	459,006.26	100.00%	239,142.26	52.10%	219,864.00
Including:										
Aging portfolio	6,314,127,833.96	100.00%	124,712.00	0.00%	6,314,003,121.96	459,006.26	100.00%	239,142.26	52.10%	219,864.00
Total	6,314,127,833.96	100.00%	124,712.00	0.00%	6,314,003,121.96	459,006.26	100.00%	239,142.26	52.10%	219,864.00

Bad debt provision made as per portfolio:

Unit: Yuan

Name	Ending balance		
	Book balance	Provision for Bad Debts	Provision proportion
Provision for bad debts made by portfolio	6,314,127,833.96	124,712.00	0.002%
Total	6,314,127,833.96	124,712.00	

Description of the basis for determining this portfolio:

Provision for bad debts based on the general model of expected credit losses:

Unit: Yuan

Provision for Bad Debts	Stage I	Stage II	Stage III	Total
	Expected Credit Losses for the Next 12 Months	Expected credit loss in the duration (credit impairment not occurred)	Expected credit loss for the entire duration (with credit impairment)	
Balance as of January 1, 2024		239,142.26		239,142.26
Balance on January 1, 2024 in the current period				
Provision in the current period		-114,430.26		-114,430.26
Balance as of December 31, 2024		124,712.00		124,712.00

Basis for stage classification and bad debt provision rates: Stage II provisions are based on aging, with a provision ratio of 27.17% for 3 to 4 years.

Significant book balance changes occurred in the provision for losses in the current period

Applicable Not applicable**4) Top five ending balances of other receivables classified by debtors**

Unit: Yuan

Name of Unit	Nature of Payment	Ending balance	Aging	Proportion in total ending balance of other receivables	Ending Balance of Provision for Bad Debts
FAW Jiefang Automotive Co., Ltd.	Current account	6,313,668,827.70	Within 1 year	99.99%	
Changchun Committee of Municipal and Rural Construction	Current account	459,006.26	3-4 years	0.01%	124,712.00
Total		6,314,127,833.96		100.00%	124,712.00

2. Long-term equity investment

Unit: Yuan

Item	Ending balance			Opening balance		
	Book balance	Impa	Book Value	Book balance	Impa	Book Value

		irment Provision			irment Provision	
Investment in subsidiaries	21,611,015,169.73		21,611,015,169.73	21,084,445,613.03		21,084,445,613.03
Investment in associated enterprises and joint ventures	184,102,155.37		184,102,155.37	4,509,604,357.16		4,509,604,357.16
Total	21,795,117,325.10		21,795,117,325.10	25,594,049,970.19		25,594,049,970.19

(1) Investment in subsidiaries

Unit: Yuan

Investee	Opening balance (book value)	Opening balance of impairme nt provision	Increase/Decrease in the current period				Ending balance (book value)	Ending balance of impairme nt provision
			Additional Investment	Reduc ed Invest ment	Impair ment Provisi on	Othe rs		
FAW Jiefang Automotive Co., Ltd.	21,084,445,613.03		-2,522,576.52				21,081,923,036.51	
FAW (Africa) Investment Co., Ltd.			329,092,133.22				329,092,133.22	
FAW Jiefang Group International Automobile Co., Ltd.			200,000,000.00				200,000,000.00	
Total	21,084,445,613.03		526,569,556.70				21,611,015,169.73	

(2) Investment in associated enterprises and joint ventures

Unit: Yuan

Investee	Opening balance (book value)	Openi ng balan ce of impair ment provis ion	Increase/Decrease in the current period								Ending balance (book value)	E n d i n g b a l a n c e o f i
			Ad diti ona l Inv est me nt	Reduced Investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Chan ges in other equity	Cash dividends and profits declared to pay	Impai rment Provi sion	Oth ers		

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Ltd.											
Subtotal	4,509,604,357.16			3,887,756,356.82	274,277,967.89	11,753,606.24		723,777,419.10			184,102,155.37
Total	4,509,604,357.16			3,887,756,356.82	274,277,967.89	11,753,606.24		723,777,419.10			184,102,155.37

The recoverable amount is the net amount of the fair value after deducting the disposal expenses

Applicable Not applicable

The recoverable amount is the present value of the expected future cash flow

Applicable Not applicable

Reason for apparent discrepancies between the foregoing information and the information used in the impairment test or external information in the previous year:

None

Reason for apparent discrepancies between the information used in the Company's impairment test of the previous year and the actual situation in the current year:

None

3. Investment income

Unit: Yuan

Item	Amount Incurred in Current Period	Amount Incurred in the Previous Period
Long-term equity investment income calculated with cost method	353,500,000.00	
Income from long-term equity investments accounted for using the equity method	274,277,967.89	325,302,522.88
Investment income from the disposal of long-term equity investment	469,265,324.69	
Total	1,097,043,292.58	325,302,522.88

XX. Supplementary Information**1. Breakdown of non-recurring profit or loss of the current period**Applicable Not applicable

Unit: Yuan

Item	Amount	Description
Profits or losses on disposal of non-current assets	-2,556,987.30	It refers to the net gain on disposal of non-current assets.
Government subsidies included in the current profit or loss (except those closely related to the Company's normal operations, conforming to the State policies and regulations and enjoyed in line with the specified standards, and having a continuous impact on the profit or loss of the Company)	618,258,791.46	
Reversal of impairment provision for receivables subject to a separate impairment test	65,749,100.00	The reversal of impairment provision for receivables is subject to a separate impairment test.
Net current profit and loss of the subsidiary acquired in a business combination involving entities under common control from the beginning of the period to the combination date	132,844,483.67	The current net profit and loss of the subsidiary were acquired in a business combination involving entities under common control from the beginning of the period to the combination date.

Non-operating income and expenses other than the above	76,695,007.35	The net non-operating income and expenses.
Other losses and profits conforming to the definition of non-recurring profit and loss	469,265,324.69	Other non-recurring profits and losses.
Less: amount affected by income tax	130,656,414.24	
Amount affected by minority shareholder's equity (after-tax)	36,843,452.64	
Total	1,192,755,852.99	--

Specific conditions of other profit and loss items meeting the definition of non-recurring profit and loss:

Applicable Not applicable

There is no specific conditions of profit and loss items meeting the definition of non-recurring profit and loss for the Company.

Explanation on defining the non-recurring profit and loss items listed in the Explanatory Announcement No.1 on Information Disclosure by Companies Issuing Securities Publicly - Non-recurring Profit and Loss as recurring profit and loss items

Applicable Not applicable

2. Return on net assets and earnings per share

Profit for the Reporting Period	Weighted average return on equity	Earnings per Share	
		Basic earnings per share (Yuan/share)	Diluted earnings per share (Yuan/share)
Net profit attributable to ordinary shareholders of the Company	2.45%	0.1266	0.1266
Net profit attributable to ordinary shareholders of the Company after deduction of non-recurring profit and loss	-2.25%	-0.1160	-0.1160

3. Differences in accounting data under domestic and foreign accounting standards

(1) Differences in net profits and net assets in the financial report disclosed simultaneously according to the international accounting standards and Chinese accounting standards

Applicable Not applicable

(2) Differences in net profits and net assets in the financial report disclosed simultaneously according to foreign accounting standards and Chinese accounting standards

Applicable Not applicable

(3) Explanation of the reasons for accounting data differences under domestic and foreign accounting standards shall be given, and where data audited by an overseas audit authority has been adjusted based on the differences, the name of the overseas institution shall be indicated.

Applicable Not applicable